GW - 347

PERMITS, RENEWALS, & MODS Application

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

AUGUST 28, 2012

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

Dear Mr. Jacobson:

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Completions - Farmington), and **GW - 075** (Weatherford Completions and Construction Services – Hobbs) are hereby rescinded and you are not required to proceed with the renewal of this expired or soon to expire WQCC Discharge Permit.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

Because this WQCC Discharge Permit is no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste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

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

Thank you for your cooperation.

Jami Bailey
Director

JB/gvg

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 6/25/08

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

from Weatherford

for GW-347

Submitted by: Lauralee Romero Date: 7/8/08

Submitted to ASD by: Lauralee Romero Date: 7/8/08

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 _____

Weatherford®

June 30, 2008

Mr. Leonard Lowe
Oil Conservation Division, EMNRD
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: OCD Discharge Plan # GW-347--------Discharge Plan Renewal GW-347 for Weatherford U.S., L.P. Completions Located at 514 E. Animas, Farmington, New Mexico

Dear Mr. Lowe,

Please find included with this letter a signed copy of the Discharge Permit Renewal for the GW-347 Weatherford U.S.,L.P. Completion Services Facility located at 514 E. Animas, Farmington, New Mexico. Also included please find a check for $ 1,700.00 to satisfy the permit fee.

Weatherford has appreciated the timely assistance received from NM OCD personnel in preparing this plan and renewal. If there are any questions or comments regarding this plan please contact CB Jacobson at (801) 491-0527.

Sincerely,
Weatherford International, Inc.

CB Jacobson
Senior Environmental Project Manager HSSE

Attms.

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of $100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required $100.00 filing fee. The flat fee for an Oil and Gas Service Company is $1700.00. Please submit this amount along with the signed certification item 23 of this document. Checks should be made out to the New Mexico Water Quality Management Fund.

2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on May 27, 2012** 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 of this facility on January 15, 2008. The inspection concluded no major concerns with the facility. The OCD recommends that waste stream bins be properly identified, see condition 10. Inspection photos are attached. **This facility has operated more than one year without a discharge permit. It is the responsibility of the permitee to resubmit their application 120 days before expiration.**

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."

Weatherford U S, LP
Company Name-print name above

Cecil B Jacobson
Company Representative- print name

Cecil B Jacobson
Company Representative- Signature

Title Environmental Project Manager

Date: June 30, 2008

OCD Inspection: Weatherford, E. Animas Street, GW - 347

Inspectors: Brandon Powell and Leonard Lowe

Company Rep: Mr. CB Jacobson and local Weatherford personnel

Date: 01.15.08 Time: 14:40 – 15:10

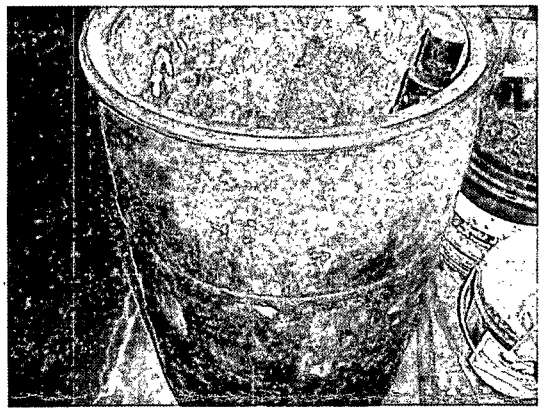


Photo 1: Trash bin not labeled for waste.

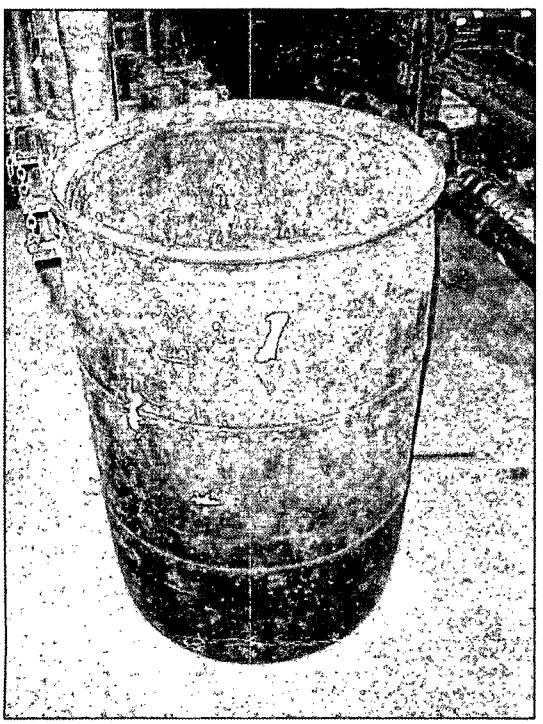


Photo 2: Another unlabeled waste bin.

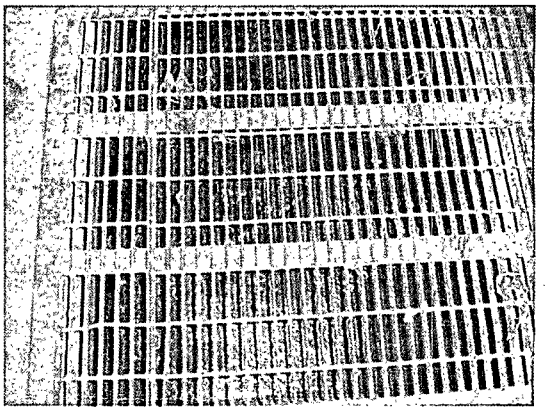


Photo 3: Sump with liquids.

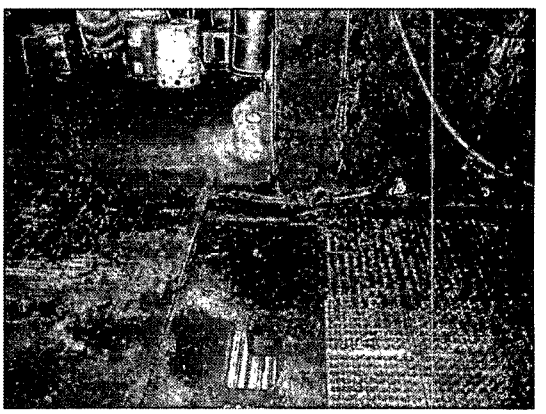


Photo 4: Floor near sump.

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

June 3, 2008

Mr. CB Jacobson
Weatherford International Ltd.
735 E. 1400 N
Mapleton, Utah 84664

Re: Discharge Permit Renewal
Completion Oil and Gas Service Company (GW-347)
SE/4 NW/4 Section 15, Township 29 North, Range 13 West, NMPM,
San Juan County, New Mexico

Dear Mr. Jacobson:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Weatherford U.S., L.P.,** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 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. Please submit this amount along with the signed certification item 23 of this document. Checks should be made out to the New Mexico Water Quality Management Fund.

2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on May 27, 2012** 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 of this facility on January 15, 2008. The inspection concluded no major concerns with the facility. The OCD recommends that waste stream bins be properly identified, see condition 10. Inspection photos are attached. **This facility has operated more than one year without a discharge permit. It is the responsibility of the permitee to resubmit their application 120 days before expiration.**

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:_____

OCD Inspection: Weatherford, E. Animas Street, GW - 347

Inspectors: Brandon Powell and Leonard Lowe

Company Rep: Mr. CB Jacobson and local Weatherford personnel

Date: 01.15.08 Time: 14:40 – 15:10

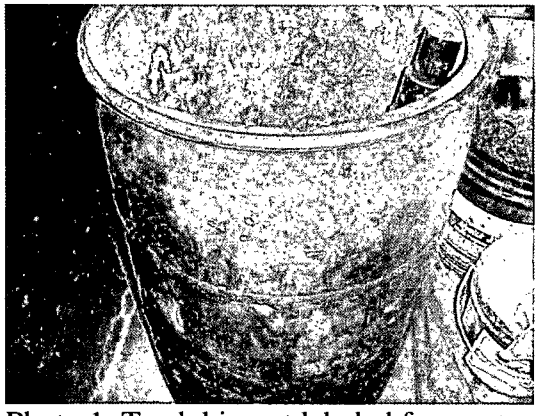


Photo 1: Trash bin not labeled for waste.

Photo 2: Another unlabeled waste bin.

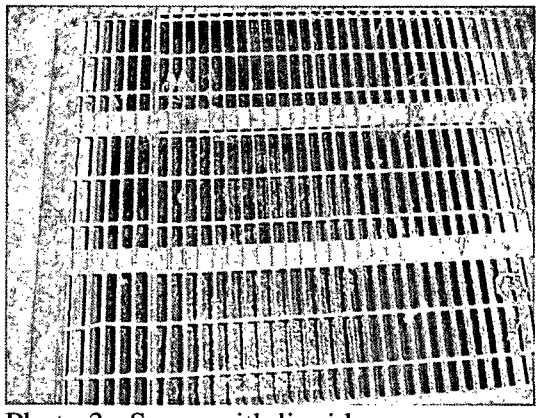


Photo 3: Sump with liquids.

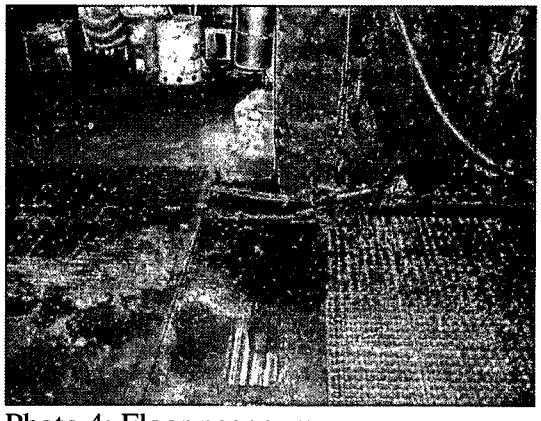


Photo 4: Floor near sump.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, April 02, 2008 10:58 AM
To: 'Jacobson, Cecil B'
Cc: Powell, Brandon, EMNRD; Perrin, Charlie, EMNRD
Subject: GW-347, Administratively Complete
Attachments: GW-347, Admin Complete Letter.pdf; GW-347, Draft Permit.pdf; GW-347 OCD PN.pdf

Mr. CB Jacobson,

The submitted discharge plan application for GW-347 has been deemed **Administratively Complete** by the NMOCD.

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

Please provide the applicant public notice to our office for review.

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

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 2, 2008

Mr. CB Jacobson

Re: Discharge Plan Renewal Permit GW-347
Weatherford U.S., L.P.
Completion Facility, 514 East Animas Street
San Juan County, New Mexico

Dear Mr. Jacobson:

The New Mexico Oil Conservation Division (NMOCD) has received Weatherford U.S., L.P.'s request and initial fee, dated March 7, 2008, to renew GW-347 for the Weatherford Oil and Gas Service facility, 514 East Animas Street, Farmington N.M., located in the SE/4 NW/4 of Section 15, Township 29 North, Range 13 West, NMPM, San Juan 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

LRL/lrl

xc: OCD District III Office, Aztec

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 2, 2008

Mr. CB Jacobson
Weatherford International Ltd.
735 E. 1400 N
Mapleton, Utah 84664

Re: **DRAFT** Discharge Permit Renewal
Completion Oil and Gas Service Company (GW-347)
SE/4 NW/4 Section 15, Township 29 North, Range 13 West, NMPM,
San Juan County, New Mexico,

Dear Mr. Jacobson:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Weatherford U.S., L.P.,** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 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 a Oil and Gas Service Company is $1700.00. Please submit this amount along with the signed certification item 23 of this document after the final permit is issued in approximately 45 days. Checks should be made out to the New Mexico Water Quality Management Fund.*

2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on May 27, 2012** 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: (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:_____

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-347) Weatherford U.S., L.P., 515 Post Oak Boulevard, Suite 600, Houston, TX 77027, has submitted a renewal application for their previously approved discharge plan permit for their Completion Gas and Oil Service Company, 514 East Animas Street, Farmington, N.M., located in the SE/4 NW/4 of Section 15, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico. The facility provides downhole packers and other completion tools to the oil production industry. Approximately 120 gallons/day of wash water, 2 gallons/day of waste oil, 220 gallons/year of sump wash and a variety of paint cans and lubricant oils will be used, generated and stored on site. Fluids shall be placed in approved containers and properly stored within secondary containment. All waste streams shall be manifested accordingly. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 - 30 feet, with a total dissolved solids concentration of approximately 600 - 0900 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 2nd 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 12/20/07

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

from Weatherford

for GW-347

Submitted by: Lawrence Romero Date: 3/18/08

Submitted to ASD by: Lawrence Romero Date: 3/18/08

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 _____

Weatherford®

March 7, 2008

Mr. Leonard Lowe
Oil Conservation Division, EMNRD
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: OCD Discharge Plan # GW-347-------Discharge Plan Renewal GW-347 for Weatherford U.S., L.P. Completion Facility, 514 East Animas Street, Farmington, New Mexico

Dear Mr. Lowe:

Weatherford U.S.,L.P. is pleased to submit this Discharge Plan Renewal for the Weatherford U.S., L.P. Completion Facility located at 514 East Animas Street, Farmington, New Mexico. Weatherford personnel have reviewed this plan and have given their approval for its submission. The plan renewal has changes and additions from the original plan in the following areas:

It represents only the Animas Street Facility,

SEC. 6 Some minor changes in the chemical lists,

SEC. 10 Inspection procedure for the wash water collection system including sumps and piping, Maintenance and inspection check off sheet,

Weatherford has included a $ 100.00 check for the filing fee for the renewal submission. Weatherford's environmental office in Houston, Texas will handle the flat fees for oil and gas field service facilities.

Weatherford has appreciated the timely assistance received from NM OCD personnel in preparing this plan and renewal. If there are any questions or comments regarding this plan please contact CB Jacobson at (801) 491-0527.

Sincerely,
Weatherford International, Inc.

CB Jacobson
Senior Environmental Project Manager HSSE

Attm.
CC. Steve Wayman, Weatherford Completion
Joe Dandy, Weatherford U.S., L.P.

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 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 FACILITES AND CRUDE OIL PUMP STATIONS

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

☐ New ☒ Renewal ☐ Modification

1. Type: Oilfield Service Facility
2. Operator: Weatherford U.S.,L.P.

   Address: 514 East Animas Street Farmington, New Mexico 87401

   Contact Person: Mr. Steve Wayman Phone: (505) 326-5141

3. Location: SE /4 NW /4 Section 15 Township 29 N Range 13 W
   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: Steve Wayman Title: Operations Mgr

Signature: Steve Wayman Date: 3-4-08

Weatherford®

Weatherford U.S., Limited Partnership

Discharge Plan Renewal for GW-347
Weatherford U.S., L.P. Completion Facility
Located at

---

514 East Animas Street
Farmington, New Mexico

TABLE OF CONTENTS

List of Figures

List of Tables

APPENDICES

1. Type of Oilfield Facility

Weatherford U.S., Limited Partnership, is preparing this Discharge Plan Renewal application for their oilfield service facility located at 514 East Animas Street in Farmington, New Mexico in compliance with the New Mexico Oil and Gas Act and the Water Quality Act. The New Mexico Oil Conservation Division (OCD) administers these regulations with approval of the New Mexico Water Quality Control Commission (WQCC). This Discharge Plan sets forth the details of the methods and techniques to be used at the facility to prevent unauthorized discharge of liquids and ensure compliance with WQCC and OCD regulations. WQCC Regulation 3106.B requires submittal and approval of a Discharge Plan prior to start of facility discharges. The following sections provide the Discharge Plan information required by the ODC for Oilfield Service Facilities.

The Weatherford facility covered by this Discharge Plan provides the following oilfield services. The Weatherford Completions & Oilfield Services located at 514 E Animas St. provided down hole packers and other completion tools to the oil production industry. Equipment returned from the field is steamed cleaned to remove dirt, oil and grease, repaired if necessary and repainted prior to being returned to the rental inventory. The equipment will remain in inventory until the next rental or sale.

The facility does not perform any on-site waste disposal. All wastes produced by the facility are transported off-site by licensed transporters and recycled or disposed by permitted operators.

2. Facility Operator

The operator of the facility is:

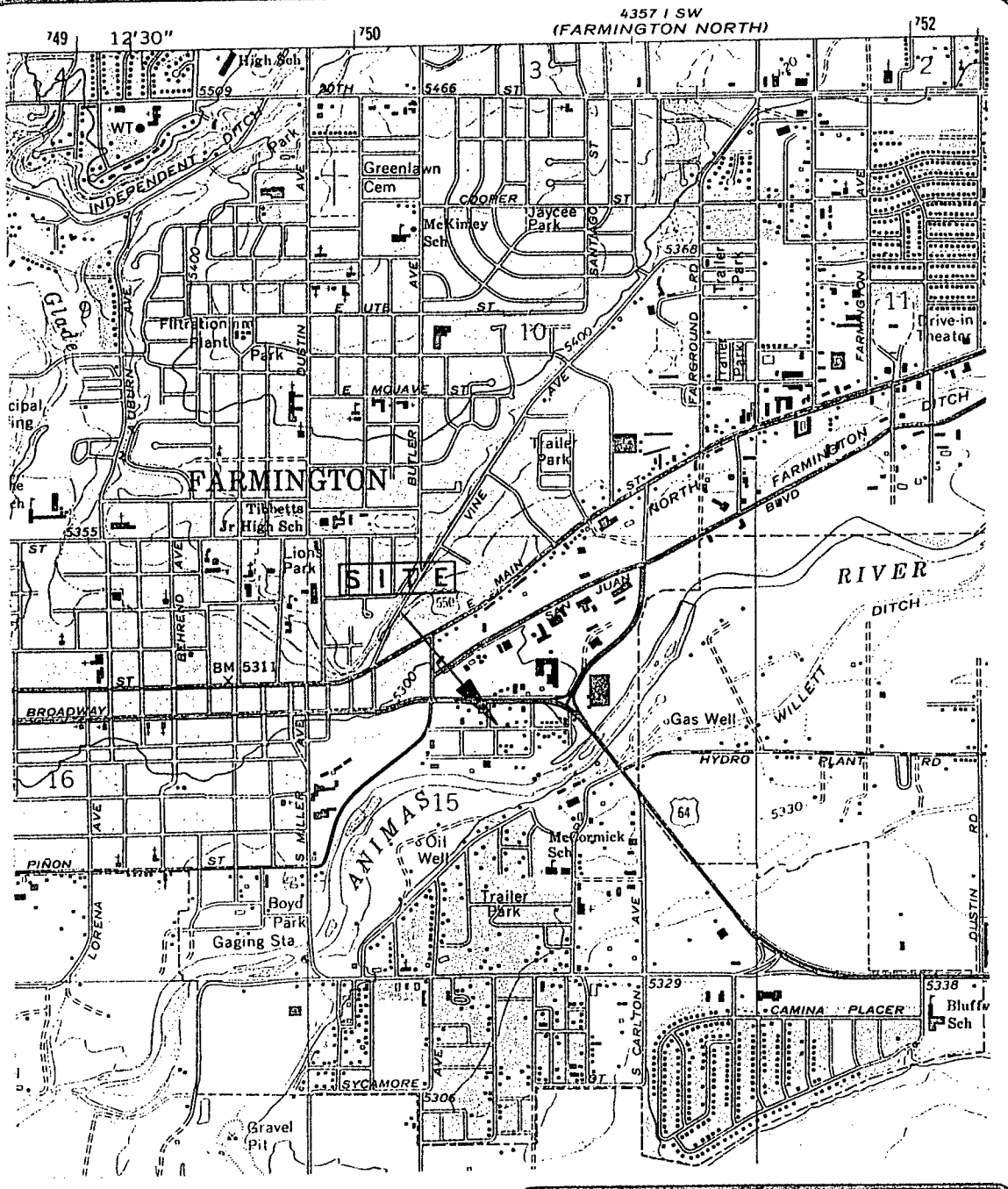
Weatherford U.S., L. P.
515 Post Oak Boulevard, Suite 600
Houston, Texas 77027
(713) 693-4000

The Farmington Completions facility contact:

Weatherford Completion & Oilfield Services
Mr. Steve M. Wayman
514 E. Animas St.
Farmington, New Mexico 87401
(505) 326-5141

3. Facility Location

The Weatherford Completion and Oilfield Services (Completion) facility is located at 514 E. Animas Street, Farmington, New Mexico. The site is located in the SE / 4, of the NW / 4, of Section 15, Township 29 N, Range 13 W in San Juan County, New Mexico. A USGS topographic map showing the approximate location of the facility is provided as Figure 1. The USGS map was photorevised in 1979 using aerial photographs taken in 1978.



USGS 7.5 Minute Quadrangle Map

SCALE 1:24 000

Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 1
SITE LOCATION MAP
514 E. ANIMAS
WEATHERFORD COMPLETION
FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

4. Landowner of Facility

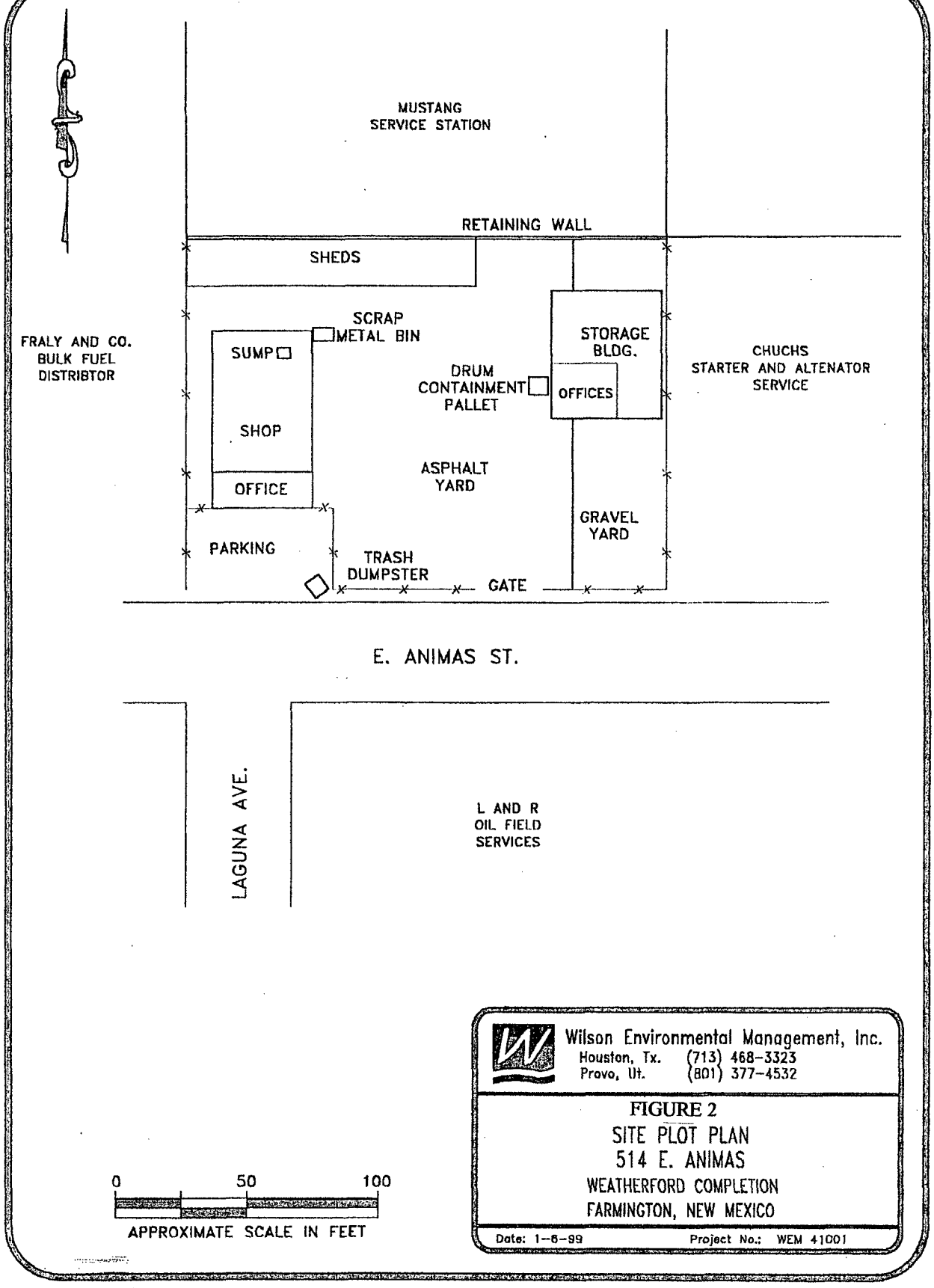
The landowner of the 514 E Animas Street Facility:

BBT Management
3300 N. Knudsen Ave.
Farmington, NM 87401
Phone (505) 325-4266

5. Facility Description

The facility is located within the City of Farmington. Water and sewer services are supplied by the city. The facility is fully fenced and gated accept for the asphalt paved parking areas in front of the office. A site plot plan for the facility indicating the location of the facility structures, containment areas and fencing is provided as Figure 2.

The Completion facility is approximately 0.6 acres in size with two metal framed buildings and a covered storage area along the north border of the property. The main building, located on the west side of the property, contains a front office section and shop section. The building in the north east corner of the property is used primarily for warehousing and storage. The buildings were built in the early 1980's. Weatherford Completion activities at the site include service and repair of completion tools and equipment, which include steam cleaning and painting. Painting servicing, repair and washing activities are performed inside the shop building. Washing operations are carried out in a wash tank that drains to an inground two chambered sump. The sump is configured to trap solids in the first section and oil in the second chamber. Oil absorbent diapers are used to collect oil that floats to the top of the second chamber. The oil absorbent diapers are periodically changed to ensure efficient operation. A portable containment skid is located on the west side of the storage building. Drums containing wastes are stored on this pallet for transport and disposal. While drums are contained on the containment pallet, the drums are covered with a tarp to prevent rainwater accumulation in the containment. Also, a scrap metal bin is located at the northeast corner of the shop building. The storage shed and remainder of the yard is used for dry parts and materials storage. All of these features are located on the Completion Facility Site Plot Plan Figure. 2.



Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 2
SITE PLOT PLAN
514 E. ANIMAS
WEATHERFORD COMPLETION
FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

FILE NAME: WF-514ANIMAS.dwg 02/25/02

6. List of Materials Stored or Used at the Facility

Table 1 provides a list of materials currently used by Weatherford Completion 514 E Animas Street Facility. The table includes the quantity stored, storage location and the method of disposal used for each material. MSDS sheets for all chemical products are kept at the site.

TABLE -1
PRODUCTS USED/STORED AT 514 E Animas FACILITY

Product Type/ Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
PAINT					
Krylon - red	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon-High temp Aluminum	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon - Brown	aerosol	12 oz can	3	shop - flammible cabinet	empties put into municipal trash
Krylon - yellow	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Krylon - royal blue	aerosol	12 oz can	2	shop - flammible cabinet	empties put into municipal trash
Krylon - flat white	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Krylon - bright gold	aerosol	12 oz can	12	shop - flammible cabinet	empties put into municipal trash
Diamond - black	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Crown Water based Paint	liquid	5 gallon bucket	2	shop - flammible cabinet	empties put into municipal trash
PAINT THINNER					
Xyleen	Liquid	1 gallon can	1	shop - flammible cabinet	empties put into municipal trash
SOLVENTS/DEGREASERS					
FUELS					
MISCELLANEOUS					
ZEP Recirculation Detergent	Liquid	5 gallon bucket	2	Shop Cabinet	empties put into municipal trash
Laundry Detergent	Liquid	1 gallon	4	Shop Cabinet	empties put into municipal trash
Bleach	Liquid	1 gallon	2	Shop Cabinet	empties put into municipal trash

|::

TABLE -1
PRODUCTS USED/STORED AT 514 E Animas FACILITY

Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
LUBRICANTS/OILS					
ZEP - dry moly spray	aerosol	14 oz can	24	shop - flammible cabinet	empties put into municipal trash
Liquid-O-Ring	liquid	5 gallon bucket	2	shop	empties put into municipal trash
LE - multi purpose oil	liquid	quart plastic	3	shop - paint room	empties put into municipal trash
Myastik-multi purpose grease	solid	14 oz tube	13	shop	empties put into municipal trash
Myastik-multi purpose grease	solid	5 gallon bucket	2	shop	empties put into municipal trash
Lock Tight	liquid	6 oz can	1	shop	empties put into municipal trash
Air tool oil	liquid	12 oz can	8	shop	empties put into municipal trash
Compressor oil	liquid	12 oz can	2	shop	empties put into municipal trash
Dyna System-anti-sieze	aerosol	15 oz can	2	shop - flammible cabinet	empties put into municipal trash
Pipe Dope	Solid	1 gallon	2	shop	empties put into municipal trash
WD-40	aerosol	12 oz can	4	shop - flammible cabinet	empties put into municipal trash

7. Present Sources of Effluent and Waste Solids

A description of the waste generating processes and the quantity of waste generated is provided for the facility below.

Completion 514 E. Animas Street Facility

WASTE TYPE	COMPOSITION OR SOURCE	VOLUME PER MONTH	DISPOSAL NOTES
Truck Wastes	None	NA	NA
Truck/Tank Washing	None	NA	NA
Wash Water from Steam Cleaning of Equipment	Wash Water passes through the two chamber sump. Dirt, Oil and Grease are collected in the sump	120 gallons of water per day	Waster disposed to sewer from sump. Separated Oil and Sludge are disposed through Safety-Kleen
Sump Sludge from Steam Cleaning of Equipment	Wash Sump Sludge Containing Dirt, Water and Hydrocarbons	220 gallons per year	Disposed as Non-Haz Waste Through Safety-Kleen Vacuum Truck Service
Used Antifreeze	None	None	None
Used Oil / Oil From Sump	Oil collected from sump using absorbent Diapers	2 gallons per month	Collected from sump oil water separator stored in drums for disposal as Sump Sludge through Safety-Kleen
Used Lubrication Hydraulic Oil and Motor Oils	None	None	None
Solvents	None	None	None
Paint Wastes	Water base Paint, No thinners used. Paint cans allowed to dry	0.0	Dry cans placed in dumpster for Trash collection
Other Waste Solids	Empty aerosol and lubricant containers Cans are punctured and drained of liquids	10 containers	Crushed and disposed through trash collection

8. Current Liquid and solids Collection / Treatment / Disposal Procedures

A description of the waste collection, treatment and disposal for each of the waste streams described in the previous section is provided below. Shipping Manifest and hazardous waste characterization sample analytical results of sump sludge for the Completion facility are provided in Appendix A.

8.1. Wash Water Collection/Treatment/Disposal

The wash water collection and treatment system at the completion facility consists of an above ground washing trough that drains to an inground two chamber sump. The first chamber separates and collects solids from the wash water and is 3.5' by 4' by 4.5' deep. The second chamber separates and collects oil and grease and is 2' by 4' by 4.5' deep. The floating oil and grease is collected by means of oil absorbent diapers. The oil absorbent diapers are floated on top of the second chamber and are inspected weekly. When the diapers are saturated with oil and grease, they are placed in an open top 55 gallon steel drums to be combined with the sump sludge. Water from the inground sump is discharge to the city sewer service via an underground line. Approximately 120 gallons per day are discharged to the city sewer as part of daily washing operations at the facility.

8.2. Solids/Sludge from Sumps

Solids and sludge generated at the Completion facility are produced during the steam cleaning of equipment and will be captured in the sediment trap (sump) within the shop. The sump wastes consist of a mixture of sand, grit and drilling mud that has been impacted with hydrocarbons. The sump material is vacuumed out of the sump every year by Safety-Kleen. The solids and liquids are transported by Safety Kleen to the Seaboard Rail Car Repair Disposal Facility locate at 1806 West Garrett Rd. Hugo, OK 74743 a licensed disposal Facility. Approximately 18 gallons of mixed sump sludge, water and oil is produced every month at the Completion facility. Analytical testing of this material indicates that it is a non-hazardous waste.

8.3. Used Antifreeze

There is no waste or new antifreeze stored or disposed from the facility.

8.4. Solvent Use

The Completion facility does not use solvents or dispose of solvents from their facility.

8.5. Slop Oil, Used Lubrication and Motor Oils

The Completion facility does not generate appreciable quantities of used oil. The slop oil collected from the in ground sump is absorbed using floating pads and placed in a 55 gallon drum for pickup and disposal by Safety-Kleen when the sump is cleaned out.

8.6. Paint Wastes

All paints used at the facilities are water based paints or aerosol. Neither facility stores nor disposes of paint thinner. Paint cans are allowed to dry before they are disposed of in the trash bin. All aerosol cans are collected and stored in a 55 gallon drum. The aerosol cans are discharged using a puncture devise that drains and collects the remaining liquids in the can. The cans are then placed in the municipal dumpster for disposal.

8.7. Oil Filters

The completion facility does not generate any oil filter.

8.8. Other Solid Wastes

Empty aerosol cans, lubricant, oil containers and miscellaneous materials are placed in an on-site dumpster for collection by truck. The materials in the dumpster are collected by Waste Management of Four Corners and transported to the San Juan County Landfill for disposal. Waste Management of Four Corners annually verifies the composition of the waste stream. Scrap metal is collected in a bin and picked up by local metal recycler.

9. Proposed Modifications to Existing Collection / Treatment / Disposal Systems

There are no changes proposed for waste collection or disposal for this facility.

10. Inspection, Maintenance and Reporting

The facility does not have any waste disposal units that require inspection, monitoring or reporting. Inspection, maintenance and leak detection will be performed weekly on the wash water systems. The container storage area will be inspected following any significant rainfall event to determine the amount of water within the containment area. The water treatment unit and container storage areas are both located in areas where they can be observed on a daily basis by facility employees. The procedures to be used for the inspection of these units is described in the following section.

10.1. Inspections

A description of the inspection procedures and inspection schedule for the waste storage generating and storage areas are described below. A copy of an inspection log for the facility is included in Appendix B. In addition to scheduled inspections, most areas of the facility are observed on a day to day basis by the employees.

10.1.1. Wash Water Collection System

Sumps and wash water collection systems will be inspected on a weekly basis. The inspection will include the level of solids in the solids trap section of the sumps, the amount of oil in the oil trap sections and the overall condition of the system. If maintenance to the system is required the facility personnel will perform the appropriate service. In addition to the weekly inspection of the sump a yearly inspection of the condition of the sump will be conducted when the sump is pumped of all solids and fluids. This inspection will include the washing of the walls and floor to determine the structural integrity of the sump.

10.1.2. Container Storage Areas

The container storage areas will be inspected following any rainfall event of 0.25 inches or greater. The storage area will also be inspected on a weekly basis to determine if precipitation has accumulated within the storage area or if a release has occurred. If a release has occurred within the storage area, the material will be pumped into drums and the storage area decontaminated to prevent future contamination of precipitation that falls within the storage area.

10.2. Containment of Precipitation and Runoff

All steam cleaning, repair and painting of equipment is performed inside the shop. Precipitation or stormwater runoff does not come into contact with these process areas.

The Completion facility is either paved with asphalt or gravel. Only dray parts are stored in the yard under cover of a shed roof. All wastes are stored on the drum containment pallet in the designated area. The yard centrally slopes to drain stormwater to the south off the site and into the rain gutter on Animas Street.

11. Spill/Leak Prevention and Reporting Procedures

11.1. Containment and Cleanup

Weatherford 's corporate policy is to comply with all applicable environmental laws and regulations. In addition, Weatherford has built, maintained and upgraded facilities in order to minimize impacts to the environment. Weatherford personnel are present at the site during most of the daylight hours and personnel receive training in spill containment and cleanup to minimize impacts to the environment. Releases of materials require reporting to Weatherford 's Corporate Environmental Department and to applicable government agencies.

Leaks, spills and drips will be handled as follows:

- Small spills on pavement will be absorbed with absorbent pads or granular oil absorbent material. The pads/oil absorbents will be placed into drums for off-site disposal by an approved disposal contractor.

- Small spills on soil will be shoveled into drums for off-site disposal by an approved disposal contractor.

- Large spills will be contained with temporary berms. Free liquids will be pumped into drums. Contaminated soils will be placed into drums or other leak-proof container and disposed as applicable. Additional characterization and removal of impacted soils will be performed on as needed basis.

The facility maintains spill kits that contain absorbent pads, granular absorbent, small booms and drums to temporarily store impacted material. The largest liquid containers maintained at the sites are 55 gallon drums located in containment structures. All drums will be stored either in the shop or inside the container storage areas.

11.2. Reporting of Emergency Incidents

WQCC Rule 1203A requires that in the event of a release of oil or other water contaminants in such quantities as may be detrimental to human health, animal or plant life or unreasonably interfere with the public welfare or use of property, notification will be given to the OCD. OCD personnel recommend notification be given if five (5) gallons or more of a refined hydrocarbon product is released. Notification is required if more than five (5) barrels of material is released per

NMOCD Rule 116. Notification will also be given if any contaminant reaches a watercourse or enters a stream or river.

Notification will be given orally to the OCD District Office as soon as possible, but no later than 24 hours, after the discharge. Notification will consists of the following information:

- The name, address and telephone number of the facility and the name and phone number of the person in charge of the facility;
- The date, time and duration of the discharge;
- The source and cause of the discharge;
- A description of the discharge including chemical composition;
- The estimated volume of the discharge, and
- The actions taken to mitigate immediate damage from the discharge.

Within ten days of the discharge, the operator will also submit, in duplicate, the above information in writing to OCD District Office.

The OCD District Office is located at the following address and phone number.

1000 Rio Brazos Road
Aztec, NM 87410
Phone: (505) 334-6178
Fax: (505) 334-6170

An OCD Notification of Fire, Breaks, Spills, Leaks and Blowouts form illustrating the requested notification information is provided as Appendix C. This form will be completed by the Facility Manager or his designee for all reportable releases. A copy of the form will be transmitted to the OCD District Office, Weatherford Corporate Environmental in Houston, Texas and a copy will be retained at the facility.

12. Site Characteristics

12.1. Nearby Water Bodies/Watercourses

Water bodies and watercourses within one mile of the Completion facility are shown on Figure 1. The water bodies within one mile of the facility are the Animas River, North Farmington Ditch and the Willett Ditch. Surface drainage in the area is by street curbs and gutters with no surface drainage pathways across the facility.

12.2. Water Wells

A search was performed to determine if any registered water wells are located within 0.5 mile of the facility. The search indicated no wells within 0.5 miles of the facility. The search was conducted on a city street bases utilizing the VISTA CHECK Data Base. Figures 3 show a 0.5 mile radius around the site that was searched.

12.3. Groundwater

No wells are present on the site to provide groundwater data. Because of the proximity of the facilities to rive the depth to ground water is presumed to be shallow ranging from 20 to 30 feet. No TDS information for the groundwater was available.

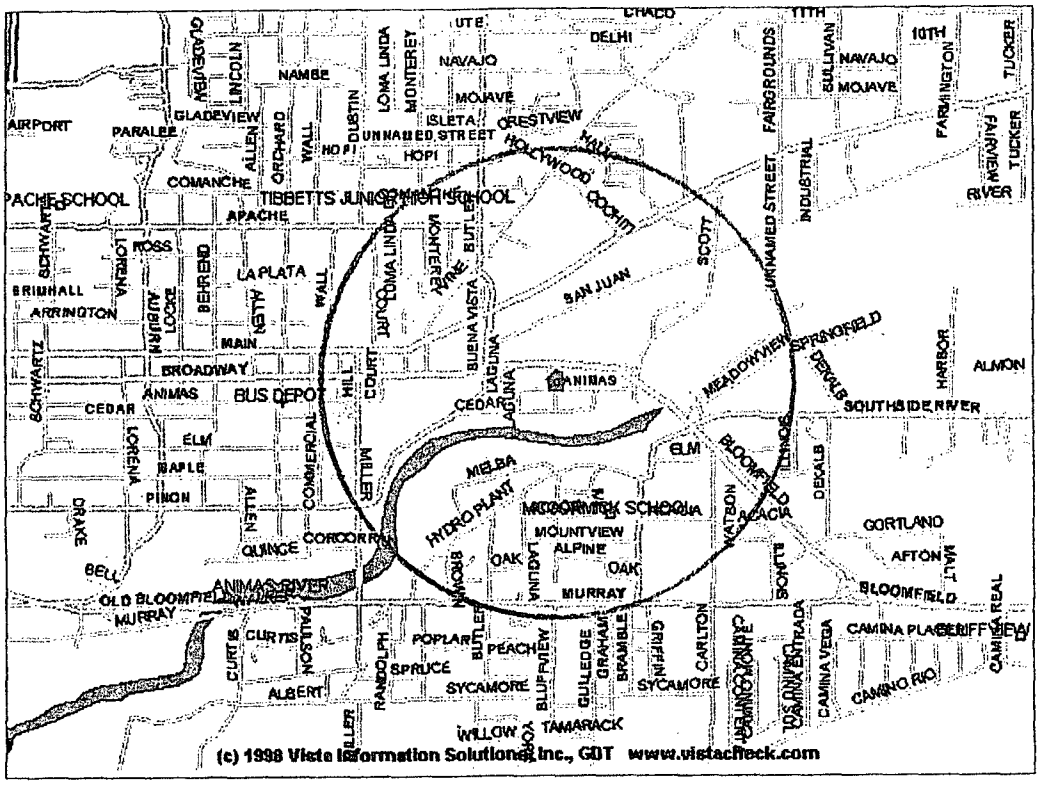
Available information indicates that groundwater flow is generally to the south toward the Animas River. The Nacimiento Formation is the aquifer in the vicinity of the Weatherford facilities.

12.4. Stratigraphy

The Completion site and surrounding properties are covered with imported material. Based on the proximity to the Animas River and nearby river cut banks, the soils at the site are believed to consist of alluvial sands and gravels with minor amounts of silt and clay. The alluvium is underlain by the Nacimiento formation.

12.5. Flooding Potential

The facility is located along the river drainage. The Completion facility is approximately 600 feet from and 20 feet above the Animas River bed. The facility is on a public street. Because of the proximity of the facility to the river it is at risk to potential flooding.



Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 3

Completion Water Well Location Map

514 E. ANIMAS

WEATHERFORD COMPLETION

FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

13. Compliance With All NMOCD Rules, Regulations and/or Orders

The facility does not perform any on-site disposal or have any waste disposal units. All products and wastes are contained to prevent accidental discharge to the environment and all wastes are transported off-site for recycling or disposal. In the event of a release, Weatherford US, Limited Partnership will comply with the requirements of NMOCD Rule 116 and WQCC Section 1203 spill reporting. In the event that Weatherford were to close the facility, a comprehensive closure plan for the facility would be filed with the NMOCD.

APPENDIX A

WASTE DISPOSAL MANIFESTS AND ANALYTICAL RESULTS

5400 Legacy Drive, Cluster II Bldg 3
Plano, Texas 75024

OIL RECOVERY PLACEMENT FORM

www.safety-kleen.com

FOR SERVICE CALL	BRANCH MANAGER	
505 884-2277	DANNY EVANS	P001641941

LOCATION
NAME: Weatherford
INFORMATION / ATTENTION LINE: 514 E Animas
DELIVERY ADDRESS:
CITY: Farmington STATE: NM
ZIP: 87401

Sec Tech # 433565

BILL TO: (IF DIFFERENT FROM LOCATION)
NAME: Weatherford Completions
INFORMATION / ATTENTION LINE: Attn Kathy
DELIVERY ADDRESS: [illegible]
CITY: [illegible] STATE: [illegible]
ZIP: [illegible]

	NAME	TITLE	SIGN
1.			
2.			

LOCATION

BUSINESS TYPE	CHAIN	OUTER COUNTY	0	PROD. P/C

TERRITORY	CREDIT CODE	TAX EXEMPTION NO.

SERVICE DATE	SALES REP NO.	CUSTOMER P.O. NUMBER	CUSTOMER PHONE #	TAX CODE	HANDLING CODE	ASSOC. CODE	SERVICE TAX	.C.O.M.S. TAX	PRODUCT TAX
5/16/07	5825		[illegible]						

DEPT	SERVICE/ PRODUCT	SURVEY NUMBER	UNIT PRICE	QUANTITY	CHARGE	SALES TAX	TOTAL CHARGE	CHLORINE TEST RESULTS: HALOGEN TESTER PASS	FAIL	CHLOR-D-TECT RESULTS (PPM)	TESTER INITIALS	SK DOT NUMBER	CC	SERVICE TERM	CHANGE SERVICE TERM (WEEKS)(INITIAL)	CHANGE SCH DATE	PROMO NO.	RELEASE NO.
1	[illegible]	[illegible]	1.00	283	283.00	19.410	302.410	☐	☐			1270		52				
2	[illegible]	[illegible]	1.00	150	150.00	10.32	160.32	☐	☐			1270		52				
3	[illegible]	[illegible]	N/C	35	N/C	—	—	☐	☐									
4	[illegible]	[illegible]	12.00	1	12.00	—	12.00	☐	☐									
5								☐	☐									

TOTAL-SERVICE/PRODUCTS 474.78 TANK CAPACITY

GENERATOR STATUS: CHECK ONLY ONE BOX BELOW

GENERATOR: HAZARDOUS WASTE CLASSIFICATION*	VEHICLE FLUIDS ONLY	OTHER NON-VEHICLE FLUIDS
CESQG	☐ 1	☐ 3
SQG/LQG	☐ 2	☐ 4

1 NO PREQUAL REQUIRED, NO HALOGEN TEST
2 NO PREQUAL REQUIRED, HALOGEN TEST AT PICK-UP
3 PREQUAL REQUIRED, NO HALOGEN TEST
4 PREQUAL REQUIRED, HALOGEN TEST AT PICK-UP
* REFER TO REVERSE SIDE FOR DEFINITIONS

MANIFEST NO.	USEPA TRANSPORTER ID NO.
	TXR000050930
GENERATOR USEPA ID NO.	**GENERATOR STATE ID NO.**
CESQG	

TRANSPORTER — DATE 5/16/07
PRINT NAME: [illegible] X SIGNATURE: [signature]
FACILITY — DATE / /
PRINT NAME: X SIGNATURE:

	11. US DOT DESCRIPTION (INCLUDING PROPER SHIPPING NAME, HAZARD CLASS, AND ID.)	12. CONTAINERS NO.	TYPE	13. TOTAL QUANTITY	14. UNIT WT/VOL	SK DOT NUMBER
A.	~~USED OIL (NOT USDOT HAZARDOUS MATERIAL)~~	[illegible]	[illegible]	[illegible]	[illegible]	~~850~~
B.	USED OIL AND WATER MIXTURE (NOT USDOT HAZARDOUS MATERIAL)	01	T	468	G	927 1270
C.	~~USED ANTIFREEZE (NOT USEPA OR USDOT REGULATED)~~					~~1176~~
D.						

We Recycle

CUSTOMER

INTERMEDIATE FACILITY NAME AND ADDRESS
SAFETY-KLEEN SYSTEMS, INC
2730 [illegible] NM 87410

USA EPA ID NO. NMD000804294
STATE ID NO.

PAYMENT RECEIVED SECTION

CASH ☐	TOTAL RECEIVED	APPLY PAYMENT TO:
CHECK NUMBER		☐ TODAY'S SERVICE/SALE ☐ PREVIOUS BALANCE AS FOLLOWS

INVOICE #	AMOUNT $	INVOICE #	AMOUNT $

PREVIOUS CREDIT CARD NO. →
CREDIT CARD NO. AMEX VISA MC EXP. DATE
CUSTOMER REFERENCE INFORMATION

MANIFEST CODE	SEQ #
	7 D

IN THE EVENT OF AN EMERGENCY CALL 1-800-468-1760 24 Hours

CHARGE MY ACCOUNT FOR THIS TRANSACTION UNLESS OTHERWISE INDICATED IN THE PAYMENT RECEIVED SECTION.
Customer certifies that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the U.S. Environmental Protection Agency and the U.S. Department of Transportation.
ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS DOCUMENT ARE INCORPORATED HEREWITH MADE A PART HEREOF.
Print Name: Josh Johnson
X [signature]
GENERATOR/SHIPPER DESIGNATED REPRESENTATIVE SIGNATURE

TOTAL DUE

DO NOT WRITE IN THE AREA BELOW
P001641941
433565

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

HOUSTON LABORATORY
6880 INTERCHANGE DRIVE
HOUSTON, TEXAS 77054
(713) 660-0901

Client Sample ID: Sump Waste **Collected:** 4/2/01 9:00:00 A **SPL Sample ID:** 01040219-01

Site: Sump Waste

Analyses/Method	Result	Rep.Limit	MCL	Dil. Factor	QUAL	Date Analyzed	Analyst	Seq. #
CORROSIVITY			MCL	SW9040B		Units: pH Units		
Corrosivity	6.5	0		1		04/12/01 20:00	JS	637675
IGNITABILITY			MCL	SW1010		Units: °F		
Ignitability	>212	20		1		04/09/01 19:05	ES	632925
MERCURY, TOTAL			MCL	SW7470A		Units: mg/L		
Mercury	ND	0.0002		1		04/10/01 13:39	R_T	634019
Run ID/Seq #: HGL_010410B-634019								
Prep Method: SW7470A	Prep Date: 04/10/2001 10:00	Prep Initials: T						
METALS BY METHOD 6010B, TOTAL			MCL	SW6010B		Units: mg/L		
Arsenic	0.122	0.005		1		04/10/01 23:41	NS	633934
Lead	17.4	0.005		1		04/10/01 23:41	NS	633934
Selenium	0.131	0.005		1		04/10/01 23:41	NS	633934
Barium	11.3	0.005		1		04/11/01 15:47	E_B	635481
Cadmium	0.038	0.005		1		04/11/01 15:47	E_B	635481
Chromium	1.97	0.01		1		04/11/01 15:47	E_B	635481
Silver	ND	0.01		1		04/11/01 15:47	E_B	635481
Run ID/Seq #: TJAT_010410A-633834								
Prep Method: SW3010A	Prep Date: 04/09/2001 15:15	ep Initials: ME						
Run ID/Seq #: TJA_010411C-635481								
Prep Method: SW3010A	Prep Date: 04/09/2001 15:15	rep Initials: ME						
REACTIVE CYANIDE-WATER			MCL	SW7.3.3.1		Units: mg/L		
Reactive Cyanide	ND	0.5		1		04/12/01 16:00	GC	638664
REACTIVE SULFIDE - AQUEOUS			MCL	SW7.3.4.2		Units: mg/L		
Reactive Sulfide	47	10		1		04/12/01 16:00	GC	638670
TCLP METALS BY METHOD 6010B			MCL	SW6010B		Units: mg/L		
Lead	ND	0.1	5	2		04/18/01 15:03	E_B	641725
Run ID/Seq #: TJA_010418C-641725								
Prep Method: SW3010A	Prep Date: 04/17/2001 15:15	Prep Initials: MME	Leach Method: SW1311	Leachate Date: 04/17/2001 13:55		Leach Initials: ES		

Qualifiers:

ND/U - Not Detected at the Reporting Limit
B - Analyte detected in the associated Method Blank
* - Surrogate Recovery Outside Advisable QC Limits
J - Estimated Value between MDL and PQL
>MCL - Result Over Maximum Contamination Limit(MCL)
D - Surrogate Recovery Unreportable due to Dilution
MI - Matrix Interference

APPENDIX B

WASTE CONTAINMENT INSPECTION LOGS

Facility Maintenance Checklist

Facility: Weatherford U.S., L.P.
Address: Completion 514 E Animas
Farmington, NM 87401

Facility ID #: _____
Month of :
Year : _____

		WEEKLY			
Date:	Initials:	Waste Containment Area	Sump and Wash Area	Shop Area Inspection	Yard Inspection

Date:	Area:	Comments/Recommendations:

Send copy to Weatherford, Health, Safety and Environmental Department
515 Post Oak Blvd Suite 600, Houston, TX 77056 or Fax to (713) 693-4498.

INSTRUCTIONS FOR COMPLETING THE FACILITY MAINTENANCE CHECKLIST

Each box of the inspection sheet (other than Date and Initials) should contain one of the following notations:

√ - Area is in compliance with Company Policy and Procedures Manual;
X - This area needs attention; or
NA - This box is not applicable to the facility.

If the notation X is entered in a box, use the Comments/Recommendations section to describe a corrective action for the problem. For the √ to be entered, *all* of the statements listed below for that area must be true.

WASTE CONTAINMENT AREA / PRODUCT STORAGE AREA / CHEMICAL STORAGE AREA

- ✓ Containers are in good condition, not leaking or deteriorating;
- ✓ Containers are compatible with the material being stored and labeled to identify their contents;
- ✓ Containers are closed and the bungs or lids are tightly sealed;
- ✓ Containers are stored in a safe manner (away from sources of ignition, away from traffic, at least 50 feet from the property line, at least 100 feet from buildings on neighboring property, etc.);
- ✓ Containers are within a secondary containment area under a roof or other cover;
- ✓ Storage takes place in a designated area which is posted as "No Smoking";
- ✓ Grounding devices are used when transferring flammable liquids into or between containers;
- ✓ Emergency and spill control plans, equipment and supplies, including alarms, telephones, fire extinguishers, personal protective equipment and absorbents are readily available; and
- ✓ The number of exits provided should allow for safe evacuation in case of an emergency.
- ✓ Storage areas are marked with warning signs listing the principal hazards of the wastes stored;
- ✓ Security precautions have been implemented to limit access to authorized personnel only;
- ✓ Aisle space allows for unobstructed movement of workers and equipment at all times;
- ✓ Ignitable wastes are protected from possible ignition sources;
- ✓ Reactive wastes are separated to prevent reactions; and
- ✓ Adequate ventilation is provided for enclosed accumulation areas.

PIPE COATING AREA

- ✓ Coatings are applied using airless application methods to minimize airborne contamination;
- ✓ Coatings are applied in areas having secondary containment;
- ✓ Spray painting operations without vapor recovery systems are no closer than 50 feet from the property line and are at least 250 feet from adjoining property buildings;
- ✓ Coatings and thinners are properly stored in an approved flammable storage area;
- ✓ Solidified drippings from the coating process are managed to prevent impact to surface soils;
- ✓ Coatings, thinners and adhesives are collected in DOT drums or containers, properly labeled, and stored in the drum storage area; and
- ✓ Empty containers are properly disposed of and not allowed to accumulate.

WASTE WATER TREATMENT SYSTEM

- ✓ Pipes, pumps and seals are not leaking;
- ✓ Adequate supplies are on hand (e.g., paper filters, carbon, alum, sodium hypochlorite, quick-release soap); and
- ✓ All equipment is properly maintained according to the manufacturer's instructions.

DRAINAGE/COLLECTION SYSTEMS

- ✓ All grates and covers are in place; and
- ✓ Drains are not blocked and flow freely.

YARD INSPECTION

- ✓ All general housekeeping requirements are being met.

CAUSTIC VAT

- ✓ Vat is of double-wall construction or placed in a containment area;
- ✓ Vat is no closer than 50 feet from the property boundary and is at least 150 feet from adjoining property buildings;
- ✓ When equipment is removed from the vat it is drained thoroughly over the vat to ensure that no more than minimal amounts of caustic spill onto the cleaning slab and/or enter the wastewater sump;
- ✓ Drums used to contain caustic or spent caustic corrosion-resistant or lined to prevent corrosion;
- ✓ Drums used to contain caustic or spent caustic are properly sealed;
- ✓ Full drums of spent caustic are properly labeled and moved to the waste drum storage area; and
- ✓ If caustic vats are drained, they are refilled with sodium metasilicate solution, *not* sodium hydroxide.

PAINT BOOTHS AND BLASTING BOOTHS

- ✓ All fans function properly and are properly maintained;
- ✓ Filters are changed at required intervals; and
- ✓ Floor is free of debris.

APPENDIX C

ODC NOTIFICATION FORM

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☐ Final Report

Name of Company	Contact
Address	Telephone No.
Facility Name	Facility Type

Surface Owner	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County

Latitude_____ **Longitude**_____

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? ☐ Yes ☐ No ☐ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☐ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Describe Area Affected and Cleanup Action Taken.*

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION	
Printed Name:	Approved by District Supervisor:	
Title:	Approval Date:	Expiration Date:
E-mail Address:	Conditions of Approval:	Attached ☐
Date: Phone:		

* Attach Additional Sheets If Necessary

Weatherford	ENTERPRISE EXCELLENCE FORM			
FORM NUMBER: ENV-REP-01	REV: 01	PAGE: 1	ORIGINAL ISSUE DATE: 10/21/2004	REVISION DATE: 11/01/2005
PREPARED BY: JD	REVIEWED BY: SR		APPROVED BY: SR	APPROVED BY: SR
TITLE:	SPILL REPORT FORM			

Weatherford Facility Address _____

Individual Reporting Spill _____

Facility Phone Number _____

****Report any spill, release or environmental hazard immediately to the Corporate HSSE Department in Houston, Texas at (713) 693-4000 or if not during normal office hours:**

- ☐ Patrick Ford – Environmental Project Manager – (281) 380-0007 cell
- ☐ CB Jacobson – Environmental Project Manager – (801) 367-3745 cell
- ☐ Joe Dandy – Environmental Manager – (713) 249-3858 cell
- ☐ Scott Robinson – HSSE Vice President – (281) 467-8194 cell

Date and Time of Spill/Release _____

Type of Material Spilled/Released _____

Location of Spill/Release _____

Amount of Material Spilled/Released _____

Area Impacted by Spill/Release _____

Action Taken to Immediately Abate Spill/Release

_____

_____

_____

_____

Summary of Spill/Release (Include details of all activities)

_____

_____

_____

_____

For Corporate HSSE use only:

Spill Reported to Agency: _____

Name of Agency Reported to: _____

Agency Representative Contacted: _____

ATTACHMENT TO THE DISCHARGE PLAN GW-347
WEATHERFORD USLP
FARMINGTON SERVICE FACILITY 2
DISCHARGE PLAN APPROVAL CONDITIONS
(May 27, 2002)

1. Payment of Discharge Plan Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for oil and gas service companies equal to $1,700.00. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.

2. Weatherford USLP Commitments: Weatherford USLP will abide by all commitments submitted in the discharge plan application dated March 28, 2002 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.

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

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

11. 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 by a Weatherford USLP's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.

13. 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: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Farmington Service Facility are discontinued for a period in excess of six months. Prior to closure of the Farmington Service Facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

Accepted:

WEATHERFORD USLP

by _____

DISTRICT MANAGER
Title

Wilson Environmental
Management, Inc.

Weatherford U.S., Limited Partnership

Discharge Plan Application for
Weatherford U.S., L.P. Sites Located at

2803 Inland Street
Farmington, New Mexico
&
514 East Animas Street
Farmington, New Mexico

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 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 FACILITES AND CRUDE OIL PUMP STATIONS

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

☒ New ☐ Renewal ☐ Modification

1. Type: Oilfield Service Facility
2. Operator: Weatherford Artificial Lift Systems, Inc.

   Address: 2803 Inland Street Farmington, New Mexico 87401

   Contact Person: Mr. Ronald Long Phone: (505) 564-8381
3. Location: SE /4 NW /4 Section 7 Township 29 N Range 13 W
   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: RONALD E. LONG Title: DISTRICT MANAGER

Signature: Ronald E. Long Date: 2-13-02

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 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 FACILITES AND CRUDE OIL PUMP STATIONS

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

☒ New ☐ Renewal ☐ Modification

1. Type: Oilfield Service Facility
2. Operator: Weatherford U.S.,L.P.

   Address: 514 East Animas Street Farmington, New Mexico 87401

   Contact Person: Mr. Steve Wayman Phone: (505) 326-5141
3. Location: SE /4 NW /4 Section 15 Township 29 N Range 13 W
   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: Steve Wayman Title: HSE

Signature: Steve Wayman Date: 2-13-02

TABLE OF CONTENTS

List of Figures

List of Tables

APPENDICES

1. Type of Oilfield Service Facility

Weatherford U.S., Limited Partnership, is preparing this Discharge Plan application for their oilfield service facilities located at 2803 Inland Street and 514 East Animas Street in Farmington, New Mexico in compliance with the New Mexico Oil and Gas Act and the Water Quality Act. The New Mexico Oil Conservation Division (OCD) administers these regulations with approval of the New Mexico Water Quality Control Commission (WQCC). This Discharge Plan sets forth the details of the methods and techniques to be used at the facilities to prevent unauthorized discharge of liquids and ensure compliance with WQCC and OCD regulations. WQCC Regulation 3106.B requires submittal and approval of a Discharge Plan prior to start of facility discharges. The following sections provide the Discharge Plan information required by the ODC for Oilfield Service Facilities.

The two Weatherford facilities covered by this Discharge Plan application provide the following oilfield services. The Weatherford Artificial Lift Systems facility located at 2803 Inland St. provides down hole pumping systems to the oil production industry. The Weatherford Completions & Oilfield Services located at 514 E Animas St. provides down hole packers and other completion tools to the oil production industry. Equipment returned from the field is steamed cleaned to remove dirt, oil and grease, repaired if necessary and repainted prior to being returned to the rental inventory. The equipment will remain in inventory until the next rental or sale.

The facilities do not perform any on-site waste disposal. All wastes produced by the facilities are transported off-site by licensed transporters and recycled or disposed by permitted operators.

2. Facility Operator

The operator of the facility is:

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

The Farmington location facility contact persons are:

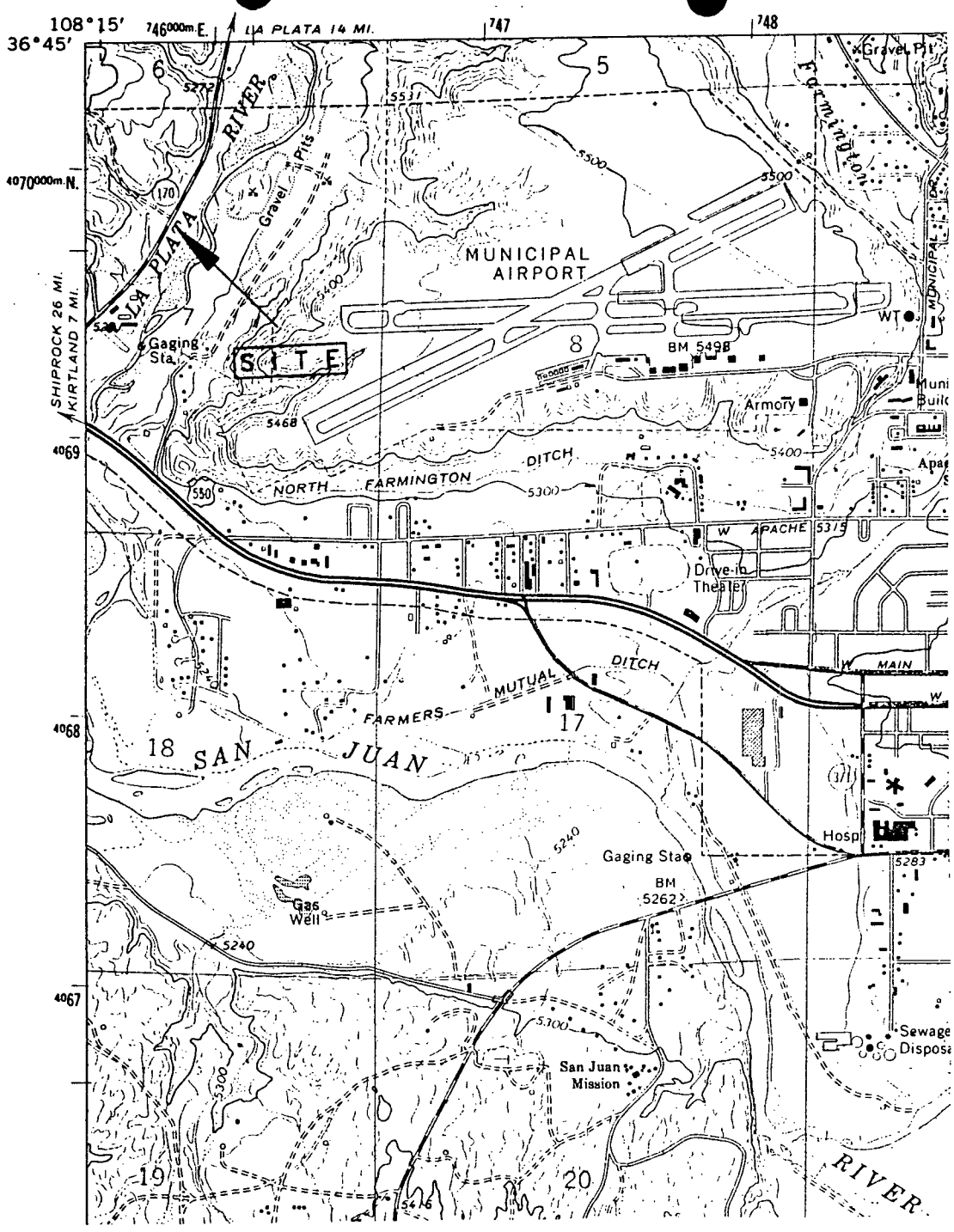
Weatherford Artificial Lift Systems
Mr. Ronald Long
2803 Inland St.
Farmington, New Mexico 87401
(505) 564-8381

Weatherford Completion & Oilfield Services
Mr. Steve M. Wayman
514 E. Animas St.
Farmington, New Mexico 87401
(505) 326-5141

3. Facility Location

The Weatherford Artificial Lift Systems (ALS) facility is located at 2803 Inland Street, Farmington, New Mexico. The site is located in the SW / 4, of the NE / 4, of Section 7, Township 29 N, Range 13 W in San Juan County, New Mexico. A USGS topographic map showing the approximate location of the facility is provided as Figure 1. The USGS map was photorevised in 1979 using aerial photographs taken in 1978.

The Weatherford Completion and Oilfield Services (Completion) facility is located at 514 E. Animas Street, Farmington, New Mexico. The site is located in the SE / 4, of the NW / 4, of Section 15, Township 29 N, Range 13 W in San Juan County, New Mexico. A USGS topographic map showing the approximate location of the facility is provided as Figure 2. The USGS map was photorevised in 1979 using aerial photographs taken in 1978.



USGS 7.5 Minute Quadrangle Map

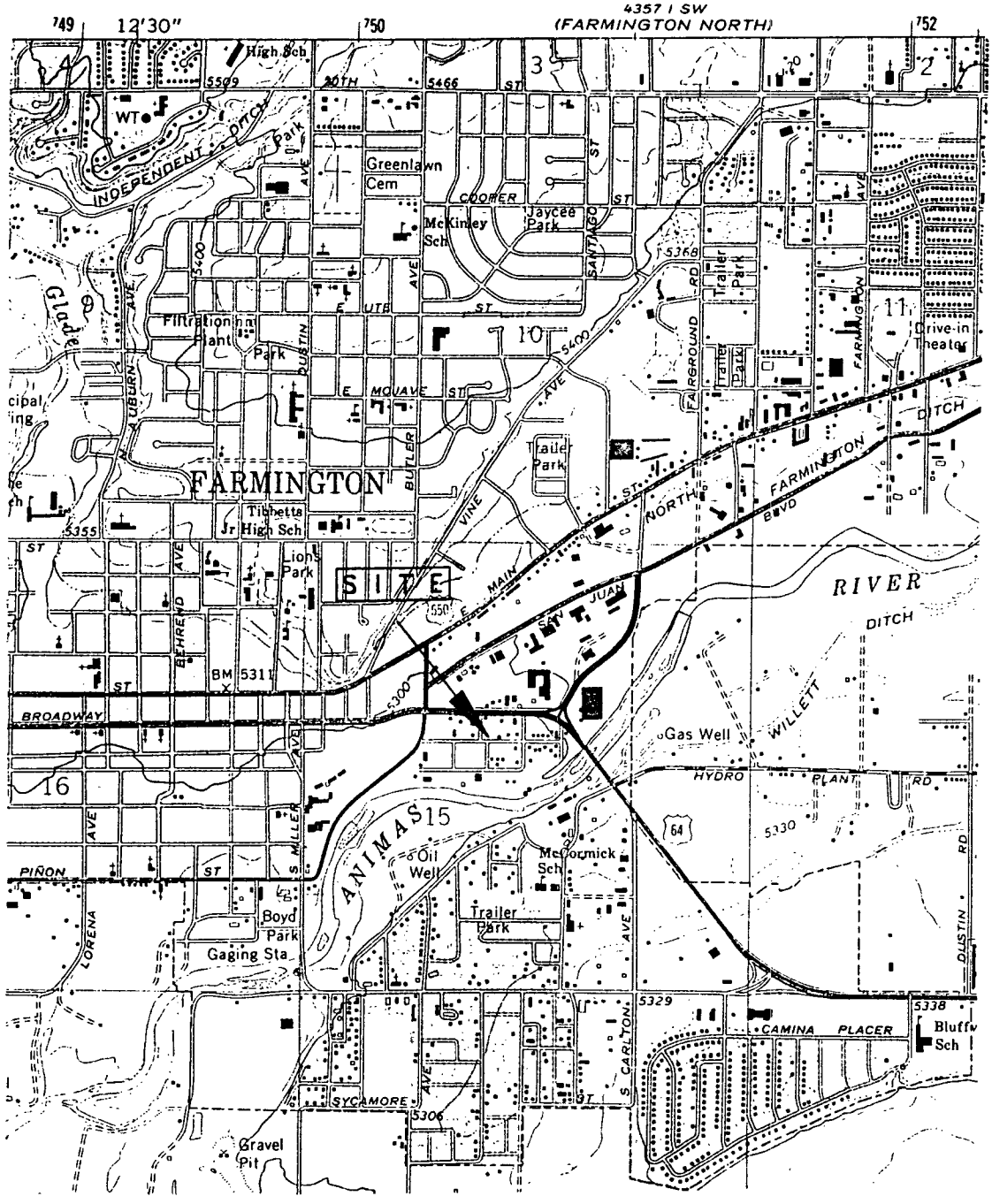
SCALE 1:24 000

Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 1
SITE LOCATION MAP
WEATHERFORD ARTIFICIAL LIFT SYSYEMS
2803 INLAND STREET
FARMINGTON, NM

Date: 03/01/02 Project No.: _____

CM/W-ALIFT.DWG 03/04/02



USGS 7.5 Minute Quadrangle Map

SCALE 1:24 000

Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 2
SITE LOCATION MAP
514 E. ANIMAS
WEATHERFORD COMPLETION
FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

4. Landowner of Facility

The landowner of the 2803 Inland Street Facility:

Mrs. A. Lorrain Powers
PO Box 2323
Farmington, NM 87401
Phone (505) 327-9884

The landowner of the 514 E Animas Street Facility:

BBT Management
3300 N. Knudsen Ave.
Farmington, NM 87401
Phone (505) 325-4266

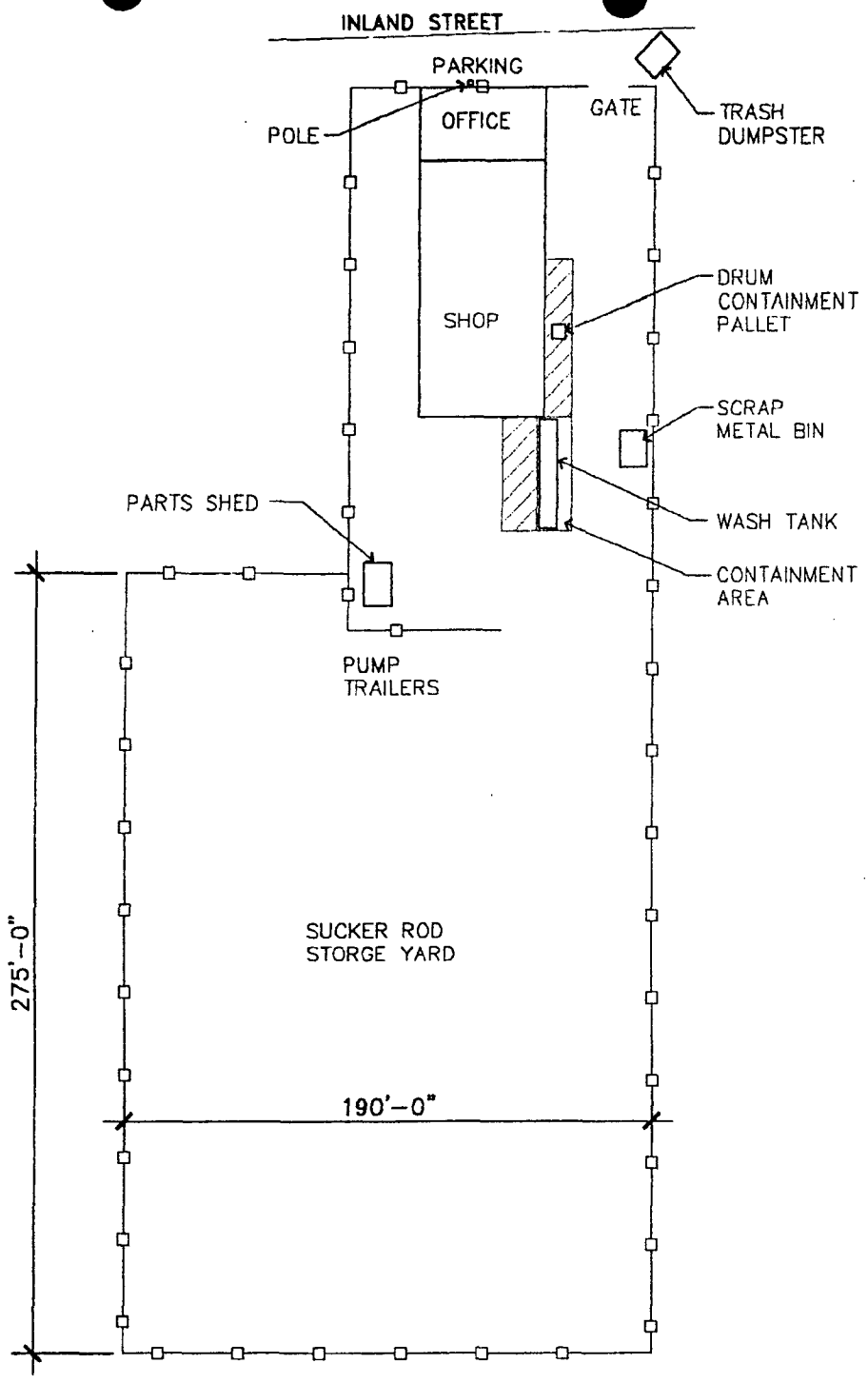
5. Facility Description

The facilities are located within the City of Farmington. Water and sewer services are supplied by the city. The facilities are fully fenced and gated accept for the asphalt paved parking areas in front of the offices. A site plot plan for each of the facilities indicating the locations of the facilities structures, containment areas and fencing is provided as Figure 3 for the ALS facility and Figure 4 for the Completion Facility.

The ALS facility is approximately 1.6 acres in size with one metal framed building located in the north section of the property. The building was built in the early 1980's. The north quarter of the building contains offices while the southern portion of the building is used for warehousing, service and repair. Service and repair activities include steam cleaning and painting of pumps and equipment. Painting, service, and repair activities are performed inside the shop building. Equipment washing operations are carried out in a wash tank that is contained within a curbed containment pad located at the southeast corner of the shop building. Wash water is collected and contained in the metal wash tank. Washing operations are infrequent and the water contained in the wash tank is allowed to evaporate and does not require disposal. A portable containment pallet is located on the concrete apron at the east side of the shop building. Drums containing wastes are stored on this pallet for transport and disposal. While drums are contained on the containment pallet, the drums are covered with a tarp to prevent rainwater accumulation in the containment. Also, a scrap metal bin is located along the fence line on the east side of the building. The south section of the storage yard is used to store crates of new sucker rods for down hole pumps and engine driven pump trailers. The remainder of the yard surrounding of the building is used for dry part storage. All of these features are located on the ALS Facility Site Plot Plan Figure. 3.

The Completion facility is approximately 0.6 acres in size with two metal framed buildings and a covered storage area along the north border of the property. The main building, located on the west side of the property, contains a front office section and shop section. The building in the north east corner of the property is used primarily for warehousing and storage. The buildings were built in the early 1980's. Weatherford Completion activities at the site include service and repair of completion tools and equipment, which include steam cleaning and painting. Painting servicing, repair and washing activities are performed inside the shop building. Washing operations are carried out in a wash tank that drains to an inground two chambered sump. The sump is configured to trap solids in the first section and oil in the second chamber. Oil absorbent diapers are used to collect oil that floats to the top of the second chamber. The oil absorbent diapers are periodically changed to ensure efficient operation. A portable containment skid is located on the west side of the

storage building. Drums containing wastes are stored on this pallet for transport and disposal. While drums are contained on the containment pallet, the drums are covered with a tarp to prevent rainwater accumulation in the containment. Also, a scrap metal bin is located at the northeast corner of the shop building. The storage shed and remainder of the yard is used for dry parts and materials storage. All of these features are located on the Completion Facility Site Plot Plan Figure. 4.



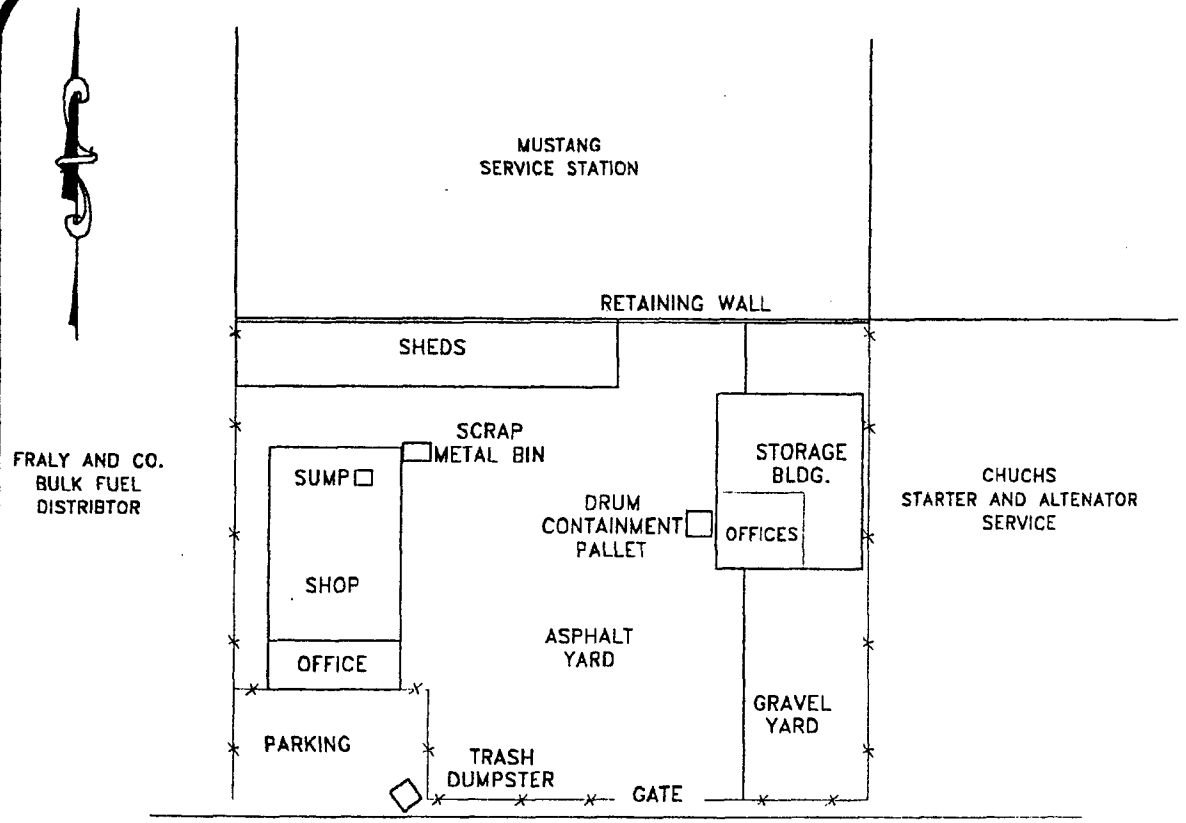
SCALE: 1" = 60'

Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 3
SITE PLOT PLAN
WEATHERFORD ARTIFICIAL LIFT SYSYEMS
2803 INLAND STREET
FARMINGTON, NM

Date: 03/01/02 Project No.: _____

CM/W-ALIFT.DWG 03/04/02



0 50 100

APPROXIMATE SCALE IN FEET

Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 4
SITE PLOT PLAN
514 E. ANIMAS
WEATHERFORD COMPLETION
FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

FILE NAME: WF-514ANIMAS.dwg 02/25/02

6. List of Materials Stored or Used at the Facility

Table 1a provides a list of materials currently used by Weatherford ALS 2803 Inland Street facility and Table 1b provides a list of materials currently used by Weatherford Completion 514 E Animas Street Facility. The tables include the quantity stored, storage location and the method of disposal used are listed for each material. MSDS sheets for all chemical products are kept at the sites.

TABLE -1
PRODUCTS USED/STORED AT 2803 Inland Street FACILITY

Product Type/ Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
PAINT					
Krylon - red	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon - yellow	aerosol	12 oz can	2	shop - flammible cabinet	empties put into municipal trash
Krylon - royal blue	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon - flat white	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon - bright gold	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Diamond - black	aerosol	12 oz can	12	shop - flammible cabinet	empties put into municipal trash
PAINT THINNER					
SOLVENTS/DEGREASERS					
Safety Klean - parts cleaner	liquid	16 gallon drum	1	shop	eturned to Safety Klean for recycling
FUELS					
Diesel	liquid	5 gallon cans	4	east side of building	none disposed
MISCELLANEOUS					

TABLE -1
PRODUCTS USED/STORED AT 2803 Inland Street FACILITY

Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
LUBRICANTS/OILS					
ZEP - dry moly spray	aerosol	14 oz can	24	shop - flammible cabinet	empties put into municipal trash
Shell Rotella 40 W Oil	liquid	5 gallon bucket	2	shop	empties put into municipal trash
LE - multi purpose grease	solid	14 oz tube	12	shop - paint room	empties put into municipal trash
Chevron - Hydraulic oil	liquid	5 gallon bucket	1	shop	empties put into municipal trash
Chevron - Ultra duty grease	solid	5 gallon bucket	2	shop	empties put into municipal trash
PN-105 - penetrant	aerosol	12 oz can	2	shop - flammible cabinet	empties put into municipal trash
WD-40	aerosol	12 oz can	4	shop - flammible cabinet	empties put into municipal trash

TABLE -1
PRODUCTS USED/STORED AT 514 E Animas FACILITY

Product Type/ Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
PAINT					
Krylon - red	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon-High temp Aluminum	aerosol	12 oz can	6	shop - flammible cabinet	empties put into municipal trash
Krylon - Brown	aerosol	12 oz can	3	shop - flammible cabinet	empties put into municipal trash
Krylon - yellow	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Krylon - royal blue	aerosol	12 oz can	2	shop - flammible cabinet	empties put into municipal trash
Krylon - flat white	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Krylon - bright gold	aerosol	12 oz can	12	shop - flammible cabinet	empties put into municipal trash
Diamond - black	aerosol	12 oz can	1	shop - flammible cabinet	empties put into municipal trash
Rich Water based Paint	liquid	5 gallon bucket	2	shop - flammible cabinet	empties put into municipal trash
PAINT THINNER					
Methel Ethy Ketone	Liquid	5 gallon can	1	shop - flammible cabinet	empties put into municipal trash
SOLVENTS/DEGREASERS					
FUELS					
MISCELLANEOUS					

TABLE -1
PRODUCTS USED/STORED AT 514 E Animas FACILITY

Brand Name	Solid/Liquid	Type of Container	Number of Containers Stored	Storage Location	How Disposed
LUBRICANTS/OILS					
ZEP - dry moly spray	aerosol	14 oz can	24	shop - flammible cabinet	empties put into municipal trash
Liquid-O-Ring	liquid	5 gallon bucket	2	shop	empties put into municipal trash
LE - multi purpose oil	liquid	quart plastic	3	shop - paint room	empties put into municipal trash
Myastik-multi purpose grease	solid	14 oz tube	13	shop	empties put into municipal trash
Lock Tight	liquid	6 oz can	1	shop	empties put into municipal trash
Air tool oil	liquid	12 oz can	8	shop	empties put into municipal trash
Compressor oil	liquid	12 oz can	2	shop	empties put into municipal trash
Dyna System-anti-sieze	aerosol	15 oz can	2	shop - flammible cabinet	empties put into municipal trash
WD-40	aerosol	12 oz can	4	shop - flammible cabinet	empties put into municipal trash

7. Present Sources of Effluent and Waste Solids

A description of the waste generating processes and the quantity of waste generated is provided for each facility below.

ALS 2803 Inland Facility

WASTE TYPE	COMPOSITION OR SOURCE	VOLUME PER MONTH	DISPOSAL NOTES
Truck Wastes	None	NA	NA
Truck/Tank Washing	None	NA	NA
Wash Water from Steam Cleaning of Equipment	Wash Water with dirt, oil and grease collected in wash tank.	20 gallons of water per month	Allowed to evaporate in wash tank. No waste disposed
Sump Sludge from Steam Cleaning of Equipment	None collected to date	None	None
Used Antifreeze	None	None	None
Used Oil / Oil From Sump	None collected to date	None	None
Used Lubrication Hydraulic Oil and Motor Oils	Engine service of trailer mounted pumps	30 gallons per month	Collected in 55 gallon drums sent for recycle Through Mesa Oil, Inc.
Solvents	Safety Kleen (Parts cleaner for inspection and repair activities)	16 gallons every two months	Serviced a disposed by Safety Kleen twice a month
Paint Wastes	Empty aerosol and lubricant containers	10 containers	Crushed and disposed through trash collection
Oil Filters	Used filters from trailer mounted pump servicing.	7 filter per month	Filters are drained dry and placed in drums for recycle through Safety Kleen or First Recovery
Other Waste Solids	Scrap metal	20 lbs. per month	Sent to metal recyclers

Completion 514 E. Animas Street Facility

WASTE TYPE	COMPOSITION OR SOURCE	VOLUME PER MONTH	DISPOSAL NOTES
Truck Wastes	None	NA	NA
Truck/Tank Washing	None	NA	NA
Wash Water from Steam Cleaning of Equipment	Wash Water, Dirt, Oil and Grease passes through two chamber inground sump	120 gallons of water per day	Disposal to sewer from sump oil/water separator
Sump Sludge from Steam Cleaning of Equipment	Wash Sump Sludge Containing Dirt, Water and Hydrocarbons	4 (55 gallon drums) per year	Disposed as Non-Haz Waste Through Van Water and Rogers
Used Antifreeze	None	None	None
Used Oil / Oil From Sump	Oil collected from sump using absorbent Diapers	2 gallons per month	Collected from sump oil water separator stored in drums for disposal as Sump Sludge
Used Lubrication Hydraulic Oil and Motor Oils	None	None	None
Solvents	None	None	None
Paint Wastes	Water base Paint, No thinners used. Paint cans allowed to dry	0.0	Dry cans placed in dumpster for Trash collection
Other Waste Solids	Empty aerosol and lubricant containers	10 containers	Crushed and disposed through trash collection

8. Current Liquid and solids Collection / Treatment / Disposal Procedures

A description of the waste collection, treatment and disposal for each of the waste streams described in the previous section is provided below. Shipping Manifest and hazardous waste characterization sample analytical results of sump sludge for the Completion facility are provided in Appendix A.

8.1. Wash Water Collection/Treatment/Disposal

The wash water collection system at the ALS facility consists of a steel tank approximately 2 feet wide by 2.5 feet tall by 30 feet long. The wash water tank is contained in a concrete pad with a six inch containment curb. The wash tank has a set if flanges and guards in which parts are placed and washed. The wash water is accumulated in the steel tank. Because of the infrequency of washing operations at the facility, the water in the wash tank evaporates and has not needed disposal. It is estimated that only 20 gallons of wash water is generated each month.

The wash water collection and treatment system at the completion facility consists of a washing trough area that drains to an inground two chamber sump. The first chamber separates and collects solids from the wash water. The second chamber separates and collects oil and grease. The floating oil and grease is collected by means of oil absorbent diapers. The oil absorbent diapers are floated on top of the second chamber and are inspected weekly. When the diapers are saturated with oil and grease, they are placed in an open top 55 gallon steel drums to be combined with the sump sludge. Water from the inground sump is discharge to the city sewer service via an underground line. Approximately 120 gallons per day are discharged to the city sewer as part of daily washing operations at the facility.

8.2. Solids/Sludge from Sumps

The ALS facility has not generated any solids for disposal from their washing operation. Solids and sludge generated at the Completion facility are produced during the steam cleaning of equipment and will be captured in the sediment trap (sump) within the shop. The sump wastes consist of a mixture of sand, grit and drilling mud that has been impacted with hydrocarbons. The sump material is pumped from the sump and into drums which will be stored in the container storage area. The sludge is profiled and the drums are collected by truck and shipped to a licensed disposal center. The facility drums are currently transported by Van Waters and Rogers of Denver, Colorado and transported to the Pollution Control Industries facility in East Chicago, Indiana. Approximately 18 gallons of mixed sump sludge, water and oil is produced every month at the

Completion facility. Analytical testing of this material indicates that it is a non-hazardous waste. Weatherford plans in the future to utilize Safety Kleen 's vacuum truck service for the sump sludge, please see section 9 for details.

8.3. Used Antifreeze

Neither facility uses antifreeze. There is no waste or new antifreeze stored or disposed from the facilities.

8.4. Solvent Use

The ALS facility maintains Safety Kleen parts cleaner. It is used to clean pipe threads and to remove grease and oil from parts during equipment repair. The Safety Kleen solvent is a petroleum naphtha based solvent that is classified as hazardous waste. Safety Kleen solvent is supplied in 16-gallon drums that connect to capture trays and a recycle system to minimize the quantity of solvent use. When the current drum of solvent has reached it loading capacity of oil/grease, the unit is serviced by Safety Kleen.

The facility currently uses approximately 8 gallons of parts cleaner per month with approximately 16 gallons every two months being returned to Safety Kleen for recycling. Safety Kleen collects the used solvent approximately every 60 days and transports the material by truck to the Safety Kleen recycling center located at 1722 Cooper Creek Road in Denton, Texas.

The Completion facility does not use solvents or dispose of solvents from their facility.

8.5. Slop Oil, Used Lubrication and Motor Oils

The ALS facility maintains and services up to seven engine driven pumps. Servicing of these engines may generate up to 30 gallons of used motor oil per month. This oil is captured during servicing and placed into drums. The drums of oil are stored on the waste containment pallet in the storage area prior to shipment of the oil to a permitted recycler or disposal facility. The oil is currently recycled through Mesa Oil Inc. The facility currently produces approximately 300 gallons of waste oil per year.

8.6. Paint Wastes

All paints used at the facilities are water based paints or aerosol. Neither facility stores nor disposes of paint thinner. Paint cans are allowed to dry before they are disposed of in the trash bin.

8.7. Oil Filters

The ALS facility can generate as much as seven used oil filters a month. The filters are drained of oil and are placed in a drying tray. When the filters are dry, they are collected in 55 gallon drums for off-site recycling through Safety Kleen or First Recovery, Inc.

8.8. Other Solid Wastes

Empty aerosol cans, lubricant, oil containers and miscellaneous materials are placed in an on-site dumpster for collection by truck. The materials in the dumpster are collected by Waste Management of Four Corners and transported to the San Juan County Landfill for disposal. Waste Management of Four Corners annually verifies the composition of the waste stream. Scrap metal is collected in a bin and picked up by local metal recycler.

9. Proposed Modifications to Existing Collection / Treatment / Disposal Systems

There is one proposed modification to the existing collection and disposal procedures for the Completion facility. Weatherford will in the future use Safety Kleen to vacuum solids directly from the sump. The sludge will be transported in the vacuum truck to the disposal facility. This will eliminate the need for drums, which will limit the exposure of the site to sump sludge and improve the efficiency of the sump cleaning process. Safety Kleen will dispose of the sump sludge at a licensed and permitted disposal facility.

10. Inspection, Maintenance and Reporting

The facility does not have any waste disposal units that require inspection, monitoring or reporting. Inspection, maintenance and leak detection will be performed weekly on the wash water systems. The container storage area will be inspected following any significant rainfall event to determine the amount of water within the containment area. The water treatment unit and container storage areas are both located in areas where they can be observed on a daily basis by facility employees. The procedures to be used for the inspection of these units is described in the following section.

10.1. Inspections

A description of the inspection procedures and inspection schedule for the waste storage generating and storage areas are described below. A copy of an inspection log for the facility is included in Appendix B. In addition to scheduled inspections, most areas of the facility are observed on a day to day basis by the employees.

10.1.1.Wash Water Collection System

Sumps and wash water collection systems will be inspected on a weekly basis. The inspection will include the level of solids in the solids trap section of the sumps, the amount of oil in the oil trap sections and the overall condition of the system. If maintenance to the system is required the facility personnel will perform the appropriate service.

10.1.2. Container Storage Areas

The container storage areas will be inspected following any rainfall event of 0.25 inches or greater. The storage area will also be inspected on a weekly basis to determine if precipitation has accumulated within the storage area or if a release has occurred. If a release has occurred within the storage area, the material will be pumped into drums and the storage area decontaminated to prevent future contamination of precipitation that falls within the storage area.

10.2. Containment of Precipitation and Runoff

With the exception of the ALS facilities outdoor wash tank, steam cleaning, repair and painting of equipment is performed inside the shop. Precipitation or stormwater runoff does not come into contact with these process areas.

The ALS Facilities yard is covered with gravel. Only dry parts are stored in the yard while the wash water tank is contained in a concrete containment pad and the used oil drums are stored on a waste containment pallet. The yard is sloped for stormwater drainage to the southeast.

The Completion facility is either paved with asphalt or gravel. Only dry parts are stored in the yard under cover of a shed roof. All wastes are stored on the drum containment pallet in the designated area. The yard centrally slopes to drain stormwater to the south off the site and into the rain gutter on Animas Street.

11. Spill/Leak Prevention and Reporting Procedures

11.1. Containment and Cleanup

Weatherford 's corporate policy is to comply with all applicable environmental laws and regulations. In addition, Weatherford has built, maintained and upgraded facilities in order to minimize impacts to the environment. Weatherford personnel are present at the site during most of the daylight hours and personnel receive training in spill containment and cleanup to minimize impacts to the environment. Releases of materials require reporting to Weatherford 's Corporate Environmental Department and to applicable government agencies.

Leaks, spills and drips will be handled as follows:

- Small spills on pavement will be absorbed with absorbent pads or granular oil absorbent material. The pads/oil absorbents will be placed into drums for off-site disposal by an approved disposal contractor.
- Small spills on soil will be shoveled into drums for off-site disposal by an approved disposal contractor.
- Large spills will be contained with temporary berms. Free liquids will be pumped into drums. Contaminated soils will be placed into drums or other leak-proof container and disposed as applicable. Additional characterization and removal of impacted soils will be performed on as needed basis.

The facility maintains spill kits that contain absorbent pads, granular absorbent, small booms and drums to temporarily store impacted material. The largest liquid containers maintained at the sites are 55 gallon drums located in containment structures. All drums will be stored either in the shop or inside the container storage areas.

11.2. Reporting of Emergency Incidents

WQCC Rule 1203A requires that in the event of a release of oil or other water contaminants in such quantities as may be detrimental to human health, animal or plant life or unreasonably interfere with the public welfare or use of property, notification will be given to the OCD. OCD personnel recommend notification be given if five (5) gallons or more of a refined hydrocarbon product is released. Notification is required if more than five (5) barrels of material is released per

NMOCD Rule 116. Notification will also be given if any contaminant reaches a watercourse or enters a stream or river.

Notification will be given orally to the OCD District Office as soon as possible, but no later than 24 hours, after the discharge. Notification will consists of the following information:

- The name, address and telephone number of the facility and the name and phone number of the person in charge of the facility;
- The date, time and duration of the discharge;
- The source and cause of the discharge;
- A description of the discharge including chemical composition;
- The estimated volume of the discharge, and
- The actions taken to mitigate immediate damage from the discharge.

Within ten days of the discharge, the operator will also submit, in duplicate, the above information in writing to OCD District Office.

The OCD District Office is located at the following address and phone number.

1000 Rio Brazos Road
Aztec, NM 87410
Phone: (505) 334-6178
Fax: (505) 334-6170

An OCD Notification of Fire, Breaks, Spills, Leaks and Blowouts form illustrating the requested notification information is provided as Appendix C. This form will be completed by the Facility Manager or his designee for all reportable releases. A copy of the form will be transmitted to the OCD District Office, Weatherford Corporate Environmental in Houston, Texas and a copy will be retained at the facility.

12. Site Characteristics

12.1. Nearby Water Bodies/Watercourses

Water bodies and watercourses within one mile of the ALS facility are shown on Figure 1. The water bodies within one mile of the facility are the La Plata River, the San Juan River, North Farmington Ditch and the Farmers Mutual Ditch. Several intermittent drainage pathways are also located around the facility.

Water bodies and watercourses within one mile of the Completion facility are shown on Figure 2. The water bodies within one mile of the facility are the Animas River, North Farmington Ditch and the Willett Ditch. Surface drainage in the area is by street curbs and gutters with no surface drainage pathways across the facility.

12.2. Water Wells

A search was performed to determine if any registered water wells are located within 0.5 mile of the facilities. The search indicated no wells within 0.5 miles of either facility. The search was conducted on a city street bases utilizing the VISTA CHECK Data Base. Figures 5 and 6 show a 0.5 mile radius around each site that was searched.

12.3. Groundwater

No wells are present on either of the sites to provide groundwater data. Because of the proximity of the facilities to rives the depth to ground water is presumed to be shallow ranging from 10 to 30 feet. No TDS information for the groundwater was available.

Available information indicates that groundwater flow is generally to the south toward the San Juan River. The Nacimiento Formation is the aquifer in the vicinity of the Weatherford facilities.

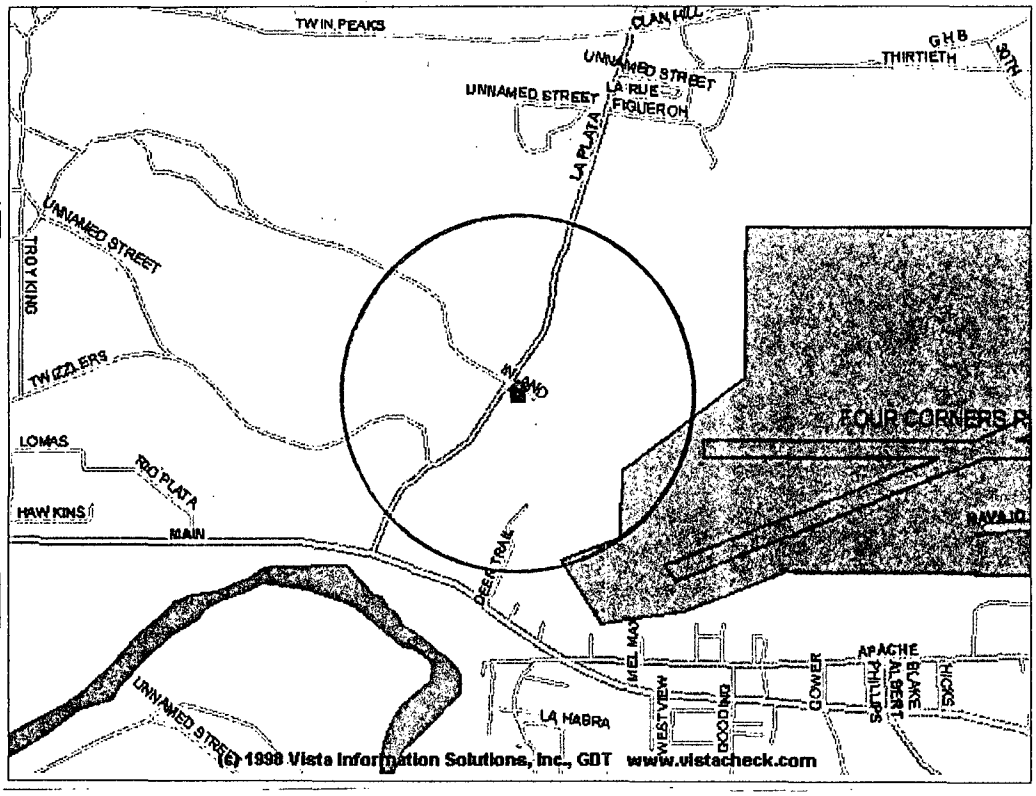
12.4. Stratigraphy

The ALS facility is located upon Stream bed alluvial deposits of sands and gravels. The facility soils consists of fine to medium grained sands and gravels with minor amounts of silt and clay. The alluvium is underlain by the Nacimiento Formation. The Nacimiento Formation is comprised of sandstones and mudstone. The sandstones are medium to very coarse-grained, immature to submature arkoses.

The Completion site and surrounding properties are covered with imported material. Based on the proximity to the Animas River and nearby river cut banks, the soils at the site are believed to consist of alluvial sands and gravels with minor amounts of silt and clay. The alluvium is underlain by the Nacimiento formation.

12.5. Flooding Potential

Each facility is located along a river drainage. The ALS facility is approximately 300 feet from and 15 feet above the La Plata River bed. The Completion facility is approximately 600 feet from and 20 feet above the Animas River bed. The facilities are on public streets. Because of the proximity of the facilities to rivers they are at risk to potential flooding.



Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

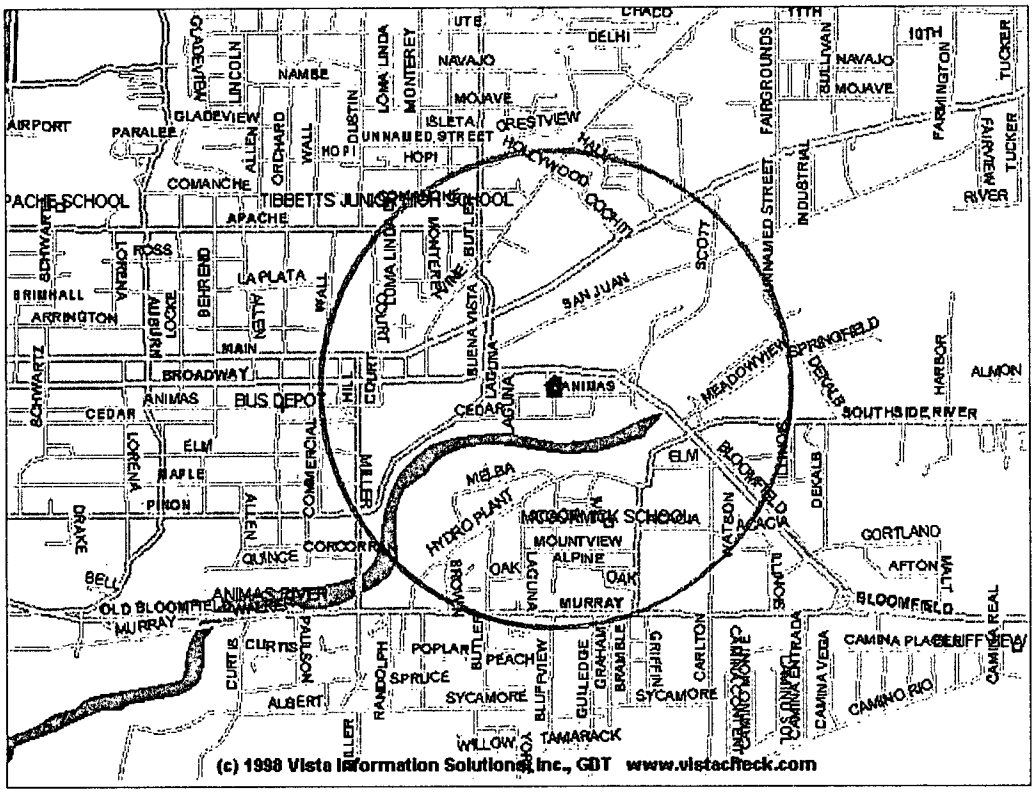
FIGURE 5

ALS Water Well Location Map

WEATHERFORD ARTIFICIAL LIFT SYSYEMS
2803 INLAND STREET
FARMINGTON, NM

Date: 03/01/02 Project No.: _____

CM/W-ALIFT.DWG 03/04/02



Wilson Environmental Management, Inc.
Houston, Tx. (713) 468-3323
Provo, Ut. (801) 377-4532

FIGURE 6
Completion Water Well Location Map
514 E. ANIMAS
WEATHERFORD COMPLETION
FARMINGTON, NEW MEXICO

Date: 1-6-99 Project No.: WEM 41001

13. Compliance With All NMOCD Rules, Regulations and/or Orders

The facilities do not perform any on-site disposal or have any waste disposal units. All products and wastes are contained to prevent accidental discharge to the environment and all wastes are transported off-site for recycling or disposal. In the event of a release, Weatherford US, Limited Partnership will comply with the requirements of NMOCD Rule 116 and WQCC Section 1203 spill reporting. In the event that Weatherford were to close either of the facilities, a comprehensive closure plan for the facility would be filed with the NMOCD.

APPENDIX A

WASTE DISPOSAL MANIFESTS AND ANALYTICAL RESULTS

NON-HAZARDOUS WASTE MANIFEST

ORDER # 205360

Please print or type (Form designed for use on elite (12 pitch) typewriter)

NON-HAZARDOUS WASTE MANIFEST

1. Generator's US EPA ID No.: CBSQG

Manifest Document No.: 12491

2. Page 1 of

205360

3. Generator's Name and Mailing Address
WEATHERFORD INC.
514 EAST ANIMAS
FARMINGTON, NM 87401

4. Generator's Phone (303 505) 327-5180 EMERGENCY CONTACT: BOX 15

5. Transporter Company Name: RUAN TRANSPORT CORP

6. US EPA ID Number: IAT200010049

A. State Transporter's ID

B. Transporter 1 Phone: 303-321-5627

7. Transporter 2 Company Name: Vopak USA Inc

8. US EPA ID Number: CODO75770560

C. State Transporter's ID

D. Transporter 2 Phone: 303-388-5651

9. Designated Facility Name and Site Address
POLLUTION CONTROL INDUSTRIES
4343 KENNEDY AVENUE
EAST CHICAGO, IN 46312

10. US EPA ID Number: IND000646943

E. State Facility's ID

F. Facility's Phone: 219-397-3951

11. WASTE DESCRIPTION	12. Containers No.	12. Containers Type	13. Total Quantity	14. Unit Wt./Vol.
a. NON HAZARDOUS WASTE (WATER, DIRT, OIL)	5	DM	275	G
b.				
c.				
d.				

GENERATOR

G. Additional Descriptions for Materials Listed Above
11a. 01120385 SUMP SLUDGE

H. Handling Codes for Wastes Listed Above
S01

15. Special Handling Instructions and Additional Information
WEAR APPROPRIATE PROTECTIVE GEAR WHEN HANDLING.
EMERGENCY CONTACT: CHEMTREC: 1-800-424-9300. CALLER MUST IDENTIFY VOPAK USA AS SHIPPER.

NON-HAZARDOUS WASTE

16. GENERATOR'S CERTIFICATION: I hereby certify that the contents of this shipment are fully and accurately described and are in all respects in proper condition for transport. The materials described on this manifest are not subject to federal hazardous waste regulation.

Printed/Typed Name: Steve Wayman
Signature: Steve Wayman
Date: Month 12 Day 27 Year 01

TRANSPORTER

17. Transporter 1 Acknowledgement of Receipt of Materials
Printed/Typed Name: Scott A. McGuire
Signature:
Date: 12 27 01

18. Transporter 2 Acknowledgement of Receipt of Materials
Printed/Typed Name: Bernice Gil
Signature: Bernice Gil
Date: Month 12 Day 28 Year 01

FACILITY

19. Discrepancy Indication Space

20. Facility Owner or Operator: Certification of receipt of the waste materials covered by this manifest, except as noted in item 19.
Printed/Typed Name: Janet L. Reid
Signature: Janet L Reid
Date: Month 01 Day 02 Year

HOUSTON LABORATORY
8880 INTERCHANGE DRIVE
HOUSTON, TEXAS 77054
(713) 660-0901

Client Sample ID: Sump Waste **Collected:** 4/2/01 9:00:00 A **SPL Sample ID:** 01040219-01

Site: Sump Waste

Analyses/Method	Result	Rep.Limit	MCL	Dil. Factor	QUAL	Date Analyzed	Analyst	Seq. #
CORROSIVITY			MCL	SW9040B		Units: pH Units		
Corrosivity	6.5	0		1		04/12/01 20:00	JS	637675
IGNITABILITY			MCL	SW1010		Units: °F		
Ignitability	>212	20		1		04/05/01 19:05	ES	632925
MERCURY, TOTAL			MCL	SW7470A		Units: mg/L		
Mercury	ND	0.0002		1		04/10/01 13:39	R_T	634019

Run ID/Seq #: HGL_010410B-634019

Prep Method	Prep Date	Prep Initials
SW7470A	04/10/2001 10:00	R_T

METALS BY METHOD 6010B, TOTAL			MCL	SW6010B		Units: mg/L		
Arsenic	0.122	0.005		1		04/10/01 23:41	NS	633934
Lead	17.4	0.005		1		04/10/01 23:41	NS	633934
Selenium	0.131	0.005		1		04/10/01 23:41	NS	633934
Barium	11.3	0.005		1		04/11/01 15:47	E_B	635481
Cadmium	0.038	0.005		1		04/11/01 15:47	E_B	635481
Chromium	1.97	0.01		1		04/11/01 15:47	E_B	635481
Silver	ND	0.01		1		04/11/01 15:47	E_B	635481

Run ID/Seq #: TJAT_010410A-633934

Prep Method	Prep Date	Prep Initials
SW3010A	04/09/2001 15:15	MME

Run ID/Seq #: TJA_010411C-635481

Prep Method	Prep Date	Prep Initials
SW3010A	04/09/2001 15:15	MME

REACTIVE CYANIDE-WATER			MCL	SW7.3.3.1		Units: mg/L		
Reactive Cyanide	ND	0.5		1		04/12/01 16:00	GC	638664
REACTIVE SULFIDE - AQUEOUS			MCL	SW7.3.4.2		Units: mg/L		
Reactive Sulfide	47	10		1		04/12/01 16:00	GC	638670
TCLP METALS BY METHOD 6010B			MCL	SW6010B		Units: mg/L		
Lead	ND	0.1	5	2		04/18/01 15:03	E_B	641725

Run ID/Seq #: TJA_010418C-641725

Prep Method	Prep Date	Prep Initials	Leach Method	Leachate Date	Leach Initials
SW3010A	04/17/2001 15:15	MME	SW1311	04/17/2001 13:55	ES

Qualifiers:

ND/U - Not Detected at the Reporting Limit
B - Analyte detected in the associated Method Blank
* - Surrogate Recovery Outside Advisable QC Limits
J - Estimated Value between MDL and PQL
>MCL - Result Over Maximum Contamination Limit(MCL)
D - Surrogate Recovery Unreportable due to Dilution
MI - Matrix Interference

4/13/01 11:38:23 AM

HOUSTON LABORATORY
8880 INTERCHANGE DRIVE
HOUSTON, TEXAS 77054
(713) 660-0901

Client Sample ID: Sump Waste **Collected:** 4/2/01 00:00 A **SPL Sample ID:** 01040219-01

Site: Sump Waste

Analyses/Method	Result	Rep.Limit	MCL	Dil. Factor	QUAL	Date Analyzed	Analyst	Seq.#
CORROSIVITY			MCL	SW9040B		Units: pH Units		
Corrosivity	6.5	0		1		04/12/01 20:00	JS	637675
IGNITABILITY			MCL	SW1010		Units: °F		
Ignitability	>212	20				04/09/01 19:05	ES	632925
MERCURY, TOTAL			MCL	SW7470A		Units: mg/L		
Mercury	ND	0.0002		1		04/10/01 13:39	R_T	634019
Run ID/Seq #: HGL_010410B-634019								
Prep Method: SW7470A; Prep Date: 04/10/2001 10:00; Prep Initials: T								
METALS BY METHOD 6010B, TOTAL			MCL	SW6010B		Units: mg/L		
Arsenic	0.122	0.005		1		04/10/01 23:41	NS	633934
Lead	17.4	0.005		1		04/10/01 23:41	NS	633934
Selenium	0.131	0.005		1		04/10/01 23:41	NS	633934
Barium	11.3	0.005		1		04/11/01 15:47	E_B	635481
Cadmium	0.038	0.005		1		04/11/01 15:47	E_B	635481
Chromium	1.97	0.01		1		04/11/01 15:47	E_B	635481
Silver	ND	0.01		1		04/11/01 15:47	E_B	635481
Run ID/Seq #: TJAT_010410A-633934								
Prep Method: SW3010A; Prep Date: 04/09/2001 15:15; ep Initials: ME								
Run ID/Seq #: TJA_010411C-635481								
Prep Method: SW3010A; Prep Date: 04/09/2001 15:15; ep Initials: ME								
REACTIVE CYANIDE-WATER			MCL	SW7.3.3.1		Units: mg/L		
Reactive Cyanide	ND	0.5		1		04/12/01 16:00	GC	638664
REACTIVE SULFIDE - AQUEOUS			MCL	SW7.3.4.2		Units: mg/L		
Reactive Sulfide	47	10		1		04/12/01 16:00	GC	638670
TCLP METALS BY METHOD 6010B			MCL	SW6010B		Units: mg/L		
Lead	ND	0.1	5	2		04/18/01 15:03	E_B	641725
Run ID/Seq #: TJA_010418C-641725								
Prep Method: SW3010A; Prep Date: 04/17/2001 15:15; Prep Initials: MME; Leach Method: SW1311; Leachate Date: 04/17/2001 13:55; Leach Initials: ES								

Qualifiers:

ND/U - Not Detected at the Reporting Limit
B - Analyte detected in the associated Method Blank
* - Surrogate Recovery Outside Advisable QC Limits
J - Estimated Value between MDL and PQL
>MCL - Result Over Maximum Contamination Limit(MCL)
D - Surrogate Recovery Unreportable due to Dilution
MI - Matrix Interference

APPENDIX B

WASTE CONTAINMENT INSPECTION LOGS

Facility Maintenance Checklist

Facility: Weatherford U.S., L.P.
Address: ALS 2803 Inland Street
Farmington, NM 87401

Facility ID #: _____
Month of :
Year : _____

		WEEKLY			
Date:	Initials:	Used Oil Containment Skid	Wash Area Containment	Shop Area Inspection	Yard Inspection

Date:	Area:	Comments/Recommendations:

Send copy to Weatherford, Health, Safety and Environmental Department
515 Post Oak Blvd Suite 600, Houston, TX 77056 or Fax to (713) 693-4498.

INSTRUCTIONS FOR COMPLETING THE FACILITY MAINTENANCE CHECKLIST

Each box of the inspection sheet (other than Date and Initials) should contain one of the following notations:

√ - Area is in compliance with Company Policy and Procedures Manual;
X - This area needs attention; or
NA - This box is not applicable to the facility.

If the notation X is entered in a box, use the Comments/Recommendations section to describe a corrective action for the problem. For the √ to be entered, *all* of the statements listed below for that area must be true.

WASTE CONTAINMENT AREA / PRODUCT STORAGE AREA / CHEMICAL STORAGE AREA

- ✓ Containers are in good condition, not leaking or deteriorating;
- ✓ Containers are compatible with the material being stored and labeled to identify their contents;
- ✓ Containers are closed and the bungs or lids are tightly sealed;
- ✓ Containers are stored in a safe manner (away from sources of ignition, away from traffic, at least 50 feet from the property line, at least 100 feet from buildings on neighboring property, etc.);
- ✓ Containers are within a secondary containment area under a roof or other cover;
- ✓ Storage takes place in a designated area which is posted as "No Smoking";
- ✓ Grounding devices are used when transferring flammable liquids into or between containers;
- ✓ Emergency and spill control plans, equipment and supplies, including alarms, telephones, fire extinguishers, personal protective equipment and absorbents are readily available; and
- ✓ The number of exits provided should allow for safe evacuation in case of an emergency.
- ✓ Storage areas are marked with warning signs listing the principal hazards of the wastes stored;
- ✓ Security precautions have been implemented to limit access to authorized personnel only;
- ✓ Aisle space allows for unobstructed movement of workers and equipment at all times;
- ✓ Ignitable wastes are protected from possible ignition sources;
- ✓ Reactive wastes are separated to prevent reactions; and
- ✓ Adequate ventilation is provided for enclosed accumulation areas.

PIPE COATING AREA

- ✓ Coatings are applied using airless application methods to minimize airborne contamination;
- ✓ Coatings are applied in areas having secondary containment;
- ✓ Spray painting operations without vapor recovery systems are no closer than 50 feet from the property line and are at least 250 feet from adjoining property buildings;
- ✓ Coatings and thinners are properly stored in an approved flammable storage area;
- ✓ Solidified drippings from the coating process are managed to prevent impact to surface soils;
- ✓ Coatings, thinners and adhesives are collected in DOT drums or containers, properly labeled, and stored in the drum storage area; and
- ✓ Empty containers are properly disposed of and not allowed to accumulate.

WASTE WATER TREATMENT SYSTEM

- ✓ Pipes, pumps and seals are not leaking;
- ✓ Adequate supplies are on hand (e.g., paper filters, carbon, alum, sodium hypochlorite, quick-release soap); and
- ✓ All equipment is properly maintained according to the manufacturer's instructions.

DRAINAGE/COLLECTION SYSTEMS

- ✓ All grates and covers are in place; and
- ✓ Drains are not blocked and flow freely.

YARD INSPECTION

- ✓ All general housekeeping requirements are being met.

CAUSTIC VAT

- ✓ Vat is of double-wall construction or placed in a containment area;
- ✓ Vat is no closer than 50 feet from the property boundary and is at least 150 feet from adjoining property buildings;
- ✓ When equipment is removed from the vat it is drained thoroughly over the vat to ensure that no more than minimal amounts of caustic spill onto the cleaning slab and/or enter the wastewater sump;
- ✓ Drums used to contain caustic or spent caustic corrosion-resistant or lined to prevent corrosion;
- ✓ Drums used to contain caustic or spent caustic are properly sealed;
- ✓ Full drums of spent caustic are properly labeled and moved to the waste drum storage area; and
- ✓ If caustic vats are drained, they are refilled with sodium metasilicate solution, *not* sodium hydroxide.

PAINT BOOTHS AND BLASTING BOOTHS

- ✓ All fans function properly and are properly maintained;
- ✓ Filters are changed at required intervals; and
- ✓ Floor is free of debris.

Facility Maintenance Checklist

Facility: Weatherford U.S., L.P.
Address: Completion 514 E Animas
Farmington, NM 87401

Facility ID #: _____
Month of :
Year : _____

		WEEKLY			
Date:	Initials:	Waste Containment Skid	Sump and Wash Area	Shop Area Inspection	Yard Inspection

Date:	Area:	Comments/Recommendations:

Send copy to Weatherford, Health, Safety and Environmental Department
515 Post Oak Blvd Suite 600, Houston, TX 77056 or Fax to (713) 693-4498.

INSTRUCTIONS FOR COMPLETING THE FACILITY MAINTENANCE CHECKLIST

Each box of the inspection sheet (other than Date and Initials) should contain one of the following notations:

√ - Area is in compliance with Company Policy and Procedures Manual;
X - This area needs attention; or
NA - This box is not applicable to the facility.

If the notation **X** is entered in a box, use the Comments/Recommendations section to describe a corrective action for the problem. For the √ to be entered, *all* of the statements listed below for that area must be true.

WASTE CONTAINMENT AREA / PRODUCT STORAGE AREA / CHEMICAL STORAGE AREA

- ✓ Containers are in good condition, not leaking or deteriorating;
- ✓ Containers are compatible with the material being stored and labeled to identify their contents;
- ✓ Containers are closed and the bungs or lids are tightly sealed;
- ✓ Containers are stored in a safe manner (away from sources of ignition, away from traffic, at least 50 feet from the property line, at least 100 feet from buildings on neighboring property, etc.);
- ✓ Containers are within a secondary containment area under a roof or other cover;
- ✓ Storage takes place in a designated area which is posted as "No Smoking";
- ✓ Grounding devices are used when transferring flammable liquids into or between containers;
- ✓ Emergency and spill control plans, equipment and supplies, including alarms, telephones, fire extinguishers, personal protective equipment and absorbents are readily available; and
- ✓ The number of exits provided should allow for safe evacuation in case of an emergency.
- ✓ Storage areas are marked with warning signs listing the principal hazards of the wastes stored;
- ✓ Security precautions have been implemented to limit access to authorized personnel only;
- ✓ Aisle space allows for unobstructed movement of workers and equipment at all times;
- ✓ Ignitable wastes are protected from possible ignition sources;
- ✓ Reactive wastes are separated to prevent reactions; and
- ✓ Adequate ventilation is provided for enclosed accumulation areas.

PIPE COATING AREA

- ✓ Coatings are applied using airless application methods to minimize airborne contamination;
- ✓ Coatings are applied in areas having secondary containment;
- ✓ Spray painting operations without vapor recovery systems are no closer than 50 feet from the property line and are at least 250 feet from adjoining property buildings;
- ✓ Coatings and thinners are properly stored in an approved flammable storage area;
- ✓ Solidified drippings from the coating process are managed to prevent impact to surface soils;
- ✓ Coatings, thinners and adhesives are collected in DOT drums or containers, properly labeled, and stored in the drum storage area; and
- ✓ Empty containers are properly disposed of and not allowed to accumulate.

WASTE WATER TREATMENT SYSTEM

- ✓ Pipes, pumps and seals are not leaking;
- ✓ Adequate supplies are on hand (e.g., paper filters, carbon, alum, sodium hypochlorite, quick-release soap); and
- ✓ All equipment is properly maintained according to the manufacturer's instructions.

DRAINAGE/COLLECTION SYSTEMS

- ✓ All grates and covers are in place; and
- ✓ Drains are not blocked and flow freely.

YARD INSPECTION

- ✓ All general housekeeping requirements are being met.

CAUSTIC VAT

- ✓ Vat is of double-wall construction or placed in a containment area;
- ✓ Vat is no closer than 50 feet from the property boundary and is at least 150 feet from adjoining property buildings;
- ✓ When equipment is removed from the vat it is drained thoroughly over the vat to ensure that no more than minimal amounts of caustic spill onto the cleaning slab and/or enter the wastewater sump;
- ✓ Drums used to contain caustic or spent caustic corrosion-resistant or lined to prevent corrosion;
- ✓ Drums used to contain caustic or spent caustic are properly sealed;
- ✓ Full drums of spent caustic are properly labeled and moved to the waste drum storage area; and
- ✓ If caustic vats are drained, they are refilled with sodium metasilicate solution, *not* sodium hydroxide.

PAINT BOOTHS AND BLASTING BOOTHS

- ✓ All fans function properly and are properly maintained;
- ✓ Filters are changed at required intervals; and
- ✓ Floor is free of debris.

APPENDIX C

ODC NOTIFICATION FORM

State of New Mexico
Energy and Minerals Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504

NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

Name of Operator				Address			
Report of	Fire	Break	Spill	Leak	Blowout	Other*	
Type of Facility	Drlg Well	Prod Well	Tank Bty	Pipe Line	Gaso Plnt	Oil Rfy	Other*
Name of Facility							
Location of Facility (Quarter/Quarter Section or Footage Description)				Sec.	Twp.	Rge.	County
Distance and Direction From Nearest Town or Prominent Landmark							
Date and Hour of Occurrence				Date and Hour of Discovery			
Was Immediate Notice Given?	Yes	No	Not Required	If Yes, To Whom			
By Whom				Date and Hour			
Type of Fluid Lost				Quantity of Loss _____BO _____BW		Volume Recovered _____BO _____BW	
Did Any Fluids Reach a Watercourse?	Yes	No	Quantity				
If Yes, Describe Fully**							
Describe Cause of Problem and Remedial Action Taken**							
Describe Area Affected and Cleanup Action Taken**							
Description of Area	Farming	Grazing	Urban	Other*			
Surface Conditions	Sandy	Sandy Loam	Clay	Rocky	Wet	Dry	Snow
Describe General Conditions Prevailing (Temperature, Precipitation, Etc.)**							
I Hereby Certify That the Information Above Is True and Complete to the Best of My Knowledge and Belief Signed Title Date							

*Specify

**Attach Additional Sheets if Necessary

WEATHERFORD SPILL REPORT FORM

FACILITY ADDRESS: 2803 Inland Street Farmington, NM87401

FACILITY ID NUMBER:_____ PHONE NO. (505) 564-8381

****

WEATHERFORD CORPORATE EMPLOYEE CONTACTED:_____

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

DATE AND TIME OF RELEASE:_____

*SPILL REPORTED TO AGENCY: _____

*NAME OF AGENCY REPORTED TO: _____

*AGENCY REPRESENTATIVE CONTACTED: _____

****

TYPE OF MATERIAL SPILLED: _____

AMOUNT OF MATERIAL SPILLED: _____

AREA COVERED BY SPILL:_____

_____

ACTIONS TAKEN TO IMMEDIATELY ABATE HAZARDOUS SITUATION:_____

_____

_____

_____

****

SUMMARY OF SPILL - INCLUDE DETAILS OF ALL ACTIVITIES: _____

_____

_____

_____

_____

_____

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

_____

WEATHERFORD SPILL REPORT FORM

FACILITY ADDRESS: 514 E Animas Farmington, NM87401

FACILITY ID NUMBER:_____PHONE NO. (505) 326-5141

****

WEATHERFORD CORPORATE EMPLOYEE CONTACTED:_____

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

DATE AND TIME OF RELEASE:_____

*SPILL REPORTED TO AGENCY: _____

*NAME OF AGENCY REPORTED TO: _____

*AGENCY REPRESENTATIVE CONTACTED: _____

****

TYPE OF MATERIAL SPILLED: _____

AMOUNT OF MATERIAL SPILLED: _____

AREA COVERED BY SPILL:_____

_____

ACTIONS TAKEN TO IMMEDIATELY ABATE HAZARDOUS SITUATION:_____

_____

_____

_____

****

SUMMARY OF SPILL - INCLUDE DETAILS OF ALL ACTIVITIES: _____

_____

_____

_____

_____

_____

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

_____

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 27, 2002

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 7884

Mr. Ronald E. Long
Weatherford USLP
2803 Inland Street
Farmington, New Mexico 87401

RE: Discharge Plan Approval GW-347
Weatherford USLP
Farmington Service Facility 2
San Juan County, New Mexico

Dear Mr. Long:

The ground water discharge plan GW-347 for the Weatherford USLP Farmington Service Facility 2, located at 2803 Inland Street and 514 East Animas Street, in the SE/4 NW/4 of Section 7, 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 30 days of receipt of this letter.**

The discharge plan application, dated February 13, 2002, was submitted pursuant to Sections 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Weatherford USLP of liability should operations result in pollution of surface water, ground water, or the environment.

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

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

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **May 27, 2007**, and Weatherford USLP should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan 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 has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan .

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

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

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

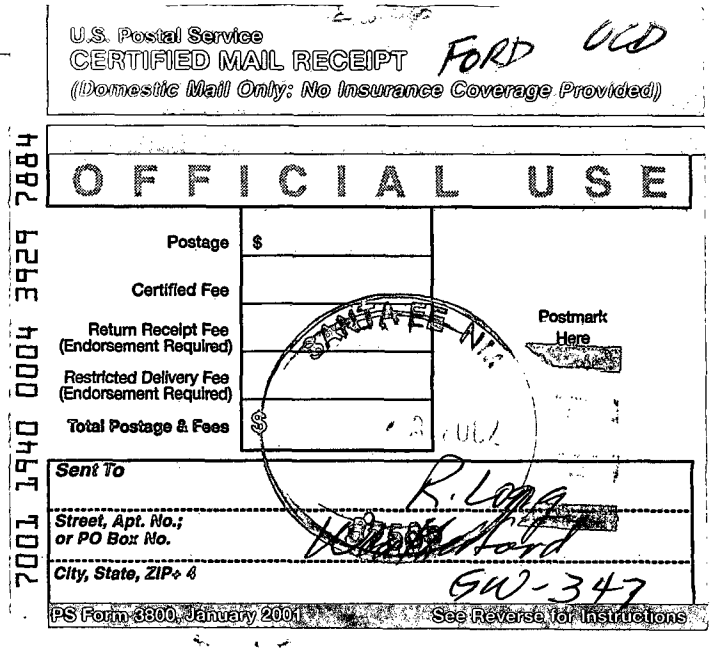
If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec District Office



ATTACHMENT TO THE DISCHARGE PLAN GW-347
WEATHERFORD USLP
FARMINGTON SERVICE FACILITY 2
DISCHARGE PLAN APPROVAL CONDITIONS
(May 27, 2002)

1. Payment of Discharge Plan Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for oil and gas service companies equal to $1,700.00. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.

2. Weatherford USLP Commitments: Weatherford USLP will abide by all commitments submitted in the discharge plan application dated March 28, 2002 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.

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

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

11. 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 by a Weatherford USLP's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.

13. 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: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Farmington Service Facility are discontinued for a period in excess of six months. Prior to closure of the Farmington Service Facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

Accepted:

WEATHERFORD USLP

by_____
Title