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GIL BUJANO, P.E.
ACTING DIRECTOR, OIL AND GAS DIVISION

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION
PERMIT TO MAINTAIN AND USE A PIT

Pit Permit No. P011057,
AMENDED
Supersedes Permit issued May 10, 2012

WASTE FACILITIES INC
P O BOX 541743
GRAND PRAIRE TX 75054

Based on information contained in your renewal and amendment application dated February 26, 2007, and subsequent information received to date, you are hereby authorized to maintain and use the pit designated herein:

Type of Pit: Water-Based and Treated Oil and Gas Waste Disposal Pit
Rancho Nuevo Disposal Pit No. 3
8500 FWL and 6700 FSWL of the San Francisco Juan Jose Manuel De La Garza Grant, A-216
Duval County, RRC District 04

Authority is granted to maintain and use the pit in accordance with Statewide Rule 8 and subject to the following conditions:

I. GENERAL PERMIT CONDITIONS

A. The effective date of this permit is May 31, 2012.

B. The authority granted by this permit expires May 30, 2017.

C. This permit may be considered for administrative renewal upon review by the Commission. Any request for renewal should be received at least 30 days prior to the permit expiration date.

D. This permit is nontransferable without the consent of the Commission.

E. This permit does not authorize the discharge of any oil and gas waste from the facility.

F. The permittee shall make records required under Condition I.I. of this permit available for review and/or copying during normal business hours upon request of Commission personnel.

G. Unless otherwise required by the conditions of this permit, construction, use maintenance, and closure of the pit shall be in accordance with the information represented on the application (Form H-11) and the attachments thereto.

H. Failure to comply with any provisions of this permit shall be cause for modification, suspension or termination of this permit.

I. The permittee shall submit a Quarterly Report containing the applicable information required in Conditions IV.E., and V.B. of this permit. The reporting periods shall be January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31 of each year. The Quarterly Reports shall be submitted to Technical Permitting in Austin no later than the 31st day of the month following each reporting period, or each January 31, April 30, July 31, and each October 31, respectively.

II. AUTHORIZED WASTES:

A. Water-based drilling fluids and associated cuttings with a chloride concentration of 3000 mg/l or less and with total petroleum hydrocarbons (TPH) of less than 1% by weight.

B. Nonhazardous oil and gas waste treated under landtreatment Permit No. LT-0078 and which pass the Paint Filter Test (EPA Method 9095) and meet the following criteria may be disposed of in the pit:

PARAMETER	LIMIT
chloride concentration	3000 ppm or less
* TPH	less than 1%
* pH	6 to 10 (standard units)
* SAR	12 or less
* Metals (mg/kg maximum):	
Arsenic	10
Barium	10,000
Beryllium	50
Cadmium	3
Chromium (TTL)	100
Cobalt	200
Copper	250
Lead	100
Manganese	1,000
Mercury	10
Molybdenum	5,000
Nickel	100

Selenium	5
Vanadium	500
Zinc	1,000

* Analyses required by Condition IV.D.1. of Landtreatment Permit No. LT-0078 may be used to show that the above criteria are met.

III. SITE CONSTRUCTION:

A. Before operations begin, the pit shall have security to prevent unauthorized access. Access shall be secured by a 24-hour attendant or a fence and locked gate when unattended.

B. A sign shall be posted at the pit, which shall show the pit permit number in numerals at least one inch in height.

C. The pit shall have a 1% slope so that any rainwater can be removed.

D. The capacity of the pit may not exceed 728,000 barrels. The pit shall be divided into sections consistent with the plat, which is attached to and incorporated as part of this permit as **Appendix-A**.

E. Interior berms, dividing the pit into sections, shall be constructed to a height of at least 3 feet and width at base of at least 6 feet. Intermediate berms, within sections, shall be constructed to a height of at least 2 feet and width at base of at least 6 feet.

F. At least 2 feet of freeboard must be maintained between the waste level in the pit and ground level at all times.

G. Dikes must be constructed to completely surround the pit at a height of 3 feet and width at base of 9 feet.

H. Four (4) monitor wells must be installed in the locations shown in Permit **Appendix-B**.
   1. The wells must be completed in accordance with 16 TAC Part 4, Chapter 76 (Water Well Drillers and water Well Pump Installers).
   2. The wells must be completed in the shallowest groundwater zone and the completion must isolate that zone from any deeper groundwater zone.
   3. The screened interval of the wells must be designed to intercept the top of the groundwater.
   4. Provision must be made to protect the well heads from damage by vehicles and heavy equipment.
   5. The following information must be submitted after the wells are completed:
      a. A soil boring log for each well, with the soils described using the Unified Soil Classification System (equivalent to ASTM D 2487 and

2488). The log must also include the method of drilling, total depth, and the top of the first encountered water or saturated soils.

b. A well installation diagram for each well.
c. A survey elevation for each well head reference point.
d. A potentiometric map showing static water levels and the calculated direction of groundwater flow.

IV. TESTING AND RECORD KEEPING REQUIREMENT:

A. For the purposes of this permit, a representative sample is defined as a composite sample composed of one grab sample from each 50 cubic yards of waste material.

B. Representative samples of all incoming treated waste from LT-0078 must be collected and must pass the Paint Filter Liquids Test (EPA Method 9095).

C. Representative samples of all incoming waste must be collected and tested for chloride concentration. The chloride concentration may not exceed 3000 ppm.

D. The permittee shall maintain the following records on each load of waste received at the facility for a period of three (3) years from the date of receipt:

1. carrier name;
2. amount of waste material received (specify units);
3. analyses required by Condition II. and IV.A., B., and C. above;
4. analyses required by Condition IV.D. of landtreatment Permit No. LT-0078, when applicable; and
5. location in pit in which the waste was placed.

E. The monitor wells must be monitored for the following parameters after installation and quarterly thereafter:

1. static water level
2. benzene
3. total petroleum hydrocarbons (TPH)
4. total dissolved solids (TDS)
5. chlorides
6. bromides
7. sulfates
8. nitrates
9. carbonates
10. calcium
11. magnesium
12. sodium
13. potassium

F. A report of the records required by Condition IV.D. and IV.E. above shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.I. of this permit

V. OPERATION

A. Treated waste from LT-0078 shall be applied evenly over the pit to a maximum thickness of 2 (two) feet per application. No additional treated waste from LT-0078 may be added until analyses of representative samples show that the TPH of the applied waste is ½ % by weight or less.

B. A report of the records required by Condition V.A. above shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.J. of this permit.

C. Any rainwater collected in the pit shall be disposed of in an authorized manner.

D. At least 2 feet of freeboard must be maintained between the waste level in the pit and ground level at all times.

E. When the level of waste in any area of the pit reaches two (2) feet below ground level, closure of that area shall commence.

VI. CLOSURE

A. Technical Permitting in Austin and the Corpus Christi District Office must be notified in writing 45 days prior to commencement of closure activities.

B. At least two (2) feet of soil shall be placed over the waste and the entire pit shall be compacted such that rainwater will not collect at the pit site.

C. The site shall be contoured to conform with the natural contour of the surrounding land and seeded with native vegetation.

This authorization is granted subject to review and cancellation should investigation show that such authorization is being abused.

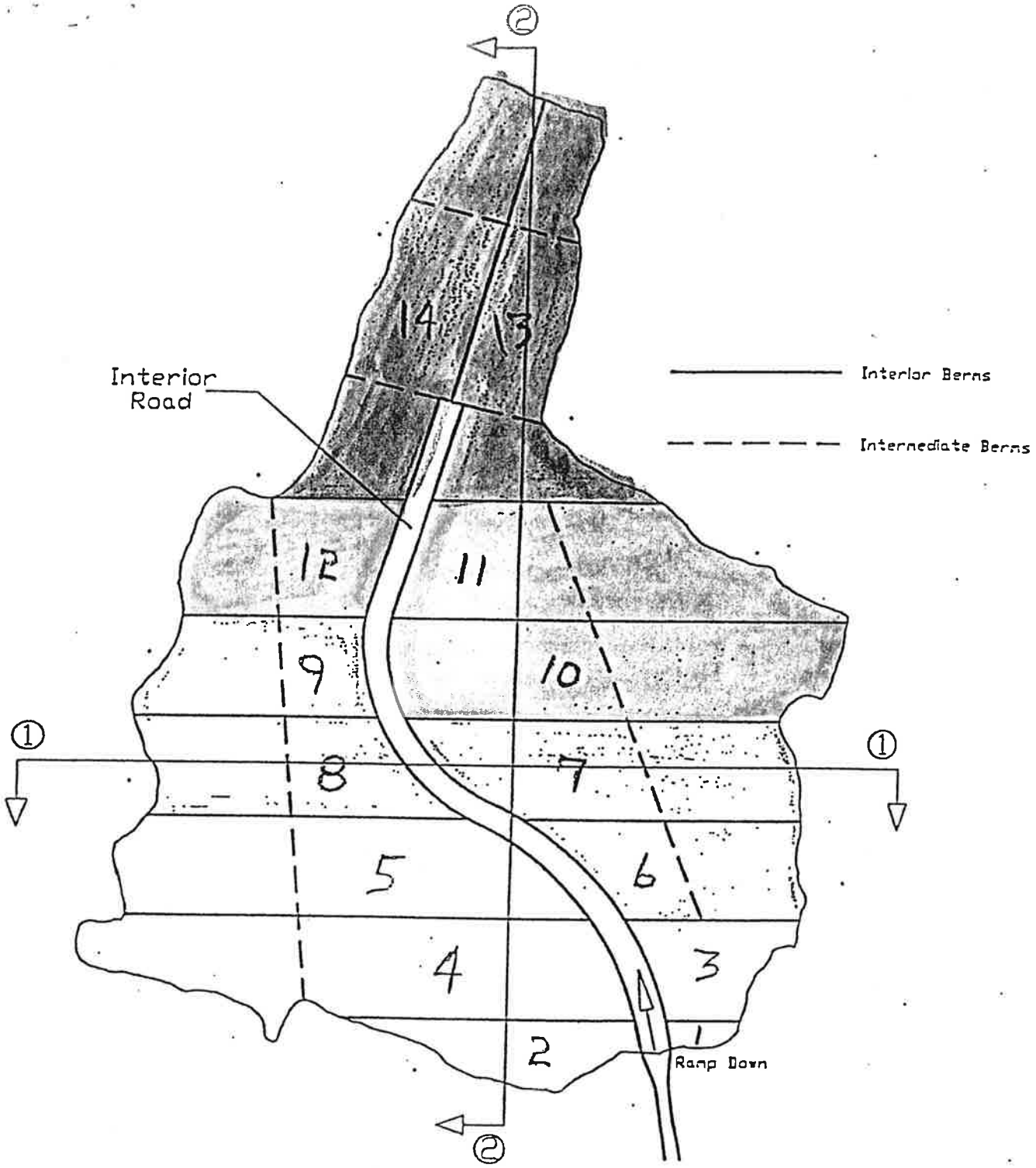
Note:

1) Renews authority for five years;
2) Amended to include Water-Based waste to Type of Pit
3) Amended to delete former condition I.A., to require financial security be submitted prior to receipt of any waste at the facility because financial security has been submitted and approved by the Commission;
4) Amended new Condition I.I., (former condition I.K.) to clarify reporting periods and report due dates.
5) Amended to add new Condition II.A.
6) Amended Condition II.B. to remove the word "only" in reference to the nonhazardous waste treated under landtreatment Permit No. LT-0078.
7) Amended Condition IV.B. to specify that the incoming waste is incoming treated waste from LT-0078.

8) Amended Condition IV.D.4. to add the phrase "when applicable"
9) Amended Condition V.A to specify the waste is treated waste from LT-0078.
10) Amended Condition V.B. to Quarterly Reporting instead of Semiannual Reporting.

Michael Sims

Michael Sims, P.E., Manager
Environmental Permits and Support
Technical Permitting



GRAPHIC SCALE

150' 300' 450'

RANCHO NUEVO DISPOSAL PIT #3

SECTION 1

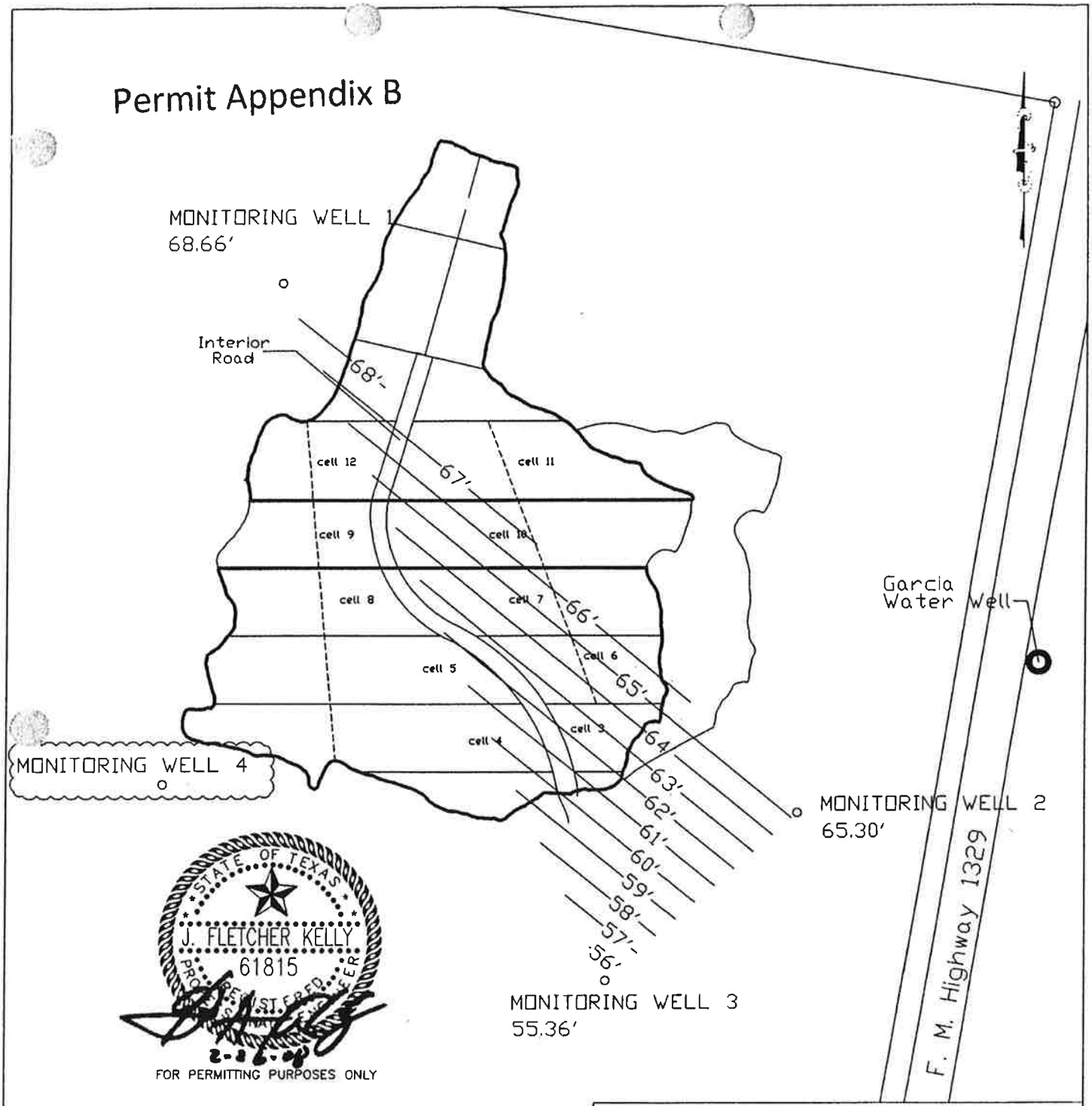
SECTION 2

SECTION 3

SECTION 4

Permit Appendix A

Permit Appendix B



STATE OF TEXAS
J. FLETCHER KELLY
61815
REGISTERED PROFESSIONAL ENGINEER

2-26-08

FOR PERMITTING PURPOSES ONLY

NOTE: 1. SAMPLING DATE 1/18/08

2. ELEVATIONS BASED ON ASSUMED 100FT BENCH ABOVE SEA LEVEL

GRAPHIC SCALE

0 200' 400' 600'

POTENTIOMETRIC MAP
RANCHO NUEVO DISPOSAL PIT 3
WASTE FACILITIES, INC.
DUVAL COUNTY, TEXAS

JFK GROUP, INC.

201 EAST SINTON STREET P.O. BOX 460, SINTON, TEXAS 78387

DRAWN BY: TE	SCALE AS SHOWN	SHEET NO.
APPV'D. BY: JFK	DATE: 2/26/08	1 OF 1
COMP. NO. \JOBS\9503\dcRANCHO3.DWG		

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