

ATTACHMENT TO DISCHARGE PLAN BW-25 APPROVAL
SALADO BRINE SALES NO. 2 BRINE FACILITY
DISCHARGE PLAN REQUIREMENTS
(September 1, 1993)

1. Brine Transfer Lines: All below-grade brine transfer lines will be tested for integrity once every five years with the first test conducted prior to the discharge plan renewal (September 1, 1998). Prior to conducting the integrity test the OCD will be notified of the exact method and date.
2. Sump Construction: All sumps and below-grade tanks will be approved by the OCD prior to installation and will incorporate secondary synthetic containment and leak detection in their designs. All leak detection systems will be inspected weekly and the OCD Santa Fe Office will be notified immediately upon discovery of fluids in any leak detection system.
3. Drum Storage: All drums will be stored on pad and curb type containment.
4. Tank Berming: All tanks that contain materials other than fresh water will be bermed to contain one and one-third times the capacity of the tank.
5. Spill Containment: All brine storage and transfer will be managed in such a manner to keep brine off of the ground surface. Any brine spilled onto the ground surface will be cleaned-up upon discovery.
6. Spill Reporting: All spills and/or leaks will be reported to the OCD Hobbs District Office pursuant to WQCC Rule 1-203 and OCD Rule 116.
7. Production Method: Fresh water will be injected down the annulus and brine will be recovered up the tubing. Reverse flow will be allowed once a month for a maximum of 24 hours for clean out.
8. Maximum Injection Pressure: The maximum operating injection pressure at the well head will be such that the fracture pressure of the injection formation (Salado) will not be exceeded.
9. Mechanical Integrity Testing: A mechanical integrity test will be conducted on the well annually. A pressure equal to one and one-half of the normal operating pressure will be maintained for four hours. The OCD will be notified prior to the test so that they may witness the test.
10. Cavity Configuration: A test will be conducted to determine the size and configuration of the mined cavity prior to discharge plan renewal (September 1, 1993). The method and time of testing will be approved by the OCD prior performing the test.

11. Production/Injection Volumes: The volumes of fluids injected (fresh water) and produced (brine) will be recorded monthly and submitted to the OCD Santa Fe Office quarterly.
12. Well Workovers Operations: OCD approval will be obtained prior to performing remedial work or any other workover. Approval will be requested at the OCD Hobbs District Office on OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103-A).
13. Closure: The OCD will be notified when operations of the facility is discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for OCD approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.