

NM1 - 3

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GENERAL  
CORRESPONDENCE

YEAR(S):

1/2007 →



New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



May 19, 2008

Ms. Tracy Hughes  
General Counsel  
New Mexico Environment Department  
1190 Saint Francis Drive  
Santa Fe, New Mexico 87505

**RE: May 13, 2008 Concerned Citizen Compliant**  
**Permit NM-1-0003**  
**Sundance Services, Inc. Commercial Surface Waste Management Facility**  
**SW/4, Section 29, Township 21 South, Range 38 East, NMPM**  
**Lea County, New Mexico**

Dear Ms. Hughes:

The New Mexico Oil Conservation Division (OCD) has received the compliant forwarded from your office regarding one of OCD's permitted surface management facilities. OCD will be investigating the items of concern identified within the compliant. OCD appreciates the Environment Department's effort to expeditiously forward the compliant to the appropriate division.

If there are any questions regarding this matter, please do not hesitate to contact Brad Jones of my staff at (505) 476-3487 or [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us).

Sincerely,



Daniel Sanchez  
Enforcement & Compliance Manager  
Oil Conservation Division

DS/baj

cc: OCD District I Office, Hobbs  
Jim Karp, New Mexico Department of Game & Fish, One Wildlife Way, Santa Fe, NM





BILL RICHARDSON  
Governor  
DIANE DENISH  
Lieutenant

NEW MEXICO  
ENVIRONMENT DEPARTMENT  
*OFFICE OF GENERAL COUNSEL*

Harold Runnels Building  
1190 Saint Francis Drive, Santa Fe, NM 87505  
Phone (505) 827-2990 Fax (505) 827-1628  
www.nmenv.state.nm.us  
Tracy Hughes, General Counsel



RON CURRY  
Secretary  
JON GOLDSTEIN  
Deputy Secretary

May 13, 2008

Mark Fesmire, Director  
Oil Conservation Division  
Energy, Minerals & Natural Resources Department  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

Re: Referral: Sundance Services, Eunice, N.M.

Enclosed is a letter from a very concerned citizen regarding Sundance Services in Eunice, N.M.. The citizen refers to open oil and sludge pits that are not covered and appear to be posing a danger to wildlife. We believe your agency may have jurisdiction or some interest in this matter.

Please call Tracy Hughes at 827-2750, if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen Thomas".

Karen Thomas

Cc: Jim Karp  
New Mexico Department of Game & Fish  
One Wildlife Way  
Santa Fe, NM 87507

Tracy Hughes, General Counsel, NMED

To whom it may concern:

There is a company operating a landfarm and disposal in Eunice N.M. that I think you should be aware of. The company operates under the name of Sundance Services. At there facility they are 3 open oil and sludge pits that are not covered and there are dead birds and other animals floating in them .These pits are not lined and they have been there for years. The landfarm accept any and all types of contaminated soil and is a total disgrace.

The state of New Mexico has strict guidelines that the Oil companies have to follow, but this company seems to operate and dispose of anything it wants. The local authoritys seem to just look the other way.

I think it would worth your time to visit this site and see exactly whats going on at this facility.

Than you for your time.

SIGNED;  
A VERY CONCERNED CITIZEN.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

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

Director

**Oil Conservation Division**

January 24, 2007

Ms. Donna L. Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

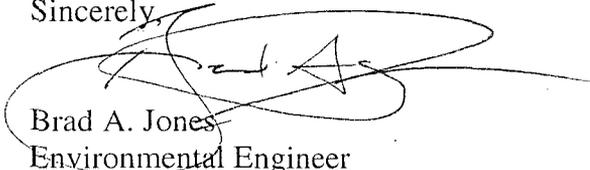
**RE: Request To Construct A New Landfill Cell  
Permit NM-1-0003  
Sundance Services, Inc. Commercial Surface Waste Management Facility  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM  
Lea County, New Mexico**

Dear Ms. Roach:

The New Mexico Oil Conservation Division (OCD) has received and reviewed Sundance Services, Inc.'s request to construct and operate a new landfill cell. The submittal did not provide sufficient information for the OCD to consider the request for approval. Therefore, the request cannot not be accepted for consideration at this time.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us).

Sincerely,

  
Brad A. Jones  
Environmental Engineer

BAJ/baj

cc: OCD District I Office, Hobbs

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

2007 JAN 5 PM 1 21

September 20, 2006

New Mexico Oil Conservation Division  
2040 S. St. Francis Dr.  
Santa Fe, NM 87505

Attn: Brad Jones; Wayne Price; Ed Martin

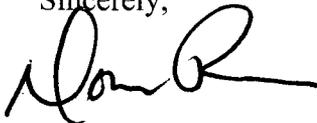
Ref: New Cell for Landfill

Dear Sirs;

Sundance Services Inc. request approval to move into a new cell for our landfill. Sundance recently permitted a cell that was located by our Sundance Pit #1. This cell is almost to capacity and will be ready for closure in the next month. During the month of February, Ed Martin visited our site and viewed the proposed cell area. This cell is located on the north side of our Pit #3 and extends to the north side of Pit #7, where Wallach Concrete has excavated a new cell. This cell is situated on the same type of geology of our past cells, underlying naturally occurring red bed clay liner. Monitor wells 77, 78, 79, 80, 81, 82, 38, 39, 40, 29, 30, 31 are located on the southeast/west side of this new cell and will be continually monitored. I have attached pictures of the cell along with a map of the monitor wells within proximity of the new cell. Access to this cell will be from the boundaries of Sundance with a new dike constructed on the Wallach Concrete side for complete enclosure.

If you have any further questions, please feel free to call my office. We appreciate your cooperation with this request and I am readily available to answer any questions you may have.

Sincerely,

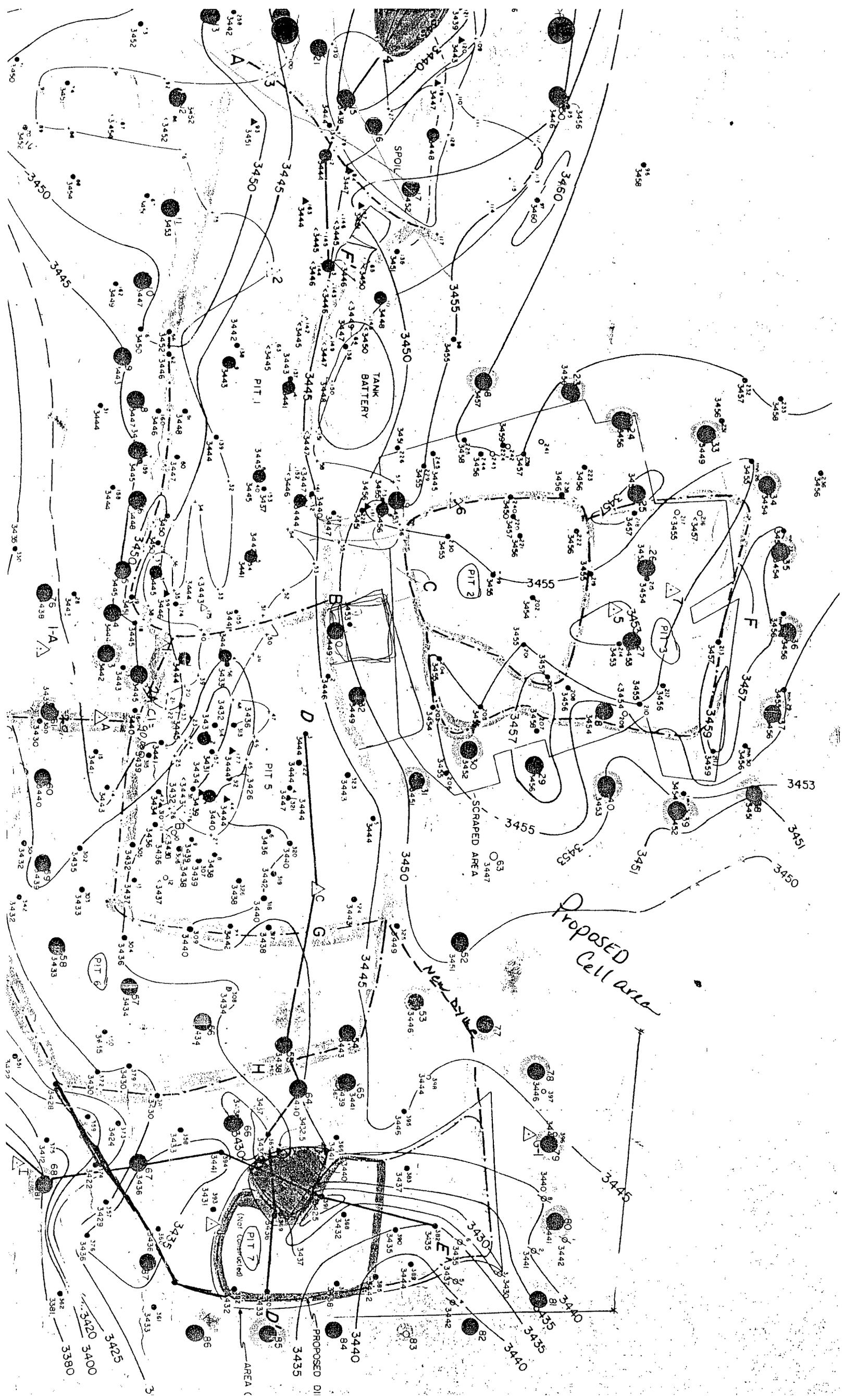


Donna L Roach  
President









**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Wednesday, January 10, 2007 12:31 PM  
**To:** 'SSIDonna@aol.com'  
**Cc:** Price, Wayne, EMNRD  
**Subject:** RE: Halliburton HCL Spill

Donna,

The initial submittal stated that the material was generated from a HCl spill. Halliburton should clarify the description. The MSDSs demonstrated that the materials in the mixture were all hazardous. Halliburton will have to demonstrate that the material is not hazardous. Acceptance of hazardous waste is prohibited. In order for this waste to be considered, Halliburton will have to provide a written statement from the State of Texas hazardous waste regulatory authority verifying that they have determined that the material is not hazardous. We also will require the laboratory results from a full TCLP of the material in question.

If you have any questions, do not hesitate to contact me.

**Brad A. Jones**  
*Environmental Engineer*  
*Environmental Bureau*  
*NM Oil Conservation Division*  
*1220 S. St. Francis Drive*  
*Santa Fe, New Mexico 87505*  
*E-mail: [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)*  
*Office: (505) 476-3487*  
*Fax: (505) 476-3462*

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**From:** SSIDonna@aol.com [mailto:SSIDonna@aol.com]  
**Sent:** Wednesday, January 10, 2007 10:06 AM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Re: Halliburton HCL Spill

Brad;

The mixture of the MSDS that was sent with the initial C-138 is the mixture that was spilled. The only thing added to neutralize it was the K34 sodium bicarbonate. I will have halliburton write a letter explaining the mixture and then the spill and what was used to neutralize it, then I will resubmit.

Thanks for your help.

*Donna L Roach*  
*President*

*Sundance Services Inc.*

1/10/2007

**Jones, Brad A., EMNRD**

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**From:** SSIDonna@aol.com  
**Sent:** Tuesday, January 09, 2007 11:42 AM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Halliburton HCL Spill  
**Attachments:** K-34.pdf

Brad;

I spoke to Halliburton again yesterday about the material that you denied for disposal from their spill in Brownfield. Steve Bailey with Halliburton sent over a load sheet of the material used to neutralize the acid. He stated that they tested the pH on the material and it was neutral 7-8... they also stated that the flash point on the 19N does not come into affect because it is only a total of 13% of all material. He stated that the flash point only becomes what is stated on the MSDS when there is 25% of this mixed with the hcl. The load sheet states: 20 gal. OS inhibitor, 40 gals. 19N, 20 gals. AS-5, 30 gals. Fe-5A, 10-33lb bags of 124C.

125 additives  
300 water  
190 Hcl

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615 gallons.

They used K34 sodium bicarbonate to neutralize with. I have attached the MSDS to this email. Let me know if you will reconsider approving acceptance of this material for disposal. Thanks for your help.

*Donna L Roach*  
*President*

*Sundance Services Inc.*  
*P.O. Box 1737*  
*Eunice, NM 88231*

505-394-2511

505-394-2590 (fax)

[www.sundanceservices.net](http://www.sundanceservices.net)

**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Tuesday, January 09, 2007 1:21 PM  
**To:** 'SSIDonna@aol.com'  
**Subject:** RE: Halliburton HCL Spill

Donna,

The initial denial still stands. It is based on the MSDSs submitted in the initial request. Each MSDS demonstrated that a characteristic hazardous material (corrosive and ignitable) were added to the HCl. It is unclear why they were utilized in the attempt to neutralize a HCl release. The K34 sodium bicarbonate should have been the only neutralizing agent used. Is the description of the generation of the proposed material accurate? Why were the other materials added to the HCl contaminated soils? Why were acids (the AS-5 anti-sludging agent) with a pH of 1 used to neutralize HCl with a pH of 0.8?

If this waste material is to be reconsidered, a new request will have to be submitted. Haliburton will have to demonstrate that the material is not hazarously characteristic. The submittal should include a detailed description of how the material was generated.

If you have any questions, do not hesitate to contact me.

Brad

**Brad A. Jones**  
*Environmental Engineer*  
*Environmental Bureau*  
*NM Oil Conservation Division*  
*1220 S. St. Francis Drive*  
*Santa Fe, New Mexico 87505*  
*E-mail: [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)*  
*Office: (505) 476-3487*  
*Fax: (505) 476-3462*

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**From:** SSIDonna@aol.com [mailto:SSIDonna@aol.com]  
**Sent:** Tuesday, January 09, 2007 11:42 AM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Halliburton HCL Spill

Brad;

I spoke to Halliburton again yesterday about the material that you denied for disposal from their spill in Brownfield. Steve Bailey with Halliburton sent over a load sheet of the material used to neutralize the acid. He stated that they tested the pH on the material and it was neutral 7-8... they also stated that the flash point on the 19N does not come into affect because it is only a total of 13% of all material. He stated that the flash point only becomes what is stated on the MSDS when there is 25% of this mixed with the hcl. The load sheet states: 20 gal. OS inhibitor, 40 gals. 19N, 20 gals. AS-5, 30 gals. Fe-5A, 10-33lb bags of 124C.

125 additives  
300 water  
190 Hcl

---

615 gallons.

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-138  
Revised June 10, 2003

Submit Original  
Plus 1 Copy  
to Appropriate  
District Office

**REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE**

1. RCRA Exempt: <input type="checkbox"/> Non-Exempt <input checked="" type="checkbox"/> Verbal Approval Received: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	4. Generator Halliburton 5. Originating Site Brownfield Facility
2. Management Facility Destination Sundance Services Inc.	6. Transporter Unknown
3. Address of Facility Operator P.O. Box 1737 Eunice NM 88231	8. State New Mexico
7. Location of Material (Street Address or ULSTR) 1301 W. Webb Brownfield, Tx 79316	
9. Circle One: A. All requests for approval to accept oilfield exempt wastes will be accompanied by a certification of waste from the Generator; one certificate per job. <input checked="" type="radio"/> B. All requests for approval to accept non-exempt wastes must be accompanied by necessary chemical analysis to PROVE the material is not-hazardous and the Generator's certification of origin. No waste classified hazardous by listing or testing will be approved. All transporters must certify the wastes delivered are only those consigned for transport.	

**BRIEF DESCRIPTION OF MATERIAL:**

The following MSDS are from Halliburton Energy's Brownfield Facility. 15% HCL acid blend was spilled onto the ground of the facility and cleaned up by adding breakers to neutralize the acid level.

I have attached a certificate of waste status and MSDS for all breakers added to the spill to neutralize the material. Sundance would like approval to accept this material into our Parabo Disposal Facility.

**DENIED** BAS 1/8/07

010807

Estimated Volume 20 cy Known Volume (to be entered by the operator at the end of the haul) \_\_\_\_\_ cy

SIGNATURE *Donna L. Roach* TITLE: President DATE: 1-8-07  
Waste Management Facility Authorized Agent

TYPE OR PRINT NAME: Donna L. Roach TELEPHONE NO. 505-394-2511 x 201

E-MAIL ADDRESS ssjdonna@aol.com

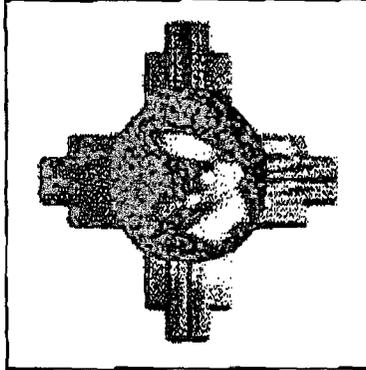
(This space for State Use)

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

**DENIED** \* Request to accept waste is denied. MSDS demonstrate that all constituents do meet the criteria of a hazardous waste as defined by EPA

# FAX COVERSHEET



*Sundance Services Inc.*  
 P.O. Box 1137  
 Eunice, NM 88231  
 505-394-2511  
 505-394-2590 (fax)

To: Brad From: Donna

Phone : 476-3487 Date: 1-08-07

Fax: 476-3462 Re: \_\_\_\_\_

Pages incl' cover: 39

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Message:

**CERTIFICATE OF WASTE STATUS  
NON-EXEMPT WASTE MATERIAL  
"AS REQUIRED BY NEW MEXICO OIL CONSERVATION DIVISION"**

**COMPANY/GENERATOR:** Halliburton Energy Services

**ADDRESS:** 5801 Lovington Hwy, Hobbs NM 88240

**GENERATING SITE:** Halliburton Energy Services, 5801 Lovington Hwy, Hobbs, NM

**COUNTY:** Lea

**STATE:** New Mexico

**TYPE OF WASTE:** Inorganic Solid-Neutralized Acid Contaminated Soil  
**ESTIMATED VOLUME:** ) 10-20 yards

**GENERATING PROCESS:** Spilled 15% hcl acid blend onto ground  
**REMARKS:**

**NMOCD FACILITY:** Sundance Services

**TRUCKING COMPANY:** Safety Environmental Services to handle clean up.

As a condition of acceptance for disposal, I hereby certify that this waste is a non-exempt waste as defined by the Environmental Protection Agency's EPA July 1988 Regulatory Determination. To my knowledge, this waste will be analyzed pursuant to the provisions of 40 CFR Part 261 to verify the nature as Non-Hazardous. I further certify that to my knowledge "hazardous or listed waste" pursuant to the provisions of 40 CFR, Part 261, Subpart C and D, has not been added or mixed with the waste so as to make the resultant mixture a "hazardous waste" pursuant to the provisions of 40 CFR, Sections 261.3

**AGENT:** \_\_\_\_\_

**NAME:** STEPHEN W. BAILEY

**ADDRESS:** 5801 LOVINGTON HWY, HOBBS, NM 88240

**DATE:** 1-8-2007

# HALLIBURTON

## Safety Data Sheet (93/112/EC)

**Product Trade Name:** HYDROCHLORIC ACID 10-30%

**Revision Date:** 05/10/2002

### 1. IDENTIFICATION OF THE SUBSTANCE/PREPARATION AND OF THE COMPANY/UNDERTAKING

#### Identification of Substances or Preparation

**Product Trade Name:** HYDROCHLORIC ACID 10-30%  
**Synonyms:** None  
**Chemical Family:** Inorganic acid  
**Application:** Solvent

**Company Undertaking Identification**  
 Halliburton Energy Services  
 Hill Park Court,  
 Springfield Drive  
 eatherhead  
 Surrey KT22 7NL  
 United Kingdom  
 Emergency Phone Number: +44 117 927 0086 or +1 713 876 3000

**Prepared By** Product Stewardship  
 Telephone: 1-580-251-4335

### 2. COMPOSITION/INFORMATION ON INGREDIENTS

SUBSTANCE	CAS Number	PERCENT	UK OEL/MEL	Germany MAK/TRK	Netherlands MAC	EEC Classification
Hydrochloric acid	7647-01-0	10 - 30%	1 ppm	8 mg/m <sup>3</sup>	5 ppm	C; R34-37

### 3. HAZARDS IDENTIFICATION

**Hazard Overview** May cause eye, skin, and respiratory burns. May be harmful if swallowed.

### 4. FIRST AID MEASURES

**Inhalation** If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.

**Skin** In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and launder before reuse.

**Eyes** In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.

**Ingestion** Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.

HYDROCHLORIC ACID 10-30%

Page 1 of 5

Notes to Physician

Not Applicable

**5. FIRE FIGHTING MEASURES**

**Suitable Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Unsuitable Extinguishing Media** None known.

**Special Exposure Hazards** May form explosive mixtures with strong alkalis. Decomposition in fire may produce toxic gases. Reaction with steel and certain other metals generates flammable hydrogen gas. Do not allow runoff to enter waterways.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

**6. ACCIDENTAL RELEASE MEASURES**

**Personal Precautionary Measures** Use appropriate protective equipment.

**Environmental Precautionary Measures** Prevent from entering sewers, waterways or low areas.

**Procedure for Cleaning/Absorption** Isolate spill and stop leak where safe. Contain spill with sand or other inert materials. Neutralize to pH of 6-8. Scoop up and remove.

**7. HANDLING AND STORAGE**

**Handling Precautions** Avoid contact with eyes, skin, or clothing. Avoid breathing vapors. Wash hands after use. Launder contaminated clothing before reuse.

**Storage Information** Store away from alkalis. Store in a cool well ventilated area. Keep container closed when not in use.

**8. EXPOSURE CONTROLS/PERSONAL PROTECTION**

**Engineering Controls** Use in a well ventilated area. Local exhaust ventilation should be used in areas without good cross ventilation.

**Respiratory Protection** Acid gas respirator.

**Hand Protection** Impervious rubber gloves.

**Skin Protection** Full protective chemical resistant clothing.

**Eye Protection** Chemical goggles; also wear a face shield if splashing hazard exists.

**Other Precautions** Eyewash fountains and safety showers must be easily accessible.

**9. PHYSICAL AND CHEMICAL PROPERTIES**

<b>Physical State:</b>	Liquid
<b>Color:</b>	Clear colorless
<b>Odor:</b>	Pungent acrid
<b>pH:</b>	0.8
<b>Specific Gravity @ 20 C (Water=1):</b>	1.16
<b>Density @ 20 C (kg/l):</b>	1.16
<b>Bulk Density @ 20 C (kg/m<sup>3</sup>):</b>	Not Determined
<b>Boiling Point/Range (C):</b>	110

HYDROCHLORIC ACID 10-30%  
Page 2 of 5

**5. FIRE FIGHTING MEASURES**

**Suitable Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Unsuitable Extinguishing Media** None known.

**Special Exposure Hazards** May form explosive mixtures with strong alkalis. Decomposition in fire may produce toxic gases. Reaction with steel and certain other metals generates flammable hydrogen gas. Do not allow runoff to enter waterways.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

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<b>pH:</b>	0.8
<b>Specific Gravity @ 20 C (Water=1):</b>	1.16
<b>Density @ 20 C (kg/l):</b>	1.16
<b>Bulk Density @ 20 C (kg/m<sup>3</sup>):</b>	Not Determined
<b>Boiling Point/Range (C):</b>	110

Freezing Point/Range (C):	-46
Flash Point/Range (C):	Not Determined
Flash Point Method:	Not Determined
Autoignition Temperature (C):	Not Determined
Flammability Limits in Air - Lower (g/l):	Not Determined
Flammability Limits in Air - Lower (%):	Not Determined
Flammability Limits in Air - Upper (g/l):	Not Determined
Flammability Limits in Air - Upper (%):	Not Determined
Vapor Pressure @ 20 C (mmHg):	26
Vapor Density (Air=1):	Not Determined
Percent Volatiles:	35
Evaporation Rate (Butyl Acetate=1):	Not Determined
Solubility in Water (g/100ml):	Soluble
Solubility in Solvents (g/100ml):	Not Determined
VOCs (g/l):	Not Determined
Viscosity, Dynamic @ 20 C (centipoise):	Not Determined
Viscosity, Kinematic @ 20 C (centistokes):	Not Determined
Partition Coefficient/n-Octanol/Water:	Not Determined
Molecular Weight (g/mole):	36.5
Decomposition Temperature (C):	Not Determined

## 10. STABILITY AND REACTIVITY

Stability Data:	Stable
Hazardous Polymerization:	Will Not Occur
Conditions to Avoid	None anticipated
Incompatibility (Materials to Avoid)	Strong alkalis.
Hazardous Decomposition Products	Flammable hydrogen gas. Chlorine. Hydrogen sulfide.
Additional Guidelines	Not Applicable

## 11. TOXICOLOGICAL INFORMATION

Principle Route of Exposure	Eye or skin contact, inhalation.
Inhalation	Causes severe respiratory irritation.
Skin Contact	May cause skin burns.
Eye Contact	May cause eye burns.
Ingestion	Causes burns of the mouth, throat and stomach.
Aggravated Medical Conditions	Skin disorders.
Chronic Effects/Carcinogenicity	Prolonged, excessive exposure may cause erosion of the teeth.
Other Information	None known.
<b>Toxicity Tests</b>	
Oral Toxicity:	Not determined
Dermal Toxicity:	Not determined
Inhalation Toxicity:	LC50: 3124 ppm/1 hr. (Rat)

**Primary Irritation Effect:** Not determined  
**Carcinogenicity** Not determined  
**Genotoxicity:** Not determined  
**Reproductive /  
Developmental Toxicity:** Not determined

## 12. ECOLOGICAL INFORMATION

**Mobility (Water/Soil/Air)** Not determined  
**Persistence/Degradability** Not determined  
**Bio-accumulation** Not Determined

### Ecotoxicological Information

**Acute Fish Toxicity:** Not determined  
**Acute Crustaceans  
Toxicity:** Not determined  
**Acute Algae Toxicity:** Not determined  
**Chemical Fate Information** Not determined  
**Other Information** Not applicable

## 13. DISPOSAL CONSIDERATIONS

**Disposal Method** Disposal should be made in accordance with federal, state, and local regulations.  
**Contaminated Packaging** Follow all applicable national or local regulations.

## 14. TRANSPORT INFORMATION

### Land Transportation

**ADR**  
UN1789, Hydrochloric Acid Solution, 8, II

### Air Transportation

**ICAO/IATA**  
Hydrochloric Acid Solution, 8, UN1789, II

### Sea Transportation

**IMDG**  
Hydrochloric Acid Solution, 8, UN1789, II  
EMS 8-03

### Other Shipping Information

**Labels:** Corrosive

## 15. REGULATORY INFORMATION

**HALLIBURTON****MATERIAL SAFETY DATA SHEET****Product Trade Name: 19N****Revision Date: 06/28/2002****1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION**

**Product Trade Name:** 19N  
**Synonyms:** None  
**Chemical Family:** Blend  
**Application:** Non-Emulsifier

**Manufacturer/Supplier:** Halliburton Energy Services  
 P.O. Box 1431  
 Duncan, Oklahoma 73536-0431  
 Emergency Telephone: (800) 666-8260 or (713) 676-3000

**Prepared By:** Product Stewardship  
 Telephone: 1-580-251-4335

**2. COMPOSITION/INFORMATION ON INGREDIENTS**

SUBSTANCE	CAS Number	PERCENT	ACGIH TLV-TWA	OSHA PEL-TWA
Methanol	67-56-1	30 - 60%	200 ppm (skin)	200 ppm (skin)
Isopropanol	67-63-0	5 - 10%	400 ppm	400 ppm

**3. HAZARDS IDENTIFICATION**

**Hazard Overview:** May cause eye and skin burns. May cause respiratory irritation. May cause headache, dizziness, and other central nervous system effects. May be fatal if swallowed. May cause blindness. May be absorbed through the skin. Repeated overexposure may cause liver and kidney effects. Flammable.

**4. FIRST AID MEASURES**

**Inhalation:** If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.

**Skin:** In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and launder before reuse.

**Eyes:** In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.

**Ingestion:** Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.

**Notes to Physician:** Not Applicable

**5. FIRE FIGHTING MEASURES**

Flash Point/Range (F):	( 76
Flash Point/Range (C):	24
Flash Point Method:	PMCC
Autoignition Temperature (F):	Not Determined
Autoignition Temperature (C):	Not Determined
Flammability Limits in Air - Lower (%):	Not Determined
Flammability Limits in Air - Upper (%):	Not Determined

**Fire Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Special Exposure Hazards** May be ignited by heat, sparks or flames. Closed containers may explode in fire. Use water spray to cool fire exposed surfaces. Decomposition in fire may produce toxic gases. Runoff to sewer may cause fire or explosion hazard.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

**NFPA Ratings:** Health 3, Flammability 3, Reactivity 0  
**HMIS Ratings:** Flammability 3, Reactivity 0, Health 3

**6. ACCIDENTAL RELEASE MEASURES**

**Personal Precautionary Measures** Use appropriate protective equipment. Wear self-contained breathing apparatus in enclosed areas.

**Environmental Precautionary Measures** Prevent from entering sewers, waterways, or low areas.

**Procedure for Cleaning/Absorption** Isolate spill and stop leak where safe. Remove ignition sources and work with non-sparking tools. Contain spill with sand or other inert materials. Scoop up and remove.

**7. HANDLING AND STORAGE**

**Handling Precautions** Avoid contact with eyes, skin, or clothing. Avoid breathing vapors. Wash hands after use. Launder contaminated clothing before reuse. Ground and bond containers when transferring from one container to another.

**Storage Information** Store away from oxidizers. Keep from heat, sparks, and open flames. Keep container closed when not in use. Product has a shelf life of 12 months.

**8. EXPOSURE CONTROLS/PERSONAL PROTECTION**

**Engineering Controls** Use in a well ventilated area. Local exhaust ventilation should be used in areas without good cross ventilation.

**Respiratory Protection** Positive pressure self-contained breathing apparatus if methanol is released.

**Hand Protection** Impervious rubber gloves.

**Skin Protection** Rubber apron.

**Eye Protection** Chemical goggles; also wear a face shield if splashing hazard exists.

**Other Precautions** Eyewash fountains and safety showers must be easily accessible.

## 9. PHYSICAL AND CHEMICAL PROPERTIES

Physical State:	Liquid
Color:	Amber
Odor:	Alcohol
pH:	Not Determined
Specific Gravity @ 20 C (Water=1):	0.92
Density @ 20 C (lbs./gallon):	7.66
Bulk Density @ 20 C (lbs/ft <sup>3</sup> ):	Not Determined
Boiling Point/Range (F):	Not Determined
Boiling Point/Range (C):	Not Determined
Freezing Point/Range (F):	Not Determined
Freezing Point/Range (C):	Not Determined
Vapor Pressure @ 20 C (mmHg):	Not Determined
Vapor Density (Air=1):	Not Determined
Percent Volatiles:	Not Determined
Evaporation Rate (Butyl Acetate=1):	Not Determined
Solubility in Water (g/100ml):	Soluble
Solubility in Solvents (g/100ml):	Not Determined
VOCs (lbs./gallon):	3.14
Viscosity, Dynamic @ 20 C (centipoise):	Not Determined
Viscosity, Kinematic @ 20 C (centistrokes):	Not Determined
Partition Coefficient/n-Octanol/Water:	Not Determined
Molecular Weight (g/mole):	Not Determined

## 10. STABILITY AND REACTIVITY

Stability Data:	Stable
Hazardous Polymerization:	Will Not Occur
Conditions to Avoid	Keep away from heat, sparks and flame.
Incompatibility (Materials to Avoid)	Strong oxidizers.
Hazardous Decomposition Products	Oxides of nitrogen. Carbon monoxide and carbon dioxide.
Additional Guidelines	Not Applicable

## 11. TOXICOLOGICAL INFORMATION

Principle Route of Exposure	Eye or skin contact, inhalation.
Inhalation	Causes severe respiratory irritation. May cause central nervous system depression including headache, dizziness, drowsiness, incoordination, slowed reaction time, slurred speech, giddiness and unconsciousness.
Skin Contact	Causes severe skin irritation. May cause skin burns. May be absorbed through the skin and produce effects similar to those caused by inhalation and/or ingestion.
Eye Contact	Causes severe eye irritation. May cause eye burns.
Ingestion	Causes burns of the mouth, throat and stomach. May be fatal or cause blindness if swallowed. May cause central nervous system depression including headache, dizziness, drowsiness, muscular weakness, incoordination, slowed reaction time, fatigue blurred vision, slurred speech, giddiness, tremors and convulsions.
Aggravated Medical Conditions	Skin disorders. Eye ailments.

**Chronic Effects/Carcinogenicity** Prolonged or repeated exposure may cause eye, blood, lung, liver, kidney, heart, central nervous system and spleen damage.

**Other Information** None known.

#### Toxicity Tests

**Oral Toxicity:** Not determined  
**Dermal Toxicity:** Not determined  
**Inhalation Toxicity:** Not determined  
**Primary Irritation Effect:** Not determined  
**Carcinogenicity** Not determined  
**Genotoxicity:** Not determined  
**Reproductive / Developmental Toxicity:** Not determined

### 12. ECOLOGICAL INFORMATION

**Mobility (Water/Soil/Air)** Not determined  
**Persistence/Degradability** Slowly biodegradable  
**Bio-accumulation** Not Determined

#### Ecotoxicological Information

**Acute Fish Toxicity:** Not determined  
**Acute Crustaceans Toxicity:** Not determined  
**Acute Algae Toxicity:** Not determined  
**Chemical Fate Information** Not determined  
**Other Information** Not applicable

### 13. DISPOSAL CONSIDERATIONS

**Disposal Method** Disposal should be made in accordance with federal, state, and local regulations.  
**Contaminated Packaging** If empty container retains product residues, all label precautions must be observed. Store away from ignition sources. Transport with all closures in place. Return for reuse or disposal according to national or local regulations.

### 14. TRANSPORT INFORMATION

#### Land Transportation

**DOT**  
 Flammable Liquid, Corrosive, N.O.S., 3, (8), UN2924, III, (24.4 C)  
 (Contains Methanol, Aryl Quaternary of Fatty Amines)  
 NAERG 132

**Canadian TDG**

Flammable Liquid, Corrosive, N.O.S.(Contains Methanol, Aryl Quaternary of Fatty Amines), 3, (8), UN2924, III, (24.4 C)

**ADR**

UN2924, Flammable Liquid, Corrosive, N.O.S.(Contains Methanol, Aryl Quaternary of Fatty Amines), 3, III

**Air Transportation****ICAO/IATA**

Flammable Liquid, Corrosive, N.O.S., 3, UN2924, III, (8)  
(Contains Methanol, Aryl Quaternary of Fatty Amines Solution)

**Sea Transportation****IMDG**

Flammable Liquid, Corrosive, N.O.S.(Contains Methanol, Aryl Quaternary of Fatty Amines), 3, UN2924, III, (24.4 C),  
(8)  
EMS 3-02

**Other Shipping Information**

Labels: Flammable Liquid  
Corrosive

**15. REGULATORY INFORMATION****US Regulations**

<b>US TSCA Inventory</b>	All components listed on inventory.
<b>EPA SARA Title III Extremely Hazardous Substances</b>	Not applicable
<b>EPA SARA (311,312) Hazard Class</b>	Acute Health Hazard Chronic Health Hazard Fire Hazard
<b>EPA SARA (313) Chemicals</b>	This product contains toxic chemical(s) listed below which is(are) subject to the reporting requirements of Section 313 of Title III of SARA and 40 CFR Part 372: Methanol//67-56-1
<b>EPA CERCLA/Superfund Reportable Spill Quantity For This Product</b>	EPA Reportable Spill Quantity is 1813 Gallons based on Methanol (CAS: 67-56-1).
<b>EPA RCRA Hazardous Waste Classification</b>	If product becomes a waste, it does meet the criteria of a hazardous waste as defined by the US EPA, because of:  Ignitability
<b>California Proposition 65</b>	All components listed do not apply to the California Proposition 65 Regulation.
<b>MA Right-to-Know Law</b>	One or more components listed.
<b>NJ Right-to-Know Law</b>	One or more components listed.
<b>PA Right-to-Know Law</b>	One or more components listed.

## Canadian Regulations

Canadian DSL Inventory	All components listed on inventory.
WHMIS Hazard Class	B2 Flammable Liquids E Corrosive Material D1A Very Toxic Materials

## 16. OTHER INFORMATION

The following sections have been revised since the last issue of this MSDS  
Not applicable

**Additional Information** For additional information on the use of this product, contact your local Halliburton representative.

For questions about the Material Safety Data Sheet for this or other Halliburton products, contact Product Stewardship at 1-580-251-4335.

### Disclaimer Statement

This information is furnished without warranty, expressed or implied, as to accuracy or completeness. The information is obtained from various sources including the manufacturer and other third party sources. The information may not be valid under all conditions nor if this material is used in combination with other materials or in any process. Final determination of suitability of any material is the sole responsibility of the user.

\*\*\*END OF MSDS\*\*\*

**HALLIBURTON****MATERIAL SAFETY DATA SHEET****Product Trade Name: AS-5 ANTI-SLUDGING AGENT****Revision Date: 07/16/2002****1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION****Product Trade Name: AS-5 ANTI-SLUDGING AGENT****Synonyms: None****Chemical Family: Blend****Application: Anti-sludging Agent**

**Manufacturer/Supplier: Halliburton Energy Services**  
 P.O. Box 1431  
 Duncan, Oklahoma 73536-0431  
 Emergency Telephone: (800) 666-9260 or (713) 876-3000

**Prepared By: Product Stewardship**  
 Telephone: 1-580-251-4335

**2. COMPOSITION/INFORMATION ON INGREDIENTS**

SUBSTANCE	CAS Number	PERCENT	ACGIH TLV-TWA	OSHA PEL-TWA
Dodecylbenzene sulfonic acid	27176-87-0	60 - 100%	Not applicable	Not applicable
Isopropanol	67-63-0	10 - 30%	400 ppm	400 ppm

**3. HAZARDS IDENTIFICATION**

**Hazard Overview: May cause eye, skin, and respiratory burns. May cause headache, dizziness, and other central nervous system effects. May be harmful if swallowed. May be absorbed through the skin. May cause allergic skin reaction. Repeated overexposure may cause liver and kidney effects. Flammable.**

**4. FIRST AID MEASURES**

**Inhalation: If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.**

**Skin: In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and launder before reuse.**

**Eyes: In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.**

**Ingestion: Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.**

**Notes to Physician: Not Applicable**

AS-5 ANTI-SLUDGING AGENT

Page 1 of 6

**5. FIRE FIGHTING MEASURES**

Flash Point/Range (F):	95°
Flash Point/Range (C):	35
Flash Point Method:	PMCC
Autoignition Temperature (F):	Not Determined
Autoignition Temperature (C):	Not Determined
Flammability Limits in Air - Lower (%):	Not Determined
Flammability Limits in Air - Upper (%):	Not Determined

**Fire Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Special Exposure Hazards** May be ignited by heat, sparks or flames. Closed containers may explode in fire. Use water spray to cool fire exposed surfaces. Decomposition in fire may produce toxic gases.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

**NFPA Ratings:** Health 3, Flammability 3, Reactivity 0  
**HMIS Ratings:** Flammability 3, Reactivity 0, Health 3

**6. ACCIDENTAL RELEASE MEASURES**

**Personal Precautionary Measures** Use appropriate protective equipment. Wear self-contained breathing apparatus in enclosed areas.

**Environmental Precautionary Measures** Prevent from entering sewers, waterways, or low areas.

**Procedure for Cleaning/Absorption** Isolate spill and stop leak where safe. Remove ignition sources and work with non-sparking tools. Contain spill with sand or other inert materials. Scoop up and remove.

**7. HANDLING AND STORAGE**

**Handling Precautions** Avoid contact with eyes, skin, or clothing. Avoid breathing vapors. Wash hands after use. Launder contaminated clothing before reuse. Ground and bond containers when transferring from one container to another.

**Storage Information** Store away from alkalis. Store away from oxidizers. Keep from heat, sparks, and open flames. Keep container closed when not in use. Product has a shelf life of 24 months.

**8. EXPOSURE CONTROLS/PERSONAL PROTECTION**

**Engineering Controls** Use in a well ventilated area. Local exhaust ventilation should be used in areas without good cross ventilation.

**Respiratory Protection** Organic vapor/acid gas respirator with a dust/mist filter.

**Hand Protection** Impervious rubber gloves.

**Skin Protection** Rubber apron.

**Eye Protection** Chemical goggles; also wear a face shield if splashing hazard exists.

**Other Precautions** Eyewash fountains and safety showers must be easily accessible.

**9. PHYSICAL AND CHEMICAL PROPERTIES**

Physical State:	Liquid
Color:	Dark brown
Odor:	Alcohol
pH:	1
Specific Gravity @ 20 C (Water=1):	1.03
Density @ 20 C (lbs./gallon):	8.58
Bulk Density @ 20 C (lbs/ft <sup>3</sup> ):	Not Determined
Boiling Point/Range (F):	Not Determined
Boiling Point/Range (C):	Not Determined
Freezing Point/Range (F):	Not Determined
Freezing Point/Range (C):	Not Determined
Vapor Pressure @ 20 C (mmHg):	38
Vapor Density (Air=1):	Not Determined
Percent Volatiles:	Not Determined
Evaporation Rate (Butyl Acetate=1):	Not Determined
Solubility in Water (g/100ml):	Soluble
Solubility in Solvents (g/100ml):	Not Determined
VOCs (lbs./gallon):	Not Determined
Viscosity, Dynamic @ 20 C (centipoise):	Not Determined
Viscosity, Kinematic @ 20 C (centistokes):	Not Determined
Partition Coefficient/n-Octanol/Water:	Not Determined
Molecular Weight (g/mole):	Not Determined

**10. STABILITY AND REACTIVITY**

Stability Data:	Stable
Hazardous Polymerization:	Will Not Occur
Conditions to Avoid	Keep away from heat, sparks and flame.
Incompatibility (Materials to Avoid)	Strong oxidizers. Strong alkalis.
Hazardous Decomposition Products	Oxides of sulfur. Carbon monoxide and carbon dioxide.
Additional Guidelines	Not Applicable

**11. TOXICOLOGICAL INFORMATION**

Principle Route of Exposure	Eye or skin contact, inhalation.
Inhalation	Causes severe respiratory irritation. May cause central nervous system depression including headache, dizziness, drowsiness, incoordination, slowed reaction time, slurred speech, giddiness and unconsciousness.
Skin Contact	Causes severe burns. May cause an allergic skin reaction. May be absorbed through the skin and produce effects similar to those caused by inhalation and/or ingestion.
Eye Contact	May cause eye burns.
Ingestion	Causes burns of the mouth, throat and stomach. May cause central nervous system depression including headache, dizziness, drowsiness, muscular weakness, incoordination, slowed reaction time, fatigue blurred vision, slurred speech, giddiness, tremors and convulsions.
Aggravated Medical Conditions	Skin disorders. Eye ailments.

**Chronic Effects/Carcinogenicity** Repeated overexposure may cause liver and kidney effects.

**Other Information** None known.

**Toxicity Tests**

- Oral Toxicity:** Not determined
- Dermal Toxicity:** Not determined
- Inhalation Toxicity:** Not determined
- Primary Irritation Effect:** Not determined
- Carcinogenicity** Not determined
- Genotoxicity:** Not determined
- Reproductive / Developmental Toxicity:** Not determined

**12. ECOLOGICAL INFORMATION**

- Mobility (Water/Soil/Air)** Not determined
- Persistence/Degradability** Resistant
- Bio-accumulation** Not Determined

**Ecotoxicological Information**

- Acute Fish Toxicity:** Not determined
- Acute Crustaceans Toxicity:** Not determined
- Acute Algae Toxicity:** Not determined
- Chemical Fate Information** Not determined
- Other Information** Not applicable

**13. DISPOSAL CONSIDERATIONS**

- Disposal Method** Disposal should be made in accordance with federal, state, and local regulations.
- Contaminated Packaging** If empty container retains product residues, all label precautions must be observed. Store away from ignition sources. Transport with all closures in place. Return for reuse or disposal according to national or local regulations.

**14. TRANSPORT INFORMATION**

**Land Transportation**

**DOT**  
Flammable Liquid, Corrosive, N.O.S., 3, (8), UN2924, III, (35 C)  
(Contains Isopropanol, Dodecylbenzenesulfonic Acid)  
NAERG 132

**Canadian TDG**

Flammable Liquid, Corrosive, N.O.S.(Contains Isopropanol, Dodecylbenzenesulfonic Acid), 3, (8), UN2924, III, (35 C)

**ADR**

UN2924, Flammable Liquid, Corrosive, N.O.S.(Contains Isopropanol, Dodecylbenzenesulfonic Acid), 3, III

**Air Transportation****ICAO/IATA**

Flammable Liquid, Corrosive, N.O.S., 3, UN2924, III, (8)  
(Contains Isopropanol, Dodecylbenzenesulfonic Acid Solution)

**Sea Transportation****IMDG**

Flammable Liquid, Corrosive, N.O.S.(Contains Isopropanol, Dodecylbenzenesulfonic Acid), 3, UN2924, III, (35 C), (8)  
EMS 3-02

**Other Shipping Information**

Labels: Flammable Liquid  
Corrosive

**15. REGULATORY INFORMATION****US Regulations**

<b>US TSCA Inventory</b>	All components listed on inventory.
<b>EPA SARA Title III Extremely Hazardous Substances</b>	Not applicable
<b>EPA SARA (311,312) Hazard Class</b>	Acute Health Hazard Chronic Health Hazard Fire Hazard
<b>EPA SARA (313) Chemicals</b>	This product contains toxic chemical(s) listed below which is(are) subject to the reporting requirements of Section 313 of Title III of SARA and 40 CFR Part 372: Isopropanol/57-63-0
<b>EPA CERCLA/Superfund Reportable Spill Quantity For This Product</b>	EPA Reportable Spill Quantity is 155 Gallons based on Dodecylbenzene sulfonic acid (CAS: 27176-87-0).
<b>EPA RCRA Hazardous Waste Classification</b>	If product becomes a waste, it does meet the criteria of a hazardous waste as defined by the US EPA, because of:  Ignitability Corrosivity
<b>California Proposition 65</b>	All components listed do not apply to the California Proposition 65 Regulation.
<b>MA Right-to-Know Law</b>	One or more components listed.
<b>NJ Right-to-Know Law</b>	One or more components listed.
<b>PA Right-to-Know Law</b>	One or more components listed.

## Canadian Regulations

Canadian DSL Inventory	All components listed on inventory.
WHMIS Hazard Class	B2 Flammable Liquids E Corrosive Material D2B Toxic Materials

## 16. OTHER INFORMATION

The following sections have been revised since the last issue of this MSDS  
Not applicable

### Additional Information

For additional information on the use of this product, contact your local Halliburton representative.

For questions about the Material Safety Data Sheet for this or other Halliburton products, contact Product Stewardship at 1-580-251-4335.

### Disclaimer Statement

This information is furnished without warranty, expressed or implied, as to accuracy or completeness. The information is obtained from various sources including the manufacturer and other third party sources. The information may not be valid under all conditions nor if this material is used in combination with other materials or in any process. Final determination of suitability of any material is the sole responsibility of the user.

\*\*\*END OF MSDS\*\*\*

**HALLIBURTON****MATERIAL SAFETY DATA SHEET****Product Trade Name: FE-5A****Revision Date: 03-Jun-2005****1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION**

**Product Trade Name:** FE-5A  
**Synonyms:** None  
**Chemical Family:** Organic acid  
**Application:** Iron Reducing Agent

**Manufacturer/Supplier:** Halliburton Energy Services  
P.O. Box 1431  
Duncan, Oklahoma 73538-0431  
Emergency Telephone: (281) 575-5000

**Prepared By:** Chemical Compliance  
Telephone: 1-580-251-4335

**2. COMPOSITION/INFORMATION ON INGREDIENTS**

SUBSTANCE	CAS Number	PERCENT	ACGIH TLV-TWA	OSHA PEL-TWA
Thioglycolic acid	68-11-1	60 - 100%	1 ppm	Not applicable

**3. HAZARDS IDENTIFICATION**

**Hazard Overview:** May cause eye, skin, and respiratory burns. May be harmful if swallowed. May cause allergic skin reaction. May be absorbed through the skin.

**4. FIRST AID MEASURES**

**Inhalation:** If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.

**Skin:** In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and laundry before reuse.

**Eyes:** In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.

**Ingestion:** Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.

**Notes to Physician:** None known.

**HALLIBURTON****MATERIAL SAFETY DATA SHEET****Product Trade Name: FE-5A****Revision Date: 03-Jun-2005****1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION**

**Product Trade Name:** FE-5A  
**Synonyms:** None  
**Chemical Family:** Organic acid  
**Application:** Iron Reducing Agent

**Manufacturer/Supplier:** Halliburton Energy Services  
P.O. Box 1431  
Duncan, Oklahoma 73536-0431  
Emergency Telephone: (281) 575-5000

**Prepared By:** Chemical Compliance  
Telephone: 1-580-251-4335

**2. COMPOSITION/INFORMATION ON INGREDIENTS**

SUBSTANCE	CAS Number	PERCENT	ACGIH TLV-TWA	OSHA PEL-TWA
Thioglycolic acid	68-11-1	60 - 100%	1 ppm	Not applicable

**3. HAZARDS IDENTIFICATION**

**Hazard Overview:** May cause eye, skin, and respiratory burns. May be harmful if swallowed. May cause allergic skin reaction. May be absorbed through the skin.

**4. FIRST AID MEASURES**

**Inhalation:** If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.

**Skin:** In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and laundry before reuse.

**Eyes:** In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.

**Ingestion:** Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.

**Notes to Physician:** None known.

**5. FIRE FIGHTING MEASURES**

Flash Point/Range (F):	230
Flash Point/Range (C):	110
Flash Point Method:	PMCC
Autoignition Temperature (F):	550
Autoignition Temperature (C):	288
Flammability Limits in Air - Lower (%):	Not Determined
Flammability Limits in Air - Upper (%):	Not Determined

**Fire Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Special Exposure Hazards** Decomposition in fire may produce toxic gases. Use water spray to cool fire exposed surfaces.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

**NFPA Ratings:** Health 3, Flammability 1, Reactivity 1  
**HMS Ratings:** Flammability 1, Reactivity 1, Health 3

**6. ACCIDENTAL RELEASE MEASURES**

**Personal Precautionary Measures** Use appropriate protective equipment.

**Environmental Precautionary Measures** Prevent from entering sewers, waterways, or low areas.

**Procedure for Cleaning / Absorption** Isolate spill and stop leak where safe. Contain spill with sand or other inert materials. Neutralize to pH of 6-8. Scoop up and remove.

**7. HANDLING AND STORAGE**

**Handling Precautions** Avoid contact with eyes, skin, or clothing. Avoid breathing vapors. Wash hands after use. Launder contaminated clothing before reuse.

**Storage Information** Store away from oxidizers. Store away from alkalis. Store away from acids. Store in a dry location. Store in a cool well ventilated area. Keep container closed when not in use. Product has a shelf life of 24 months.

**8. EXPOSURE CONTROLS/PERSONAL PROTECTION**

**Engineering Controls** Use in a well ventilated area. Local exhaust ventilation should be used in areas without good cross ventilation.

**Respiratory Protection** Organic vapor/acid gas respirator.

**Hand Protection** Impervious rubber gloves.

**Skin Protection** Full protective chemical resistant clothing.

**Eye Protection** Chemical goggles; also wear a face shield if splashing hazard exists.

**Other Precautions** Eyewash fountains and safety showers must be easily accessible.

**9. PHYSICAL AND CHEMICAL PROPERTIES**

<b>Physical State:</b>	Liquid
<b>Color:</b>	Clear colorless
<b>Odor:</b>	Irritating

pH:	1.04
Specific Gravity @ 20 C (Water=1):	1.298
Density @ 20 C (lbs./gallon):	10.81
Bulk Density @ 20 C (lbs/ft <sup>3</sup> ):	Not Determined
Boiling Point/Range (F):	221
Boiling Point/Range (C):	105
Freezing Point/Range (F):	2.3
Freezing Point/Range (C):	-16.5
Vapor Pressure @ 20 C (mmHg):	10
Vapor Density (Air=1):	Not Determined
Percent Volatiles:	100
Evaporation Rate (Butyl Acetate=1):	Not Determined
Solubility in Water (g/100ml):	Soluble
Solubility in Solvents (g/100ml):	Not Determined
VOCs (lbs./gallon):	Not Determined
Viscosity, Dynamic @ 20 C (centipoise):	Not Determined
Viscosity, Kinematic @ 20 C (centistokes):	Not Determined
Partition Coefficient/n-Octanol/Water:	0.059
Molecular Weight (g/mole):	92.11

## 10. STABILITY AND REACTIVITY

Stability Data:	Stable
Hazardous Polymerization:	Will Not Occur
Conditions to Avoid	Keep away from heat, sparks and flame.
Incompatibility (Materials to Avoid)	Strong oxidizers. Strong acids. Strong alkalis. Contact with metals.
Hazardous Decomposition Products	Hydrogen sulfide. Oxides of sulfur. Carbon monoxide and carbon dioxide.
Additional Guidelines	Not Applicable

## 11. TOXICOLOGICAL INFORMATION

Principle Route of Exposure	Eye or skin contact, inhalation.
Inhalation	Causes severe respiratory burns.
Skin Contact	Causes severe burns. May be absorbed through the skin and produce effects similar to those caused by inhalation and/or ingestion. May cause an allergic skin reaction.
Eye Contact	May cause eye burns.
Ingestion	Causes burns of the mouth, throat and stomach. May cause weakness, dyspnea, or coma.
Aggravated Medical Conditions	Skin disorders. Eye ailments.
Chronic Effects/Carcinogenicity	Prolonged or repeated skin exposure may cause dermatitis.
Other Information	None known.
Toxicity Tests	
Oral Toxicity:	LD50: 54-73 mg/kg (Rat)
Dermal Toxicity:	LD50: 848 mg/kg (Rabbit)

Inhalation Toxicity: Not determined  
Primary Irritation Effect: Not determined  
Carcinogenicity: Not determined  
Genotoxicity: Not determined  
Reproductive /  
Developmental Toxicity: Not determined

## 12. ECOLOGICAL INFORMATION

Mobility (Water/Soil/Air) Not determined  
Persistence/Degradability Not determined  
Bio-accumulation Not Determined

### Ecotoxicological Information

Acute Fish Toxicity: Not determined  
Acute Crustaceans Toxicity: Not determined  
Acute Algae Toxicity: Not determined  
Chemical Fate Information Not determined  
Other Information Not applicable

## 13. DISPOSAL CONSIDERATIONS

Disposal Method Disposal should be made in accordance with federal, state, and local regulations.  
Contaminated Packaging If empty container retains product residues, all label precautions must be observed. Transport with all closures in place. Return for reuse or disposal according to national or local regulations.

## 14. TRANSPORT INFORMATION

### Land Transportation

DOT  
Thioglycolic Acid, 8, UN1940, II  
NAERG 153

Canadian TDG  
Thioglycolic Acid, 8, UN1940, II

ADR  
UN1940, Thioglycolic Acid, 8, II

### Air Transportation

ICAO/IATA  
UN1940, Thioglycolic Acid, 8, II

### Sea Transportation

IMDG  
Thioglycolic Acid, 8, UN1940, II  
EmS F-A, S-B

### Other Shipping Information

Labels: Corrosive

## 15. REGULATORY INFORMATION

### US Regulations

US TSCA Inventory	All components listed on inventory.
EPA SARA Title III Extremely Hazardous Substances	Not applicable
EPA SARA (311,312) Hazard Class	Acute Health Hazard
EPA SARA (313) Chemicals	This product does not contain a toxic chemical for routine annual "Toxic Chemical Release Reporting" under Section 313 (40 CFR 372).
EPA CERCLA/Superfund Reportable Spill Quantity For This Product	Not applicable.
EPA RCRA Hazardous Waste Classification	If product becomes a waste, it does meet the criteria of a hazardous waste as defined by the US EPA, because of:  Corrosivity D002
California Proposition 65	All components listed do not apply to the California Proposition 65 Regulation.
MA Right-to-Know Law	One or more components listed.
NJ Right-to-Know Law	One or more components listed.
PA Right-to-Know Law	One or more components listed.
<b>Canadian Regulations</b>	
Canadian DSL Inventory	All components listed on inventory.
WHMIS Hazard Class	E Corrosive Material D1B Toxic Materials

## 16. OTHER INFORMATION

The following sections have been revised since the last issue of this MSDS  
Not applicable

**Additional Information**

For additional information on the use of this product, contact your local Halliburton representative.

For questions about the Material Safety Data Sheet for this or other Halliburton products, contact Chemical Compliance at 1-800-251-4335.

**Disclaimer Statement**

This information is furnished without warranty, expressed or implied, as to accuracy or completeness. The information is obtained from various sources including the manufacturer and other third party sources. The information may not be valid under all conditions nor if this material is used in combination with other materials or in any process. Final determination of suitability of any material is the sole responsibility of the user.

**\*\*\*END OF MSDS\*\*\***

**HALLIBURTON****MATERIAL SAFETY DATA SHEET****Product Trade Name: HAI-OS ACID INHIBITOR****Revision Date: 06/28/2002****1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION**

**Product Trade Name:** HAI-OS ACID INHIBITOR  
**Synonyms:** None  
**Chemical Family:** Blend  
**Application:** Corrosion Inhibitor

**Manufacturer/Supplier:** Halliburton Energy Services  
P.O. Box 1431  
Duncan, Oklahoma 73536-0431  
Emergency Telephone: (800) 686-9260 or (713) 676-3000

**Prepared By:** Product Stewardship  
Telephone: 1-580-251-4335

**2. COMPOSITION/INFORMATION ON INGREDIENTS**

SUBSTANCE	CAS Number	PERCENT	ACGIH TLV-TWA	OSHA PEL-TWA
Propargyl alcohol	107-19-7	5 - 10%	1 ppm	1 ppm
Methanol	67-58-1	30 - 60%	200 ppm (skin)	200 ppm (skin)

**3. HAZARDS IDENTIFICATION**

**Hazard Overview:** May cause eye, skin, and respiratory irritation. May cause headache, dizziness, and other central nervous system effects. May be absorbed through the skin. May be fatal if swallowed. May cause blindness. Flammable.

**4. FIRST AID MEASURES**

**Inhalation:** If inhaled, remove to fresh air. If not breathing give artificial respiration, preferably mouth-to-mouth. If breathing is difficult give oxygen. Get medical attention.

**Skin:** In case of contact, immediately flush skin with plenty of soap and water for at least 15 minutes. Get medical attention. Remove contaminated clothing and launder before reuse.

**Eyes:** In case of contact, or suspected contact, immediately flush eyes with plenty of water for at least 15 minutes and get medical attention immediately after flushing.

**Ingestion:** Do not induce vomiting. Slowly dilute with 1-2 glasses of water or milk and seek medical attention. Never give anything by mouth to an unconscious person.

**Notes to Physician:** Probable mucosal damage may contraindicate the use of gastric lavage.

## 5. FIRE FIGHTING MEASURES

Flash Point/Range (F):	Not Determined	Max: < 52
Flash Point/Range (C):	Not Determined	Max: < 11
Flash Point Method:	Not Determined	
Autoignition Temperature (F):	Not Determined	
Autoignition Temperature (C):	Not Determined	
Flammability Limits in Air - Lower (%):	Not Determined	
Flammability Limits in Air - Upper (%):	Not Determined	

**Fire Extinguishing Media** Water fog, carbon dioxide, foam, dry chemical.

**Special Exposure Hazards** May be ignited by heat, sparks or flames. Decomposition in fire may produce toxic gases. Use water spray to cool fire exposed surfaces. Closed containers may explode in fire. Avoid spraying water directly into storage containers due to danger of rollover. Vapors are heavier than air and may accumulate in low areas. Vapors may travel along the ground to be ignited at distant locations.

**Special Protective Equipment for Fire-Fighters** Full protective clothing and approved self-contained breathing apparatus required for fire fighting personnel.

**NFPA Ratings:** Health 2, Flammability 3, Reactivity 0  
**HMIS Ratings:** Flammability 3, Reactivity 0, Health 2

## 6. ACCIDENTAL RELEASE MEASURES

**Personal Precautionary Measures** Use appropriate protective equipment. Wear self-contained breathing apparatus in enclosed areas.

**Environmental Precautionary Measures** Prevent from entering sewers, waterways, or low areas.

**Procedure for Cleaning/Absorption** Isolate spill and stop leak where safe. Remove ignition sources and work with non-sparking tools. Contain spill with sand or other inert materials. Scoop up and remove.

## 7. HANDLING AND STORAGE

**Handling Precautions** Avoid contact with eyes, skin, or clothing. Avoid breathing vapors. Wash hands after use. Launder contaminated clothing before reuse. Ground and bond containers when transferring from one container to another.

**Storage Information** Store away from oxidizers. Keep from heat, sparks, and open flames. Keep container closed when not in use. Product has a shelf life of 24 months.

## 8. EXPOSURE CONTROLS/PERSONAL PROTECTION

**Engineering Controls** Use in a well ventilated area. Local exhaust ventilation should be used in areas without good cross ventilation.

**Respiratory Protection** Positive pressure self-contained breathing apparatus if methanol is released.

**Hand Protection** Impervious rubber gloves.

**Skin Protection** Full protective chemical resistant clothing.

**Eye Protection** Chemical goggles; also wear a face shield if splashing hazard exists.

**Other Precautions** Eyewash fountains and safety showers must be easily accessible.

## 9. PHYSICAL AND CHEMICAL PROPERTIES

<b>Physical State:</b>	Liquid
<b>Color:</b>	Clear amber
<b>Odor:</b>	Alcohol
<b>pH:</b>	3.15
<b>Specific Gravity @ 20 C (Water=1):</b>	0.89
<b>Density @ 20 C (lbs./gallon):</b>	7.41
<b>Bulk Density @ 20 C (lbs/ft3):</b>	Not Determined
<b>Boiling Point/Range (F):</b>	Not Determined
<b>Boiling Point/Range (C):</b>	Not Determined
<b>Freezing Point/Range (F):</b>	Not Determined
<b>Freezing Point/Range (C):</b>	Not Determined
<b>Vapor Pressure @ 20 C (mmHg):</b>	Not Determined
<b>Vapor Density (Air=1):</b>	>1
<b>Percent Volatiles:</b>	Not Determined
<b>Evaporation Rate (Butyl Acetate=1):</b>	Not Determined
<b>Solubility in Water (g/100ml):</b>	Disperses
<b>Solubility in Solvents (g/100ml):</b>	Not Determined
<b>VOCs (lbs./gallon):</b>	Not Determined
<b>Viscosity, Dynamic @ 20 C (centipoise):</b>	Not Determined
<b>Viscosity, Kinematic @ 20 C (centistokes):</b>	Not Determined
<b>Partition Coefficient/n-Octanol/Water:</b>	Not Determined
<b>Molecular Weight (g/mole):</b>	Not Determined

## 10. STABILITY AND REACTIVITY

<b>Stability Data:</b>	Stable
<b>Hazardous Polymerization:</b>	Will Not Occur
<b>Conditions to Avoid</b>	Keep away from heat, sparks and flame. Avoid contact with acids. Avoid contact with oxidizers.
<b>Incompatibility (Materials to Avoid)</b>	Strong oxidizers. Strong acids. Strong alkalis.
<b>Hazardous Decomposition Products</b>	Oxides of sulfur. Carbon monoxide and carbon dioxide.
<b>Additional Guidelines</b>	Not Applicable

## 11. TOXICOLOGICAL INFORMATION

<b>Principle Route of Exposure</b>	Eye or skin contact, inhalation.
<b>Inhalation</b>	Causes severe respiratory irritation. May cause chemical pneumonia. May cause central nervous system depression including headache, dizziness, drowsiness, incoordination, slowed reaction time, slurred speech, giddiness and unconsciousness.
<b>Skin Contact</b>	May cause severe skin irritation. May be absorbed through the skin and produce effects similar to those caused by inhalation and/or ingestion.
<b>Eye Contact</b>	Causes severe eye irritation which may damage tissue.
<b>Ingestion</b>	May be fatal or cause blindness if swallowed. Causes burns of the mouth, throat and stomach. May cause central nervous system depression including headache, dizziness, drowsiness, muscular weakness, incoordination, slowed reaction time, fatigue blurred vision, slurred speech, giddiness, tremors and convulsions.

**Aggravated Medical Conditions** Skin disorders.

**Chronic Effects/Carcinogenicity** Prolonged or repeated exposure may cause eye, blood, lung, liver, kidney, heart, central nervous system and spleen damage.

**Other Information** None known.

#### Toxicity Tests

<b>Oral Toxicity:</b>	Not determined
<b>Dermal Toxicity:</b>	Not determined
<b>Inhalation Toxicity:</b>	Not determined
<b>Primary Irritation Effect:</b>	Not determined
<b>Carcinogenicity</b>	Not determined
<b>Genotoxicity:</b>	Not determined
<b>Reproductive / Developmental Toxicity:</b>	Not determined

## 12. ECOLOGICAL INFORMATION

**Mobility (Water/Soil/Air)** Not determined

**Persistence/Degradability** Not determined

**Bio-accumulation** Not Determined

#### Ecotoxicological Information

<b>Acute Fish Toxicity:</b>	TLM96: 8132 mg/l (Cyprinodon variegatus)
<b>Acute Crustaceans Toxicity:</b>	Not determined
<b>Acute Algae Toxicity:</b>	Not determined

**Chemical Fate Information** Not determined

**Other Information** Not applicable

## 13. DISPOSAL CONSIDERATIONS

**Disposal Method** Disposal should be made in accordance with federal, state, and local regulations.

**Contaminated Packaging** If empty container retains product residues, all label precautions must be observed. Store away from ignition sources. Transport with all closures in place. Return for reuse or disposal according to national or local regulations.

## 14. TRANSPORT INFORMATION

#### Land Transportation

##### DOT

Flammable Liquid, N.O.S., 3, UN1993, II, (11.1 C)  
(Contains Methanol, Propargyl Alcohol)  
NAERG 128

**Canadian TDG**  
Flammable Liquid, N.O.S.(Contains Methanol, Propargyl Alcohol), 3, UN1993, II, (11.1 C)

**ADR**  
UN1993, Flammable Liquid, N.O.S.(Contains Methanol, Propargyl Alcohol), 3, II

### Air Transportation

**ICAO/IATA**  
Flammable Liquid, N.O.S., 3, UN1993, II  
(Contains Methanol, Propargyl Alcohol Solution)

### Sea Transportation

**IMDG**  
Flammable Liquid, N.O.S.(Contains Methanol, Propargyl Alcohol), 3, UN1993, II, (11.1 C)  
EMS 3-07

### Other Shipping Information

**Labels:** Flammable Liquid

## 15. REGULATORY INFORMATION

### US Regulations

**US TSCA Inventory** All components listed on inventory.

**EPA SARA Title III Extremely Hazardous Substances** Not applicable

**EPA SARA (311,312) Hazard Class** Acute Health Hazard  
Chronic Health Hazard  
Fire Hazard

**EPA SARA (313) Chemicals** This product contains toxic chemical(s) listed below which is(are) subject to the reporting requirements of Section 313 of Title III of SARA and 40 CFR Part 372:  
Methanol//67-56-1  
Propargyl Alcohol//107-19-7

**EPA CERCLA/Superfund Reportable Spill Quantity For This Product** EPA Reportable Spill Quantity is 1435 Gallons based on Methanol (CAS: 67-56-1).

**EPA RCRA Hazardous Waste Classification** If product becomes a waste, it does meet the criteria of a hazardous waste as defined by the US EPA, because of:  
Ignitability

**California Proposition 65** All components listed do not apply to the California Proposition 65 Regulation.

**MA Right-to-Know Law** One or more components listed.

**NJ Right-to-Know Law** One or more components listed.

**PA Right-to-Know Law** One or more components listed.

**Canadian Regulations****Canadian DSL Inventory**

All components listed on inventory.

**WHMIS Hazard Class**B2 Flammable Liquids  
E Corrosive Material  
D1A Very Toxic Materials  
D1B Toxic Materials**16. OTHER INFORMATION**

The following sections have been revised since the last issue of this MSDS

Not applicable

**Additional Information**

For additional information on the use of this product, contact your local Halliburton representative.

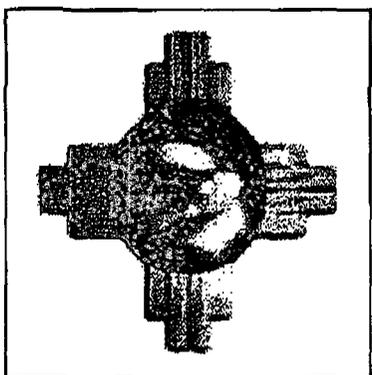
For questions about the Material Safety Data Sheet for this or other Halliburton products, contact Product Stewardship at 1-580-251-4335.

**Disclaimer Statement**

This information is furnished without warranty, expressed or implied, as to accuracy or completeness. The information is obtained from various sources including the manufacturer and other third party sources. The information may not be valid under all conditions nor if this material is used in combination with other materials or in any process. Final determination of suitability of any material is the sole responsibility of the user.

**\*\*\*END OF MSDS\*\*\***

# FAX COVERSHEET



Sundance Services Inc.  
P.O. Box 1131  
Eunice, NM 88231  
505-394-2511  
505-394-2590 (fax)

To: Brad From: Donna

Phone : 476-3487 Date: 1-08-07

Fax: 476-3462 Re: \_\_\_\_\_

Pages incl' cover: ~~2~~ 2

## Message:

Brad,  
New certificate of waste. They had put  
the wrong address on the other one.

then

Donna

**CERTIFICATE OF WASTE STATUS  
NON-EXEMPT WASTE MATERIAL  
"AS REQUIRED BY NEW MEXICO OIL CONSERVATION DIVISION"**

**COMPANY/GENERATOR:** Halliburton Energy Services

**ADDRESS:** 1301 West Webb, Brownfield, Tx. 79316

**GENERATING SITE:** Halliburton Energy Services, 1301 West Webb, Brownfield, Tx. 79316

**COUNTY:** Terry

**STATE:** Texas

**TYPE OF WASTE:** Inorganic Solid-Neutralized Acid Contaminated Soil

**ESTIMATED VOLUME:** ) 10-20 yards

**GENERATING PROCESS:** Spilled 15% hcl acid blend onto ground  
**REMARKS:**

**NMOCD FACILITY:** Sundance Services

**TRUCKING COMPANY:** Safety Environmental Services to handle clean up.

As a condition of acceptance for disposal, I hereby certify that this waste is a non-exempt waste as defined by the Environmental Protection Agency's EPA July 1988 Regulatory Determination. To my knowledge, this waste will be analyzed pursuant to the provisions of 40 CFR Part 261 to verify the nature as Non-Hazardous. I further certify that to my knowledge "hazardous or listed waste" pursuant to the provisions of 40 CFR, Part 261, Subpart C and D, has not been added or mixed with the waste so as to make the resultant mixture a "hazardous waste" pursuant to the provisions of 40 CFR, Sections 261.3>

**AGENT:** Stephen W. Bailey

**NAME:** STEPHEN W. BAILEY

**ADDRESS:** 5801 LOVINGTON HWY, HOBBS, NM 88240

**DATE:** 1-8-2007

TRANSACTION REPORT

P. 01

JAN-08-2007 MON 12:03 PM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
JAN-08	12:02 PM	5053942590	46"	2	RECEIVE	OK		

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# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
**Oil Conservation Division**

February 28, 2006

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, NM 88231

RE: Application for Waste Management Facility Modification  
Form C-137 Dated December 28, 2005  
For the Surface Waste Management Facility Located in  
The SW/4 of Section 29, Township 21 South, Range 39 East  
NMPM, Lea County, NM  
NMOCD Permit Number NM-01-003

Dear Ms. Roach:

The New Mexico Oil Conservation Division (NMOCD) has reviewed the above-referenced application. This modification request for the Sundance Services, Inc. (Sundance) facility is hereby approved with the following understandings and conditions:

1. Sundance wishes to add a new landfill cell to its existing facility, which will be constructed directly south of evaporation pit pond #1.
2. Such landfill cell will be located within the confines of the currently permitted facility.
3. Sundance also wishes to add a new evaporation pond designated Pit #9.
4. Such evaporation pond will be located within the confines of the currently permitted facility.
5. The waste streams accepted at the facility will not change.
6. Sundance will operate the new landfill cell and evaporation pond according to the terms and conditions placed on NMOCD permit number NM-01-003 by NMOCD approval dated February 18, 2002.

If you have any questions, contact Ed Martin at (505) 476-3492 or [ed.martin@state.nm.us](mailto:ed.martin@state.nm.us)

NEW MEXICO OIL CONSERVATION DIVISION

  
Roger C. Anderson  
Environmental Bureau Chief

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-137  
Revised June 10, 2003

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

### APPLICATION FOR WASTE MANAGEMENT FACILITY

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

Commercial  Centralized

1. Type:  Evaporation  Injection  Other  
 Solids/Landfarm  Treating Plant

2. Operator: Sundance Services Inc.

Address: P.O. Box 1737 Eunice, NM 88231

Contact Person: Donna Roach Phone: 505-394-2511 x 201

3. Location: SW /4          /4 Section 29 Township 21S Range 39E  
Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility?  Yes  No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.

6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

12. Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H<sub>2</sub>S.

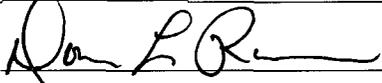
14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

#### 15. CERTIFICATION

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

Name: Donna L Roach

Title: President

Signature: 

Date: 12/28/05

E-mail Address: ssidonna@aol.com

# **Sundance Services, Inc.**

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

December 28, 2005

New Mexico Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Attn: Ed Martin

Ref: Modification for 711 Permit #NM-01-0003

Mr. Martin;

Sundance Services Inc. would like to submit a request to modify our existing permit by the construction of a new landfill cell pit and a new evaporation pond.

## **New Landfill**

Our new landfill will be constructed directly south of evaporation pit pond #1. The geology of this new site is consistent with the geology of our facility. A naturally occurring Triassic red bed clay liner is located approximately 600 feet below with a caliche cap. Walls to this pit will be constructed of caliche/redbed mix berms with red bed toed into the existing clay dike along the base. This pit will be located inside the bermed area that surrounds our facility and is surrounded by monitor wells ( 10, 11, 12, 13, 14) that will be continually checked quarterly and reported to the NMOCD annually.

## **Pit #9 Evaporation Pond**

Pit #9 Evaporation pond will be constructed directly south of pit #4. The use of this pit will be for evaporation of production water and will follow NMOCD regulations. This pit will be kept oil-free and is surrounded by monitor wells ( 42, 51, 44, 41 ) that will be continually checked quarterly and reported to the NMOCD annually.

Upon approval of our request, exact dimensions and construction of pits will be submitted to the NMOCD. Sundance has made every effort to ensure environmental safety and health will not be affected by the addition of this modification. All regulations and guidelines for our existing permit have been met and will be continually followed.

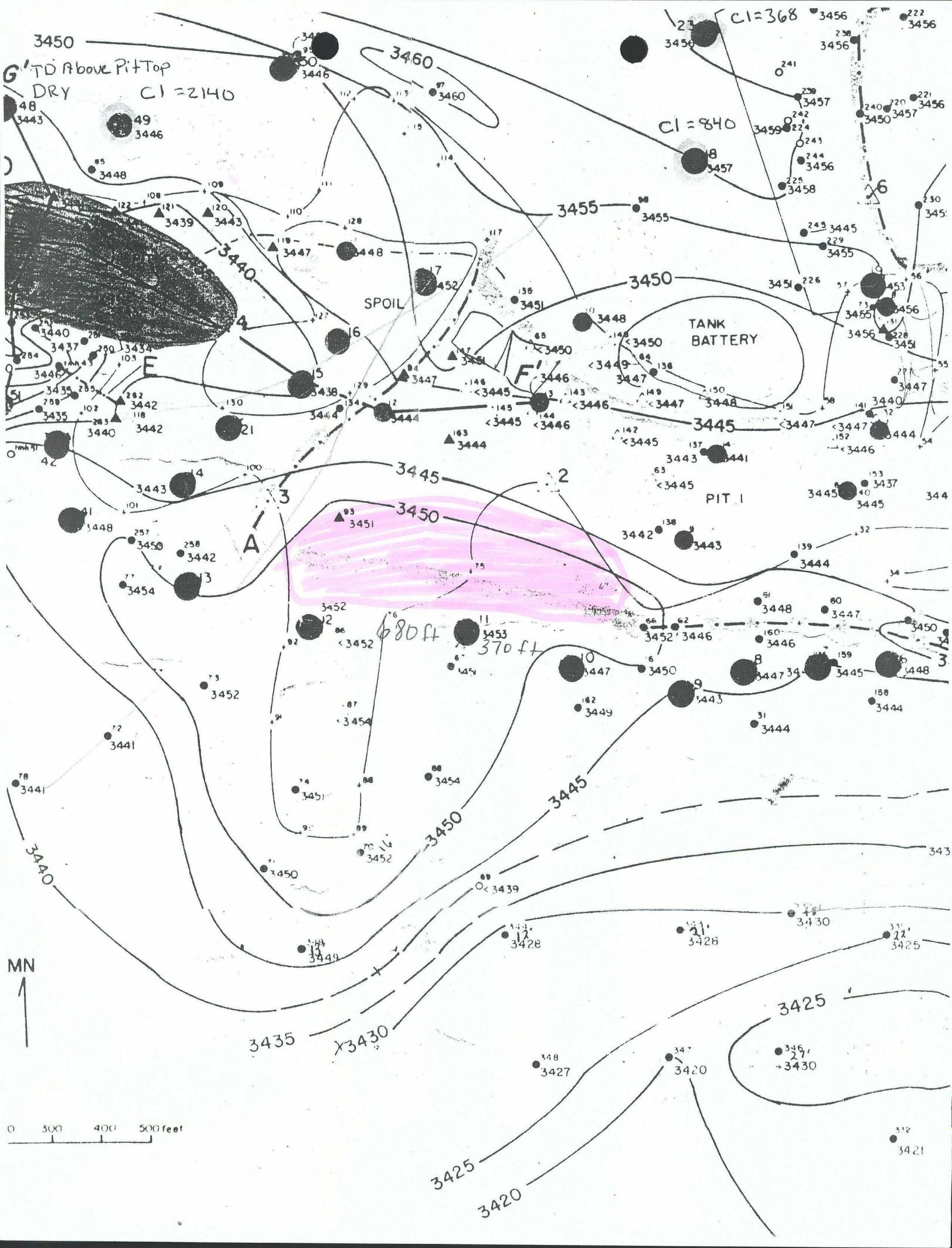
If you have any further questions about these changes, please feel free to call my office at 505-394-2511 x 201. We look forward to hearing your opinion on this request in the near future.

Sincerely

A handwritten signature in black ink, appearing to read "Donna Roach". The signature is fluid and cursive, with the first name "Donna" and last name "Roach" clearly distinguishable.

Donna Roach  
President





Landowner:

Wallach Ranch  
P.O. BOX 3715  
MIDLAND, TX 79702

Site diagram.

# SUNDANCE SERVICES INC.

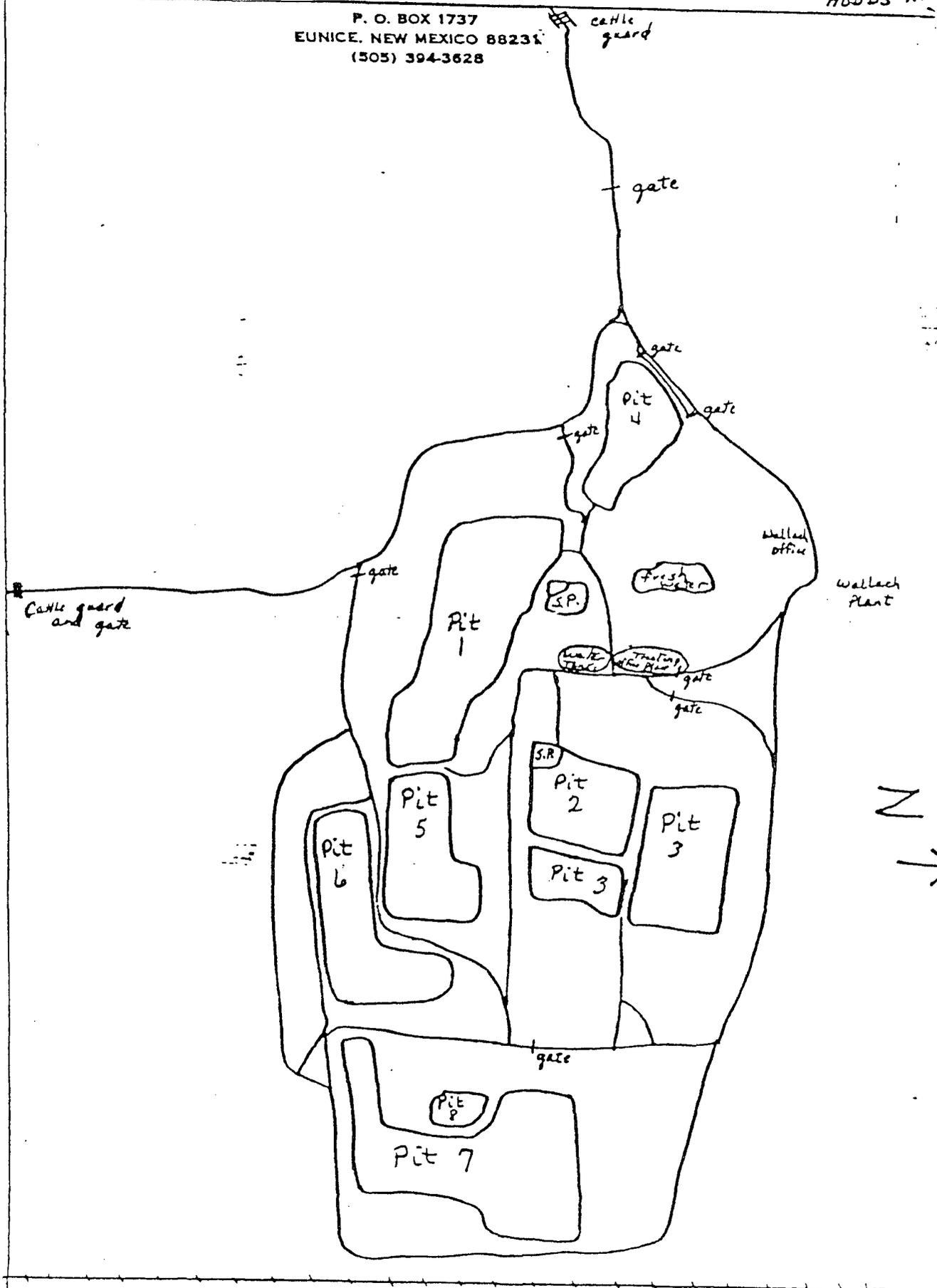
P. O. BOX 1737  
EUNICE, NEW MEXICO 88231  
(505) 394-3628

To JAL, N.M.

To Hobbs N.M.

10  
Eunice  
N.M.

To  
ANDREWS TEXAS



SUNDANCE SERVICES INC.  
CONTINGENCY PLAN FOR REPORTING AND CLEANUP  
OF SPILLS OR RELEASES

Sundance Services Inc.'s spills or releases of oil, salt water, and/or solids that occur in areas not approved for disposal will be handled in the following manner:

GENERAL AREA: Clean up of small spills will be performed on a timely basis. The oil, water, or solids will be disposed of in the proper area and manner in compliance with New Mexico OCD rules and regulations.

Large spills will be acted upon immediately. The New Mexico OCD will be notified and the spill reported in accordance with established guidelines. Cleanup will commence immediately, with the oil, salt water, and/or solids being disposed of in the proper area and manner in compliance with the New Mexico OCD rules and regulations.

SALT WATER PITS: Oil will be cleaned from the pits by utilizing a floating skimmer device whereby the oil is "pushed" into designated trap areas. The skimmed material will be picked up by mechanical means-- either by pumping when appropriate, or by lifting with a mechanical bucket--and trucked to the BS&W pit. This same procedure will apply to any other pits or ponds requiring oil removal.

Any pit or pond that has oil-stained soil will be handled by one of the following methods:

A. The oil and sand will be washed down into the pond where it can be skimmed and recovered; or

B. The oil will be scraped from the sides of the pond, scooped up, and carried to the BS&W pit.

The pits will be cleaned of free visible oil on a continual basis or within 90 days of notification to do so by the New Mexico OCD. Sundance also commits to reviewing and researching the most modern, effective methods for accomplishing the above task.

SUNDANCE SERVICES INC.  
ROUTINE INSPECTION AND MAINTENANCE PLAN

Sundance Services Inc. routine inspection and maintenance plan is comprised of the following daily, weekly and monthly tasks;

DAILY: The levels in each of the pits are checked on a daily basis to ensure that permitted levels are not exceeded, and the berms are inspected to determine that their integrity is maintained. Additionally, the siphons are examined to verify proper working order.

WEEKLY: The pit levels are recorded weekly to provide an accurate summary.

MONTHLY: The monitor wells are inspected on a monthly schedule to ensure that the pits are constructed dikes are not leaking salt water. Samples are drawn quarterly for testing and submitted to the NMOCD.

CLOSURE PLANS FOR SUNDANCE SERVICES INC.  
PARABO DISPOSAL FACILITY

CLOSURE OF WATER DISPOSAL PLANT: All tanks and associated equipment would be drained of free water, to be disposed of in surrounding licensed disposal facilities. Sediment from the tank bottoms would be cleaned out and reclaimed by our centrifuge system. The free oil would be skimmed off and either sold or disposed of in a proper manner. All tanks and equipment should be rendered inoperable as a disposal facility under Rule 711.

CLOSURE OF OIL TREATING PLANT: All tanks and associated equipment would be drained of free oil and water; the oil would then either be sold or disposed of properly. The tank bottom sediment would also be cleaned out and reclaimed by our centrifuge system. All tanks and equipment should be rendered inoperable as a treating plant facility under Rule 711.

CLOSURE OF SALT WATER PITS (#1, #2, #3, #5, and #6): The ponds would be allowed to evaporate for one full solar year, after which time the remaining water would be pumped out and either transported or pumped to disposal wells. The remaining salt layers would then be covered with dirt.

Monitor wells would be carefully observed for a period of one year following closure. Any subsequent migration of salt water from known underground plumes would continue to be pumped dry until determined by the New Mexico OCD that such remedial action is no longer necessary.

CLOSURE OF BS&W Pit #4: All free oil and water will be pumped out and disposed of in surrounding disposal facilities. After the free oil and water has been pumped from the pit, the sides of the pit would be cleaned of any oil-stained dirt which would then be moved to the bottom of the pit. The remaining BS would then be covered with a layer of dirt.

CLOSURE OF LANDFILL: Material would be immediately stopped from acceptance into the landfill. The landfill would then be covered with clean dirt and capped with topsoil, reseeded as in accordance of the surrounding environment.

CLOSURE OF LANDFARM: Material would be immediately stopped from acceptance into the landfarm. Remaining material would be cultivated and remediate until levels in accordance with NMOCD are reached. The material would then be removed and used in areas of the disposal to close out pits. Topsoil would then be placed in the landfarm and reseed as in accordance of the surrounding environment.

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## EMERGENCY RESPONSE PLAN

IN THE EVENT A TOXIC SUBSTANCE RELEASE SHOULD OCCUR FROM FIRES, EXPLOSION, OR ANY UNPLANNED SUDDEN, OR NON-SUDDEN RELEASE OF A HAZARDOUS WASTE - THE RESPONSIBLE SUNDANCE SERVICES INC. EMPLOYEE AT THE SCENE, OR THE OPERATION, SHALL TAKE THE FOLLOWING ACTIONS:

1. Promptly notify his immediate supervisor or any SSI employee, of the release it's location, and approximately magnitude. It is of the utmost importance that this first notification of other IMMEDIATELY on direction of a release so that notification of other company employees, residents of the area, and the general public may begin evacuation; if warranted under this contingency plan.
2. Promptly render a judgment as to:
  - A. Whether or not any human life or property is in danger.
  - B. The source and cause of the emission.
  - C. Whether or not the toxic substance release can be readily stopped or brought under control without posing a danger to the health or safety of the employee.
3. If any human life or property is in danger, take prompt action to alleviate such danger, to the extent possible.
4. If the escape can be readily stopped, or brought under control, the employee should do so.

Note: Sundance Services Inc. DOES NOT EXPECT ANY EMPLOYEE TO PLACE HIS LIFE OR HEALTH IN JEOPARDY AS RESULT OF ANY ACTION TAKEN UNDER THIS PLAN. ACTION UNDER POINTS 2,3, AND 4, ABOVE SHOULD BE TAKEN IN CONJUNCTION WITH ANOTHER COMPANY EMPLOYEE, UNLESS IT IS CLEARLY EVIDENT THAT SUCH ACTION MAY BE UNDERTAKEN WITHOUT RISK TO THE EMPLOYEE. NO SUNDANCE SERVICES EMPLOYEE SHALL ATTEMPT TO GO ON A LEAK DETECTION MISSION WITHOUT FIRST NOTIFYING HIS IMMEDIATE SUPERVISOR, OR ANOTHER COMPANY EMPLOYEE OF HIS INTENTIONS.

I, \_\_\_\_\_, HAVE READ AND HAVE HAD THE ABOVE POLICY EXPLAINED TO ME, AND THOROUGHLY UNDERSTAND ITS APPLICATION AND PURPOSE. I FURTHER UNDERSTAND THAT FAILURE TO STRICTLY ADHERE TO THIS POLICY COULD RESULT IN SERIOUS INJURY TO MYSELF AND/OR WORKERS AND WILL RESULT IN DISCIPLINARY ACTIONS.

\_\_\_\_\_  
EMPLOYEE SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
FOREMAN SIGNATURE

\_\_\_\_\_  
DATE

# **Sundance Services, Inc.**

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## EMERGENCY PHONE NUMBERS

SUNDANCE OFFICE - 394-2511

EUNICE POLICE DEPARTMENT - 394-2112 (911)

EUNICE FIRE DEPARTMENT - 394-3258 (911)

LEA COUNTY SHERIFF DEPT. - 394-2020

N.M. STATE POLICE - 392-5588

WEDNESDAY, JANUARY 11, 2006

HOBBS NEWS-SUN 13

**57 PUBLIC NOTICES**

**PUBLIC NOTICE**

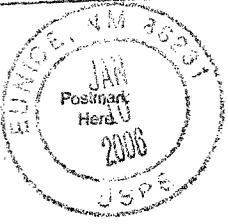
Sundance Services Inc. has applied for modification of existing permit NM-01-003 with the New Mexico Oil Conservation Division. Sundance has requested permission to add a new landfill and evaporation pit. Sundance has made every effort to ensure environment and health safety. Questions and comments should be directed to Mr. Ed Martin 1220 S. St. Francis Dr., Santa Fe, NM 87505.

7273 0831 7227 0006 9000 2510 0002 7004

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Sent To Carmine Real  
 Street, Apt. No., or PO Box No. Box 730  
 City, State, ZIP+4 Eunice Nm

PS Form 3800, June 2002 See Reverse for Instructions

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<b>Total Postage &amp; Fees</b>	<b>\$ 4.64</b>



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 City, State, ZIP+4 Hubbs, Nm

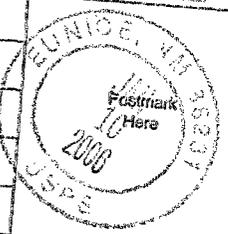
PS Form 3800, June 2002 See Reverse for Instructions

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 Street, Apt. No., or PO Box No.  
 City, State, ZIP+4 Andrus Tx 79714

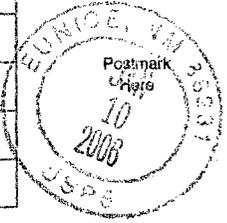
PS Form 3800, June 2002 See Reverse for Instructions

7226 0831 9226 0006 9000 2510 0002 7004

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)  
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Return Receipt Fee (Endorsement Required)	185
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 4.64</b>



Sent To Wallach Concrete  
 Street, Apt. No., or PO Box No.  
 City, State, ZIP+4 Hubbs Nm

PS Form 3800, June 2002 See Reverse for Instructions



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

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

Director

**Oil Conservation Division**

December 2, 2005

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, NM 88231

*NM-1-3*

RE: Analyticals for Landfarm and Request to Utilize  
Remediated Soils As Berms at the Facility

Dear Ms. Roach:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed the request above dated November 3, 2005. This request is hereby approved.

NMOCD approval does not relieve Sundance Services, Inc. (Sundance) of liability should its operations at the facility prove to be harmful to public health or the environment. Nor does it relieve Sundance of its responsibility to comply with the rules and regulations of any other local, state, or federal governmental agency.

If you have any questions, contact me at (505) 476-3492 or [ed.martin@state.nm.us](mailto:ed.martin@state.nm.us)

NEW MEXICO OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Edwin E. Martin".

Edwin E. Martin  
Environmental Bureau

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

RECEIVED

NOV 29 2005

OIL CONSERVATION  
DIVISION

November 3, 2005

New Mexico Oil Conservation Division  
Attn: Ed Martin  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Ref: Analytical for Landfarm

Mr. Martin;

Attached are analytical results for our background and Key Energy material that was taken in our landfarm. Results suggest that the material is clean below OCD limits and would we like to request approval to remove the Key Energy material from our landfarm and use as berms at our facility.

Thank you for your time with this issue and we look forward to hearing from you. If you have any further questions, please feel free to call my office at 505-394-2511 x 201.

Sincerely,

Donna Roach  
President

Sundance Services LandFarm

North Road

West

410'

600'

45'

550'

1100'

Railroad tracks -

A - 3 Acres  
Non-exempt

B - 5 Acres  
Exempt

C - 4 Acres  
Exempt

D - 4 Acres  
Exempt

*57 yds  
Very Steep*

Fenceline-30ft

630'





PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 SUNDANCE SERVICES, INC.  
 ATTN: MICHAEL PATTERSON  
 P.O. BOX 1737  
 EUNICE, NM 88231  
 FAX TO: (505) 394-2590

Receiving Date: 09/09/05  
 Reporting Date: 09/14/05  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Sampling Date: 09/09/05  
 Sample Type: SOIL  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/Kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		09/13/05	09/13/05	09/13/05	09/13/05	09/13/05	09/13/05
H10176-1	BACKGROUND	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H10176-2	KEY	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
Quality Control		761	770	0.095	0.089	0.092	0.287
True Value QC		800	800	0.100	0.100	0.100	0.300
% Recovery		95.2	96.3	95.4	89.3	91.8	95.5
Relative Percent Difference		3.3	3.9	4.3	0.9	3.2	5.3

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8260.

  
 Burgess U. A. Cooke, Ph. D.

9/14/05  
 Date

H10176.XLS

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



ARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(325) 673-7001 Fax (325) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_ of \_\_\_

BILL TO

ANALYSIS REQUEST

Company Name: Sundance Services Inc  
 Project Manager: Michael Peterson  
 Address: P.O. Box 1737  
 City: Eunice, NM State: NM zip: 88231  
 Phone #: 505-394-2511 Fax #: 505-394-2590  
 Project #: \_\_\_\_\_ Project Owner: \_\_\_\_\_  
 Project Name: LAND FARM  
 Project Location: \_\_\_\_\_  
 Sampler Name: \_\_\_\_\_  
 FOR LAB USE ONLY

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX							DATE	TIME	ANALYSIS REQUEST	
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	PRESERV.				SAMPLING
H10176-1 -2	Background	G	1			<input checked="" type="checkbox"/>						9/9/05	1:30	BTEX
		G	1									1:45	1:45	TPH 8015M

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruption, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or associates arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based primarily of the above stated causes or otherwise.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Relinquished By: Michael Peterson Date: 9-9-05 Time: 4:20pm  
 Received By: (Lab Staff) pm  
 Checked By: \_\_\_\_\_  
 Sample Condition:  Intact  Damaged  
 Sampler: UPS - Bus - Other:

Phone Result:  Yes  No  
 Fax Result:  Yes  No

REMARKS:

\* Cardinal cannot accept verbal changes. Please fax written changes to (325) 673-7020.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

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

Director

**Oil Conservation Division**

March 4, 2005

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, NM 88231

Re: Sundance Services  
Commercial Surface Waste Management Facility  
NMOCD permit NM-1-003

Dear Ms. Roach:

The New Mexico Oil Conservation Division (NMOCD) inspected your facility on February 10, 2005, and found no problems or permit deficiencies. The NMOCD understands that the landfarm at the facility is not currently being used. Should landfarming operations commence, Sundance will be required to submit results of the testing of the treatment zone, per the permit referenced above.

Overall, the facility was well maintained and orderly. Thank you for your cooperation during my time at your site.

If you have any questions, contact me at (505) 476-3492 or [emartin@state.nm.us](mailto:emartin@state.nm.us)

NEW MEXICO OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Ed Martin".

Edwin E. Martin  
Environmental Bureau

cc: NMOCD, Hobbs



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

September 17, 2004

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

Director

**Oil Conservation Division**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, NM 88231

Dear Ms. Roach:

Since the New Mexico Oil Conservation Division (NMOCD) promulgated Rule 50 covering pits and below-grade tanks, there has arisen a need, in certain circumstances, for operators to transport their drill cuttings off-site and dispose of them.

NMOCD Rule 711, as it pertains to landfarms, does not specifically address the issue of exempt oilfield wastes that may be contaminated with salts. Your landfarm application and permit were written with only hydrocarbon-contaminated soils in mind. Salt-contaminated wastes cause the following problems:

1. Lessening the effectiveness of the biodegradation capacity of your landfarm
2. Rapid leachability causing adverse effects on groundwater

If you want to accept salt-contaminated cuttings or any other salt-contaminated wastes, your 711 permit must be modified to ensure that your acceptance of those wastes will not adversely affect public health or the environment.

Please check one of the following:

I have accepted or intend to accept salt-contaminated wastes in my landfarm. An OCD form C-137, applying for a modification to my 711 permit is attached. Included, as an attachment, is a demonstration that the accepted salt-contaminated soils will not adversely affect groundwater in the foreseeable future. (Closure requirements will also require modification to ensure the protection of groundwater. Should your acceptance of salt-contaminated wastes prove detrimental to groundwater, future liability for such damage rests with the landfarm operator).

I do not intend to accept salt-contaminated wastes in my landfarm. Should this condition change, I will submit an OCD Form C-137 for a modification to my 711 permit at that time.

New Mexico Oil Conservation Division  
Attn: Ed Martin  
1220 S. St. Francis  
Santa Fe, NM 87505

This letter must be returned to the above address no later than October 31, 2004. An extension of time may be granted if you contact this office no later than that date.

If you have any questions, contact Ed Martin (505) 476-3492 or [emartin@state.nm.us](mailto:emartin@state.nm.us)

Signed \_\_\_\_\_

Date \_\_\_\_\_



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

September 17, 2004

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, NM 88231

NM-1-3  
**RECEIVED**

OCT 06 2004

Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

Dear Ms. Roach:

Since the New Mexico Oil Conservation Division (NMOCD) promulgated Rule 50 covering pits and below-grade tanks, there has arisen a need, in certain circumstances, for operators to transport their drill cuttings off-site and dispose of them.

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New Mexico Oil Conservation Division  
Attn: Ed Martin  
1220 S. St. Francis  
Santa Fe, NM 87505

This letter must be returned to the above address no later than October 31, 2004. An extension of time may be granted if you contact this office no later than that date.

If you have any questions, contact Ed Martin (505) 476-3492 or emartin@state.nm.us

Signed

9-24-04  
Date

Send To Printer

Back To TerraServer

Change to 11x17 Print Size

Show Grid Lines

Change to Landscape

USGS 7 km E of Eunice, New Mexico, United States 15 Jan 1996



0 |-----| .5Km

0 |-----| .25Mi

Image courtesy of the U.S. Geological Survey  
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**SUNDANCE SERVICES, INC., NMOCD PERMIT NM-01-0003  
COMMERCIAL SURFACE WASTE MANAGEMENT FACILITY  
SW/4 of Section 29, Township 21 South, Range 38 East, NMPM, Lea County, New Mexico**

**1977, August 30** - Order R-5516 – Ray A. Wallach and Patricia Louise Wallach granted an exception to order No. R-3221 to dispose of produced salt water in an unlined surface pit #1 and #2. (These original pits are numbered Pit 1 and Pit 4) The order required among other things the construction of engineered compacted clay dikes and core trenches around the entire facility and 21 monitor wells surrounding the pits.

*These original pits are now known as Pit 1 and Pit 4*

**1981, March 18** - Order R-5516-A – Parabo, Inc. granted an amendment to original order regarding additional monitor well placement and lists that there are a total of five pits in operation (Pit 1, 2, 3, 4, and 5).

*This order adds Pits 2, 3 and 5.*

**1981, July 17** – Administratively authorized Pit 6 pursuant to Division Order R-5516-A.

**1982, April 14** – Order R-6940 authorized a chemical and heat-treatment type oil treating plant and required a \$10,000 bond.

**1982, December 27** – Administratively authorized Pit 7 pursuant to Division Order R-5516-A.

**1983, December 16** - Order R-5516-B – Parabo, Inc. granted an amendment to original order. Disposal of drilling fluids, drill cuttings and those materials that are normally connected with or are a result of drilling operations in New Mexico such as muds, tailings, and cement in an existing pit known as Pit 8.

Disposal of basic sediment and Water (BS &W) into Pit 4 previously approved for produced water.

**1985, July 23** - Order R-5516-C – Parabo, Inc. granted an amendment to original order. Corrects language regarding the pits and clearly states the maximum water levels for Pits 1, 2, 3, 4, 5, 6 and 7.

**1995, October 24** - Request transfer of Parabo, Inc to Sundance Services. Increased bond to \$25,000

**1996, October 9** – Sundance Services, Inc. received administrative approved for a wash out and unloading facility.

**1999, April 30** – Sundance Services, Inc. was re-permitted under Rule 711 and financial assurance of \$250,000 was required over a four-year installment period.

**2002, February 18** – Sundance Services, Inc. was issued a permit modification adding a landfarm to the facility and modifying the truck washout area.

**Notes from November 20, 2002, Sundance Services, Inc. has undergone several changes over the last few years since new management.**

The truck wash out area that was in Pit 7 north has been moved to the Pit 4 area. Pit 7 north has been filled in, compacted and leveled.

Trucks now wash out into a concrete lined basin that is screened. Other trucks empty into a steel pit that is screened. The washout area is located next to Pit 4.

Oil is continuously skimmed off of Pit 4 and put through the treating plant. The hot return water from the centrifuge is returned to Pit 4 to help warm it to aid in floating the hydrocarbons for recovery.

The two skim pits at Pit 5 are no longer in use. Sundance is cleaning them and closing them out. The skim pit operation is now handled in several above ground, screened, steel pits located behind the produced water receiving tanks.

Pit 7 south is partly pushed in and in the process of filling with solid wastes and will eventually be closed.

Pit 8 (solids pit) has been decanted and is scheduled for closure.

A large pile of solids that had accumulated over the years is being placed into Pit 7 and compacted.

Evaporation Pits 1,2,3,5, and 6 were all oil free and have been maintained as such for the past 2+ years.

The landfarm that was permitted in 2002 has not yet received any wastes.

Tanks at the treating plant that had small leaks have been repaired and new below grade sumps have been installed beneath tank valves.

**Financial assurance is current and active at \$250,000**

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[Change to Landscape](#)

**USGS 7 km E of Eunice, New Mexico, United States 15 Jan 1996**



0 |-----| 0.5Km

0 |-----| 0.25Mi

Image courtesy of the U.S. Geological Survey

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**Kieling, Martyne**

**From:** SSIDonna@aol.com  
**Sent:** Thursday, April 29, 2004 11:03 AM  
**To:** MKieling@state.nm.us  
**Subject:** Question - PNM

Martyne;

We received some analyticals from PNM's compressor stations which is reclamation of compressor oil mixed with natural gas condensate. I do not know if this is oilfield related. I will double check that, because it does not look like it is. The flash point is 86-90 F and the benze levels are 50 mg/kg. It seems that these levels are out of EPA limits. The test they ran are BTEX under SW8310 and RCI. Am I looking at this correctly. Also if it is not oilfield related or we just can not accept it, do you know of a place that this material can be disposed of? Thanks once again for your help.

Recycle ← Exempt

Donna Roach  
President

Sundance Services  
P.O. Box 1737  
Eunice, NM 88231  
505-394-2511 x 201  
505-394-2590 fax

C-117 Transportation  
Miscellaneous Hydrocarbons  
Send to treating Plant For  
Recycling  
MJK 4-29-04

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For more information please visit <http://www.messagelabs.com/email>

---

## Kieling, Martyne

---

**From:** Kieling, Martyne  
**Sent:** Thursday, December 18, 2003 1:42 PM  
**To:** 'steve.travis@wipp.ws'  
**Cc:** 'ssidonna@aol.com'  
**Subject:** OCD Rule 711

Steve,

Regarding your request to send Drilling fluids and brine water from the WIPP groundwater monitor wells to Sundance Services.

Here is the OCD web site. <http://www.emnrd.state.nm.us/ocd/>

You will need to click on Rulebook / then find Rule 711 in the table of contents. Go to 711.C.4.c for the notation on non-oilfield wastes. Here is an excerpt of the rule and what you are looking for.

### C. Operational Requirements

- (1) All surface waste management facility permittees shall file forms C-117-A, C-118, and C-120-A as required by OCD rules.
- (2) Facilities permitted as treating plants will not accept sediment oil, tank bottoms and other miscellaneous hydrocarbons for processing unless accompanied by an approved Form C-117A or C-138.
- (3) Facilities will only accept oilfield related wastes except as provided in Subsection C, Paragraph (4), Subparagraph (c) of 19.15.9.711 NMAC below. Wastes which are determined to be RCRA Subtitle C hazardous wastes by either listing or characteristic testing will not be accepted at a permitted facility.
- (4) The permittee shall require the following documentation for accepting wastes, other than wastes returned from the wellbore in the normal course of well operations such as produced water and spent treating fluids, at commercial waste management facilities:
  - (a) **Exempt Oilfield Wastes:** As a condition to acceptance of the materials shipped, a generator, or his authorized agent, shall sign a certificate which represents and warrants that the wastes are: generated from oil and gas exploration and production operations; exempt from Resource Conservation and Recovery Act (RCRA) Subtitle C regulations; and not mixed with non-exempt wastes. The permittee shall have the option to accept on a monthly, weekly, or per load basis a load certificate in a form of its choice. While the acceptance of such exempt oilfield waste materials does not require the prior approval of the Division, both the generator and permittee shall maintain and shall make said certificates available for inspection by the Division for compliance and enforcement purposes.
  - (b) **Non-exempt, Non-hazardous Oilfield Wastes:** Prior to acceptance, a "Request For Approval To Accept Solid Waste", OCD Form C-138, accompanied by acceptable documentation to determine that the waste is non-hazardous shall be submitted to the appropriate District office. Acceptance will be on a case-by-case basis after approval from the Division's Santa Fe office.
  - (c) **Non-oilfield Wastes:** Non-hazardous, non-oilfield wastes may be accepted in an emergency if ordered by the Department of Public Safety. Prior to acceptance, a "Request To Accept Solid Waste", OCD Form C-138 accompanied by the Department of Public Safety order will be submitted to the appropriate District office and the Division's Santa Fe office. **With prior approval from the Division, other non-hazardous, non-oilfield waste may be accepted into a permitted surface waste management facility if the waste is similar in physical and chemical composition to the oilfield wastes authorized for disposal at that facility and is either: (1) exempt from the "hazardous waste" provisions of Subtitle C of the federal Resource Conservation and Recovery Act; or (2) has tested non-hazardous and is not listed as hazardous. Prior to acceptance, a "Request For Approval to Accept Solid Waste," OCD Form C-138, accompanied by acceptable documentation to characterize the waste, shall be submitted to and approved by the Division's Santa Fe office.**

With a written request along with analytical data for the fluids and mud and the MSDS for any additives, the OCD should be able to get you an answer to your request.

Sincerely,

*Martyne J. Kieling*  
Martyne J. Kieling  
Environmental Geologist

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

# RECEIVED

December 10, 2003

DEC 15 2003

Martyne Kieling  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

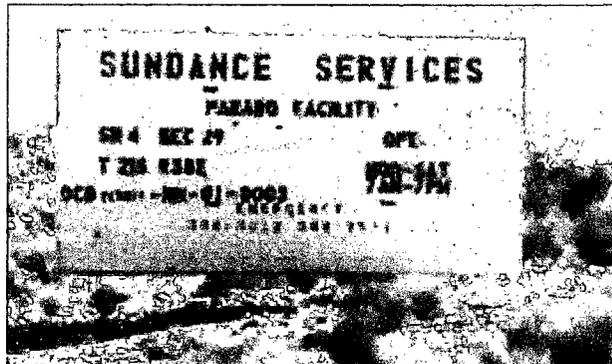
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Surface Waste Management Facility Inspection Report: Permit NM-01-0003  
Sundance Services Inc.  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico

Dear Ms. Kieling,

In response to your inspection August 12, 2003, Sundance has corrected the permit deficiencies and is hereby providing a timeline on going repairs.

- A. The facility sign has been updated with our NMOCD permit number. A new sign is being made that will contain all the information that is required by our permit and should be in place by January 31, 2004. Sundance will submit an updated photo of the new sign.



- B. Solids Pit 4 is continually emptied daily and has a screen installed on top.
- C. The two buried pits located at Pond 7 are used for solidification process. As material is cleaned out of solids pit #4, the water is pumped into tanks located at pit #1 for separation then pumped into the evaporation pits for evaporation, the oil is skim off the top and taken to the battery for processing through the centrifuge and the solids are hauled to these tanks to be solidified before disposed into our landfill. Having these two tanks makes the solidification process easier and contains the material in a steel tank.

- D. The new frac tanks have been placed on gravel and two are not yet in service. Two tanks are used to help in the separation process of solids pit #4. Water is pumped into these tanks and then pumped into the evaporation ponds for evaporation. These tanks aide in preventing accidental oil flow into the ponds.
- E. The valve on the east produced water tank has been repaired. Daily inspections are made by our facility manager and repairs are made as quickly as possible.
- F. The north sludge pit at Pit #5 has almost been completely closed. Process in this closure should be completed by December 31, 2003. Netting across the south sludge pit has now been removed and is now being actively decanted and closed in. South sludge pit is estimated to be completed closed by March 30, 2004.



- G. All monitor wells are checked quarterly. Only the wells that have fluid are sampled and reported.

Sundance will be sure to update the OCD as closures on these pits take place. If you have any further concerns or questions, please feel free to call my office at 505-394-2511.

Sincerely,

Donna Roach  
President

**Kieling, Martyne**

---

**From:** SSIDonna@aol.com  
**Sent:** Thursday, February 13, 2003 1:07 PM  
**To:** MKieling@state.nm.us  
**Subject:** Re: Question

understand this language and it does explain alot. When you have time could you possibly make me a letter explaining that a generator (oil company) is never absolved of their liability when or if they haul their material to a landfarm and their material is tested to be cleaned. Or something to the manner that we discussed today. We have lost several jobs due to the fact that these landfarm companies are offering these certificates about their landfarms and we do not intend to offer certificates from our landfarm if the certificate includes a false statement of their liability release. This way we could explain the liability release to an oilfield company that maybe considering ABC Landfarm instead of us because of a possibly false certificate. Perhaps explaining this if our company contaminates or pollutes the environment the generator is liable for their waste forever unless assumed by the landfarm company.

I hope this does not add to your headaches. We just need a fair run at any and all waste for our business and would like to be completely informed of the laws and rules of liability. Thanks for your help.

Donna Roach  
Sundance

2/18/2003



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

October 30, 2003

**Lori Wrotenbery**

Director

**Oil Conservation Division**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Surface Waste Management Facility Inspection Report: Permit NM-01-0003  
Sundance Services, Inc.  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Roach

The New Mexico Oil Conservation Division (OCD) inspected Sundance Services, Inc. (Sundance) commercial surface waste management facility at the above location on August 12, 2003. Overall the OCD found Sundance to have a well maintained facility with good security. The OCD inspection and file review of Sundance indicates some permit deficiencies. Attachment 1 lists the permit deficiencies found at Sundance during the inspection and file review. Attachment 2 contains photographs taken during the inspection. Sundance shall provide OCD with a detailed description of how the corrections will be made and a timetable of when each of the corrections will be completed. Sundance must respond to the permit deficiencies by December 1, 2003.

A review Sundance's financial assurance finds that the \$250,000 cash bond and assignment is current and active.

If you have any questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

A handwritten signature in black ink, appearing to read "Martyne J. Kieling".

Martyne J. Kieling  
Environmental Geologist

xc with Attachments: Hobbs OCD Office

ATTACHMENT 1  
INSPECTION REPORT  
PERMIT NM-01-0003  
SUNDANCE SERVICES, INC.  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM  
Lea County, New Mexico  
(October 30, 2003)

This inspection report is based on a site visit performed on August 12, 2003 and a review of permit NM-01-0003 conditions issued in the February 18, 2002.

Overall Facility Operation:

1. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and d) emergency phone number.

**The Facility is secured. However, the Facility sign is missing the OCD permit number is not clearly legible from 50 feet (see photo 1). Sundance must modify the sign to meet the permit requirements.**

2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
3. All liquid/fluid material unloading must be either into above-ground tanks with secondary impermeable containment or into below-grade tanks with secondary liners.

**The NMOCD understands that currently the offloading of fluid material occurs into produced water tanks, frac tanks, the concrete lined solids pit or the steel jet out pit.**

4. Pond Four (4) must not receive any additional liquid. Pond Four (4) must be decanted and all free liquids must be actively and continuously removed.

**Pond Four (4) is currently being decanted of oil. The NMOCD inspection found floating oil on the pond (see photo 4 and 5). The NMOCD understood that this warm return water is from the treating plant centrifuge process and is currently being returned to the pond to aid in warming the pond to aid in oil separation. Sundance must continue to remove oil from the pond on a regular basis.**

5. The jet-out pit must at all times be kept free of appreciable oil buildup to prevent oil flow into the evaporation ponds. Evaporation ponds must be maintained oil free.

**The jet-out pit contained more that 1.5 foot of freeboard and was screened with a hinged screen that is removable to access the pit for pumping (see photo 6).**

The evaporation ponds (1,2,3, 5 and 6) were all oil free (see photos 10, 11, 12, 13, 14 and 15).

6. Oil must be removed daily from the concrete settling, separation and mixing impoundment (Solids Pit 4).

**Solids Pit 4 fluid level was approximately 1 foot from the top (see photo 7). Screen that had covered the pit was not present. Solids pit 4 must be screened or netted.**

7. Below-grade sumps and below-grade tanks must be cleaned and visually inspected annually. Results must be recorded and maintained at the facility for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank must be replaced.

**Two below grade pits/tanks located at Pond 7 (see photo 17 and 18) contained fluids. Please explain the use of these below grade tanks and how often they are emptied.**

8. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the containment area will hold one and one-third the volume of the largest tank or all interconnected tanks.

**New frac tanks have been added (see photo 16). Please describe what these tanks are used for and if they have been placed on an impermeable pad. These tanks did not have a containment berm. However, the facility as a whole is contained within a clay dike.**

9. All above-ground tanks must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks. All tanks must be labeled as to contents and hazards.

**Above ground tanks are not individually bermed. However, the facility as a whole is contained within a clay dike.**

10. The receiving and treatment area must be inspected daily for tank, piping and berm integrity.

**A valve on one of the east produced water tanks was leaking. Maintenance and repairs must be made.**

11. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.

**All tanks are closed topped, all steel and concrete pits have screens or nets in place except for the Solids Pit 4 which contained fluid and was not netted or screened (see photo 7). One of the skim Pit 5 earthen pits had a sagging net while the other skim**

Pit 5 was not netted and is being closed (see photos 8 and 9). The status of these pits has not changed much from the previous inspection of November 20, 2002. The NMOCD understood that these pits are in the process of being skimmed and emptied and will not be used in the future. Please submit a schedule as to when these two skim pits will be closed. In the mean time the net must be tightened across the pit.

New Forms C-134 Application for Exception to Division Order R-8952 were approved in April and July 2003.

12. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:
  - a. log date and approximate time of notice that an odor exists;
  - b. log investigative steps taken, including date and time, and conclusions reached; and
  - c. log actions taken to alleviate the odor, which may include adjusting chemical treatment, air sparging, solidification, landfarming, or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.

**After reviewing the records on file from April 30, 1999 to present, the NMOCD has not received any notification from any interested parties regarding objectionable odors associated with Sundance Services.**

Evaporation Pond Operation:

13. Fluid levels  
**Ponds 1, 2, 3, 5 and 6 were all oil free and the produced water was below the maximum water levels set for each pond (see photo 10, 11, 12, 13, 14 and 15).**

H<sub>2</sub>S Prevention & Contingency Plan:

14. Tests of ambient H<sub>2</sub>S levels must be conducted on a weekly basis. Test results must be recorded and retained. The tests must be conducted at four (4) locations at the top of the berm around each of Ponds One, Two, Three, Four, Five and Six (1, 2, 3, 4, 5 and 6). The wind speed and direction must be recorded in conjunction with each test.

**The NMOCD reviewed the H<sub>2</sub>S weekly logs during this inspection. And also drove the facility with facility personnel while H<sub>2</sub>S reading were taken. The equipment used was a Rattler T40 that was calibrated to detect 1 ppm H<sub>2</sub>S. H<sub>2</sub>S was not detected at this time. Signs warning for H<sub>2</sub>S were posted and a windsock was present at the produced water receiving area.**

Landfill Operation:

15. The landfill may not contain any free liquid. Any ponding or pooling of precipitation must be removed within 24 hours of discovery. Any current sludge contained within pits 7N, 7S, and 8 must be squeezed and solidified so that the landfill can be compacted, capped and closed as proposed in the application.

**Pit 7N was completely filled in compacted and leveled. Pit 7S contains some rainwater (see photo 20). Pit 7S has been backfilled and compacted with material along its south end. Pit 8 is filled with solids and sludge. Sundance must begin removing this fluid.**

16. Any trash accepted into the facility containing paper, paper bags or other trash that has the potential for blowing away or being transported by other vectors must be covered with soil upon the day of delivery and disposal into the solid waste pit.

**No paper type trash was observed in the pits or blowing about the facility. Over all the facility was tidy and there was no trash or debris present. Drums and poly-containers are stored on a concrete pad.**

17. Landfarm Construction/Operation/Treatment Zone Monitoring:

**The Landfarm is constructed but has not yet received any loads.**

Ground Water Monitoring:

18. The following wells are required by permit to be measured and tested for chloride quarterly.

2, 2A, 2B, 3, 3A, 3B, 3C, 3D, 3E, 4, 5, 6, 7, 8, 9,

10, 11, 12, 13, 18,

23, 24, 29,

30, 31, 33, 34, 35, 36, 37, 38, 39,

40, 41, 42, 44, 45, 46, 47, 48, 49,

51, 52,

61, 61B, 61C, 61D, 61E, 61F, 63, 68, 68A, 69,

70, 71, 71A, 71EE, 71F, 71FF, 71G, 71GG, 71H, 71HH, 71I, 71II, 71J, 71KK,

71L, 71LL, 71M, 71MM, 71N, 71NN, 71OO, 71P, 71Q, 71S, 71T, 71U, 71W,

71X, 72, 73, 74, 75, 76, 77, 78, 79,

80, 81, 82, 83, 84, 85, 85A, 85B, 85C, 85C1, 85D, 85E, 85H, 85-2, 85-3, 85-4,

85-5, 85-6, 85-7, 85-8, 85-9, 85-10, 85-11, 85-13, 85-14, 85-15, 85-16, 85-17,

85-18, 85-19, 85-20, 85-21, 86, 87, 87A.

**The NMOCD has received water level measurements and chloride results for the 2002 sampling year. The results received are for those wells highlighted above. Please clarify if the remaining (non highlighted) wells were checked as to if there was any measurable water in them for the year of 2002.**

19. Ground water monitoring at Baker Spring located in Section 28, Township 21 South, Range 38 East NMPM, Lea County, New Mexico must be performed on the same quarterly schedule as at the monitoring wells. Records of the date, inspector, spring flow rate and chloride level must be maintained. Annual reports must be furnished to the OCD Santa Fe and Hobbs offices in database form and must include a graphical plot showing flow rate and chloride trends at Baker Spring

**Please supply this annual report for 2003 at the same time you submit the monitor well data.**

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

**Containers are stored on a concrete pad.**

All drums and chemical containers should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill or ignite.

Reporting and Record Keeping:

21. Sundance Services, Inc. must notify the **OCD Hobbs District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

**At the time of inspection, there were no spills evident at this facility.**

22. Records of facility inspections and maintenance must be kept and maintained for OCD review.

**The NMOCD did not review the inspection and maintenance logs at this time.**

23. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load must include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification; 6) NORM status declaration; 7) transporter; 8) exact cell or pit location; and 9) any addition of microbes, moisture, fertilizers, etc.

**Forms C-138 and documentation for exempt loads were not reviewed at this time.**

Documentation required by forms C-117 and C-118.

**A file review shows that Forms C-117 and C-118 have been submitted the file is up to date.**



Photo 1: The entrance sign is missing the OCD Permit Number. Not all of the information on the sign was visible from 50 feet.



Photo 4: Pond 4 with oil on the surface. Looking northwest.



Photo 2: Propane used to scare the birds, southeast corner of Pond 4.



Photo 5: Pond 4 with oil on the surface. Looking southeast.



Photo 3: Warm water returning from the centrifuge process to Pond 4.



Photo 6: Truck unloading into the steel pit located at Pond 4



Photo 7: Concrete lined Truck washout pit. Grate is missing. Looking west toward Pond 4.



Photo 10: Pond 1 oil free. Looking west.



Photo 8: Skim pit at Pond 5 being pushed in. Looking East.



Photo 11: Pond 6 oil free.



Photo 9: Second skim pit at Pond 5 is still netted.



Photo 12: Pond 5 north drying out. Looking west.



Photo 13: Pond 5 South is oil free.



Photo 16: Frac tanks for unloading.



Photo 14: Pond 6 was oil free and drying out.



Photo 17: First of two below grade pits at Pond 7 location.



Photo 15: Pond 1 was oil free. Treating plant is on the hill and the new skim tanks that are replacing the skim pits at pit 5 are below the hilltop.



Photo 18: Second of two buried pits at the Pond 7 location.



Photo 20: Pond 7 contains some rainwater and has been filled in both from the north and south ends.

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-134  
Revised March 17, 1999

Submit 4 Copies to  
appropriate District Office

No. H-1000 Permit  
 (For  
Division Use Only)

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952**  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: SUNDANCE SERVICES INC.

Operator Address: P.O. BOX 1737 EUNICE NM 88231

Lease or Facility Name PARABO DISPOSAL FACILITY Location 29 21S 38E  
Ut. Ltr. Sec. Twp. Rge

Size of pit or tank: PIT #4 (BS&W PIT): 420' X 210'

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.

The pit is non-hazardous to waterfowl because of the activity levels around the pit and the close proximity of produced water ponds. Although operation hours are from 7:00 a.m. to 7:00 p.m. Mon-Fri and 7:00 a.m. to 3:00 p.m. on Saturdays we have established a propane blast cannon that will sound periodically to keep waterfowl away from our pits.

1) If any oil or hydrocarbons should reach this facility, give method and time required for removal:

Suction pumps, vacuum trucks and a boat are used continually to remove oil from this pond. This pond should be completely free from oil and be skimmed daily within the next 6 months.

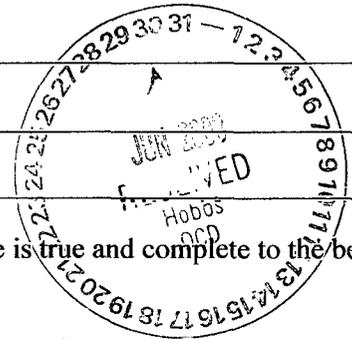
2) If any oil or hydrocarbons reach the above-described facility, the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: \_\_\_\_\_

CERTIFICATION BY OPERATOR: I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Donna L. Roach Title President Date June 9 2003

Printed Name Donna L. Roach Telephone No. 505-394-2511



FOR OIL CONSERVATION DIVISION USE

Photos Attached  
Date Facility Inspected November 20, 2002

Inspected by Monty J. Kelly

Approved by Chris Williams

Title Dist. Supervisor

Date 7/2/03

RECEIVED

JUN 12 2003

OIL CONSERVATION  
DIVISION

**Sundance Services, Inc.**

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

RECEIVED

JUN 12 2003

OIL CONSERVATION  
DIVISION

June 9, 2003

Ms. Martyne J. Kieling  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

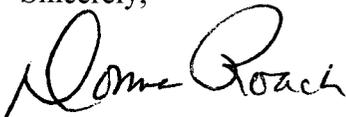
**Re: Form C-134 "Application for Exception To Division Order R-8952".  
Sundance Services Inc. Permit NM-01-003  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Kieling;

Enclosed is a revised permit application for Pit #4. Sundance has taken extra measures to keep waterfowl from being attracted to this pit. A propane blast cannon will be programmed to fire a load sound continuously during low activity levels around this pit. As the pit becomes oil free we will adjust the rate at which it sounds to keep waterfowl away from the pit.

If you need any further information, please feel free to call my office at 505-394-2511.

Sincerely,



Donna Roach  
President

Sundance Services, Inc.  
OCD Inspection November 20, 2002  
Date in camera was incorrect.

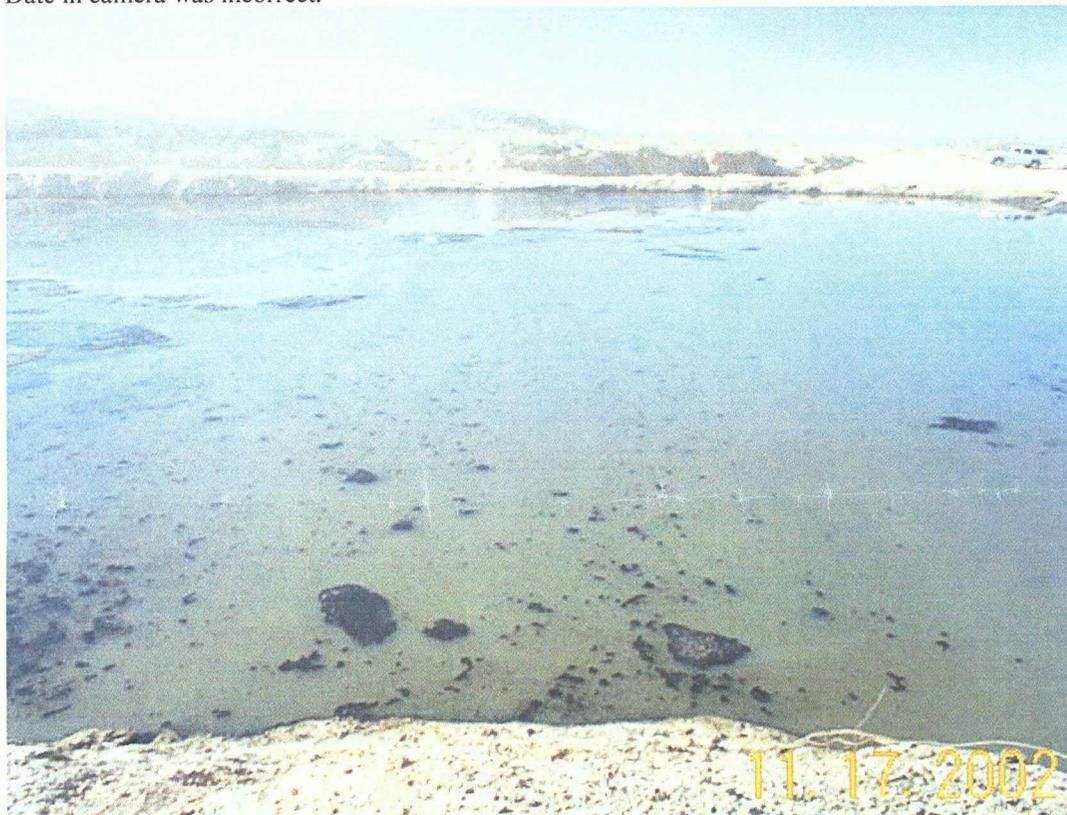


Photo 1. Pit 4 containing mostly water with some oil.

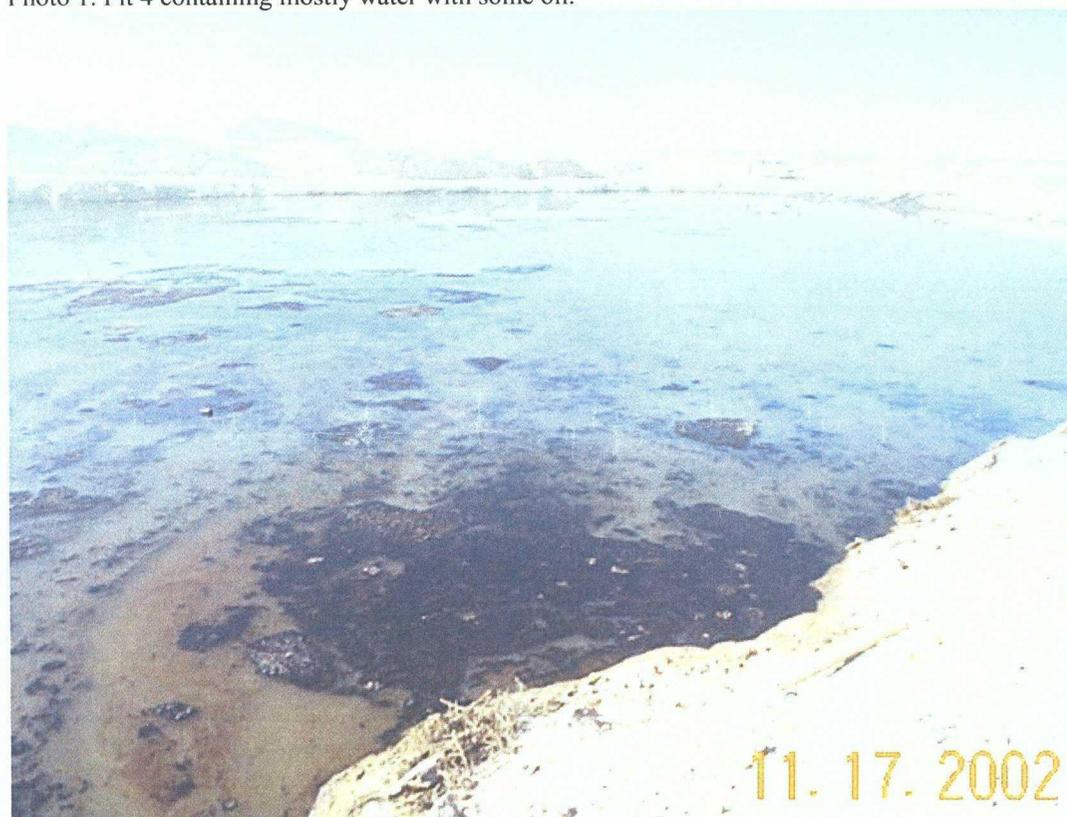


Photo 2. Pit 4 containing mostly water with some oil.

Sundance Services, Inc.  
OCD Inspection November 20, 2002  
Date in camera was incorrect.

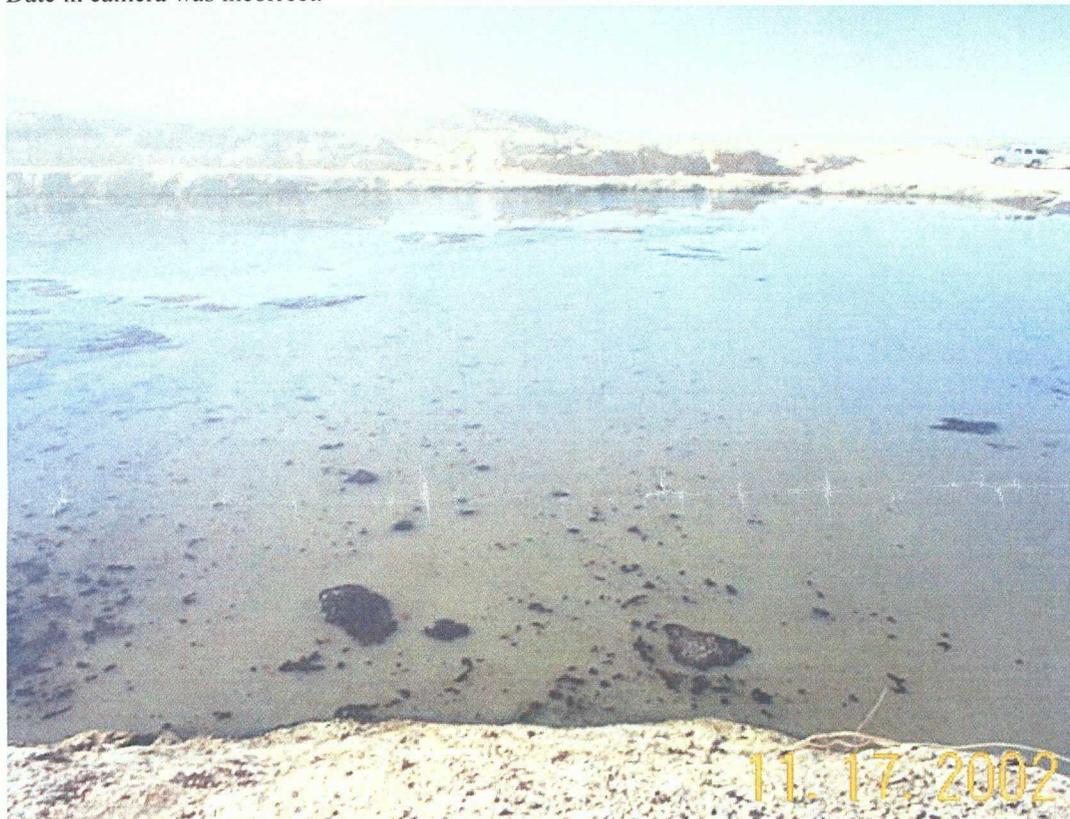


Photo 1. Pit 4 containing mostly water with some oil.



Photo 2. Pit 4 containing mostly water with some oil.

District I  
1625 N. French Dr., Hobbs, NM 88240  
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1301 W. Grand Avenue, Artesia, NM 88210  
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State of New Mexico  
Energy Minerals and Natural Resources

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

Form C-134  
Revised March 17, 1999

Submit 4 Copies to  
appropriate District Office

No. H-1000 Permit  (For  
Division Use Only)

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952**  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: SUNDANCE SERVICES INC.

Operator Address: P.O. BOX 1737 EUNICE NM 88231

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E  
Ut. Ltr. Sec. Twp. Rge

Size of pit or tank: Pits #8 (Mud Pit): 150' X 390'

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

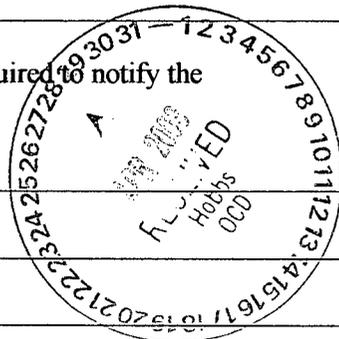
The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.

The pit is non-hazardous to waterfowl because of the activity levels around the pit and the close proximity of produced water ponds. This pit is in the process of being closed out. Solids is continually dipped out during this process.

1) If any oil or hydrocarbons should reach this facility, give method and time required for removal:

2) If any oil or hydrocarbons reach the above-described facility, the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures:



**CERTIFICATION BY OPERATOR:** I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Donna L. Roach Title President Date February 23, 2003

Printed Name Donna L. Roach Telephone No. 505-394-2511

**FOR OIL CONSERVATION DIVISION USE**

Date Facility Inspected November 20, 2002

Inspected by Martynne Kieling

Solids Pit See Attached Photos From Inspection

Approval is subject to attachment.

Approved by Chris Williams

Title District Supervisor

Date 4/28/03

**ATTACHMENT TO**

**PERMIT NO.** H-1000

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952**  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312 (h), Rule 313,  
or Rule 711(I).

Operator Name: SUNDANC SERVICES INC.  
Operator Address: P.O. Box 1737, EUNICE, NM 88231  
Facility Name: Parabo Disposal Facility  
Location: Section 29, Township 21 South, Range 38 East  
Size of Pits or Tank: Pit #8  
Application Date: February 23, 2003

In the application Sundance Services, Inc. has stated that this pit contains solids that are not hazardous to waterfowl. Sundance Services, Inc has also committed to notifying the appropriate District Office of the OCD within 24 hours. This approved permit for exception to Division Order R-8952 will be automatically revoked if free oil and fluid is found on the surface of the pits listed in this application.

Sundance Services, Inc may re-apply for the exemption.



Photo 25. Landfarm looking east.



Photo 26. Landfarm looking south southwest.



Photo 28. Landfarm looking west southwest.

Date in camera was incorrect.



Photo 28. Pit 7 south looking north. Pit has been partly filled in and compacted starting at the south edge.



Photo 29. Pit 8 full of solids.

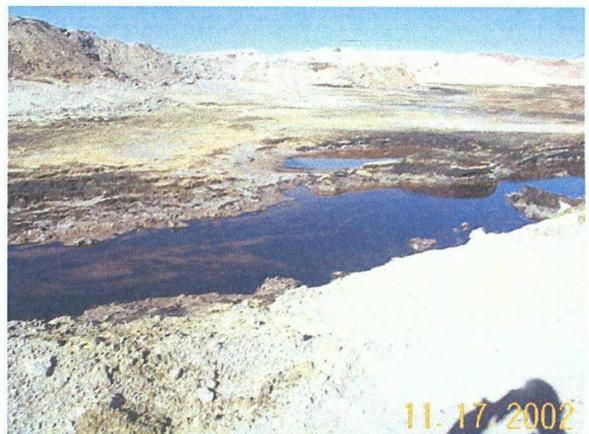


Photo 30. Pit 8 containing solids and some rainwater.

District I  
1625 N. French Dr., Hobbs, NM 88240  
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FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: SUNDANCE SERVICES INC.

Operator Address: P.O. BOX 1737 EUNICE NM 88231

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E  
Ut. Ltr. Sec. Twp. Rge

Size of pit or tank: Pits #1, 2, 3, 5, & 6 plus 40 acres of surface evaporation area.

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.

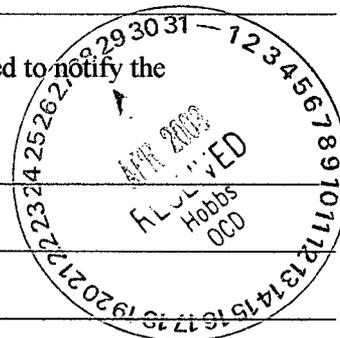
These pits contain produced water only which is not hazardous to waterfowl.

1) If any oil or hydrocarbons should reach this facility, give method and time required for removal:

Suction pumps, vacuum trucks and a boat are used in the event of an accidental release of oil within 24 hours.

2) If any oil or hydrocarbons reach the above-described facility, the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures:



**CERTIFICATION BY OPERATOR:** I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Donna L. Roach Title President Date February 23, 2003

Printed Name Donna L. Roach Telephone No. 505-394-2511

**FOR OIL CONSERVATION DIVISION USE**

Date Facility Inspected November 20, 2002

Inspected by Martynne Kieling

See Attached Photos. All pits were oil free (1, 2, 3, 5, 6). Skimpit 5 is being taken out of service

Approval is subject to attachment.

Approved by Chris Williams

Title District Supervisor

Date 4/28/03

ATTACHMENT TO

PERMIT NO. H-1000

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952**  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312 (h), Rule 313,  
or Rule 711(I).

Operator Name: SUNDANC SERVICES INC.  
Operator Address: P.O. Box 1737, EUNICE, NM 88231  
Facility Name: Parabo Disposal Facility  
Location: Section 29, Township 21 South, Range 38 East  
Size of Pits or Tank: Pits #1, 2, 3, 5, & 6 Plus 40 acres of surface evaporation area.  
Application Date: February 23, 2003

In the application Sundance Services, Inc. has stated that these pits are designed for produced water evaporation that is not hazardous to waterfowl. In addition, Sundance Services, Inc has committed that in the event of an accidental release of oil suction pumps, vacuum trucks and a boat will be used to remove the oil within 24 hours. Sundance Services, Inc has also committed to notifying the appropriate District Office of the OCD within 24 hours. This approved permit for exception to Division Order R-8952 will be automatically revoked if oil is found on any of the pits or tanks listed in this application.

Sundance Services, Inc may re-apply for the exemption.



Photo 13. Decommissioning Pit 5, draining water and skimming oil.

Skim



Photo 14. Decommissioning Pit 5, draining water and skimming oil.

Skim

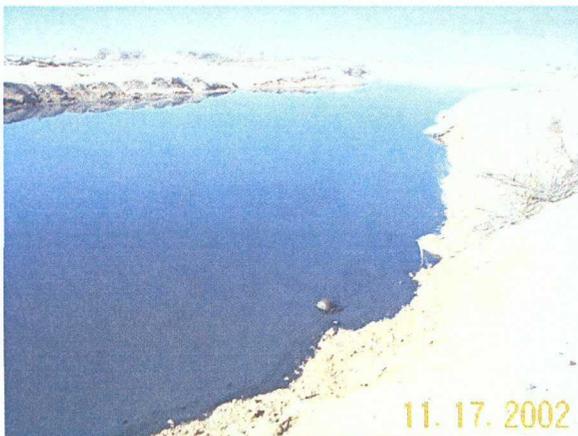


Photo 15. Pit 1 East end contains minimal oil.

Date in camera was incorrect.



Photo 16. Pits 2 and 3 are oil free and below freeboard.



Photo 17. Pit 5 North and south are oil free.

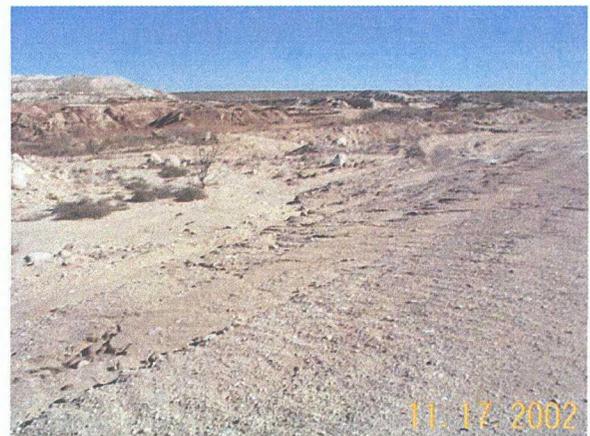


Photo 18. Former jet out area in Pit 7 North.

**Sundance Services, Inc.** OIL CONSERVATION DIV.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

02 FEB 19 PM 2:57

February 12, 2002

Ms. Martyne Kieling  
Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87504

RECEIVED

FEB 20 2002

Environmental Bureau  
Oil Conservation Division

**Re: Review of Permit Modification NM-01-0003  
Sundance Services, Inc. Commercial Surface Waste Management Facility  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

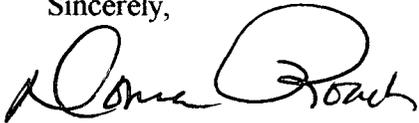
Dear Ms. Kieling:

In reference to you letter dated December 26, 2001, I have enclosed diagrams for our Landfarm and our Solids Pit #4. The steel tank jetout located at pit four will be labeled Jetout Pit #4 for future reference.

The proposed Solids Pit #4 will be constructed as per diagram. A net will be stretched atop the pit with 4ft elevation. Water will be pumped to evaporation pits, oil will be skimmed and hauled up to tanks and solids will be solidified and pushed into landfill.

I hope this information will help move our modification forward. If you need any further information please call my office at 505-394-2511. Thank you in advance for any help on this matter.

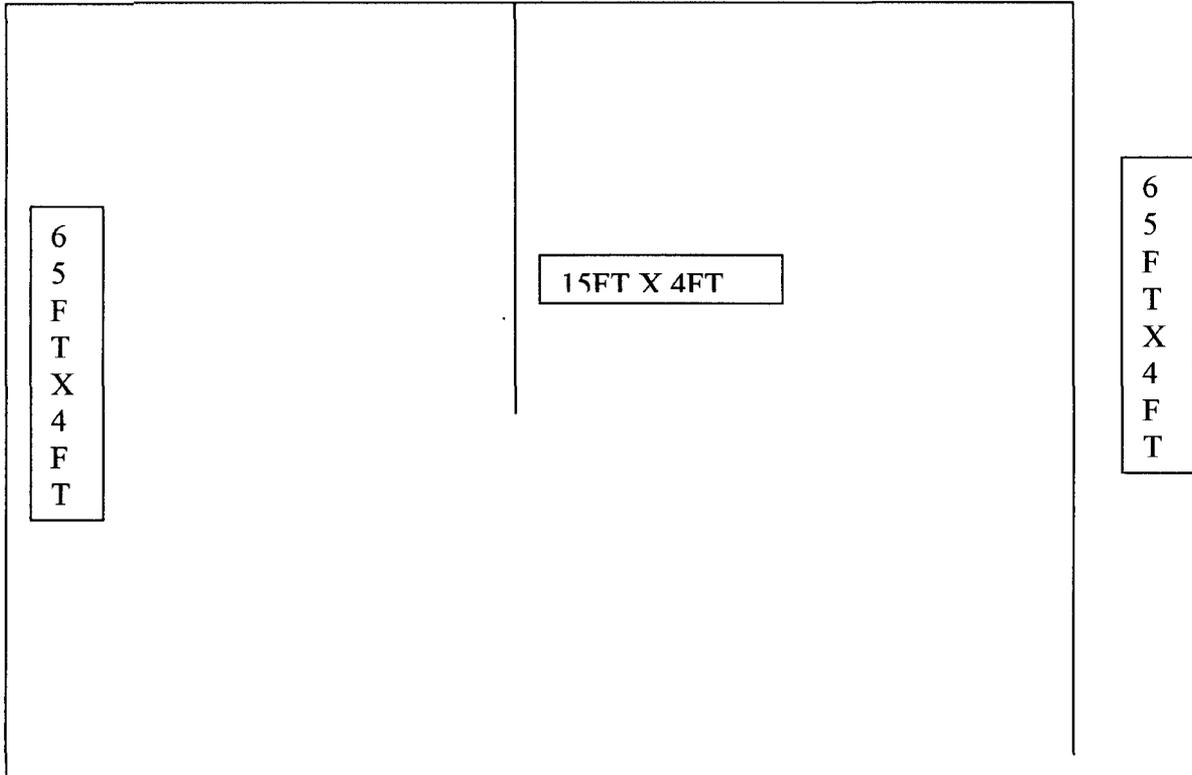
Sincerely,



Donna Roach  
President

SOLIDS PIT #4

50FT X 4FT



6  
5  
F  
T  
X  
4  
F  
T

15FT X 4FT

6  
5  
F  
T  
X  
4  
F  
T

% Downgrade Slope



4 in. Pipe for truck stop

Sundance Services LandFarm

North Road

West

road

road

410'

600'

45'

550'

A - 3 Acres  
Non-exempt

B - 5 Acres  
Exempt

C - 4 Acres  
Exempt

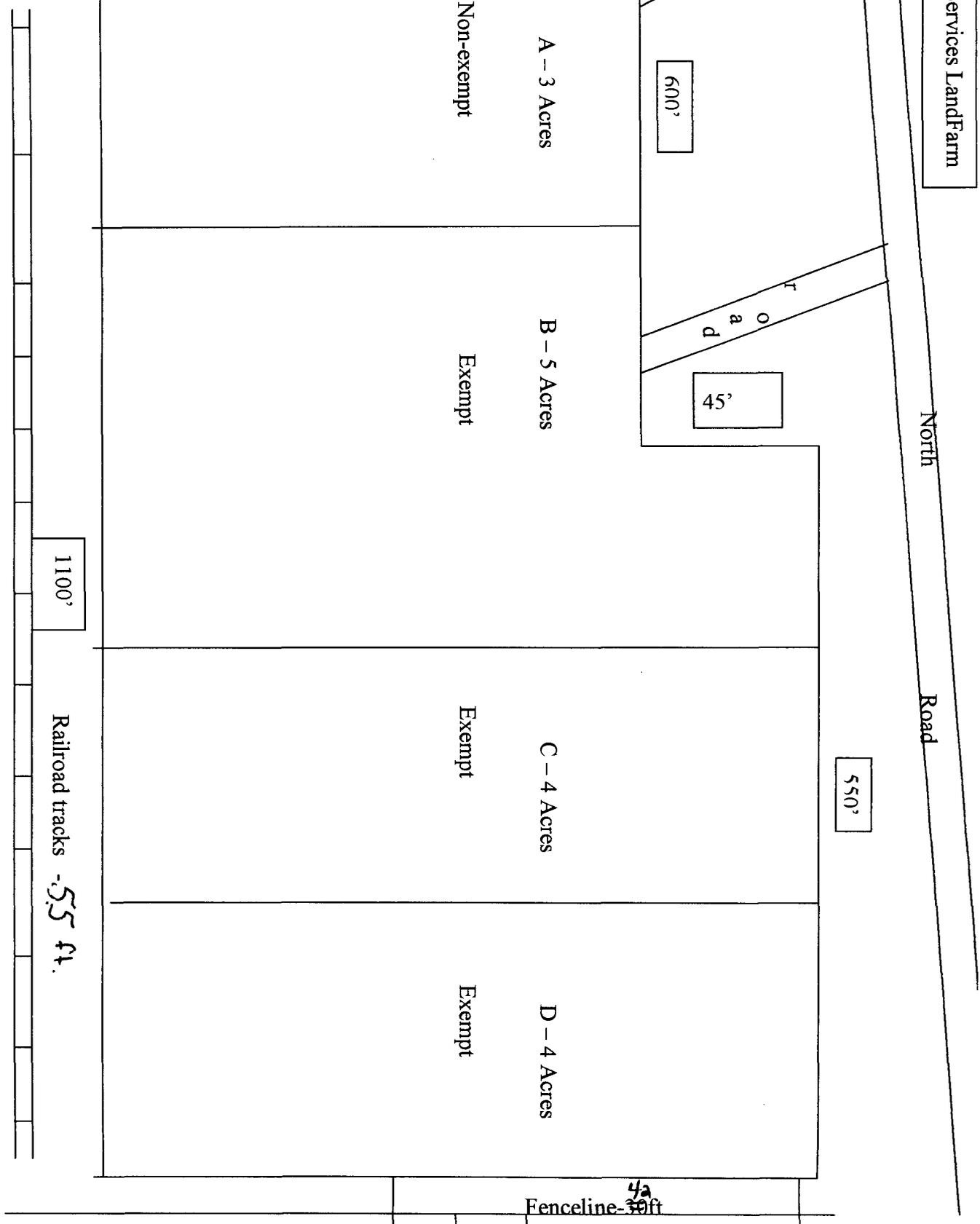
D - 4 Acres  
Exempt

1100'

Railroad tracks - 55 ft.

Fenceline - 30 ft

630'





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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

**Lori Wrotenbery**  
Director  
Oil Conservation Division

December 26, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 7099-3220-0000-5051-2726**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Review of Permit Modification NM-01-0003  
Sundance Services, Inc. Commercial Surface Waste Management Facility  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Roach:

The Oil Conservation Division (OCD) has received and is in the process of reviewing the above referenced application to modify the Sundance Services, Inc. (Sundance) commercial surface waste management facility. The following comments and requests for additional information are based on review of Sundance's application, dated October 22, 2001. In order for the review process to continue the OCD requires Sundance to submit the following additional information.

The application refers to a proposed landfarm to be constructed south of Pit 7S. Sundance must submit a map detailing how the landfarm will be constructed. The map must include the buffer zones, berms and cell sizes, not to exceed five (5) acres, and the identification system that will be used to distinguish each cell.

The application refers to a skimmer pit where the jet out of trucks is performed. Sundance currently has a below grade steal skimmer pit located near Pit #4. It is OCD's understanding that Sundance is also proposing to add a below grade cement pit that will be used for separating and solidification of thicker fluids that are too heavy for the tank system. Sundance must clarify the pit names or numbers for each of these pits and also provide a scale drawing of how the pit(s) will be constructed including the dimensions. Upon OCD approval and construction of the pit(s) an "as built" will be required. Sundance should also include a brief description as to how waste will be managed in this pit and if a net/screen will need to be installed.

Ms. Roach  
Sundance Services, Inc.  
December 26, 2001

Submission of the requested information will allow the review process to continue. If you have any questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

A handwritten signature in black ink, appearing to read "Martyne J. Kieling". The signature is written in a cursive style with a horizontal line at the end.

Martyne J. Kieling  
Environmental Geologist

xc with attachments:  
Hobbs OCD Office

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-137  
Revised March 17, 1999  
Submit Original Plus 1  
Copy to Santa Fe  
1 Copy Appropriate  
District Office

**APPLICATION FOR WASTE MANAGEMENT FACILITY**

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

RECEIVED

OCT 30 2001

Environmental Bureau  
Oil Conservation Division

Commercial  Centralized

1. Type:  Evaporation  Injection  Other  
 Solids/Landfarm  Treating Plant

2. Operator: SUNDANCE SERVICES INC.

Address: P.O. BOX 1737 EUNICE, NM 88231

Contact Person: Donna Roach Phone: 505-394-2511

3. Location:        /4 SW /4 Section 29 Township 21S Range 38E  
Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility?  Yes  No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.

Wallach Ranch P.O. Box 3715 MIDLAND, TX 79702

6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

12. Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H<sub>2</sub>S.

14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

15. CERTIFICATION

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

Name: DONNA ROACH

Signature: *Donna Roach*

Title: PRESIDENT

Date: 10-22-01

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

OIL CONSERVATION DIV.

01 MAY 29 PM 1:58

May 7, 2001

Martyne Kieling  
New Mexico Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87504

Dear Martyne;

Sundance would like to submit a reverification of pit activity and request for approval to start clean up as once discussed with the OCD. I have attached a list of our pits their present operational status and how any clean up will affect each pit. I have also enclosed some pictures that will aide in refreshing your memory of our facility.

Pit #1 - Oil free and operational as an evaporation pit.

Pit #2 - Oil free and operational as an evaporation pit.

Note: As per our amendment this pit and pit #3 was to become operational as our land farm. We request leaving these pits as evaporation, due to the wet winter, we have realized that these pits are needed to be able to withstand any additional humidity that may arise.

Pit #3 - Oil free and operational as an evaporation pit. See note above.

Pit #4 – Skimmer pit. Jet out located at this pit. All oil is continuously skimmed daily and processed through our centrifuge. Any and all fluids that are to thick for our tanks (i.e. cement water, rinsate, etc.) and bsw will be disposed of into this pit. We have taken some precautions to help keep migratory birds out of this pit. Once we are able to control skimming on this pit it will be netted.

Pit #5 – Sludge pits are netted and are skimmed daily. Pond is oil free and used for evaporation process.

Pit #6 – Oil free and used for evaporation. As per our conversation on your last visit we would like to begin extending this pit around our problem monitor wells. Dike will be extended out past monitor wells #61,61F,61E, and 61D. These wells will be plugged and capped. The road will be moved and extended out around the new dike.



Pit #7N – Is currently being prepared for use as our landfill. All small pits are covered and the old jet out is currently being squeezed for closure. With approval this will become part of our landfill.

Pit #7S – This pits operation as our landfill will be a key to all clean up listed in this letter. This pit is dry and all monitor wells have been dry for (4) consecutive quarters. With approval to begin closure, we will begin

using this pit as our landfill. As this pit is filled on the south side any sludge will be squeezed out and solidified, then disposed of in this landfill.

Pit #8 – For closure on this pit, we will first dip out the east edge of the pit approximately 10 ft. deep and the length of the pit with our crane, this material will be solidified and disposed of in Pit #7S landfill. We will then begin pushing our stockpile across the pit from the west to the east. As sludge is squeezed up on the east side it will be dipped out and solidified for disposal into our landfill. As the stockpile is pushed across the pit it will compact the pit. Once the pit is completely compacted and no sludge appears on east side, this pit will be properly closed with a two-foot topsoil and reseeded.

Land farm – Sundance would like approval to construct a new land farm on the south side of Pit #7. (See photos) We have discussed this construction with the land/lease owner. This location is still encircled with monitor wells for further monitoring on our land farm.



With approval we will begin building dikes to enclose the land farm and will follow rules listed out in our amendment as follows:

### **LANDFARM CONSTRUCTION**

1. Land farm will be approximately 500 ft X 500 ft. Located south of Pit 7S.
2. Contaminated soils may not be placed within twenty (20) feet of any pipelines crossing the landfarm facility. In addition, no equipment

- may be operated within ten (10) of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
3. The landfarm portion of the facility must be bermed to prevent runoff and runoff. A berm no less than two (2) feet above grade must be constructed and maintained such that it is capable of containing precipitation from a one-hundred year flood for that specific region.

### **LANDFARM OPERATION**

1. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
2. Soils must be spread on the surface in six-inch lifts or less.
3. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
4. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (i.e., bermed) from non-exempt contaminated soils. There will be no mixing of exempt and non-exempt soils.
5. Successive lifts of contaminated soils may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils.
6. Moisture must be added as necessary to enhance bioremediation and to control blowing dust. There must be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.
7. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers will only be permitted after prior approval from the

OCD. Request for application of microbes must include the location of the area designated for the bio-remediation program, the composition of additives, and the method, amount and frequency of application.

8. Monitor wells located surrounding the landfarm and will continue to be sampled and tested quarterly.

If you have any further questions, please feel free to call my office at 505-394-2511. We appreciate any comments or help with this matter.

Sincerely,

A handwritten signature in cursive script that reads "Donna Roach". The signature is written in black ink and is positioned above the printed name and title.

Donna Roach  
President



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

April 23, 2003

**Lori Wrotenbery**

Director

**Oil Conservation Division**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Form C-134 "Application For Exception To Division Order R-8952".  
Sundance Services, Inc., Permit NM-01-0003  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Roach

The New Mexico Oil Conservation Division (OCD) received the Sundance Services, Inc. (Sundance) letter dated February 23, 2003 and the Form C-134 "Application For Exception To Division Order R-8952". The applications for pits 1, 2, 3, 5 and 6 and pit 8 were reviewed and forwarded on to the OCD District office for signature. The third application for Pit 4 is enclosed. The form is being returned to Sundance for additional information. Please review the form for Pit 4 and add additional information regarding how Sundance is prepared to render the pit non-hazardous to migratory waterfowl.

Sundance has stated in the above referenced letter that operations at the facility are from 7:00am-7:00pm Mon.-Fri. and 7:00am-3:00pm on Sat. There are additional daylight hours on Saturdays and Sundays when a lack of traffic at the facility would not be factored as a deterrent to migratory birds. Please supply a plan that would render pit 4 not hazardous during these daylight hours. This plan may then be altered as needed when the pit becomes oil free. Please submit a revised Form C-134 by May 15, 2003.

If you have any questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling  
Environmental Geologist

xc with Attachments: Hobbs OCD Office

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-134  
Revised March 17, 1999

Submit 4 Copies to  
appropriate District Office

No. \_\_\_\_\_ Permit  
□ (For  
Division Use Only)

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952**  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: SUNDANCE SERVICES INC.

Operator Address: P.O. BOX 1737 EUNICE NM 88231

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E  
Ut. Ltr. Sec. Twp. Rge

Size of pit or tank: Pits #4 (BS&W Pit): 420' X 210'

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.

The pit is non-hazardous to waterfowl because of the activity levels around the pit and the close proximity of produced water ponds.

1) If any oil or hydrocarbons should reach this facility, give method and time required for removal:

Suction pumps, vacuum trucks and a boat are used continually to remove oil from this pond. This pond should be completely free from oil and be skimmed daily within the next 6 months.

2) If any oil or hydrocarbons reach the above-described facility, the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: \_\_\_\_\_

**CERTIFICATION BY OPERATOR:** I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_ Title President Date February 23, 2003

Printed Name Donna L. Roach Telephone No. 505-394-2511

**FOR OIL CONSERVATION DIVISION USE**

Date Facility Inspected November 20, 2002

Approved by \_\_\_\_\_

Inspected by Martynne Kieling

Title \_\_\_\_\_

Pit 4 contained mostly water. oil Skimming & Removal has been ongoing.

Date \_\_\_\_\_

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

RECEIVED

MAR 05 2003  
Environmental Bureau  
Oil Conservation Division

February 23, 2003

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Attn: Martyne Kieling

RE: Surface Waste Management Facility Inspection Report: Permit NM-01-003  
Sundance Services Inc.  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM  
Lea County, New Mexico

Dear Ms. Kieling;

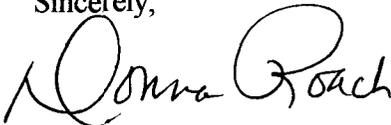
In response to your letter I have answered questions you had during your inspection. I have included an answer for each numbered response you submitted.

1. Facility has a sign and is secured.
2. No disposal occurs without a Sundance representative present. Our hours are Mon-Fri 7:00 a.m. to 7:00 p.m./Sat. 7:00 a.m. to 3:00 p.m. Any disposal needed after hours is charged a call out fee and one of our representatives opens the gate and allows for disposal and closes the gate when the customer leaves our facility.
3. Produced water is off loaded into our Produced water tank system, that then flows into our new above ground tank system before being released into our evaporation pits. Solids are unloaded into the concrete lined solids pit, which is kept skimmed free of oil, water is pumped through our produced water system and solids are solidified and placed in our landfill.
4. Sundance has no other plans to circulate warm water at any other depth in the pond. As the season warm the heat from sun along with the warm water from our centrifuge operations should be efficient in raising any oil that is below the surface of the pond.
5. The jet-out pit is skimmed free from oil and trucked to the tank battery. Free water is pumped through our produced water system and solids are solidified and placed into our landfill. Sundance is making a valiant effort to keep all of our pits free from oil. The new produced water system is part of that effort.
6. Solids Pit 4 has now been covered by the screen that was under construction at the time of the inspection. Daily trucking keeps the level of this pit down to prevent over spilling.

7. Valve catchments are checked on a weekly basis and emptied. Some of the catchments that were damaged during the inspection were located underneath tanks that were out of commission. These catchments have been removed and soil surrounding this area has been removed to our landfill and replaced with clean caliche. I have enclosed a copy of our weekly inspection report. Other catchments have since then been replaced.
8. An impermeable caliche pad was placed below the new above ground steel pits. The whole facility is bermed and contained within a clay dike.
9. New labels have been replaced on all of our tanks. The berm around the diesel tank has been repaired.
10. Leaking valve has been repaired. Small leak approximately 1 foot from bottom of tank was inspected and repaired also. Soil around tanks was removed and placed in our landfill and replaced with clean caliche.
11. Included with this response is an application for exception to Division Order R-8952 for the evaporation ponds 1,2,3,5 and 6, also for BS&W pit #4 and mud pit #8. Closure procedure for sludge pits located on pit #5 will be to decant free water out of the pit. Skim all oil off top. Dip out solids and solidify haul to our landfill and fill in with clean caliche. Produced water is currently going through our new above ground steel tanks and then diverted to the evaporation ponds. Another 500-bbl. tank will be set and piped into the steel pits to aide in overflow when we are accepting a great amount of produced water.
14. H2S weekly logs for March 2002 to November 2002 are enclosed.
15. Sundance is actively removing rainwater from south pit #7 and has already removed all rainwater from pit #8.
18. Sundance has submitted our Yearly Monitor Well Report.
19. Baker Springs monthly report is enclosed.

I hope this will answer some of the questions you had during your inspection. Please feel free to call me at my office if you have any further questions at 505-394-2511. Thank you for your patience as we strive to make our facility a full service disposal.

Sincerely,



Donna Roach  
President

RECEIVED

MAR 05 2003

Environmental Bureau

# WEEKLY INSPECTION

9.01-02

Date	Battery	Oil Pans	Drainage	Sumps	Pit #1	Pit #2	Pit #3	Pit #4	Pit #5	Pit #6	Pit #7	Pit #8
2nd	good	drag	good	empty	full	✓	✓	✓	pick up H2O into 2+3	✓	✓	✓
6th	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
9th	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
13th	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
16th	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
20th	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
23rd	good	drag	good	empty	full	✓	✓	✓	✓	✓	✓	✓
30th	good	drag	good	empty	patterns H2O into #5	✓	✓	✓	✓	✓	✓	✓
30th	good	drag	good	empty	patterns H2O into #5	✓	✓	✓	✓	✓	✓	✓



Date	Battery	PW System	Yard Sumps	Pit #1	Pit #2	Pit #3	Pit #4	Pit #5	Pit #6	Pit #7	Pit #8
1/5t	good	fixed leak on line on vac.	emptied Danks	full gains #5	taking H2O from #5	taking H2O from #5	almost out free	full gains +0	1' low	/	/
2/1t	good	good	emptied Danks	full gains #5	taking H2O from #5	1'1'	skin 1' lead off	full gains +0	1' full	/	/
5t										/	/
11t	Clean wp	good Clean wp	emptied Danks	full gains +0 #5	taking H2O from #5	11	ok	full gains +0 #3	1'-0" fill full	/	/
18t										/	/
22nd	good	good	emptied Danks	full gains +0 #5	11	11	5' pump oil ok	full gains +0	1'-0" fill full	/	/
25t	good	good	emptied Danks	11	11	11	OK	11	11	/	/
29t	good	good	emptied Danks	11	11	11	OK	11	11	/	/
30t										/	/
30t	good	good	emptied Danks	11	11	11	OK	11	11	/	/
30t										/	/

11-01-02





# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

RECEIVED  
MAR 05 2003  
Environmental Bureau  
Oil Conservation Division

## BAKER SPRINGS MONTHLY MONITORING REPORTS

DATE	TIME	SPRING FLOW RATE	PIT LEVEL "	INITIALS
1/12/00	9:45 AM	0	0	K.R.
2/18/00	1:30 PM	0	0	K.R.
3/21/00	8:30 AM	0	rain fall 3'2"	K.R.
4/19/00	8:00 AM	0	2'8"	KR
5/25/00	2:00 AM	0	2'4"	KR
6-20-00	8:30 AM	0	2'4"	KR
7-15-00	8:30 AM	0	2-2	KR
8-15-00	9:00 AM	0	rain 2'7"	KR

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## BAKER SPRINGS MONTHLY MONITORING REPORTS

DATE	TIME	SPRING FLOW RATE	PIT LEVEL	INITIALS
9-15-00	8:00 AM	0	2'-7"	KR
10-14-00	8:00 AM	0	2'-6"	KR
11-16-00	8:30 AM	0	2'-8"	KR
12-15-00	8:20 AM	0	2'-8"	KR
1-17-01	9:00 AM	0	2'-8"	KR
2-15-01	8:00 AM	0	2'-8"	KR
3-15-01	8:00 AM	0	RAIN FALL 3'-0"	KR
4-18-01	8:30 AM	0	3'-3"	KR

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## BAKER SPRINGS MONTHLY MONITORING REPORTS

DATE	TIME	SPRING FLOW RATE	PIT LEVEL	INITIALS
5-15-01	8:00 AM		2'-8"	KR
6-17-01	8:30 AM		2'-6"	KR
7-15-01	8:00 AM		2'-0"	KR
8-10-01	7:30 AM		1'-0"	KR
9-1-01	7:00 AM		dry	KR
10-4-01	8:00 AM		dry	KR
11-10-01	9:30 AM		dry	KR

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## BAKER SPRINGS MONTHLY MONITORING REPORTS

DATE	TIME	SPRING FLOW RATE	PIT LEVEL	INITIALS
12-01-01	9:00 AM	0	dry	KR
1-02-02	9:00 AM	0	dry	KR
2-04-02	9:15 AM	0	dry	KR
3-01-02	8:00 AM	0	1'-6" drainy NA in fall	KR
4-02-02	8:15 AM	0	2'-2"	KR
5-02-02	8:30 AM	0	2'-8"	KR
6-03-02	8:00 AM	0	2'-2"	KR
7-15-02	9:30 AM	0	1'-9"	KR

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## BAKER SPRINGS MONTHLY MONITORING REPORTS

DATE	TIME	SPRING FLOW RATE	PIT LEVEL	INITIALS
8-01-02	8:00 AM		1'-6"	KR
9-04-02	9:00 AM		<del>1'-9"</del>	KR
10-03-02	8:00 AM		<del>2'-6"</del> rain	KR
11-01-02	8:15 AM		<del>3'-6"</del> full rain	KR
12-01-02	9:30 AM		4'-0"	KR
1-03-03	10:30		4'-0"	KR

11

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Environmental Bureau  
Oil Conservation Division

# Sundance Services, Inc.

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## H2S WEEKLY MONITORING REPORTS

DATE	TIME	WIND SPEED	H2S MONITOR READ OUT	PIT #
2-4-02	8:00 AM	5 to 10 mph North East	⊖ NONE present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
2-11-02	8:00 AM	10- MPH North East	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
2-18-02	8:30 AM	⊖	⊖ None present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
2-25-02	8:00 AM	5 to 10 mph East to west	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
3-4-02	9:10 AM	gust 15 to 20 west to north	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
3-11-02	8:15 AM	5 to 10 mph west to east	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
3-18-02	8:00 AM	5 to 10 mph East to west	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
3-25-02	7:45 AM	⊖	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖

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 505 394-2511

## H2S WEEKLY MONITORING REPORTS

DATE	TIME	WIND SPEED	H2S MONITOR READ OUT	PIT #
4-1-02	7:45 AM	0	0 none present	#1 #4 #5 #6 P/w system oil processing
4-8-02	8:00 AM	5 to 20 gust west to East	0 none present calibrate H2s monitor	#1 #4 #5 #6 P/w system oil processing
4-15-02	9:15 AM	5 to 20 gust west to east	0 none present <u>Callaway Safety</u>	#1 #4 #5 #6 P/w system oil processing
4-22-02	8:00 AM	5 to 10 Northwest to Southeast	0 none present	#1 #4 #5 #6 P/w system oil processing
5-6-02	8:30 AM	0	0 none present	#1 #4 #5 #6 P/w system oil processing
5-15-02	7:45 AM	10 to 20 w/ gust up to 30 mph	0 none present	#1 #4 #5 #6 P/w system oil processing
5-22-02	8:00 AM	20 to 30 mph N. east to south west	0 none present	#1 #4 #5 #6 P/w system oil processing
6-1-02	8:15 AM	5 to 15 mph	0 none present	#1 #4 #5 #6 P/w system oil processing

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## H2S WEEKLY MONITORING REPORTS

DATE	TIME	WIND SPEED	H2S MONITOR READ OUT	PIT #
6-10-02	8:15 AM	⊙	⊙ none present	#1 P/w system #4 #5 oil processing #6
6-17-02	8:00 AM	⊙	⊙ none present	#1 P/w system #4 #5 oil processing #6
6-24-02	8:00 AM	⊙	⊙ none present	#1 P/w system #4 #5 oil processing #6
7-2-02	9:10 AM	⊙	⊙ none present	#1 P/w system #4 #5 oil processing #6
7-8-02	8:00 AM	5 mph west to east	⊙ none present	#1 P/w system #4 #5 oil processing #6
7-15-02	8:15 AM	5 mph South west to North East	⊙ none present	#1 P/w system #4 #5 #6 oil processing
7-22-02	8:00 AM	⊙	⊙ none present	#1 P/w system #4 #5 oil processing #6
8-5-02	8:15-02	5 mph South west to North East	⊙ none present	#1 P/w system #4 #5 oil processing #6

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## H2S WEEKLY MONITORING REPORTS

DATE	TIME	WIND SPEED	H2S MONITOR READ OUT	PIT #
8-12-02	8:00 AM	⊖ Replace both in monitor	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
8-19-02	8:15 AM	⊖ none	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
8-26-02	8:00 AM	⊖	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
9-2-02	8:15	⊖	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
9-16-02	9:00 AM	5 to 10 mph west to East	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
9-23-02	8:15 AM	⊖	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
10-7-02	8:00 AM	5 mph west to east	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖
10-14-02	8:15 AM	5 to 10 mph north west to South East	⊖ none present	#1 P/w system #4 ⊖ #5 oil processing #6 ⊖

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## H2S WEEKLY MONITORING REPORTS

DATE	TIME	WIND SPEED	H2S MONITOR READ OUT	PIT #
10-21-02	9:30 AM	North west to South east	⊖ none present	#1 Ph system #4 #5 oil processin #6
A-4-02	8:00 AM	⊖	⊖ none present	#1 Ph system #4 #5 oil processin #6
11-14-02	8:30 AM	North to South	⊖ none present	#1 Ph system #4 #5 oil processin #6
11-18-02	8:00 AM	North west + south east	⊖ none present	#1 Ph system #4 #5 oil processin #6
11-25-02	8:15 AM	⊖	⊖ none present	#1 Ph system #4 #5 oil processin #6
12-2-02	8:00 AM	5 to 15 mph North east to South west	⊖ none present	#1 Ph system #4 #5 oil processin #6
12-16-02	9:45 AM	5 to 15 North to South	⊖ none present	#1 Ph system #4 #5 oil processin #6
12-23-02	8:00 AM	15 to 30 gust North to south	⊖ none present	#1 Ph system #4 #5 #6



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

January 23, 2003

**Lori Wrotenbery**  
Director  
Oil Conservation Division

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Surface Waste Management Facility Inspection Report: Permit NM-01-0003  
Sundance Services, Inc.  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Roach

The New Mexico Oil Conservation Division (OCD) inspected the Sundance Services, Inc. (Sundance) commercial surface waste management facility at the above location on November 20, 2002. Overall the OCD found Sundance to have a well maintained treating plant with good security. The OCD inspection and file review of Sundance indicates some permit deficiencies. Attachment 1 lists the permit deficiencies found at Sundance during the inspection and file review. Attachment 2 contains photographs taken during the inspection. Sundance shall provide OCD with a detailed description of how the corrections will be made and a timetable of when each of the corrections will be completed. Sundance must respond to the permit deficiencies by February 24, 2003.

A review Sundance's financial assurance finds that the \$187,500 cash bond and assignment is current and active. **Please be advised that according to the schedule in the permit \$150,000 was due by November 30, 2002.** If you do not have a copy of the OCD surface waste management facility financial assurance forms you may obtain them from the OCD web site <http://www.emnrd.state.nm.us/ocd/>.

If you have any questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

A handwritten signature in cursive script, appearing to read "Martyne J. Kielling".

Martyne J. Kielling  
Environmental Geologist

xc with Attachments: Hobbs OCD Office

ATTACHMENT 1  
INSPECTION REPORT  
PERMIT NM-01-0003  
SUNDANCE SERVICES, INC.

SW/4, Section 29, Township 21 South, Range 38 East, NMPM  
Lea County, New Mexico  
(January 23, 2003)

This inspection report is based on a site visit performed on November 18, 2002 and a review of permit NM-01-0003 conditions issued in the February 18, 2002.

Overall Facility Operation:

1. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and d) emergency phone number.

**Facility has a sign and is secured.**

2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.

**The NMOCD understands that currently no disposal occurs unless there is an attendant present. Please identify the general hours of operation at the facility.**

3. All liquid/fluid material unloading must be either into above-ground tanks with secondary impermeable containment or into below-grade tanks with secondary liners.

**The NMOCD understands that currently the offloading of fluid material occurs into produced water tanks, the concrete lined solids pit or the steal jet out pit.**

4. Pond Four (4) must not receive any additional liquid. Pond Four (4) must be decanted and all free liquids must be actively and continuously removed.

**Pond Four (4) is currently being decanted of oil. The NMOCD inspection found minimal floating oil and an appreciable amount of water on the pond (see photo 10 and 11). Please explain the warm water return that was seen entering the pond at the southeast corner of the pit. The NMOCD understood that this warm return water is from the treating plant centrifuge process and is currently being returned to the pond to aid in warming pond to aid in oil separation. Are there any other plans to circulate warm water at depth in the pond to aid in the release of additional oil?**

5. The jet-out pit must at all times be kept free of appreciable oil buildup to prevent oil flow into the evaporation ponds. Evaporation ponds must be maintained oil free.

**The jet-out pit contained more than 1.5 foot of freeboard and was screened with a hinged screen that is removable to access the pit for pumping (see photo 9).**

**The evaporation ponds (1,2,3, 5 and 6) were all oil free (see photos 15, 16 and 17).**

6. Oil must be removed daily from the concrete settling, separation and mixing impoundment (Solids Pit 4).

**Solids Pit 4 was in use and the fluid level was approximately 1 foot from the top (see photo 8). Screen was under construction to cover the solids pit 4.**

7. Below-grade sumps and below-grade tanks must be cleaned and visually inspected annually. Results must be recorded and maintained at the facility for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank must be replaced.

**Some valve catchments appeared to be damaged and contained some fluid and sludge (see photos 1, 2, 3, 4 and 5). Sumps and catchments must be emptied on a regular basis and the integrity of the catchments checked. Please identify when the catchments were last emptied, inspected and/or replaced. Please identify the inspection frequency for all below grade sumps, catchments, and pits.**

8. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the containment area will hold one and one-third the volume of the largest tank or all interconnected tanks.

**New above ground steel pits have been added to the produced water system, please identify what type of impermeable pad was placed below these pits (see photo 12). These above ground steel pits are not individually bermed. However, the facility as a whole is contained within a clay dike.**

9. All above-ground tanks must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks. All tanks must be labeled as to contents and hazards.

**Above ground tanks are not individually bermed. However, the facility as a whole is contained within a clay dike. Most tanks were labeled however some labels may need to be replaced or repainted (see photos 7, 9 and 12). The existing berm around the diesel tank must be repaired (see photo 7).**

10. The receiving and treatment area must be inspected daily for tank, piping and berm integrity.

**At least one leaking valve was observed (see photo 4). One tank appeared to have a small leak approximately 1 foot from the bottom (see photo 2). Maintenance and repairs must be made and contaminated soils must be cleaned up by either on site**

**landfarming/landfilling or other on site remediation methods that may include raking in place and adding fertilizer.**

**Facility records for inspections were not reviewed at this time.**

11. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.

**All tanks are closed topped, all steel and concrete pits have screens or nets in either in place or under construction (see photo 8, 9 and 12). One of the Pit 5 earthen pits was netted and being skimmed, the other Pit 5 was not netted (see photos 13 and 14). The NMOCD understood that these pits are in the process of being skimmed and emptied and will not be used in the future. Please describe how these pits will be closed including how the solids will be handled. With pits 5 out of service how is the produced water currently handled? Are there any additional changes or additions planned for the produced water handling process.**

**Parabo, Inc. applied for an exception to Division Order R-8952 for the evaporation ponds 1, 2, 3, 5, 6 and 7 plus 40 acres of surface evaporation area. The application for exception was granted on November 22, 1989 under Permit No. H-54.**

**Parabo, Inc. applied for an exception to Division Order R-8952 for the mud pit 8. The application for exception was granted on November 22, 1989 under Permit No. H-55.**

**Parabo, Inc. applied for an exception to Division Order R-8952 for the BS&W pit 4. The application for exception was granted on November 22, 1989 under Permit No. H-56.**

**It has been 13 years since these exceptions were approved. Sundance Services, Inc. is the current owner/operator and has made some modifications to the existing facility. Sundance Services should reapply for Exceptions to Division Order R-8952 for all pits and ponds based on current operations at the facility.**

12. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:
- a. log date and approximate time of notice that an odor exists;
  - b. log investigative steps taken, including date and time, and conclusions reached; and
  - c. log actions taken to alleviate the odor, which may include adjusting chemical treatment, air sparging, solidification, landfarming, or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.

**After reviewing the records on file from April 30, 1999 to present, the NMOCD has not received any notification from any interested parties regarding objectionable odors associated with Sundance Services.**

Evaporation Pond Operation:

13. Fluid levels

**Ponds 1, 2, 3, 5 and 6 were all oil free and the produced water was below the maximum water levels set for each pond (see photo 15, 16, and 17).**

H<sub>2</sub>S Prevention & Contingency Plan:

14. Tests of ambient H<sub>2</sub>S levels must be conducted on a weekly basis. Test results must be recorded and retained. The tests must be conducted at four (4) locations at the top of the berm around each of Ponds One, Two, Three, Four, Five and Six (1, 2, 3, 4, 5 and 6). The wind speed and direction must be recorded in conjunction with each test.

**The NMOCD did not review the H<sub>2</sub>S weekly logs during this inspection. Signs warning for H<sub>2</sub>S were posted and a windsock was present at the produced water receiving area. Please submit the weekly logs recording the information as required in permit NM-01-0003 from March 2002 through November of 2002.**

Landfill Operation:

15. The landfill may not contain any free liquid. Any ponding or pooling of precipitation must be removed within 24 hours of discovery. Any current sludge contained within pits 7N, 7S, and 8 must be squeezed and solidified so that the landfill can be compacted, capped and closed as proposed in the application.

**Pit 7N was almost completely filled in compacted and leveled (see photos 18, 19, 20, 21 and 22). Pit 7S contains some rainwater from several large rain events over the past few weeks (see photo 22). Pit 7S has been backfilled and compacted with material along its south end (see photo 28). Pit 8 is filled with solids and sludge with a little bit of rainwater on the surface (see photo 29 and 30). Sundance must begin removing this fluid.**

16. Any trash accepted into the facility containing paper, paper bags or other trash that has the potential for blowing away or being transported by other vectors must be covered with soil upon the day of delivery and disposal into the solid waste pit.

**No paper type trash was observed in the pits or blowing about the facility. Over all the facility was tidy and there was no trash or debris present. Drums and poly-containers are stored on a concrete pad (see photo 23).**

17. Landfarm Construction/Operation/Treatment Zone Monitoring:

**The Landfarm is constructed but has not yet received any loads (see photo 24, 25, 26 and 27)**

Ground Water Monitoring:

18. The following wells are required by permit to be measured and tested for chloride quarterly.
- 2, 2A, 2B, 3, 3A, 3B, 3C, 3D, 3E, 4, 5, 6, 7, 8, 9,  
10, 11, 12, 13, 18,  
23, 24, 29,  
30, 31, 33, 34, 35, 36, 37, 38, 39,  
40, 41, 42, 44, 45, 46, 47, 48, 49,  
51, 52,  
61, 61B, 61C, 61D, 61E, 61F, 63, 68, 68A, 69,  
70, 71, 71A, 71EE, 71F, 71FF, 71G, 71GG, 71H, 71HH, 71I, 71II, 71J, 71KK,  
71L, 71LL, 71M, 71MM, 71N, 71NN, 71OO, 71P, 71Q, 71S, 71T, 71U, 71W,  
71X, 72, 73, 74, 75, 76, 77, 78, 79,  
80, 81, 82, 83, 84, 85, 85A, 85B, 85C, 85C1, 85D, 85E, 85H, 85-2, 85-3, 85-4,  
85-5, 85-6, 85-7, 85-8, 85-9, 85-10, 85-11, 85-13, 85-14, 85-15, 85-16, 85-17,  
85-18, 85-19, 85-20, 85-21, 86, 87, 87A.

**The NMOCD has received water level measurements and chloride results for the highlighted wells above for the year of 2001. Please clarify if the remaining (non highlighted) wells were checked as to whether there was any measurable water in them for the year of 2001.**

19. Ground water monitoring at Baker Spring located in Section 28, Township 21 South, Range 38 East NMPM, Lea County, New Mexico must be performed on the same quarterly schedule as at the monitoring wells. Records of the date, inspector, spring flow rate and chloride level must be maintained. Annual reports must be furnished to the OCD Santa Fe and Hobbs offices in database form and must include a graphical plot showing flow rate and chloride trends at Baker Spring

**The NMOCD has not received any information regarding Baker Spring for 1999, 2000 and 2001. Please supply documentation regarding the status of Baker Spring for 1999, 2000, to 2001.**

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

**Containers are stored on a concrete pad (see photo 23).**

All drums and chemical containers should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill or ignite.

Reporting and Record Keeping:

21. Sundance Services, Inc. must notify the **OCD Hobbs District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

**At the time of inspection, there were no spills evident at this facility.**

22. Records of facility inspections and maintenance must be kept and maintained for OCD review.

**The NMOCD did not review the inspection and maintenance logs at this time.**

23. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load must include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification; 6) NORM status declaration; 7) transporter; 8) exact cell or pit location; and 9) any addition of microbes, moisture, fertilizers, etc.

**Forms C-138 and documentation for exempt loads were not reviewed at this time.**

Documentation required by forms C-117 and C-118.

**A file review shows that Forms C-117 and C-118 have been submitted the file is up to date.**

Date in camera was incorrect



Photo 1. Sump appears to be damaged.



Photo 4. Leaking valve. Catchment in place and empty.

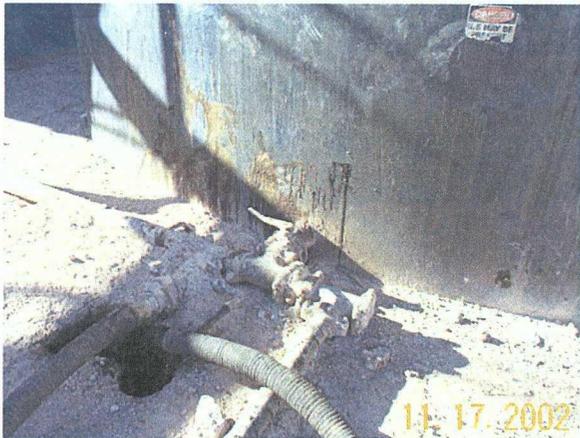


Photo 2. Sump appears to be damaged.



Photo 5. Sump in place below a valve that shows signs of leaks. Sump was empty.



Photo 3. Sump appears to be damaged.

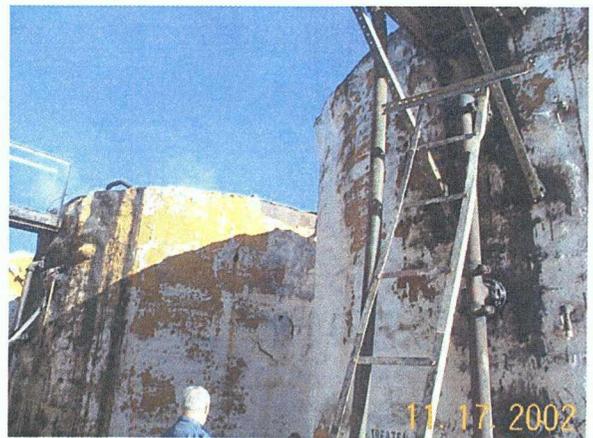


Photo 6. Insulated treater tanks.

Sundance Services, Inc.  
OCD Inspection November 20, 2002

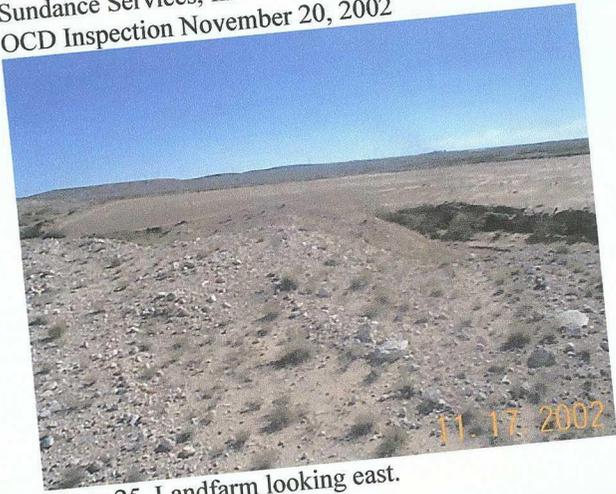


Photo 25. Landfarm looking east.

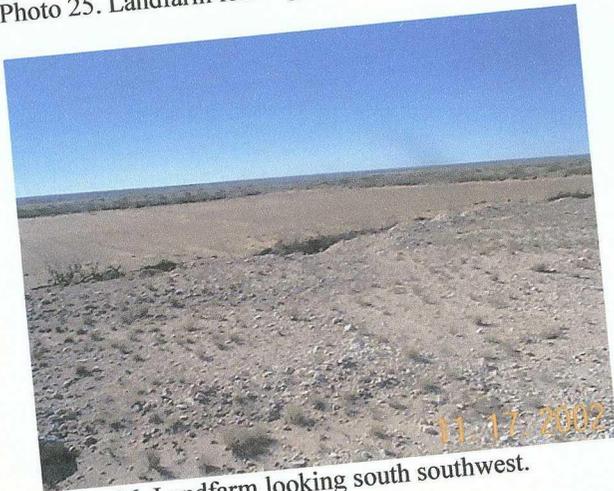


Photo 26. Landfarm looking south southwest.

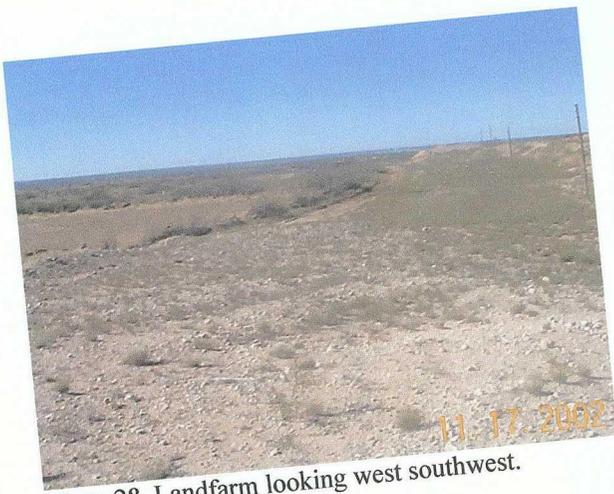


Photo 28. Landfarm looking west southwest.

Date in camera was incorrect.

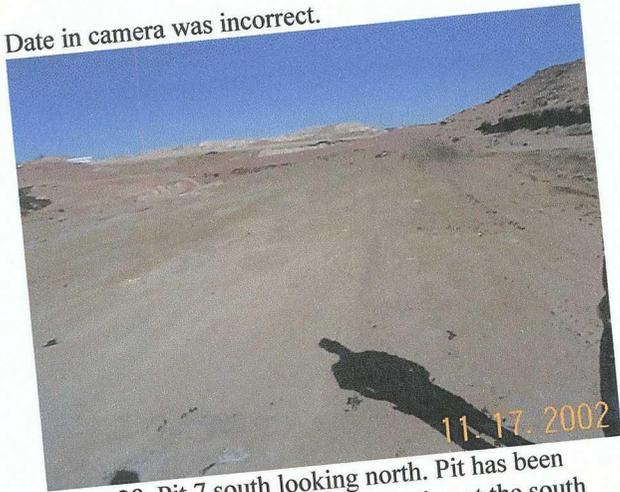


Photo 28. Pit 7 south looking north. Pit has been partly filled in and compacted starting at the south edge.

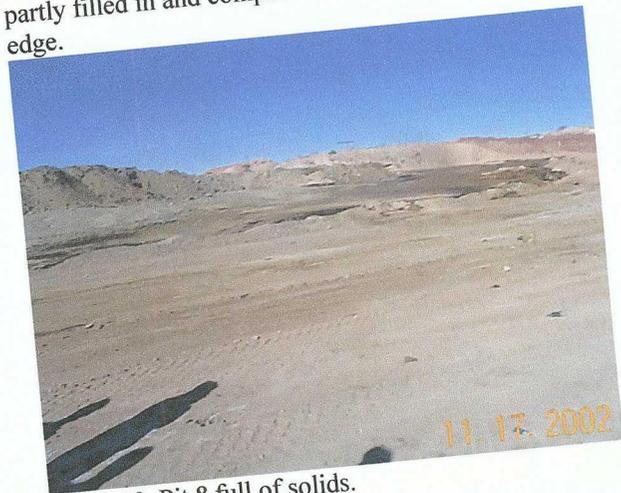


Photo 29. Pit 8 full of solids.

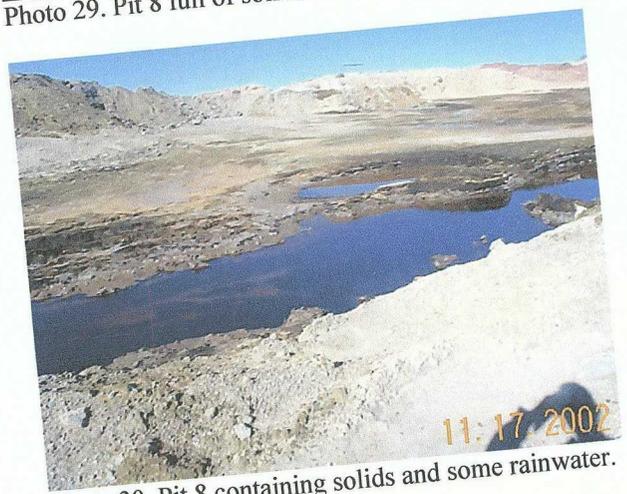


Photo 30. Pit 8 containing solids and some rainwater.

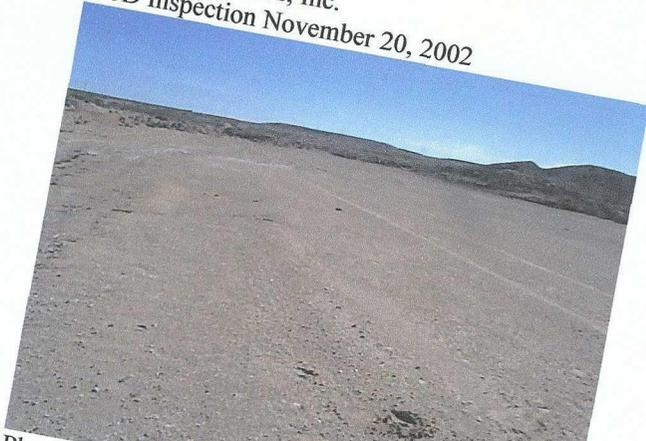


Photo 19. Former Pit 7 North filled in, compacted and level. Looking northeast. 11.17.2002

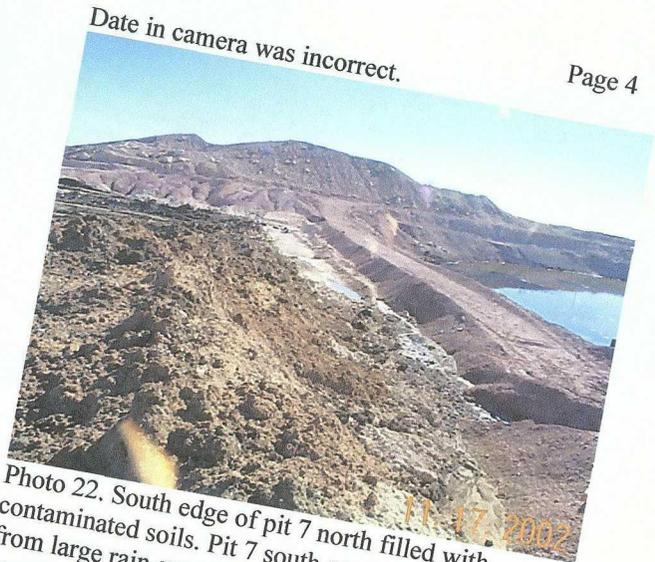


Photo 22. South edge of pit 7 north filled with contaminated soils. Pit 7 south contains rain-water from large rain events over the past two-three months. 11.17.2002



Photo 20. Former Pit 7 North filled in, compacted and level. Looking Southeast. 11.17.2002

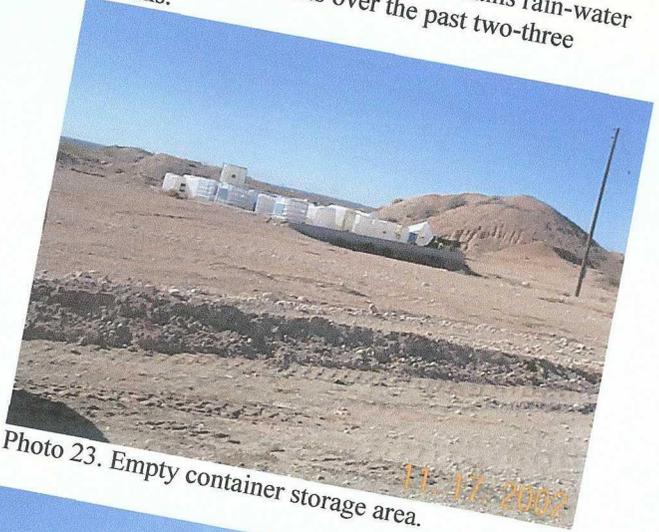


Photo 23. Empty container storage area. 11.17.2002

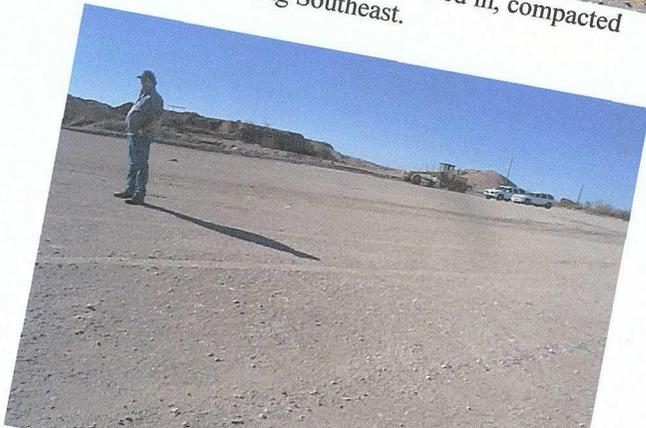


Photo 21. Former Pit 7 North filled in compacted and level. Looking south. 11.17.2002

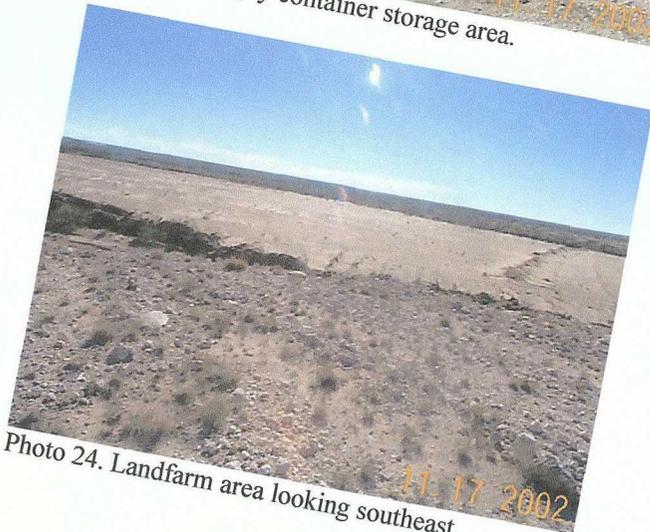


Photo 24. Landfarm area looking southeast. 11.17.2002



Photo 13. Decommissioning Pit 5. draining water and skimming oil.



Photo 14. Decommissioning Pit 5. draining water and skimming oil.



Photo 15. Pit 1 East end contains minimal oil.

Date in camera was incorrect.



Photo 16. Pits 2 and 3 are oil free and below freeboard.



Photo 17. Pit 5 North and south are oil free.



Photo 18. Former jet out area in Pit 7 North.

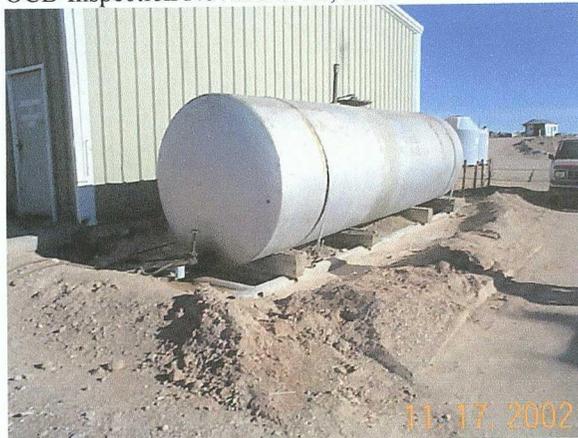


Photo 7. Containment berm around the diesel tank is worn down.

Date in camera was incorrect.



Photo 10. Pit 4 containing mostly water with some oil.



Photo 8. Solids pit #4.

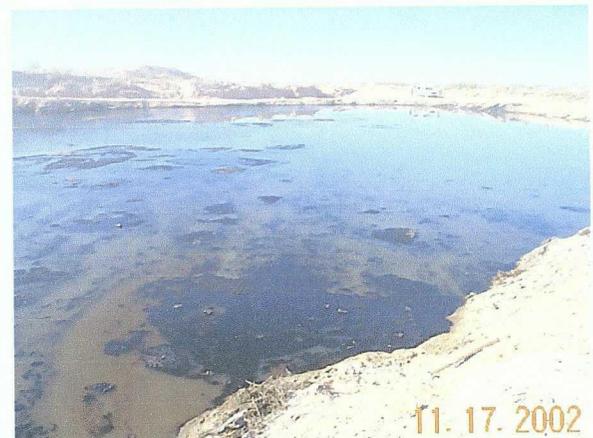


Photo 11. Pit 4 containing mostly water with some oil.



Photo 9. Jet out pit. With screen

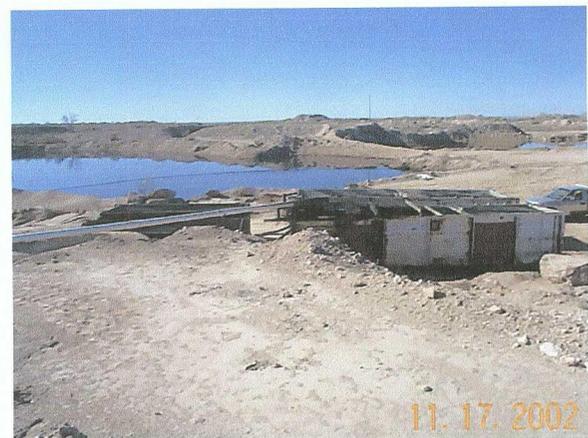


Photo 12. Produced water steal pit system below the produced water receiving tanks. Pits are screened.

Submit 4 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-134  
Aug. 1, 1989

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

OIL CONSERVATION DIVISION  
RECEIVED  
OIL CONSERVATION DIVISION

'89 NOV 20 10 32  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

Permit No. H-54  
(For Division Use Only)

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: Parabo, Inc.

Operator Address: 707 North Leech - Hobbs, NM 88240

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E

Size of pit or tank: Pits #1, 2, 3, 5, 6, & 7, plus 40 acres of surface evaporation area.  
Ut. Ltr. Sec. Twp. Rge

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.  
These pits contain produced water only which is not hazardous to waterfowl.

1) If any oil or hydrocarbons should reach this facility give method and time required for removal:  
Suction pumps and a boat are used on a continuous basis to skim the pits  
until clean.

2) If any oil or hydrocarbons reach the above-described facility the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: \_\_\_\_\_

CERTIFICATION BY OPERATOR: I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Richard Brakey Title Vice President Date August 16, 1989

Printed Name Richard Brakey Telephone No. (505) 393-7751

FOR OIL CONSERVATION DIVISION USE

Date Facility Inspected 4/20/89

Inspected by Eddie W. [Signature]

Approved by ORIGINAL SIGNED BY JERRY SEXTON  
Title DISTRICT I SUPERVISOR

Date NOV 22 1989

Submit 4 Copies  
to Appropriate  
District Office

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-134  
Aug. 1, 1989

RECEIVED  
OIL CONSERVATION DIVISION  
'89 NOV 20 7 07 AM '89  
Santa Fe, New Mexico 87504-2088

Permit No. H-53  
(For Division Use Only)

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)**

Operator Name: Parabo, Inc.

Operator Address: 707 North Leech - Hobbs, NM 88240

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E

Size of pit or tank: Pit #8 (Mud Pit): 150' X 390'  
Ut. Ltr. Sec. Twp. Rge

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.  
The pit is non-hazardous to waterfowl because of the activity levels around the  
pit and the close proximity of produced water ponds.

1) If any oil or hydrocarbons should reach this facility give method and time required for removal:

\_\_\_\_\_

2) If any oil or hydrocarbons reach the above-described facility the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: \_\_\_\_\_

\_\_\_\_\_

**CERTIFICATION BY OPERATOR:** I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Richard Brakey Title Vice President Date August 16, 1989  
Printed Name Richard Brakey Telephone No. (505) 393-7751

**FOR OIL CONSERVATION DIVISION USE**

Date Facility Inspected 11/20/89

Inspected by Eddie W. [Signature]

Approved by ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

Title \_\_\_\_\_

Date NOV 22 1989

Submit 4 Copies  
to Appropriate  
District Office

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-134  
Aug. 1, 1989

RECEIVED  
OIL CONSERVATION DIVISION  
NOV 20 1989 AM 10 32  
Santa Fe, New Mexico 87504-2088

Permit No. H-56  
(For Division Use Only)

APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952  
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)

Operator Name: Parabo, Inc.

Operator Address: 707 North Leech - Hobbs, NM 88240

Lease or Facility Name Parabo Disposal Facility Location 29 21S 38E

Size of pit or tank: Pit #4 (BS&W Pit): 420' X 210'  
Ut. Ltr. Sec. Twp. Rge

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.  
Because of the activity levels around this pit and the close proximity of produced  
water ponds, this pit is non-hazardous to waterfowl.

1) If any oil or hydrocarbons should reach this facility give method and time required for removal:

\_\_\_\_\_

2) If any oil or hydrocarbons reach the above-described facility the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: \_\_\_\_\_

\_\_\_\_\_

CERTIFICATION BY OPERATOR: I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature Richard Brakey Title Vice President Date August 16, 1989

Printed Name Richard Brakey Telephone No. (505) 393-7751

FOR OIL CONSERVATION DIVISION USE

Date Facility Inspected 11/20/89

Inspected by [Signature]

Approved by ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

Title \_\_\_\_\_

Date NOV 22 1989



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

November 8, 2002

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Notification of Process Change  
Sundance Services, Inc. NMOCD Permit NM-01-0003  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Roach:

The New Mexico Oil Conservation Division (OCD) received the Sundance Services, Inc (Sundance) letter dated August 6, 2002 regarding a minor process change. The process change that Sundance has proposed includes the addition of four tanks to replace the skim pit process at evaporation pit 5. The OCD has reviewed the engineering description of the tanks along with the commitment of Sundance to place double booms in the evaporation pond to collect any accidental oil spills and to net the open top tanks. The OCD has determined that the measures that are proposed do not require a permit modification. Sundance must monitor and maintain the new system so that no oil will reach the evaporation ponds. Sundance must also continue to follow all permit conditions. Please note the following two permit conditions found under "Overall Facility Operation" regarding tanks:

9. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the containment area will hold one and one-third the volume of the largest tank or all interconnected tanks.
10. All above-ground tanks must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks. All tanks must be labeled as to contents and hazards.

A current file review has found that the OCD has a cash bond for \$187,500 is already on file and according to the schedule outlined in the financial assurance section of the permit conditions dated February 18, 2002 the full \$250,000 will be due November 30, 2002.

Please be advised approval of this process change does not relieve Sundance Services, Inc. of liability should your operation result in actual pollution of surface water, ground water, or the

environment. In addition, OCD approval does not relieve Sundance Services, Inc. of responsibility for compliance with other federal, state or local laws and/or regulations. In addition, Sundance is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

If you have any questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,



Martyne J. Kieling  
Environmental Geologist

xc: Hobbs OCD Office

**Kieling, Martyne**

---

**From:** SSIDonna@aol.com  
**Sent:** Tuesday, August 06, 2002 2:01 PM  
**To:** MKieling@state.nm.us  
**Subject:** Modification for Sludge pits at Pit #5

Martyne,

Attached is a letter for modification of our pits. Please take a look at your convenience at let me know if we are heading in a good direction. We are in the process of setting up this work if approved and would like hear any concerns you may have with this change.

Thanks for your help.

Donna

8/12/2002

August 6, 2002

Ms. Martyne Kieling  
Oil Conservation Division  
1220 S. ST. Francis Dr.  
Santa Fe, NM 87504

**Re: Pit Modification of Permit #NM-01-003  
Sundance Services, Inc. commercial Surface Waste Management Facility  
SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

Dear Ms. Kieling

Sundance Services, Inc. would like approval from the Oil Conservation Division to modify our existing skim pit process at Evaporation Pit #5. The existing sludge pits are at a point of reconditioning. With this in mind we would like to set 4-coated tanks (2-400 bbl. Split tanks, 2-200 bbl. tanks) above ground at the north corner of Evaporation Pit #1. This would reroute the direction of water from our produced water tanks to these tanks and then clean water being released into Pit #1. In this process the produced water will enter the first 400 bbl. tank which has a split compartment in the middle. Clean water will be released under the panel to the other side of the tank then to the second 400 bbl. tank. The second 400 bbl. tank also has a split compartment that will catch any accidental release of oil by the first tank. Water will then be released under the panel and equalize into the 2-200 bbl. tanks before entering the pit. Oil will be skimmed from the oil side of the compartment routinely. Sundance will take the same precautions with keeping the pit oil free by setting 2 booms in the pit to restrict accidental spills, which should be next to impossible with the flow of the water through 4 tanks before the pit. Each of these tanks are open topped and will be netted to protect migratory birds.

Upon approval of this new system, Sundance will begin to close out the existing sludge pits by using the squeeze process. All fluids will be removed from pits and solidified for disposal into our landfill. The pit will then be squeezed until all solids that have settled at the bottom are removed and replaced with soil.

Thank you for your time in considering our modification. If you have any questions or would like to offer any advice please feel free to call my office at 505-394-2511. Again Thank you and we look forward to hearing from you.

Sincerely,

Donna Roach  
President

**OCD FILES**

**35MM DRAWINGS**

Nm1003

**FILE NUMBER**

General Correspondence YRS 1/2007 →

**DOCUMENT TYPE**

①

**NO OF DWGS**

CHECKLIST FOR RULE 711 PERMIT APPLICATION COMPLETENESS

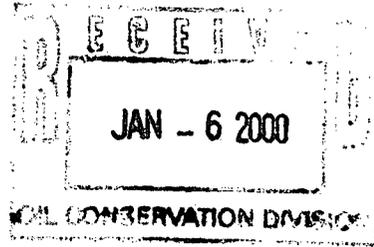
Sundance Existing Facility 1-20-99

1. ✓ FACILITY TYPE
2. ✓ OPERATOR NAME, ADDRESS, CONTACT PERSON AND PHONE#
3. ✓ LEGAL LOCATION
4. ✓ ~~MODIFICATION~~ OR NEW FACILITY Repermit
5. ✓ NAME AND ADDRESS OF THE FACILITY SITE LANDOWNER
6. NA NAME AND ADDRESS OF ALL LANDOWNERS OF RECORD WITHIN ONE MILE OF FACILITY SITE.
7. NA NOTIFICATION OF ALL LANDOWNERS OF RECORD WITHIN ONE MILE OF FACILITY SITE RETURN RECEIPT SUBMITTED
8. NA PUBLIC NOTICE IN TWO NEWSPAPERS ORIGINAL AFFIDAVIT OF PUBLICATION SUBMITTED.
9. ✓ FACILITY DESCRIPTION WITH DIAGRAMS INDICATING ALL PERTINENT FEATURES ( FENCES, BERM, ROADS, PITS, DIKES, TANKS, MONITORING WELLS ....)
10. ✓ CONSTRUCTION INSTILLATION DESIGNS FOR PITS, PONDS, LEAK-DETECTION SYSTEMS, AERATION SYSTEMS, ENHANCED EVAPORATION SYSTEMS, WASTE TREATING SYSTEMS, SOLIDIFICATION SYSTEMS, SECURITY SYSTEMS, AND LANDFARM FACILITIES.
11. ✓ GEOLOGICAL/HYDROLOGICAL EVIDENCE THAT FACILITY WILL NOT IMPACT GROUNDWATER. DEPTH TO AND QUALITY OF GROUNDWATER INCLUDED.
12. ✓ CONTINGENCY PLAN FOR REPORTING AND CLEAN-UP OF SPILLS OR RELEASES. in permit 99
13. ✓ H2S CONTINGENCY PLAN written in Permit 99
14. ✓ ROUTINE INSPECTION AND MAINTENANCE PLAN TO ENSURE PERMIT COMPLIANCE in permit
15. ✓ CLOSURE PLAN in permit Phased in
16. ✓ CLOSURE COST ESTIMATE \$ 250,000
17. ✓ BONDING AMOUNT 250,000 # TYPE DATE APPROVED April 30, 1999  
62,500 Q
18. ANY OTHER INFORMATION AS NECESSARY TO DEMONSTRATE COMPLIANCE WITH ANY OTHER OCD RULES REGULATIONS AND ORDERS.
19. ✓ CERTIFICATION SIGNATURE AND DATE ON PERMIT

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

December 31, 1999



Martyne Keiling  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87504

Re: Extension of Time on Pit #8 Closure Plan

Dear Ms. Keiling;

Sundance Services Inc. would like to request an extension of time for closure plan on our Pit #8. We are in the process having some analysis done on how to close this pit properly and inexpensively. Sundance will have a summarized plan to you by February 1, 2000. Thank you for your cooperation and if you have any questions please feel free to call my office at 505-394-2511.

Sincerely,

Donna Roach  
President



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

December 7, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-559-573-253**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: \$62,500 Cash Bond for Commercial Surface Waste Management Facility**  
**Principal: Sundance Services, Inc.**  
**Financial Institution: Bank of America**  
**Certificate of Deposit No. 910 000 1496 0776**

Dear Ms. Roach:

The New Mexico Oil Conservation Division hereby approves the: (i) above-referenced Commercial Surface Waste Management Facility Cash Bond and (ii) Assignment of Cash Collateral Deposit.

Sincerely,

Rand Carroll,  
Legal Counsel

RC:mjk

Enclosures:

Copies of Cash Bond and Assignment of Cash Collateral Deposit (No. 910 000 1496 0776)

xc with attachment: Hobbs OCD Office

Energy, Minerals and Natural Resources Department  
Oil Conservation Division

**Cash Bond For Waste Management Facilities**

(File with Oil Conservation Division, 2040 South Pacheco Street, Santa Fe, New Mexico 87505)

KNOW ALL MEN BY THESE PRESENTS:

That Sundance Services Inc., (an individual, partnership, or a corporation organized in the State of New Mexico, with its principal office in the City of Eunice, State of New Mexico, and authorized to do business in the State of New Mexico), is held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (the "Division") in the sum of Sixty-two thousand five hundred (\$62,500.00) Dollars.

The conditions of this obligation are such that:

The above principal has heretofore or may hereafter enter into the collection, disposal, evaporation, remediation, reclamation, treatment or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, BS&W, tank bottoms, waste oil and/or other oil field related waste in Section 29, Township 21S, Range 39E, NMPM, LEA County, New Mexico.

NOW, THEREFORE, this \$ 62,500.00 performance bond is conditioned upon substantial compliance with all applicable statutes of the State of New Mexico and all rules and orders of the Division and the Oil Conservation Commission, and upon clean-up of the facility site to standards of the Division; otherwise the principal amount of the bond to be forfeited to the State of New Mexico.

The applicant has deposited on behalf of the Division \$ 62,500.00 (sixty-two thousand five hundred dollars) in the manner indicated on the attachment to this bond (Assignment of Cash Collateral Deposit), being the principal sum intended to be secured. Applicant pledges the sum as a guarantee that its executors, assigns, heirs and administrators will abide by the Laws of the State of New Mexico and the rules and orders of the Division in operating the waste management facility described herein, and that it will properly reclaim the facility site upon cessation of operations. If the applicant does not properly reclaim and restore the facility site, and otherwise abide by the rules and orders of the Division, this bond shall be forfeited in full and such funds as necessary applied to the cost of reclaiming the facility site. If the principal sum of the bond is less than the actual cost incurred by the Division in reclaiming the facility site, the Division may institute legal action to recover any amounts expended over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or administrators or any of them shall properly reclaim and restore the above-described facility site upon cessation of operations, and otherwise abide by the rules and orders of the Division, then therefore, this obligation shall be null and void and the principal sum hereof shall be paid to the applicant, or its successors, heirs, or administrator, otherwise it shall remain in full force and effect.

Signed and sealed this 30 day of November, 19 99.

Sundance Services Inc. P.O. Box 1737 Eunice, NM 88231

Mailing Address

By Donna L. Road  
Signature

President  
Title

(Note: If Principal is corporation, affix corporate seal here.)

1. (For a natural person acting in his own right:)

STATE OF \_\_\_\_\_ )  
 )SS.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_.

My commission expires:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public

2. (For a partnership acting by one or more partners)

STATE OF \_\_\_\_\_ )  
 )SS.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_,  
\_\_\_\_\_ partner(s) on behalf of  
\_\_\_\_\_, a partnership.

My commission expires:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public

3. For a corporation or incorporated association)

The foregoing instrument was acknowledged before me this 30 day of November,  
1999,  
by Donna Roach for Sundance Services Inc.,  
a corporation, on behalf of said corporation.

My commission expires:

12-20-01  
Date

Sharon Couse  
Notary Public

NOTE: When Lessor is a partnership, corporation or association, list all partners, officers and directors as may be applicable. This information may be provided below.

APPROVED BY:  
OIL CONSERVATION DIVISION

By: [Signature] 12/7/99

**Energy Minerals and Natural Resources Department  
Oil Conservation Division**

**Assignment of Cash Collateral Deposit For Bond for Waste Management Facility**  
(Must be a federally-insured bank or saving institution within the State of New Mexico.)

Date \_\_\_\_\_

Pursuant to Rule 711 of the Rules of the Oil Conservation Division, or successor provisions,  
Sundance Services Inc.

(hereinafter referred to as owner) of \_\_\_\_\_  
(address) has deposited with the BANK OF AMERICA  
(name of state or national bank or savings association) of Hobbs New Mexico  
Box 100 Hobbs NM 88240 (address)

(herein termed financial institution), the sum of SIXTY TWO THOUSAND FIVE HUNDRED (\$62,500.00) dollars in  
Certificate of Deposit or savings account No. 91000014960776 Owner hereby assigns and conveys  
all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation  
Division of the Energy, Minerals and Natural Resources Department (the "Division") or successor agency  
of the State of New Mexico. Owner and the financial institution agree that as to the deposited sum or fund:

- a. The funds deposited pursuant to the terms of this Agreement are to serve as a cash bond covering a waste management facility operated by owner.
- b. The Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the Division to be entitled thereto, including the Division itself, in amounts determined by the Division, or to the operator upon sale of the facility covered by this agreement provided all applicable Division orders and rules have been complied with.
- c. Owner retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- d. The financial institution agrees that the fund may not be assigned, transferred pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Owner agrees that the financial institution may deduct from interest due owner any attorney fees incurred by the financial institution if claim or demand via writ, summons or other process arising from owner's business is made upon the financial institution.

Donna Roach  
Signature of Owner, Personally or by  
Authorized Officer

[Signature]  
Signature of Authorized Officer of Financial  
Institution

President  
Title

STATE BANKING EXEC-HOBBS NM  
Title

1. (For a natural person acting in his own right:)

STATE OF NM )  
 )SS.  
COUNTY OF LEA )

The foregoing instrument was acknowledged before me this 24th day of NOVEMBER, 1999,  
by KATHI L. CASE

My commission expires:

12-16-2001  
Date

Susan Schroeder  
Notary Public

2. (For a partnership acting by one or more partners)

STATE OF \_\_\_\_\_ )  
 )SS.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_, partner(s) on behalf of  
\_\_\_\_\_, a partnership.

My commission expires:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public

3. (For a corporation or incorporated association)

The foregoing instrument was acknowledged before me this 30 day of November, 1999,  
by Sundance Services Inc. by Donna Roach  
a corporation, on behalf of said corporation.

My commission expires:

12-20-01  
Date

Sharon Clause  
Notary Public

NOTE: When Lessor is a partnership, corporation or association, list all partners, officers and directors as may be applicable. This information may be provided below.

APPROVED BY:  
OIL CONSERVATION DIVISION

By: [Signature] 12/7/99



Gravel Pit

18

17

16

3463+

3450

3445

3437

3400

3386

3378

3375

PIPELINE

3376

3484

3478

3450

3449

3425

3400

31

3391

Roadside Park

BM 3400

Radio Facility

3478

3478

3429

3400

32

3391

3561

3550

3525

3514

3490

3475

3429

3415

3400

28

3484

3467

33

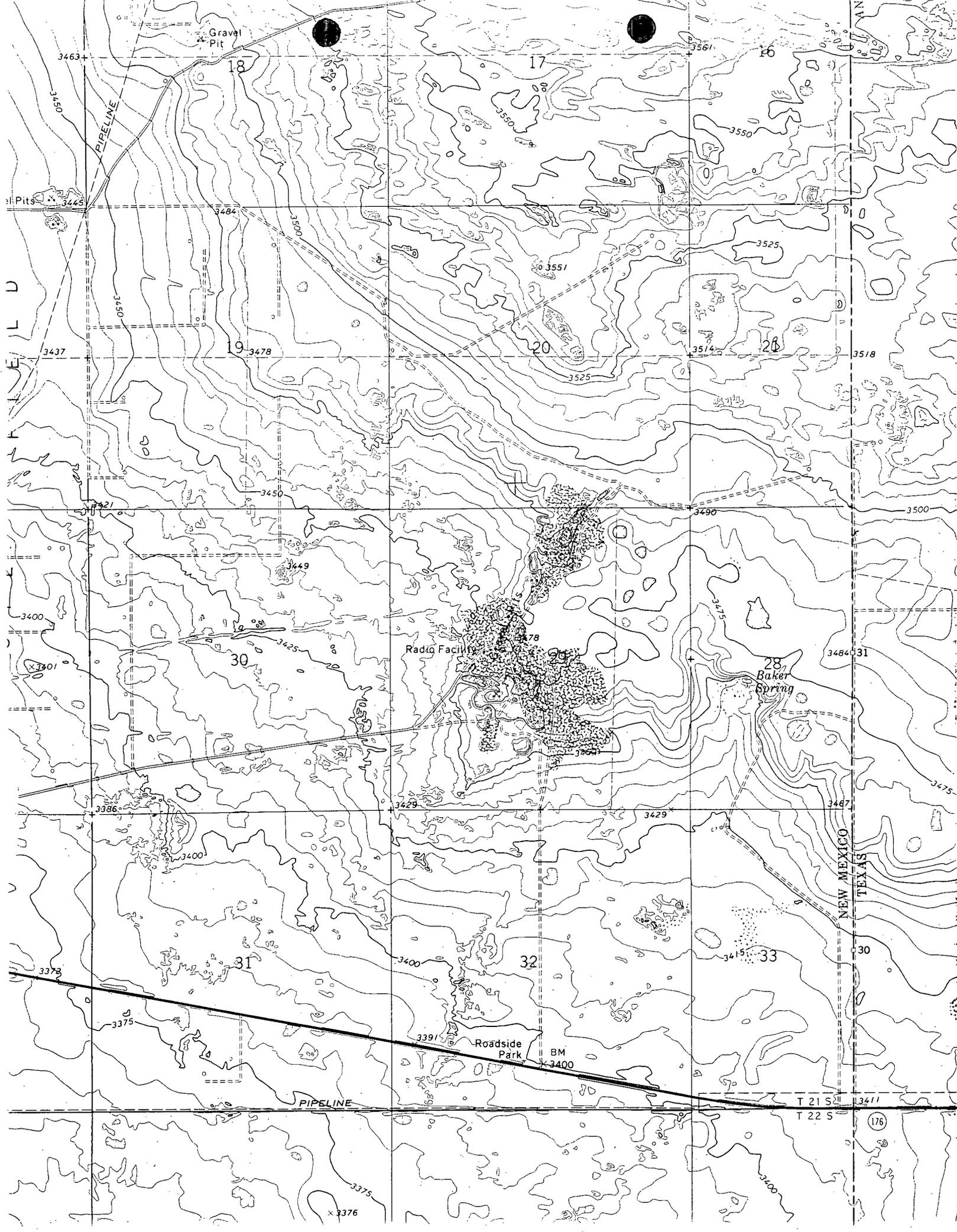
3411

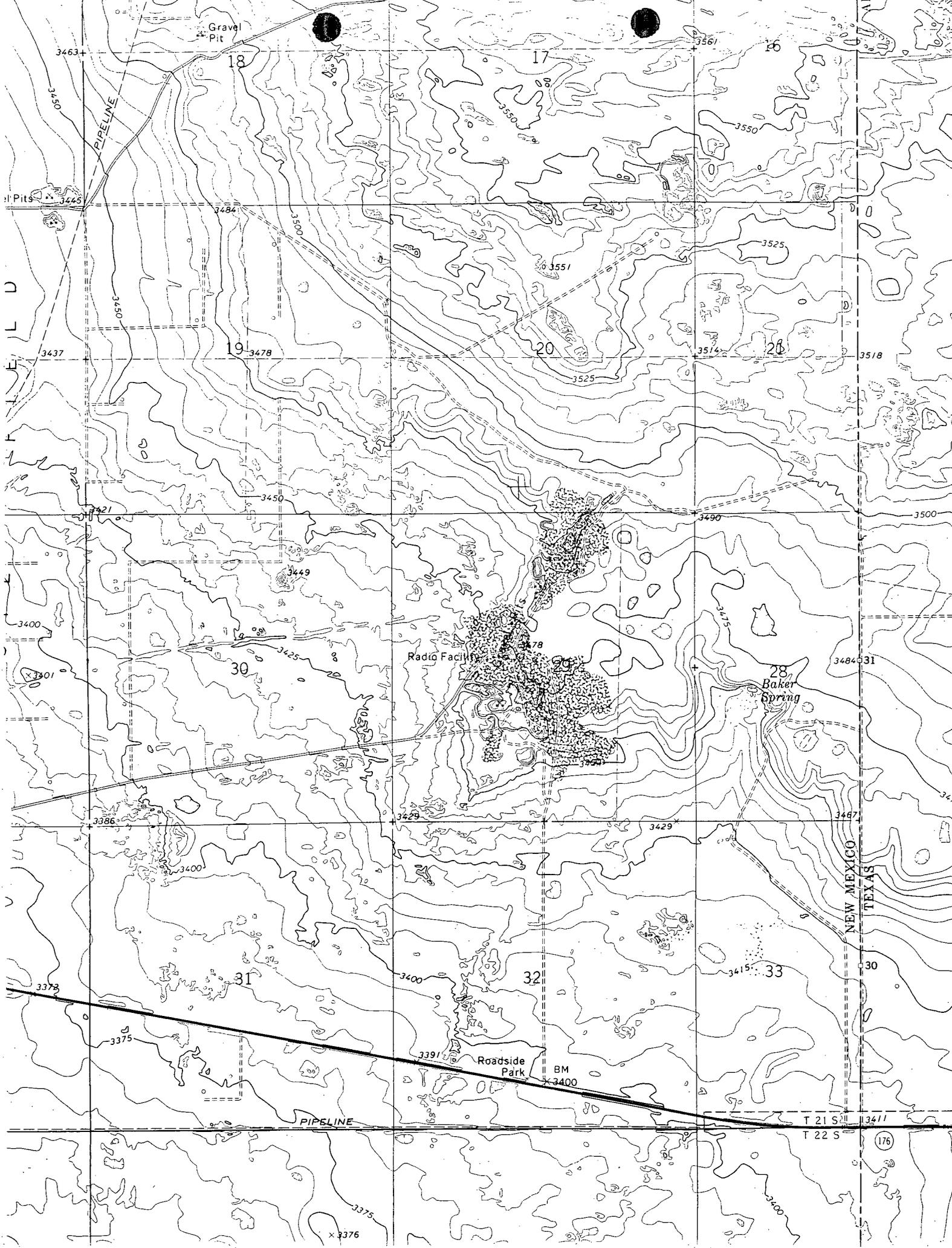
T 22 S

T 21 S

NEW MEXICO  
TEXAS

(176)





Gravel Pit

PIPELINE

Radio Facility

Baker Spring

Roadside Park

PIPELINE

NEW MEXICO  
TEXAS

T 21 S  
T 22 S

176

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
PERMIT NM-01-0003  
SUNDANCE SERVICES, INC.,  
PARABO WASTE MANAGEMENT FACILITY  
SW/4 of Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico  
(April 30, 1999)**

**RECEIVING AREA AND TREATING PLANT OPERATION**

1. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and d) emergency phone number.
2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
3. The truck unloading area, jetout area, and solids area must be moved to the Pond Four (4) area by **September 1, 1999**. All material unloading must be either into above-ground tanks with secondary impermeable containment or into below-grade tanks with secondary impermeable liners and leak detection sumps.
4. The skimmer tank must at all times be kept free of appreciable oil buildup to prevent oil flow into the evaporation ponds. Evaporation ponds must be maintained oil free.
5. Existing below grade sumps and tanks must be cleaned and visually inspected annually. Results must be recorded and maintained for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank contents must be removed and contaminated soils must be removed and either landfarmed or disposed of at an OCD-approved facility. Soil remediation must follow OCD surface impoundment closure guidelines. The permittee must submit a report to the OCD Santa Fe and appropriate District offices that describes the investigation and remedial actions taken.
6. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the containment area will hold one and one-third the volume of the largest tank or all interconnected tanks.
7. All above-ground tanks must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks. All tanks must be labeled as to contents and hazards.
8. All new or replacement below-grade sumps and tanks at the facility must have secondary

impermeable containment with a leak detection monitoring sump. Sumps must be inspected for fluids weekly. Results must be recorded and maintained for OCD review. If fluids are present they must be checked and the analyses must be furnished to the OCD.

9. The receiving and treatment area must be inspected daily for tank, piping and berm integrity.
10. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.
11. Oil may not be stored or retained in earthen reservoirs or in open receptacles (Rule 310). Sundance shall by **August 1, 1999** remove oil from Ponds One, Five, Six, Seven North and Seven South (1, 5, 6, 7N, and 7S) and maintain them oil free.

#### **EVAPORATION POND OPERATION**

1. Evaporation Ponds One, Five and Six (1, 5 and 6) shall have a maximum water height of 3447 feet above sea level with a minimum freeboard two feet below the spill point of the Triassic Red Beds or clay dikes. The installed survey marker must be maintained in the pond to accurately measure freeboard for each pond.
2. Ponds Two and Three (2 and 3) may not be used as evaporation ponds.
3. Pond Four (4) must not receive any additional liquid as of **May 1, 1999**. Pond Four (4) must be decanted and all free liquids must be removed by **May 1, 2002**. Sundance must submit by **December 1, 1999** a detailed plan for the management of the remaining solids within Pond Four (4) to the OCD Santa Fe office for review and approval.
4. Sundance will remove all free liquids from Ponds Seven North (7N) and Seven South (7S) by **October 1, 1999**. Any additional ponding of precipitation must be removed within twenty-four (24) hours of discovery. Sundance must submit a detailed closure plan including post closure care for Ponds 7N and 7S by **December 1, 1999** to the OCD Santa Fe office for review and approval. The Ponds must be closed pursuant to closure conditions to be outlined in the OCD closure plan approval.
5. Sundance must submit a detailed closure plan that will include post closure care by **December 1, 1999** for Pond Eight to the OCD Santa Fe office for review and approval. The pond must be closed pursuant to closure conditions to be outlined in the OCD closure plan approval.
6. No wastes and fluids managed at the facility including those on the surface and in the near surface and subsurface may be allowed to migrate outside of the facility boundary.

7. Facility inspections must be conducted on at least a weekly basis and immediately following each consequential rainstorm or windstorm. The OCD Santa Fe and appropriate District office must be notified **within 24 hours** if any defect is noted. Repairs must be made as soon as possible. If the defect will jeopardize the integrity of the facility additional wastes may not be placed into the facility until repairs have been completed.
8. Liquid reduction technologies that may be used to eliminate pond waters include evaporation.
9. Tests of ambient H<sub>2</sub>S levels must be conducted on a weekly basis. Test results must be recorded and retained. The tests must be conducted at four (4) locations at the top of the berm around each of Ponds One, Four, Five and Six (1, 4, 5 and 6). The wind speed and direction must be recorded in conjunction with each test.
  - a. If an H<sub>2</sub>S reading of 1.0 ppm or greater is obtained:
    - i. a second reading must be taken on the downwind berm within one hour;
    - ii. the dissolved oxygen and dissolved sulfide levels of the pond must be tested immediately and the need for immediate treatment determined; and
    - iii. tests for H<sub>2</sub>S levels must be made at the fence line down wind from the problem pond.
  - b. If two (2) consecutive H<sub>2</sub>S readings of 1.0 ppm or greater are obtained:
    - i. the operator must notify the Hobbs office of the OCD immediately;
    - ii. the operator must commence hourly monitoring on a 24-hour basis; and
    - iii. the operator must obtain daily analysis of dissolved sulfides in the pond.
  - c. If an H<sub>2</sub>S reading of 10.0 ppm or greater at the facility fence line is obtained:
    - i. the operator must immediately notify the Hobbs office of the OCD and the following public safety agencies:  
  
New Mexico State Police  
Lea County Sheriff  
Eunice Police Department  
Lea County Fire Marshall  
Eunice Fire Department; and

- ii. the operator must notify of all persons residing within one-half ( $\frac{1}{2}$ ) mile of the fence line and assist public safety officials with evacuation as requested.

### **LANDFARM CONSTRUCTION**

1. Landfarming must occur only within the area of the former Ponds Two and Three (2 and 3).
2. Contaminated soils may not be placed within twenty (20) feet of any pipelines crossing the landfarm facility. In addition, no equipment may be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
3. The landfarm portion of the facility must be bermed to prevent runoff and runoff. A berm no less than two (2) feet above grade must be constructed and maintained such that it is capable of containing precipitation from a one-hundred year flood for that specific region.

### **LANDFARM OPERATION**

1. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
2. Soils must be spread on the surface in six-inch lifts or less.
3. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
4. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*i.e., bermed*) from non-exempt contaminated soils. There will be no mixing of exempt and non-exempt soils.
5. Successive lifts of contaminated soils may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils.
6. Moisture must be added as necessary to enhance bioremediation and to control blowing dust. There must be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.

7. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers will only be permitted after prior approval from the OCD. Request for application of microbes must include the location of the area designated for the bio-remediation program, the composition of additives, and the method, amount and frequency of application.

### **GROUND WATER MONITORING**

1. Ground water monitoring of the following monitoring wells must be performed quarterly and records of the date, inspector and status of the monitor well must be maintained. Annual reports must be furnished to the OCD Santa Fe office in database form and must include a graphical plot showing water level and chloride trends in each well for all preceding quarters.

2, 2A, 2B, 3, 3A, 3B, 3C, 3D, 3E, 4, 5, 6, 7, 8, 9,  
10, 11, 12, 13, 18,  
23, 24, 29,  
30, 31, 33, 34, 35, 36, 37, 38, 39,  
40, 41, 42, 44, 45, 46, 47, 48, 49,  
51, 52,  
61, 61B, 61C, 61D, 61E, 61F, 63, 68, 68A, 69,  
70, 71, 71A, 71EE, 71F, 71FF, 71G, 71GG, 71H, 71HH, 71I, 71II, 71J, 71KK, 71L,  
71LL, 71M, 71MM, 71N, 71NN, 71OO, 71P, 71Q, 71S, 71T, 71U, 71W, 71X, 72,  
73, 74, 75, 76, 77, 78, 79,  
80, 81, 82, 83, 84, 85, 85A, 85B, 85C, 85C1, 85D, 85E, 85H, 85-2, 85-3, 85-4, 85-5,  
85-6, 85-7, -85-8, 85-9, 85-10, 85-11, 85-13, 85-14, 85-15, 85-16, 85-17, 85-18, 85-  
19, 85-20, 85-21, 86, 87, 87A.

2. Ground water monitoring at Baker Spring located in Section 28, Township 21 South, Range 38 East NMPM, Lea County, New Mexico must be performed on the same quarterly schedule as at the monitoring wells. Records of the date, inspector, spring flow rate and chloride level must be maintained. Annual reports must be furnished to the OCD Santa Fe office in database form and must include a graphical plot showing flow rate and chloride trends at Baker Spring.

### **WASTE ACCEPTANCE CRITERIA**

1. The facility is authorized to accept only:
  - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403. All loads of these wastes received at the facility must be

accompanied by a "Generator Certificate of Waste Status" signed by the generator.

- b. "Non-hazardous" non-exempt oilfield wastes on a case-by-case basis after conducting a hazardous waste characterization including corrosivity, reactivity, ignitability, and toxic constituents. The samples for these analyses must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
    - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
    - ii. A "Generator Certificate of Waste Status" signed by the generator.
    - iii. A verification of waste status issued by the appropriate agency for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the non-hazardous classification of the waste.
  - c. Non-oilfield wastes that are non-hazardous by testing if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are determined to be RCRA Subtitle C hazardous wastes by either listing or characteristic testing.
  3. The transporter of any wastes to the facility must supply a certification that the wastes delivered are those wastes received from the generator and that no additional materials have been added.
  4. No free liquids or soils with free liquids must be accepted at the landfarm portion of the facility.
  5. No produced water must be received at the facility from motor vehicles unless the transporter has a valid Form C-133, "Authorization to Move Produced Water" on file with the Division.
  6. Comprehensive records of all material disposed of at the surface waste management facility must be maintained by Sundance Services, Inc. and must be available for OCD review.

## **REPORTING AND RECORD KEEPING**

1. Results of the quarterly ground water monitoring must be recorded and annual reports must be furnished in database form to the OCD Santa Fe and Hobbs offices for review. The annual report must include a graphical plot showing water level and chloride trends in each well for all preceding quarters.
2. The Sundance Services, Inc., must notify the **OCD Hobbs District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
3. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load must include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification of exempt status or analysis for hazardous constituents if non-exempt; 6) NORM status declaration; 7) transporter; 8) exact cell location; and 9) any addition of microbes, moisture, fertilizers, *etc.*
4. The OCD must be notified prior to the installation of any pipelines or wells or other construction within the boundaries of the facility.

## **FINANCIAL ASSURANCE**

1. Financial assurance in the amount of **\$250,000** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from Sundance Services, Inc. for the commercial surface waste management facility.

**By May 31, 1999** Sundance Services, Inc. must submit 25% of the financial assurance in the amount of **\$62,500**.

**By May 31, 2000** Sundance Services, Inc. must submit 50% of the financial assurance in the amount of **\$125,000**.

**By May 31, 2001** Sundance Services, Inc. must submit 75% of the financial assurance in the amount of **\$187,500**.

**By May 31, 2002** Sundance Services, Inc. must submit 100% of the financial assurance in the amount of **\$250,000**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of permit approval. In addition, the closure cost estimate will be reviewed according to prices and

remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

## **CLOSURE**

1. The OCD Santa Fe and Hobbs District offices must be notified when operation of the facility is discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Upon cessation of operations for six (6) consecutive months, the operator must complete cleanup of constructed facilities and restoration of the facility site within the following six (6) months, unless an extension of time is granted by the Director.
2. A closure plan to include the following procedures must be submitted to the OCD Santa Fe office for approval :
  - a. When the facility is to be closed no new material will be accepted.
  - b. All evaporation ponds will be allowed to evaporate. Any water not evaporated will be hauled to an OCD-approved facility. The ponds will be surveyed for NORM.
  - c. All solids pits will be closed according to an approved closure plan that includes a post closure care period.
  - d. All above and below grade tanks will be emptied and any waste will be hauled to an OCD-approved facility. The empty tanks will be removed.
  - e. Existing landfarm soils will be remediated until they meet the OCD standards in effect at the time of closure.
  - f. The area will be contoured, seeded with a native seed mix and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, and fences for future alternative uses the structures may be left in place.
  - g. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

Sundance Services, Inc.  
711 Permit NM-01-0003  
April 30, 1999  
Page 9

**CERTIFICATION**

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

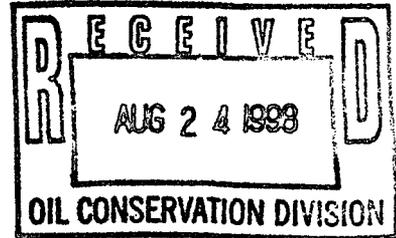
Accepted:

SUNDANCE SERVICES, INC.

Signature Donna Roach Title President Date 6-17-99

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511



August 21, 1998

Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

Attn: Martyne Keiling, Roger Anderson

Martyne & Roger;

Attached is a breakdown on the additional information you were requesting. We are still working on the hydrogeologic study and will report any progress we have on this study. We are working diligently on clean up efforts that we have talked about in the past. Sundance is committed into keeping the Oil Conservation Division informed of our progress. If you have any further questions, please feel free to call or write our office at anytime.

Thank You,

A handwritten signature in cursive script that reads "Donna Roach".

Donna Roach  
Office Manager

**ADDITIONAL INFORMATION**

**JULY 20, 1998**

**SUNDANCE SERVICES INC.**

**SW/4, Section 29, Township 21 South, Range 38 East, NMPM,  
Lea County, New Mexico**

1. Sections one, two, three, four and five Application Form C-137 have been answered.
2. Sections six and seven Application Form C-137.
  - A. See attached.
3. Section eight Application Form C-137;
  - A. Sundance Services Inc. commits to notify the OCD of any break, spill, blow out, or fire or any other circumstance that could constitute a hazard or contamination in accordance with the OCD Rule 116. This commitment is included in our contingency plan attached.
  - B. See Attached.
  - C.
    1. Sundance will empty monitor wells around Pit #2 & Pit #3 and monitored over two quarters.
    2. Sundance will decant Pit #7, empty monitor wells and and monitor for two quarters. If they do not stay empty we will take other actions to find leak and repair.
    3. Pit #6 will have dike cut out around monitor wells and check outside monitor wells for two quarters.
    4. Pit #5 wells will be bailed out and we will find where leak is coming from to design a repair.
    5. Pit #4 wells have water because of water level on Pit #4. We are in the process of lowering the level on this pit and then we can empty monitor wells

and monitor for two quarters.

- D. Sundance is taking bids and is in the process of having the hydrogeologic study ran on our facility.
- 4. Sundance will follow any requirements made by the hydrogeologic study on frequency of monitor well checks.
- 5. A. A NORM survey is attached.  
B. We have included a new estimate with cost breakdown.
- 6. Sections 11-12 are completed.
- 4. We have attached a contingency H2S plan. We also have personal monitors and windsocks at our facility.
- 5. Section 14 is completed.
- 6. Section 15 is completed.

SUNDANCE SERVICES INC.  
CONTINGENCY PLAN FOR REPORTING AND CLEANUP  
OF SPILLS OR RELEASES

Sundance Services Inc.'s spills or releases of oil, salt water, and/or solids that occur in areas not approved for disposal will be handled in the following manner: Sundance is committed to notify the New Mexico OCD of any break, spill, blow out, fire or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

GENERAL AREA: Clean up of small spills will be performed on a timely basis. The oil, water, or solids will be disposed of in the proper area and manner in compliance with New Mexico OCD rules and regulations.

Large spills will be acted upon immediately. The New Mexico OCD will be notified and the spill reported in accordance with established guidelines. Cleanup will commence immediately, with the oil, salt water, and/or solids being disposed of in the proper area and manner in compliance with the New Mexico OCD rules and regulations.

SALT WATER PITS: Oil will be cleaned from the pits by utilizing a floating skimmer device whereby the oil is "pushed" into designated trap areas. The skimmed material will be picked up by mechanical means-- either by pumping when appropriate, or by lifting with a mechanical bucket--and trucked to the BS&W pit. This same procedure will apply to any other pits or ponds requiring oil removal.

Any pit or pond that has oil-stained soil will be handled by one of the following methods:

A. The oil and sand will be washed down into the pond where it can be skimmed and recovered; or

B. The oil will be scraped from the sides of the pond, scooped up, and carried to the BS&W pit.

The pits will be cleaned of free visible oil on a continual basis or within 90 days of notification to do so by the New Mexico OCD. Sundance also commits to reviewing and researching the most modern, effective methods for accomplishing the above task.



P.O. Box 1816  
Hobbs, New Mexico 88241

Phone (505) 392-5021  
Fax (505) 397-2597

## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	9 ur/hr	27 ur/hr	Southend Pit # 1
TEST NO. 2	9 ur/hr	21 ur/hr	Southwest corner Pit # 1
TEST NO. 3	9 ur/hr	17 ur/hr	Southeast corner Pit # 1
TEST NO. 4	9 ur/hr	40 ur/hr	Northend Pit # 1
TEST NO. 5	9 ur/hr	16 ur/hr	Northwest corner Pit # 1
TEST NO. 6	9 ur/hr	37 ur/hr	Northeast corner Pit # 1

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360  
re.cal date 04/17/98



P.O. Box 1816  
Hobbs, New Mexico 88241

Phone (505) 392-5021  
Fax (505) 397-2597

## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	11 ur/hr	47 ur/hr	Southend Pit # 2
TEST NO. 2	11 ur/hr	50 ur/hr	Southwest corner Pit # 2
TEST NO. 3	11 ur/hr	45 ur/hr	Southeast corner Pit # 2
TEST NO. 4	11 ur/hr	40 ur/hr	Northend Pit # 2
TEST NO. 5	11 ur/hr	35 ur/hr	Northwest corner Pit # 2
TEST NO. 6	11 ur/hr	42 ur/hr	Northeast corner Pit # 2

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360

re.cal date 04/17/98



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## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	10 ur/hr	15 ur/hr	Southend Pit # 3
TEST NO. 2	10 ur/hr	17 ur/hr	Southwest corner Pit # 3
TEST NO. 3	10 ur/hr	15 ur/hr	Southeast corner Pit # 3
TEST NO. 4	10 ur/hr	14 ur/hr	Northend Pit # 3
TEST NO. 5	10 ur/hr	14 ur/hr	Northwest corner Pit # 3
TEST NO. 6	10 ur/hr	12 ur/hr	Northeast corner Pit # 3

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ.USED: Victoreen model # 190 SIN.# 360  
re.cal date 04/17/98



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## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	9.5 ur/hr	21 ur/hr	Southend Pit # 4
TEST NO. 2	9.5 ur/hr	18 ur/hr	Southwest corner Pit # 4
TEST NO. 3	9.5 ur/hr	19 ur/hr	Southeast corner Pit # 4
TEST NO. 4	9.5 ur/hr	22 ur/hr	Northeast Pit # 4
TEST NO. 5	9.5 ur/hr	16 ur/hr	Northwest corner Pit # 4
TEST NO. 6	9.5 ur/hr	24 ur/hr	Northeast corner Pit # 4

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360

re.cal date 04/17/98



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## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	10 ur/hr	40 ur/hr	Southend Pit # 5
TEST NO. 2	10 ur/hr	25 ur/hr	Southwest corner Pit # 5
TEST NO. 3	10 ur/hr	55 ur/hr	Southeast corner Pit # 5
TEST NO. 4	10 ur/hr	35 ur/hr	Northend Pit # 5
TEST NO. 5	10 ur/hr	50 ur/hr	Northwest corner Pit # 5
TEST NO. 6	10 ur/hr	52 ur/hr	Northeast corner Pit # 5

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360  
re.cal date 04/17/98



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## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	12 ur/hr	17 ur/hr	Southend Pit # 6
TEST NO. 2	12 ur/hr	20 ur/hr	Southwest corner Pit # 6
TEST NO. 3	12 ur/hr	19 ur/hr	Southeast corner Pit # 6
TEST NO. 4	12 ur/hr	14 ur/hr	Northend Pit # 6
TEST NO. 5	12 ur/hr	16 ur/hr	Northwest corner Pit # 6
TEST NO. 6	12 ur/hr	12 ur/hr	Northeast corner Pit # 6

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360  
re.cal date 04/17/98



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## NORM SURVEY

DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	12 ur/hr	23 ur/hr	Southend Pit # 7
TEST NO. 2	12 ur/hr	30 ur/hr	Southwest corner Pit # 7
TEST NO. 3	12 ur/hr	27 ur/hr	Southeast corner Pit # 7
TEST NO. 4	12 ur/hr	19 ur/hr	Northend Pit # 7
TEST NO. 5	12 ur/hr	50 ur/hr	Northwest corner Pit # 7
TEST NO. 6	12 ur/hr	45 ur/hr	Northeast corner Pit # 7

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ. USED: Victoreen model # 190 SIN.# 360

re.cal date 04/17/98



P.O. Box 1816  
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## NORM SURVEY

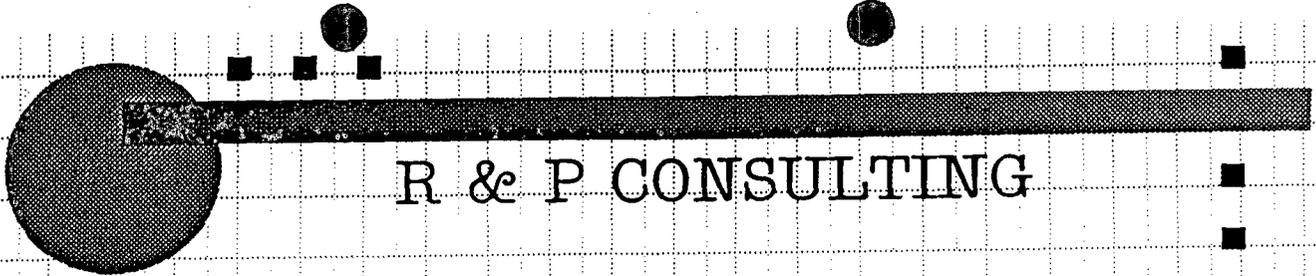
DATE: 07-17-98  
CLIENT: Sundance Services  
SUPERVISOR: A. Hodge

FACILITY: Parabo Facility  
Order by: Michael Patterson

	BACKGROUND	TEST	LOCATION
TEST NO. 1	11 ur/hr	30 ur/hr	Southend Pit # 7 south
TEST NO. 2	11 ur/hr	55 ur/hr	Southwest corner Pit # 7 south
TEST NO. 3	11 ur/hr	47 ur/hr	Southeast corner Pit # 7 south
TEST NO. 4	11 ur/hr	42 ur/hr	Northend Pit # 7 south
TEST NO. 5	11 ur/hr	30 ur/hr	Northwest corner Pit # 7 south
TEST NO. 6	11 ur/hr	47 ur/hr	Northeast corner Pit # 7 south

Comments: This survey was on the water pounds located at the Parabo Facility Sec. 29, T21S, R38E of Lea county New Mexico.

EQ.USED: Victoreen model # 190 SIN.# 360  
re.cal date 04/17/98



# R & P CONSULTING

JUNE 1, 1998

SUNDANCE SERVICES INC.  
P.O. BOX 1737  
EUNICE, NM 88231

ATTN: MIKE PATTERSON

RE: PIT CLOSURES AND TREATING FACILITY

Mike;

The following is a bid for closure cost on you facility:

1. Closure of Water Disposal Plant - \$10,000.00
2. Closure of Treating Plant - \$10,000.00
3. Closure of Salt Water Pits (1,2,3,4,5,6,7 & 8)

A) Pit #1	7.5 AC	5' Deep	62,500 yds.
B) Pit #2	2.0 AC	5' Deep	16,700 yds.
C) Pit #3	2.0 AC	30' Deep	100,000 yds.
D) Pit #4	3.0 AC	40' Deep	200,000 yds.
E) Pit #5	5.0 AC	6' Deep	50,000 yds.
F) Pit #6	16.0 AC	5' Deep	133,333 yds.
G) Pit #7	1.0 AC	20' Deep	33,333 yds.
H) Pit #8	.5 AC	2' Deep	1,700 yds.

P.O. BOX 5752 HOBBS NM 88241

Based on 5,000 yards a day for 10 hour day, \$70.00 per hour =  
\$700.00 per day.

Pit #1 =  $62,500 / 5,000 = 12.5$  days X \$700.00 = \$8,750.00  
Pit #2 =  $16,700 / 5,000 = 3.5$  days X \$700.00 = \$2,450.00  
Pit #3 =  $100,000 / 5,000 = 20$  days X \$700.00 = \$14,000.00  
Pit #4 =  $200,000 / 5,000 = 40$  days X \$700.00 = \$28,000.00  
Pit #5 =  $50,000 / 5,000 = 10$  days X \$700.00 = \$ 7,000.00  
Pit #6 =  $133,333 / 5,000 = 27$  days X \$700.00 = \$18,900.00  
Pit #7 =  $33,333 / 5,000 = 7$  days X \$700.00 = \$ 4,900.00  
Pit #8 =  $1,700 / 5,000 = 1$  days X \$700.00 = \$ 700.00

Estimated total cleanup of oil and water facilities and closures of pits  
1,2,3,4,5,6,7,8 = \$104,700.00

Please give me a call if you have any further questions.

Thank You,



Armando Ramos  
Consultant

Sundance Services Inc. would like to propose a time line for the changes to take place at our Parabo Disposal Facility. First we will have Pit #1 clean and free of oil by October 15, 1998. We will then start operations of pit #4. We would like permission to move our jetout facility and dispose off all solids into Pit #4. We propose to bury 3 netted open top tanks to unload all material into. All fluids will be separated and directed to where it should be. These pits will be skimmed on a daily basis. All oil will be transferred to the oil treating facility. Water will be pumped into a steel pit located at Pit #1 and clean water pumped into Pit #1. This steel pit will have a riser and will be skimmed daily to prevent oil from discharging into Pit #1. As these changes begin we will begin draining and allowing Pit #7 to dry. We will begin cleaning on Pit #5. We will skim all oil off sludge pit 5 and close these pits and skim remaining oil off Pit #5 by December 31, 1998. We would like to convert Pits #2 & #3 permitted to landfarm at the end of our timeline. We propose to have this construction completed by December 31, 1999. With permission from the state we should be ready to check monitor wells on Pit #7 & Pit #8 to completely close these pits and cap. Before we can even begin our construction and timeline we would like to have permission to move jetout and solids to Pit #4. We will keep the Hobbs office informed of our progress monthly.

**EMERGENCY ASSISTANCE TELEPHONE LIST**

**GOVERNMENT AGENCIES**

**STATE POLICE.....(505) 392-5588**  
**AMBULANCE.....911 or (505) 394-2112**  
**FIRE DEPARTMENT.....911 or (505) 394-2111**  
**SHERIFF'S DEPARTMENT.....911 or (505) 394-2020**  
**NEW MEXICO OIL CONSERVATION DIVISION.....911 or (505) 393-6161**

**SUNDANCE SERVICES, INC. -1431MAIN ST. EUNICE..... (505) 394-2511**  
**SUNDANCE SERVICES PLANT - North of Eunice - .....(505) 394-3212**

**DONNA ROACH..... OFFICE MANAGER 394-2511**  
**MIKE PATTERSON.....MARKETING MANAGER 369-6388**  
**KELLY ROACH..... PLANT MANAGER 394-3212**  
**.....Home number 394-3167**

## PHYSICAL EFFECTS OF HYDROGEN SULFIDE

<u>Percent %</u>	<u>ppm</u>	<u>Physical effects</u>
0.001	10	Obvious and unpleasant odor.
0.002	20	Safe for 8 hours exposure
0.01	100	Kills smell in 3 to 5 minutes; may sting eyes and throat.
0.02	200	Kills smell shortly; stings eyes and throat.
0.03	300	IDLH (Immediately Dangerous to Life & Health)
0.05	500	Dizziness; breathing ceases in a few minutes.
0.07	700	Unconscious quickly; death will result if not rescued.
0.10	1000	Unconscious at once; followed by death within minutes.

**REMEMBER: H<sub>2</sub>S IS A COLORLESS AND TRANSPARENT GAS AND IS HIGHLY FLAMMABLE. IT IS HEAVIER THAN AIR AND MAY ACCUMULATE IN LOW PLACES.**

## Use of Self-Contained Breathing Apparatus

- I. Written procedures shall be prepared covering safe use of respirators in dangerous atmospheric situations which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available respirators.
- II. Respirators shall be inspected frequently, at random, to insure that they are properly used, cleaned, and maintained.
- III. Anyone who may use respirators shall be trained in how to properly seal the face piece. They shall wear respirators in normal air and then in a test atmosphere. (Note: Such items as facial hair (beard or sideburns) and eyeglass temple pieces will not allow a proper seal.) Anyone that may be expected to wear respirators should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses. Contact lenses should not be allowed.
- IV. Maintenance and care of respirators
  - A. A program of maintenance and care of respirators shall include the following:
    1. Inspection for defects, including leak checks.
    2. Cleaning and disinfecting.
    3. Repair.
    4. Storage.
  - B. Inspection: Self-Contained Breathing Apparatus for emergency use shall be inspected monthly, and records maintained, for the following:
    1. Fully charged cylinders.
    2. Regulator and warning device operation.
    3. Condition of face piece and connection.
    4. Elastomer or rubber parts shall be stretched or massaged to keep them pliable and prevent deterioration.
  - C. Routinely used respirators shall be collected, cleaned, and disinfected as frequently as necessary to insure proper protection is provided.
- V. Persons assigned tasks that require the use of Self-Contained Breathing Equipment shall be certified physically fit for breathing equipment usage by the local company physician at least annually.
- VI. Respirators should be worn during the following conditions:
  - A. Any employee who works near the top or on the top of any tank unless tests reveal less than 20 ppm of H<sub>2</sub>S.
  - B. When breaking out any line where H<sub>2</sub>S can reasonably be expected.
  - C. When sampling air in areas to determine if toxic concentrations of H<sub>2</sub>S exist.
  - D. When working in areas where over 20 ppm H<sub>2</sub>S has been detected.
  - E. At any time where there is a doubt as to the H<sub>2</sub>S level in the area to be entered.

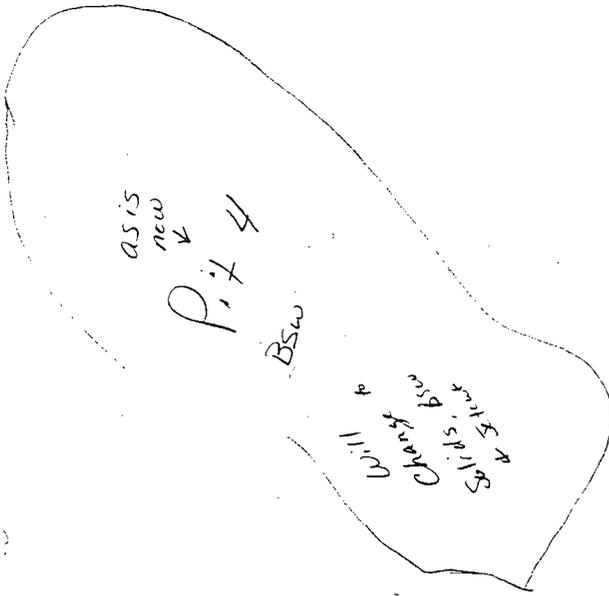
## Rescue-First Aid for Hydrogen Sulfide Poisoning

Do Not Panic!!!

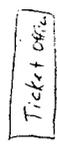
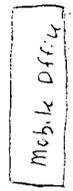
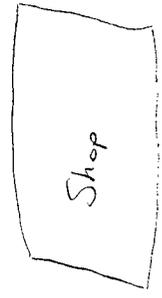
Remain Calm--THINK

1. Hold your breath (Do not inhale; stop breathing.) and go to Briefing area.
2. Put on breathing apparatus.
3. Remove victim(s) to fresh air as quickly as possible. (Go upwind from the source or at right angles to the wind; NOT downwind.)
4. Briefly apply chest pressure--arm lift method of artificial respiration to clear the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
5. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
6. Hospital(s) or medical facilities need to be informed, beforehand, of the possibility of H<sub>2</sub>S gas poisoning, no matter how remote the possibility.
7. Notify emergency room personnel that the victim(s) have been exposed to H<sub>2</sub>S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration, as well as first aid for eyes and skin contact with liquid H<sub>2</sub>S. Everyone needs to master these necessary skills.



Treatment  
Tanks  
○  
○



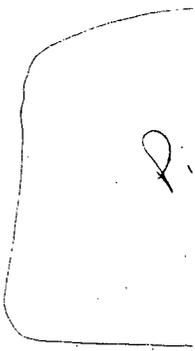
○ Water  
○ Tanks  
○ (New)  
With proper plan  
we will take  
apart + properly  
dispose of tanks

34  
○

33  
○

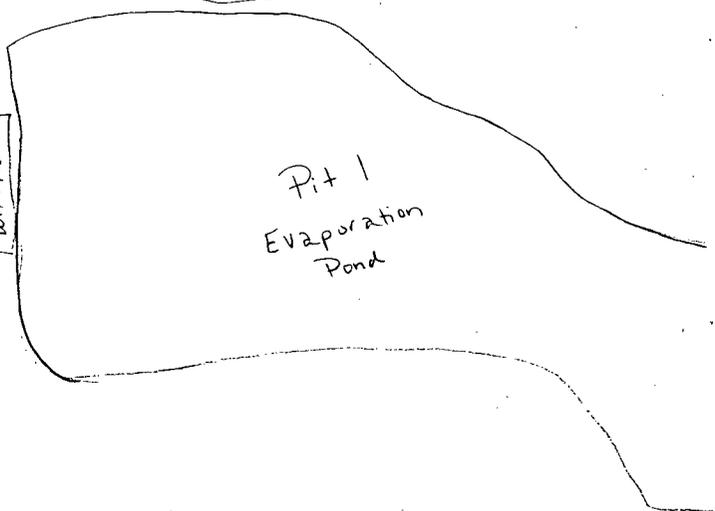
18  
○

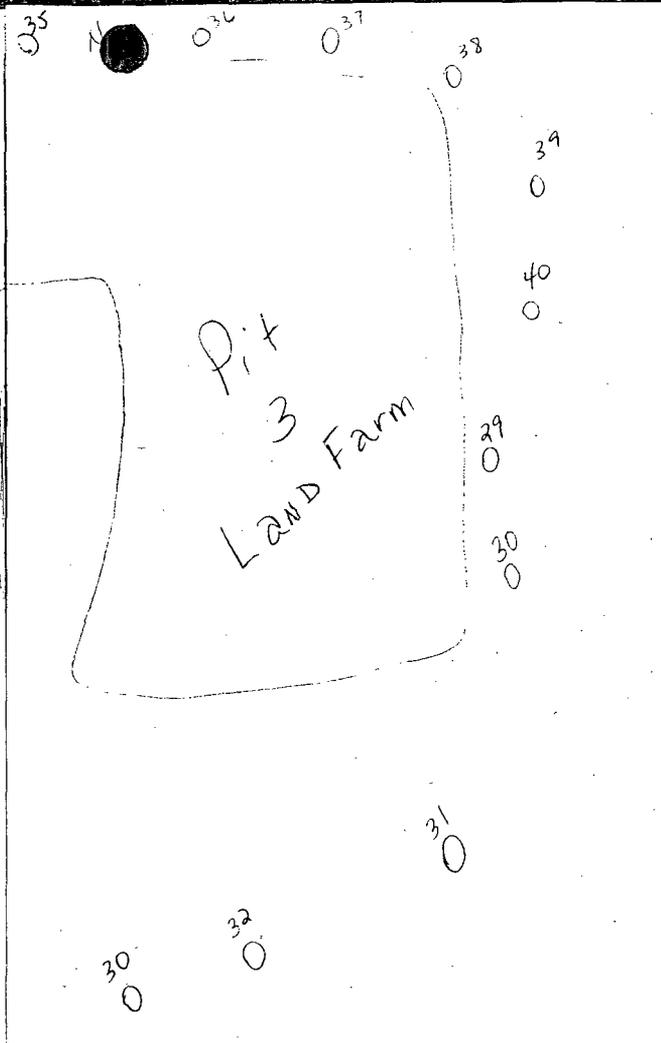
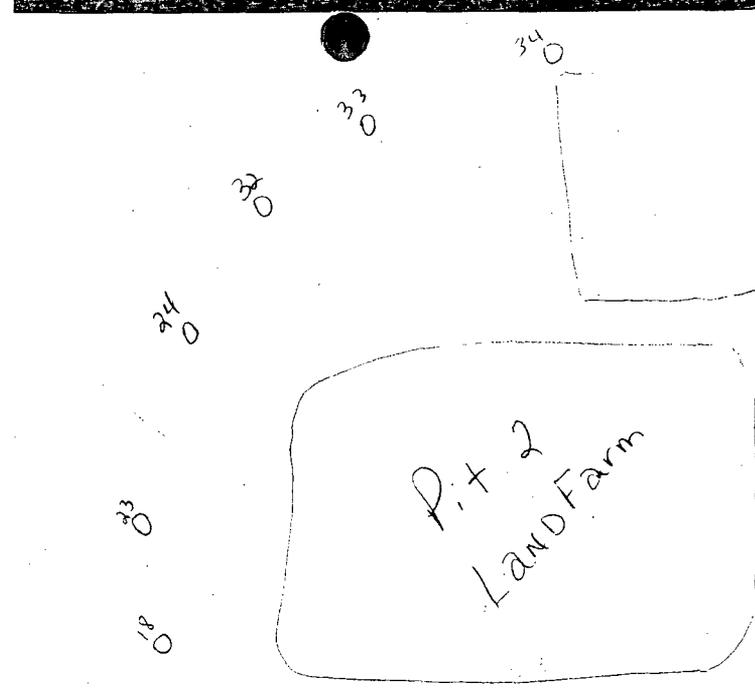
32  
○



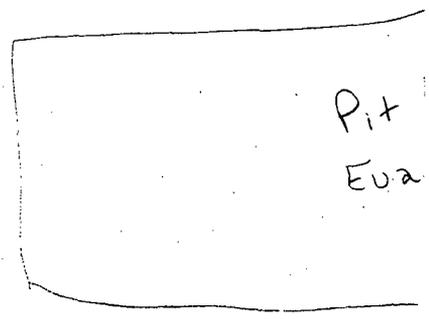
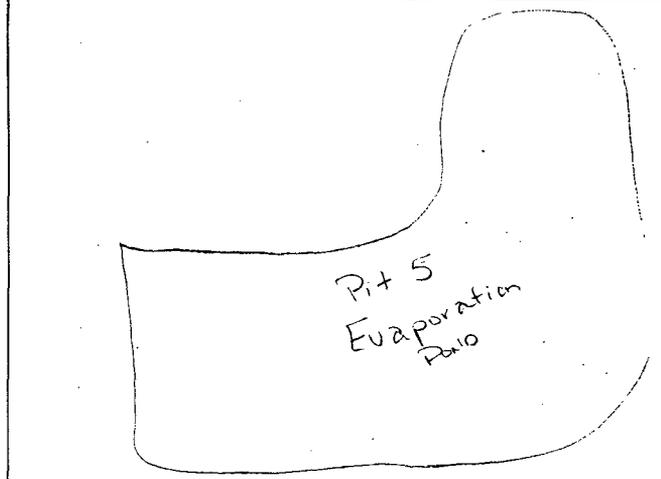
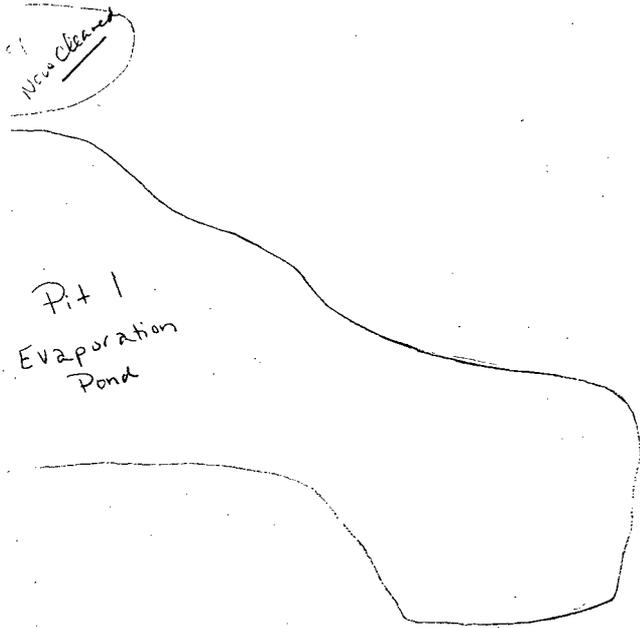
Sludge  
Pit #1  
New cleaned

Steel Pit  
with riser



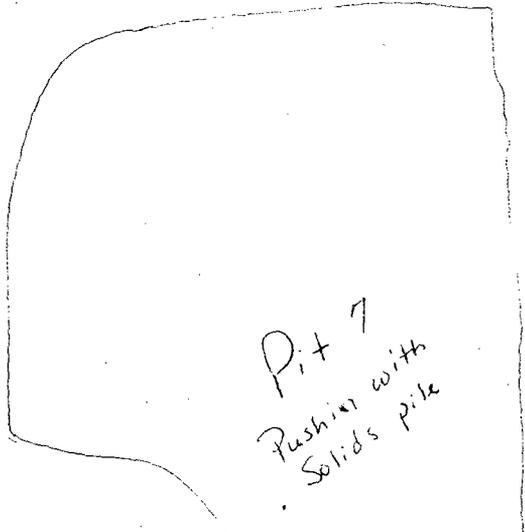


Water Tanks (New)  
 With proper plan  
 we will take  
 apart + properly  
 dispose of tanks



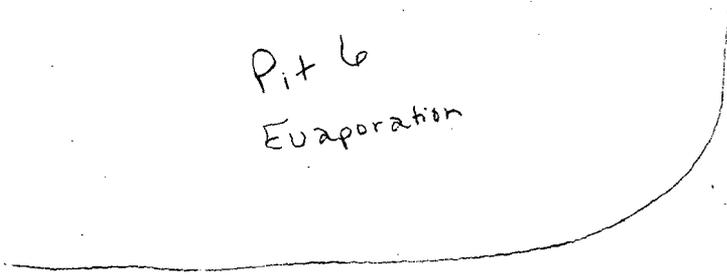
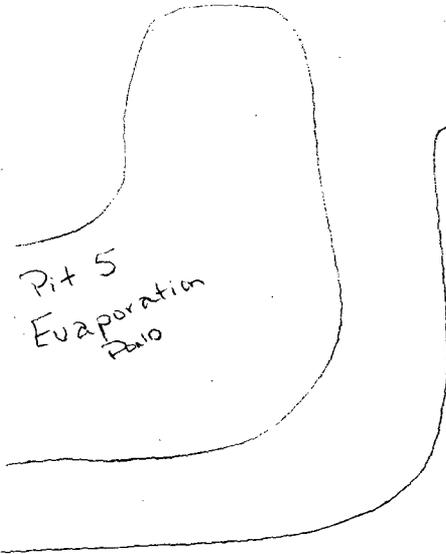
37  
38  
0  
39  
0  
40  
0  
31  
0

Farm



FENCE LINE

8



District I - (505) 393-6161  
P.O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-137  
Originated 8/8/95  
Revised 6/25/97

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

APPLICATION FOR WASTE MANAGEMENT FACILITY  
(Refer to the OCD Guidelines for assistance in completing the application)

Commercial

Centralized

1. Type:  Evaporation  Injection  Other \_\_\_\_\_  
 Solids/Landfarm  Treating Plant

2. Operator: Sundance Services Inc.

Address: P.O. Box 1737 Eunice, NM 88231

Contact Person: Donna Roach Phone: 505-394-2511

3. Location: 4 / 4 Section 29 Township 21 Range 38E  
Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility?  Yes  No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.

Wallach Ranch P.O. Box 1289 Hobbs, Nm 88240

NA  Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

NA  Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

NA  Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

NA  Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H<sub>2</sub>S.

14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

15. CERTIFICATION

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

Name: Donna Roach Title: President

Signature: Donna Roach Date: 6-17-99

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

June 17, 1999

Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87504

Attn: Lori Wrotenbury

Ref: Amendment to Permit #NM-01-0003

Ms. Wrotenbury;

We hereby request your approval of the following amendments to our above referenced permit.

## **Pond #4**

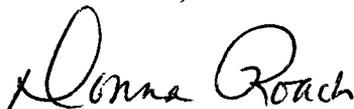
Sundance Services, Inc. request approval for Pond Four (4) to remain open and operational as a skimming pit for solids and BS&W. This pit will be kept netted and monitor wells will continue to be checked and data logged quarterly.

## **Pond #7**

Sundance Services, Inc. request approval for Pond Seven (7) to be redesigned and permitted as our landfill. We are in the process of skimming and draining this pit. Once it remains dry and monitor wells remain dry for three months, we would intend to use this pond for disposal of non-hazardous oilfield related material. Any fluids will be kept off this pit and this pit inspected after each rainfall as needed. This would enable Pond Seven (7) to become fully operational as our landfill.

If you have any further questions, please feel free to contact our office at 505-394-2511, and we look forward to hearing your views on the above.

Thank You,



Donna Roach  
President

**Sundance Services, Inc.**

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

**RECEIVED**

SEP 08 1997

Environmental Bureau  
Oil Conservation Division

September 5, 1997

Martyne J. Kieling  
New Mexico Energy, Minerals &  
Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Sante Fe, New Mexico 87505

By Telefax and regular Mail

Re: Treating Plant Inspection  
Your Letter July 7, 1997

Dear Ms. Kieling:

Thank you for the letter that resulted from your April 1997 site visit. We are pleased to respond to your comments that were listed on Attachment 1 to your subject letter.

1. Drum Storage: All drums that were located on the site have been triple rinsed, crushed and recycled. All remaining drums containing products used in the normal course of business have been isolated and clearly marked.
2. Process Area: We will continue to employ good maintenance and housekeeping practices.
3. Above Ground Tanks:

New berms have been built to ensure the containment of any leak or spill in the process area.

-2-

4. Open Top Tanks and Pits:

We are in the process of skimming all surface oil on all pits. In addition, we are placing nets on pits 2 and 5, as well as closing pits 7.

5. Above Ground Saddle Tanks:

Sundance has taken all saddle tanks out of service.

6. Tank Labeling: All tanks, drums and containers have been properly and clearly labelled.

7. Below Grade Tanks/Sumps:

Sundance has no below grade tanks or sumps.

8. Evaporation Ponds and Pits:

Pit # 3 has been taken out of service to ensure that it does not exceed the maximum permissible level.

9. Ground Water Monitor Wells:

Monitor wells located outside the secure fenced boundary of the Sundance Facility shall be fitted with locking caps.

10. Underground Process/Wastewater Lines:

Sundance has no underground process or wastewater lines.

11. Housekeeping:

Sundance shall continue to employ strict housekeeping practices.

-3-

**12. Trash and Potentially Hazardous Materials:**

The contaminated soil pile south of pit 8 will be used for fill for pits 7 and 8 which will be closed according to OCD approved regulations and procedures. This closure is active and in process.

**13. Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116.

**14. Security:** The facility shall be locked and secured when no attendant is present.

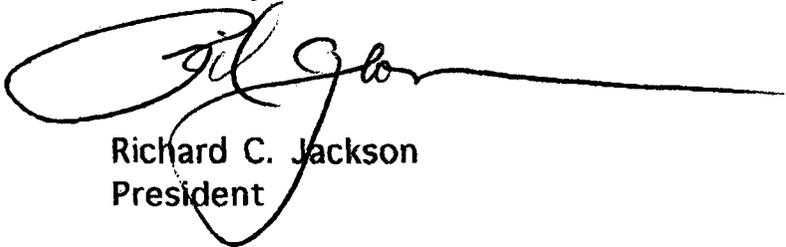
**15. Signs:** A new facility sign has been erected.

**16. Application for Permit Under the New Rule 711:**

Application form C-137 is being sent under separate cover, and will include all requested attachments and exhibits.

Sundance is committed to prudent environmental practices. We look forward to continuing our good relationship with the OCD. We appreciate your comments and suggestions. Should you have any questions about our operation of the facility, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard C. Jackson", with a long horizontal flourish extending to the right.

Richard C. Jackson  
President

SUNDANCE SERVICES INC.  
CONTINGENCY PLAN FOR REPORTING AND CLEANUP  
OF SPILLS OR RELEASES

Sundance Services Inc.'s spills or releases of oil, salt water, and/or solids that occur in areas not approved for disposal will be handled in the following manner:

GENERAL AREA: Clean up of small spills will be performed on a timely basis. The oil, water, or solids will be disposed of in the proper area and manner in compliance with New Mexico OCD rules and regulations.

Large spills will be acted upon immediately. The New Mexico OCD will be notified and the spill reported in accordance with established guidelines. Cleanup will commence immediately, with the oil, salt water, and/or solids being disposed of in the proper area and manner in compliance with the New Mexico OCD rules and regulations.

SALT WATER PITS: Oil will be cleaned from the pits by utilizing a floating skimmer device whereby the oil is "pushed" into designated trap areas. The skimmed material will be picked up by mechanical means-- either by pumping when appropriate, or by lifting with a mechanical bucket--and trucked to the BS&W pit. This same procedure will apply to any other pits or ponds requiring oil removal.

Any pit or pond that has oil-stained soil will be handled by one of the following methods:

- A. The oil and sand will be washed down into the pond where it can be skimmed and recovered; or
- B. The oil will be scraped from the sides of the pond, scooped up, and carried to the BS&W pit.

The pits will be cleaned of free visible oil on a continual basis or within 90 days of notification to do so by the New Mexico OCD. Sundance also commits to reviewing and researching the most modern, effective methods for accomplishing the above task.

SUNDANCE SERVICES INC.  
ROUTINE INSPECTION AND MAINTENANCE PLAN

Sundance Services Inc. routine inspection and maintenance plan is comprised of the following daily, weekly and monthly tasks;

DAILY: The levels in each of the pits are checked on a daily basis to ensure that permitted levels are not exceeded, and the berms are inspected to determine that their integrity is maintained. Additionally, the siphons are examined to verify proper working order.

WEEKLY: The pit levels are recorded weekly to provide an accurate summary.

MONTHLY: The monitor wells are inspected on a monthly schedule to ensure that the pits are constructed dikes are not leaking salt water. Samples are drawn quarterly for testing and submitted to the NMOCD.

CLOSURE PLANS FOR SUNDANCE SERVICES INC.  
PARABO DISPOSAL FACILITY

CLOSURE OF WATER DISPOSAL PLANT: All tanks and associated equipment would be drained of free water, to be disposed of in surrounding licensed disposal facilities. Sediment from the tank bottoms would be cleaned out and disposed of in the BS&W pit prior to its closure. The free oil would be skimmed off and either sold or disposed of in a proper manner. All tanks and equipment should be rendered inoperable as a disposal facility under Rule 711.

CLOSURE OF OIL TREATING PLANT: All tanks and associated equipment would be drained of free oil and water; the oil would then either be sold or disposed of properly. The tank bottom sediment would also be cleaned out and disposed of in BS&W pit #4 prior to its closure. All tanks and equipment should be rendered inoperable as a treating plant facility under Rule 711.

CLOSURE OF SALT WATER PITS (#1 #3 #5 #6 and #7): The ponds would be allowed to evaporate for one full solar year, after which time the remaining water would be pumped out and either transported or pumped to disposal wells. The remaining salt layers would then be covered with dirt.

Monitor wells would be carefully observed for a period of one year following closure. Any subsequent migration of salt water from known underground plumes would continue to be pumped dry until determined by the New Mexico OCD that such remedial action is no longer necessary.

CLOSURE OF BS&W PIT #4: All free oil and water will be pumped out and disposed of in surrounding disposal facilities. After the free oil and water has been pumped from the pit, the sides of the pit would be cleaned of any oil-stained dirt which would then be moved to the bottom of the pit. The remaining BS would then be covered with a layer of dirt.

CLOSURE OF SOLIDS PIT #8: Closure of this pit would be accomplished by pumping it free of all remaining water and covering it with a layer of dirt.

Cleanup of visible oil-stained soil would be handled as follows:

A. The oil and sand would be washed down into the pond where it can be skimmed and recovered; or

B. The oil would be scraped from the sides of the pond, scooped up, and carried to the BS&W pit.

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

## EMERGENCY RESPONSE PLAN

IN THE EVENT A TOXIC SUBSTANCE RELEASE SHOULD OCCUR FROM FIRES, EXPLOSION, OR ANY UNPLANNED SUDDEN, OR NON-SUDDEN RELEASE OF A HAZARDOUS WASTE - THE RESPONSIBLE SUNDANCE SERVICES INC. EMPLOYEE AT THE SCENE, OR THE OPERATION, SHALL TAKE THE FOLLOWING ACTIONS:

1. Promptly notify his immediate supervisor or any SSI employee, of the release it's location, and approximately magnitude. It is of the utmost importance that this first notification of other IMMEDIATELY on direction of a release so that notification of other company employees, residents of the area, ad the general public may begin evacuation; if warranted under this contingency plan.
2. Promptly render a judgment as to:
  - A. Whether or not any human life or property is in danger.
  - B. The source and cause of the emission.
  - C. Whether or not the toxic substance release can be readily stopped or brought under control without posing a danger to the health or safety of the employee.
3. If any human life or property is in danger, take prompt action to alleviate such danger, to the extent possible.
4. If the escape can be readily stopped, or brought under control, the employee should do so.

Note: Sundance Services Inc. DOES NOT EXPECT ANY EMPLOYEE TO PLACE HIS LIFE OR HEALTH IN JEOPARDY AS RESULT OF ANY ACTION TAKEN UNDER THIS PLAN. ACTION UNDER POINTS 2,3, AND 4, ABOVE SHOULD BE TAKEN IN CONJUNCTION WITH ANOTHER COMPANY EMPLOYEE, UNLESS IT IS CLEARLY EVIDENT THAT SUCH ACTION MAY BE UNDERTAKEN WITHOUT RISK TO THE EMPLOYEE. NO SUNDANCE SERVICES EMPLOYEE SHALL ATTEMPT TO GO ON A LEAK DETECTION MISSION WITHOUT FIRST NOTIFYING HIS IMMEDIATE SUPERVISOR, OR ANOTHER COMPANY EMPLOYEE OF HIS INTENTIONS.

I, \_\_\_\_\_, HAVE READ AND HAVE HAD THE ABOVE POLICY EXPLAINED TO ME, AND THOROUGHLY UNDERSTAND ITS APPLICATION AND PURPOSE. I FURTHER UNDERSTAND THAT FAILURE TO STRICTLY ADHERE TO THIS POLICY COULD RESULT IN SERIOUS INJURY TO MYSELF AND/OR WORKERS AND WILL RESULT IN DISCIPLINARY ACTIONS.

\_\_\_\_\_  
EMPLOYEE SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
FOREMAN SIGNATURE

\_\_\_\_\_  
DATE

# **Sundance Services, Inc.**

P.O. Box 1737

EUNICE, NEW MEXICO 88231

505 394-2511

## EMERGENCY PHONE NUMBERS

SUNDANCE OFFICE - 394-2511

EUNICE POLICE DEPARTMENT - 394-2112 (911)

EUNICE FIRE DEPARTMENT - 394-3258 (911)

LEA COUNTY SHERIFF DEPT. - 394-2020

N.M. STATE POLICE - 392-5588

District I - (505) 393-6161  
P. O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-1  
Originated 8/8/  
Revised 6/25/

RECEIVED

MAR 22 1997

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

Environmental Bureau  
Oil Conservation Division

APPLICATION FOR WASTE MANAGEMENT FACILITY  
(Refer to the OCD Guidelines for assistance in completing the application)

Commercial  Centralized

1. Type:  Evaporation  Injection  Other \_\_\_\_\_  
 Solids/Landfarm  Treating Plant

2. Operator: SUNDANCE SERVICES INC.

Address: P.O. BOX 1737 EUNICE, NM 88231

Contact Person: RICHARD C. JACKSON Phone: 505-394-2511

3. Location: SW 4 /4 Section 29 Township 21 Range 38E  
Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility?  Yes  No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.  
WALLACH RANCH P.O. BOX 3715 MIDLAND, TX 79702

~~NA~~ 6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

~~NA~~ 7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

~~NA~~ 11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

~~NA~~ 12. Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H<sub>2</sub>S.

14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

15. CERTIFICATION

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

Name: RICHARD C. JACKSON Title: PRESIDENT

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

1. (For a natural person acting in his own right:)

STATE OF NEW MEXICO )

)SS.

COUNTY OF LEA )

The foregoing instrument was acknowledged before me this 30 day of SEPTEMBER, 1997,  
by RICHARD C. JACKSON

My commission expires:

JANUARY 17, 2001  
Date

\_\_\_\_\_  
Notary Public

2. (For a partnership acting by one or more partners)

STATE OF \_\_\_\_\_ )

)SS.

COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_,  
\_\_\_\_\_, partner(s) on behalf of  
\_\_\_\_\_, a partnership.

My commission expires:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public

3. For a corporation or incorporated association)

The foregoing instrument was acknowledged before me this 30 day of SEPTEMBER,  
1997,  
by RICHARD C. JACKSON FOR SUNDANCE SERVICES INC.,  
a corporation, on behalf of said corporation.

My commission expires:

JANUARY 17, 2001  
Date

Donna L. Rouch  
Notary Public

NOTE: When Lessor is a partnership, corporation of association, list all partners, officers and directors as may be applicable. This information may be provided below.

APPROVED BY:  
OIL CONSERVATION DIVISION

By: \_\_\_\_\_

Energy Minerals and Natural Resources Department  
Oil Conservation Division

**Cash Bond For Waste Management Facilities**

(File with Oil Conservation Division, 2040 South Pacheco Street, Santa Fe, New Mexico 87505)

KNOW ALL MEN BY THESE PRESENTS:

That SUNDANCE SERVICES INC., (an individual, partnership, or a corporation organized in the State of NEW MEXICO, with its principal office in the City of EUNICE, State of NEW MEXICO, and authorized to do business in the State of New Mexico), is held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (the "Division") in the sum of TWENTY-FIVE THOUSAND (\$ 25,000) Dollars.

The conditions of this obligation are such that:

The above principal has heretofore or may hereafter enter into the collection, disposal, evaporation, remediation, reclamation, treatment or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, BS&W, tank bottoms, waste oil and/or other oil field related waste in Section 29, Township 21, Range 38, NMPM, LEA County, New Mexico.

NOW, THEREFORE, this \$ 25,000 performance bond is conditioned upon substantial compliance with all applicable statutes of the State of New Mexico and all rules and orders of the Division and the Oil Conservation Commission, and upon clean-up of the facility site to standards of the Division; otherwise the principal amount of the bond to be forfeited to the State of New Mexico.

The applicant has deposited on behalf of the Division \$ 25,000.00 (TWENTY-FIVE THOUSAND dollars) in the manner indicated on the attachment to this bond (Assignment of Cash Collateral Deposit), being the principal sum intended to be secured. Applicant pledges the sum as a guarantee that its executors, assigns, heirs and administrators will abide by the Laws of the State of New Mexico and the rules and orders of the Division in operating the waste management facility described herein, and that it will properly reclaim the facility site upon cessation of operations. If the applicant does not properly reclaim and restore the facility site, and otherwise abide by the rules and orders of the Division, this bond shall be forfeited in full and such funds as necessary applied to the cost of reclaiming the facility site. If the principal sum of the bond is less than the actual cost incurred by the Division in reclaiming the facility site, the Division may institute legal action to recover any amounts expended over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or administrators or any of them shall properly reclaim and restore the above-described facility site upon cessation of operations, and otherwise abide by the rules and orders of the Division, then therefore, this obligation shall be null and void and the principal sum hereof shall be paid to the applicant, or its successors, heirs, or administrator, otherwise it shall remain in full force and effect.

Signed and sealed this 30 day of September, 1997.

P.O. BOX 1737 EUNICE, NM 88231

Mailing Address

By

Signature

PRESIDENT

Title

(Note: If Principal is corporation, affix corporate seal here.)



**Energy Minerals and Natural Resources Department  
Oil Conservation Division**

**Assignment of Cash Collateral Deposit For Bond for Waste Management Facility**  
(Must be a federally-insured bank or saving institution within the State of New Mexico.)

Date 9-30-97

Pursuant to Rule 711 of the Rules of the Oil Conservation Division, or successor provisions,  
RICHARD C. JACKSON - PRESIDENT  
(hereinafter referred to as owner) of SUNDANCE SERVICES INC.  
(address) has deposited with the NATIONSBANK OF HOBBS  
(name of state or national bank or savings association) of  
P.O. BOX 5310 HOBBS, NM 88241-5310 (address)  
(herein termed financial institution), the sum of 25,000.00 (\$25,000.00 dollars in  
Certificate of Deposit or savings account No. 036-3012448). Owner hereby assigns and conveys  
all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation  
Division of the Energy, Minerals and Natural Resources Department (the "Division") or successor agency  
of the State of New Mexico. Owner and the financial institution agree that as to the deposited sum or fund:

- a. The funds deposited pursuant to the terms of this Agreement are to serve as a cash bond covering a waste management facility operated by owner.
- b. The Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the Division to be entitled thereto, including the Division itself, in amounts determined by the Division, or to the operator upon sale of the facility covered by this agreement provided all applicable Division orders and rules have been complied with.
- c. Owner retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- d. The financial institution agrees that the fund may not be assigned, transferred pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Owner agrees that the financial institution may deduct from interest due owner any attorney fees incurred by the financial institution if claim or demand via writ, summons or other process arising from owner's business is made upon the financial institution.

  
\_\_\_\_\_  
Signature of Owner, Personally or by  
Authorized Officer

PRESIDENT  
\_\_\_\_\_  
Title

  
\_\_\_\_\_  
Signature of Authorized Officer of Financial  
Institution

VICE PRESIDENT  
\_\_\_\_\_  
Title

# Sundance Services, Inc.

P.O. Box 1737 ★ Eunice, NM 88231  
(505) 394-2511

No 28964

LEASE OPERATOR/SHIPPER/COMPANY: Altura

LEASE NAME: Energy 33-342

TRANSPORTER COMPANY: Rhino

TIME: \_\_\_\_\_ AM/PM

DATE: 5-30-00 VEHICLE NO.: #509 DRIVER NO.:

CHARGE TO: Altura

## TYPE OF MATERIAL

- Production Water                       Drilling Fluids                       Completion Fluids  
 Tank Bottoms                             Contaminated soil                       C-117 No.: \_\_\_\_\_  
 Other Material:                             BS&W Content: \_\_\_\_\_

Description: oily dist

VOLUME OF MATERIAL  BBLs. \_\_\_\_\_ :  YARD 20 :  \_\_\_\_\_

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

*THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.*

DRIVER: Nicole Menchaca  
(SIGNATURE)

FACILITY REPRESENTATIVE: Kelly Roseh  
(SIGNATURE)

**Public Regulation Commission**

3/7/2000

**SUNDANCE SERVICES, INC.****MAILING ADDRESS****P.O. BOX 1737 EUNICE NEW MEXICO 88231**

---

**SCC Number: 1750108****Tax & Revenue Number: 02293782000****INCORPORATED ON SEPTEMBER 18, 1995, IN NEW MEXICO.****CORPORATION IS A DOMESTIC PROFIT****CORPORATION IS ACTIVE  
GOOD STANDING THROUGH: 3/15/2001****PURPOSE OF THE CORPORATION  
NONE HAZARDOUS WASTE DISPOSAL****CORPORATION DATES****Taxable Year End Date: 12/31/98      Filing Date: 03/23/99****Corporate Existence Expiration Date:****SUPPLEMENTAL POST MARK DATES****Supplemental: 10/06/98    Name Change:      Purpose Change:****PRINCIPAL ADDRESS****604 AVE I EUNICE NEW MEXICO 88231****PRINCIPAL ADDRESS(Outside New Mexico)**

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**REGISTERED AGENT****DONNA L. ROACH****604 AVENUE I EUNICE NEW MEXICO 88231****Designation date: 03/23/99    Agent Post Mark Date:      Resignation date:****COOP LICENSE INFORMATION****Number:      Type:      Expiration Year:****ROACH, DONNA L. *President*****NONE LISTED *Vice President*****NONE LISTED *Secretary***

**NONE LISTED *Treasurer***

---

***DIRECTORS***

***Date Election of Directors:***

**MUSSANI, HANIF**  
604 AVENUE I. EUNICE , NM 88231

**New Search Inquiry Page**

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 8:40 / 11:15	Date 10-6-99
---	-----------------------------------	-------------------	--------------

<u>Originating Party</u>	<u>Other Parties</u>
--------------------------	----------------------

Martynne Kiebling	Donna Rauch (505) 394-2511
-------------------	-------------------------------

Subject 10-6-99 Left message Mike Paterson

Discussion Extension expired Aug 31, 1999 Need ~~Boat~~ \$2,500, will be writing letter next week.

① NOV Next week

② Compliance order. Stop operations and begin closure with the possibility of fines

Conclusions or Agreements

Distribution Signed



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

November 9, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-662**

Ms. Jolene Moreno  
Bank of America  
325 E. Bender  
Hobbs, NM 88240

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-663**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice New Mexico 88231

**RE: Release for Transfer of CD Account No 3012448  
Sundance Services, Inc.  
Section 29, Township 21 South, Range 38 East, NMPM, Lea County, New Mexico**

Dear Messrs. Moreno and Roach:

The New Mexico Oil Conservation Division (OCD), hereby approves the release of Bank of America (formerly Sunwest Bank of Hobbs) CD No. 3012448 for \$25,000 for transfer into a replacement CD for \$62,500. The replacement CD is to be held under an Assignment of Cash Collateral Deposit for a bond for the Sundance Services, Inc. surface waste management facility.

Upon receipt and approval of the replacement financial assurance by the OCD, the Sundance Services permit renewal will become effective.

If you have any questions please do not hesitate to contact me at (505) 827-7153.

Sincerely,

Martyne J. Kieling  
Environmental Geologist

xc: Hobbs OCD Office



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87506  
(505) 827-7131

July 27, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-561**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Extension of Time**  
**Sundance Services, Inc., Permit NM-01-0003**  
**Parabo Commercial Surface Waste Management Facility**  
**SW/4, Section 29, Township 21 South, Range 38 East, NMPM,**  
**Lea County, New Mexico**

Dear Ms. Roach:

The New Mexico Oil Conservation Division received the Sundance Services, Inc. (Sundance) letter dated July 6, 1999 requesting additional time to establish financial assurance for the Commercial Surface Waste Management Facility Permit NM-01-0003. The extension of time **is hereby approved**. Financial assurance in the amount of 25% of the \$250,000 bond (\$62,500) is required by August 31, 1999 to the OCD Santa Fe office.

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 827-7153.

Sincerely,

*Martyne J. Kieling For Lori Wrotenberg*

Lori Wrotenberg  
Director

LW/mjk

xc with attachments:  
Hobbs OCD Office

Sundance Serv

5-2-99 Murgu K.  
Roger A. 11,50 Sour.  
Wayne P.

1,000,000 mill.

Donna Roach  
Mike

Pit 4 Final Resting Pit For Solids BS + W. <sup>tanks.</sup> Treatbl.  
Liquids,..... Drill Cuttings. Drum Solids - Net. 1/2 or thir.  
No oil 2/10<sup>th</sup> of 190

Solids Land Fill 7.  
Keep monitor wells in Place..

105 Clem...

Land  
of  
Roger

Pit 4. No Oil stored in an open Receptacle  
No additional oil / Keep moving oil off.

Add LandFill..... To Filters Concrete.....

Pit 8 & Soil Stockpile For Solidification.

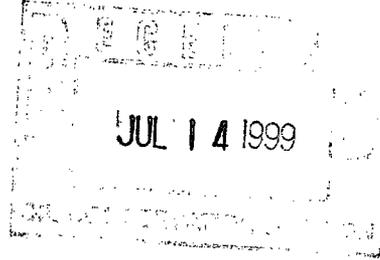
7 Land Fill Daily Cover No blowing trash...  
Removal of water. 24 hours after Rain Fall event.  
Paint Filter.....

Request Extension

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

July 6, 1999



Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87504

Attn: Lori Wrotenbury

Ref: Financial Assurance Extension

Ms. Wrotenbury;

We hereby request your approval for an extended time of August 31, 1999 to have our financial assurance in place for our facility located in Eunice, NM. Due to unforeseen problems with revamping our existing CD, we will need a minimal amount of time to rework our paperwork.

If you have any further questions, please feel free to contact our office at 505-394-2511, and we look forward to hearing your views on the above.

Thank You,

A handwritten signature in cursive script that reads "Donna Roach". The signature is written in black ink and is positioned above the printed name and title.

Donna Roach  
President



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

May 10, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-535**

Ms. Donna Roach  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Extension of Time**  
**Sundance Services, Inc., Permit NM-01-0003**  
**Parabo Commercial Surface Waste Management Facility**  
**SW/4, Section 29, Township 21 South, Range 38 East, NMPM,**  
**Lea County, New Mexico**

Dear Ms. Roach:

The New Mexico Oil Conservation Division received the Sundance Services, Inc. (Sundance) letter on May 5, 1999 requesting additional time to review, sign and establish financial assurance for the Commercial Surface Waste Management Facility Permit NM-01-0003. The extension of time is hereby approved. Please sign and return one copy of the permit to the OCD Santa Fe Office by June 10, 1999. Financial assurance in the amount of 25% of the \$250,000 bond (\$62,500) is required by July 10, 1999.

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 827-7153.

Sincerely,

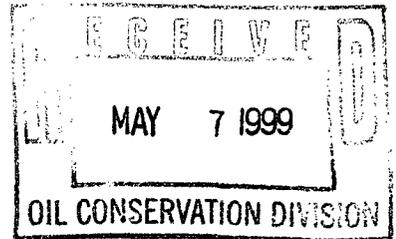
A handwritten signature in cursive script that reads "Lori Wrotenbery".  
Lori Wrotenbery  
Director

LW/mjk

xc with attachments:  
Hobbs OCD Office

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511



April 4, 1999

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Attn: Lori Wrotenbery - Director

Dear Ms. Wrotenbery

Sundance Services Inc. would like to request additional time to review, sign and return a copy of the new permit approval. There are several issues that are unclear and would we like time to research and understand them. We may need to request a personal visit with Martyne Kieling and Roger Anderson on some questions that we may have. We request an additional 30 days to return this new permit approval form and then 30 days from that date to have our financial assurance established to 25% of the total bond. If you have any further questions, please feel free to call our office at 505-394-2511. Thank you for your patience and cooperation on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Donna L. Roach".

Donna L. Roach  
President

# Sundance Services, Inc.

P.O. Box 1737  
EUNICE, NEW MEXICO 88231  
505 394-2511

April 4, 1999

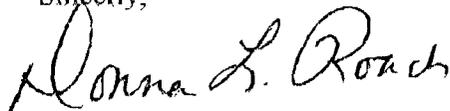
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Attn: Lori Wrotenbery - Director

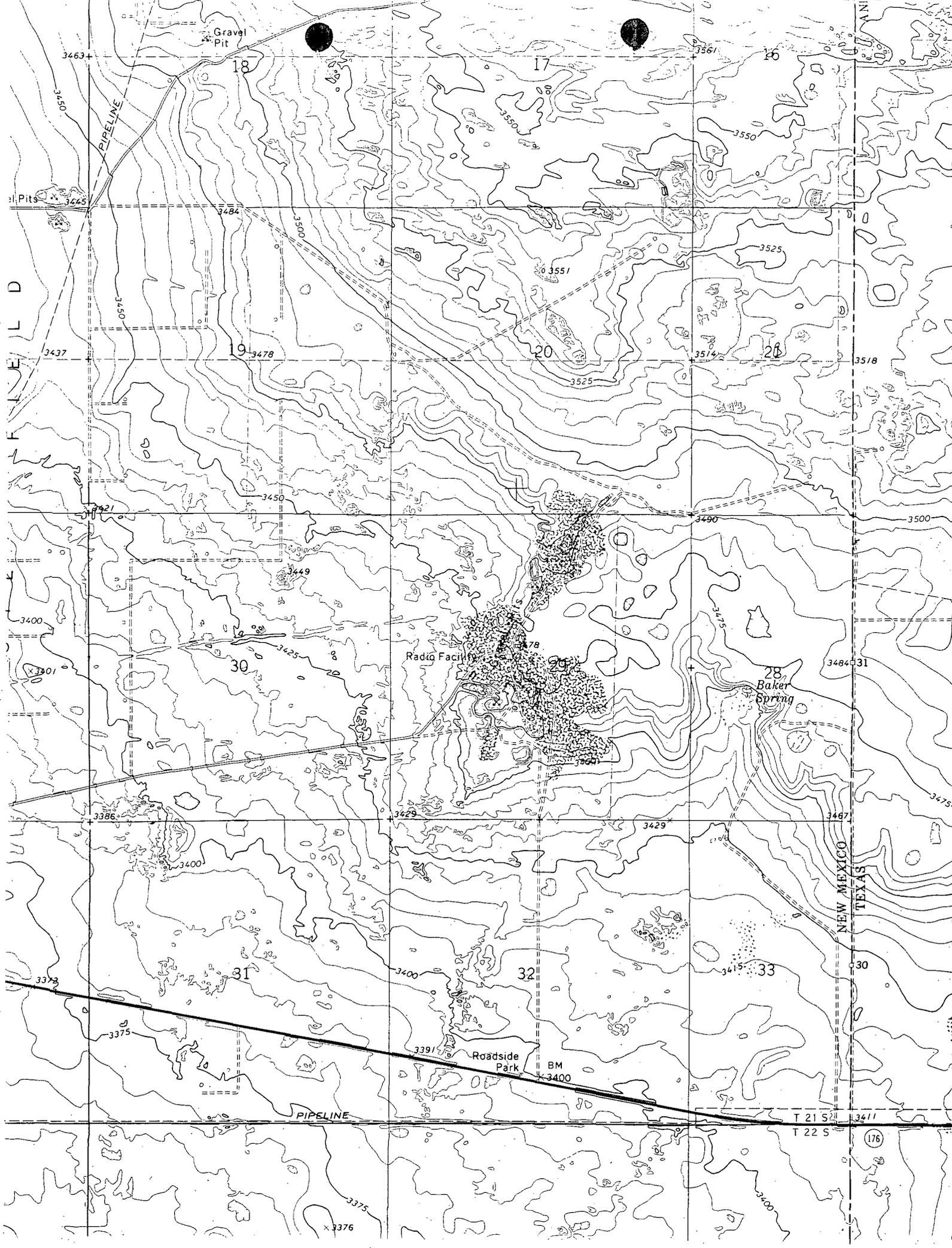
Dear Ms. Wrotenbery

Sundance Services Inc. would like to request additional time to review, sign and return a copy of the new permit approval. There are several issues that are unclear and would we like time to research and understand them. We may need to request a personal visit with Martyne Kieling and Roger Anderson on some questions that we may have. We request an additional 30 days to return this new permit approval form and then 30 days from that date to have our financial assurance established to 25% of the total bond. If you have any further questions, please feel free to call our office at 505-394-2511. Thank you for your patience and cooperation on this matter.

Sincerely,



Donna L. Roach  
President



Gravel Pit

18

17

16

3463+

3561

PIPELINE

Pits

3445

3484

3500

3551

3525

3437

3478

20

3514

28

3518

F  
L  
D

K

3400

3449

Radio Facility

3478

28  
Baker Spring

3484

3425

3490

3500

3301

30

3425

3575

3475

3386

3429

3429

3467

3400

3378

31

3400

32

3415

33

30

3375

3391

Roadside Park

BM 3400

PIPELINE

T 21 S

T 22 S

3411

(176)

3375

3376

3400



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

October 9, 1996

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-258-838**

Mr. Ken Marsh, Consultant  
Sundance Services, Inc.  
P.O. Box 1737  
Eunice, New Mexico 88231

**RE: Commercial Landfarm (NM-711-1-0003) Expansion  
Sundance Services, Inc.  
Parabo Disposal Facility  
Lea County, New Mexico**

Dear Mr. Marsh:

The New Mexico Oil Conservation Division (OCD) has received Sundance Services, Inc August 12, 1996 request to add a wash out and unloading facility to the existing fluid receiving station at the Parabo Disposal Facility. Based on the information provided Sundance Services request is hereby approved. The request is considered a minor modification of the previously approved permit and public notice is not required.

Please be advised that approval of this modification does not relieve Sundance Services, Inc of liability should the operation result in pollution of surface waters, ground waters or the environment. In addition, the OCD approval does not relieve Sundance Services, Inc of liability for compliance with other laws and/or regulations.

If you have any questions, please do not hesitate to contact me at (505) 827-7152.

Sincerely,

A handwritten signature in cursive script that reads "Roger C. Anderson".

Roger C. Anderson  
Environmental Bureau Chief

xc: OCD Hobbs

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505

October 24, 1995

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-962-578**

Mr. Richard C. Jackson  
Sundance Services, Inc.  
PO Box 1737  
Eunice, New Mexico 88241

**RE: Transfer of Parabo Facility (NM-01-0003)**  
**Lea County, New Mexico**

Dear Mr. Jackson:

The Oil Conservation Division (OCD) has received both a request from Sundance Services, Inc. (dated September 18, 1995) and Parabo, Inc. (dated September 20, 1995) to transfer ownership of the Parabo Waste Management Facility, located in Section 29, Township 12 South, Range 39 East, NMPM, Lea County, New Mexico, to Sundance Services, Inc. (Sundance). The request is hereby approved in accordance with OCD Rule 711.

Pursuant to OCD Rule 711 a twenty five thousand dollar (\$25,000) surety or cash bond, in a form approved by the Division, is required prior to Sundance assuming ownership. Please be advised OCD Rule 711 is currently being modified to change bonding requirements such that the surety or cash bond required for each commercial facility is equal to the estimated closure cost of the facility. This facility will be subject to this modification and Sundance will be required to conform to the new bonding requirement when the rule change is completed.

All modifications and alternatives to the approved disposal methods must receive prior OCD approval. Sundance is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

Please be advised approval of this transfer does not relieve Sundance of liability should their operation result in pollution of surface waters, ground water or the environment.

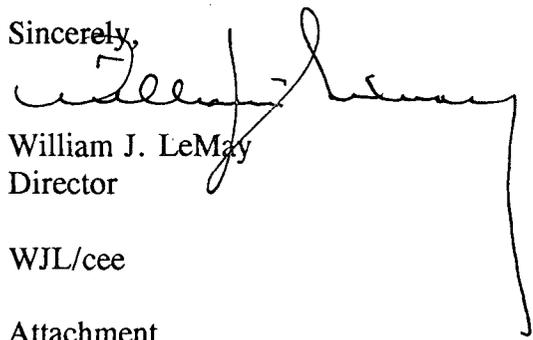
*Section 16, T17S, R30E  
CS*

Mr. Richard C. Jackson  
October 24, 1995  
Page 2

Please be advised that all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered nonhazardous to migratory birds. In addition, OCD Rule 310 prohibits oil from being stored or retained in earthen reservoir, or in open receptacles.

If you have any questions, please do not hesitate to contact Chris Eustice at (505) 827-7153.

Sincerely,

  
William J. LeMay  
Director

WJL/cee

Attachment

xc: OCD Hobbs Office