



# RAILROAD COMMISSION OF TEXAS

## OIL AND GAS DIVISION

### PERMIT TO RECEIVE, STORE, HANDLE AND SEPARATE CERTAIN NONHAZARDOUS OIL AND GAS WASTES

**RENEWED/AMENDED**  
**Permit No. STF-071**  
Supersedes the Permit Issued on  
June 29, 2018

STRADA SERVICES L.L.C.  
1775 PAHAL RD  
HUNTINGTON TX 75949

Based on information contained in the initial application received on December 23, 2013; the amendment request received on December 18, 2017; the renewal request received on June 25, 2019; and subsequent information received to date, you are hereby authorized to receive, store, handle, and separate certain non-hazardous oil and gas wastes as specified below at the following facility:

**Leon Co - Commercial Oil/Gas Waste Separation STF Facility – 17.39 Acres**  
T.C.R.R. Survey, A-1146  
Latitude, Longitude: 31.32555°, -95.81825°  
Leon County, Texas  
RRC District 05, Kilgore

#### NARRATIVE DESCRIPTION OF PROCESS:

Incoming oil and gas waste will be received into the collecting/washout tank. Waste is transferred to the fluid processing tank and centrifuge for active separation. The accumulated solids are moved, via gravity flow line, to a sludge tank for off-site disposal. The fluid wastes are pumped to the water filtration tank for processing then pumped to storage tanks for re-use during washout activities or sold for down-hole re-use. Excess fluid wastes will be transported to off-site disposal at a permitted Class II injection well.

Authority is granted by the Railroad Commission of Texas (RRC) to receive, store, and handle certain nonhazardous oil and gas wastes in accordance with Texas Administrative Code (TAC) Title 16, Part 1, Chapter 3.8 (Statewide Rule 8) and is subject to the following conditions:

## I. **General Permit Conditions**

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- A. The effective date of this permit is **November 5, 2019** and expires on **November 4, 2024**.
- B. In accordance with 16 TAC § 3.78 the permittee must maintain financial security in the amount of **\$87,249.36**, until the facility (**STF-071**) has been closed in accordance with this permit and all of the referenced equipment and storage tanks have been emptied and removed. Technical Permitting reserves the right to revise this amount, as necessary. Prior to any modification or expansion of this facility that would require increased financial security, an updated closure cost estimate must be submitted to Technical Permitting in Austin, and any additional financial security must be filed with and approved by the RRC prior to making that modification.
- C. A copy of the site-specific Spill Control Plan that details means and methods of waste management and containment in the event of a release or discharge must be maintained on-site and made available to RRC staff for review and inspection upon request.
- D. The facility's Stormwater Management Plan must be maintained on-site and made available upon request of the RRC.
- E. This permit does not authorize the discharge from the facility of any oil and gas waste, including contaminated or contact stormwater.
- F. The permittee may not receive, store, handle, or separate oil and gas waste at the facility until all necessary air permits (if any) are obtained from the Texas Commission on Environmental Quality (TCEQ).
- G. Unless otherwise required by conditions of this permit, construction, use, and maintenance of the facility must be in accordance with the information represented in the permit application and attachments thereto.
- H. An On-Site Sewage Facility (OSSF) may be constructed, operated, and maintained within the boundaries of the subject facility without an additional permit from the Commission if: (1) the OSSF waste is not commingled with any other oil and gas waste; (2) the system is designed by a Texas registered Professional Engineer or a sewage system installer licensed in the state of Texas; and (3) the construction, operation, and maintenance of the OSSF complies with all applicable local, county, and state requirements.
- I. Any deviation from this permit must be approved by amendment from Technical Permitting before implementation.
- J. Any soil additives, bio-accelerates or treatment chemicals must be approved by Technical Permitting prior to use at the facility.
- K. Safety Data Sheets (SDS) must be submitted to Technical Permitting for any chemical or compound proposed to be used in the treatment of waste at the facility. Use of the chemical is contingent upon RRC approval. All chemicals must be stored according to the manufacturer's specifications.

- L. All chemical laboratory analyses required by this permit must be performed using appropriate Environmental Protection Agency (EPA) methods or Standard Methods by an independent, National Environmental Laboratory Accreditation Program (NELAP) certified laboratory neither owned nor operated by the permittee. Any sample collected for laboratory analysis must be collected and preserved in a manner appropriate for that analytical method as specified by 40 CFR, Part 136. All geotechnical testing is to be performed utilizing tests standardized by the American Society for Testing and Materials (ASTM) and certified by a Texas licensed Professional Engineer.
- M. The permittee must make all records required by this permit available for review and copying during normal business hours upon request of RRC personnel.
- N. The permit may be considered for administrative renewal upon review by the RRC. Any application for renewal should be received at least **60 days prior** to the permit expiration date.
- O. The permit is **not transferable** without the consent of the RRC. Any request for transfer of this permit must be filed with Technical Permitting **at least 60 days** before the permittee wishes the transfer to take place.
- P. The permittee must submit a **Quarterly Report** according to the following:
  - 1. The report must contain applicable information as required in Permit Conditions III.F. and IV.K.
  - 2. The quarterly reporting periods must 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.
  - 3. The reports must be submitted to Technical Permitting and the appropriate District Office no later than the 30th day of the month following each reporting period, or each April 30th, July 30th, October 30th, and January 30th, respectively.
  - 4. An Executive Summary must be included that describes facility operations and relevant activities that occurred during the specific quarter.
  - 5. Data tables presenting volumes or amounts of treated waste must be included.
  - 6. The laboratory analytical reports and the corresponding chain of custody must be provided for all chemical analyses performed.
- Q. Failure to comply with any provision of this permit shall be cause for modification, suspension, termination or cancellation of this permit if Technical Permitting determines that the permittee is in violation of Statewide Rule 8 (d)(6)(E).

## II. **Authorized Wastes**

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- A. Only oil and gas wastes subject to the jurisdiction of the RRC that are exempt and non-hazardous according to Subtitle C (Resource Conservation and

Recovery Act (RCRA)) may be received. You may receive, store, handle, and separate only the following oil and gas wastes:

1. Produced formation water
  2. Produced hydraulic fracturing fluid
  3. Waste water from the washout of permitted oil and gas waste haulers
- B. No other waste may be accepted at this facility.
- C. No oil and gas Naturally Occurring Radioactive Material (NORM) waste, as defined in 16 TAC §4.603, or waste from a facility that is licensed by the Texas Department of State Health Services (DSHS) to process or treat oil and gas NORM waste may be received at this facility.
- D. No asbestos-containing material regulated under the Clean Air Act or polychlorinated biphenyls (PCB) material regulated under the Toxic Substances Control Act may be accepted for processing at this facility.
- E. All waste haulers received at the facility must be currently permitted RRC Oil and Gas Waste Haulers and must have the subject facility listed as an authorized disposal facility on their "*Oil and Gas Waste Hauler's Authority to use Approved Disposal/Injection System*", (Form WH-3).

### **III. Waste Testing and Record Keeping Requirements**

- A. For the purposes of this permit, a representative sample of incoming waste is defined as a composite sample composed of one grab sample from each 50 cubic yards of waste material from each job (e.g., from each well, pit, spill location).
- B. Each load of incoming waste, other than water-based drilling fluids and associated cuttings, or oil-based drilling fluid and associated cuttings, must be scanned for the presence of NORM using a scintillation meter with a sodium iodide detector or other equivalent devices that complies with 25 TAC §289.259, Texas Regulations for Control of Radiation (TRCR Part 46). Manufacturer's specifications must be submitted to Technical Permitting for equivalent devices used for NORM detection. Any load with a reading of 50 microentgens per hour or greater may not be unloaded or processed at the facility unless further analysis of the waste demonstrates that the waste does not exceed 30 picocuries per gram of Radium-226 **combined** with Radium-228, or 150 picocuries per gram of any other radionuclide. Current calibration records of all NORM screening devices must be maintained on-site and made available to RRC personnel upon request.

- C. **Prior** to receipt at the site, representative samples of waste from **commercial oil and gas facilities** must be analyzed for either of the parameters listed below and may not exceed the limitation for the respective parameters:

<u>PARAMETER</u>	<u>LIMITATION</u>
Total Organic Halides (TOX) (EPA Method 9020B)	100 mg/L
or	
Extractable Organic Halides (EOX) (EPA Method 9023)	100 mg/kg

Special authorization for disposal of waste with a TOX/EOX > 100 parts per million may be considered. Authority must be obtained from Technical Permitting prior to receipt of waste.

- D. The permittee must 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. Description of the site where the waste was generated, including:
    - a. Generator name
    - b. Lease name and number and well number(s), or gas ID number(s), or API well number(s); or latitude and longitude coordinates in decimal degrees if waste was not generated on a lease
    - c. County
  2. Name and RRC permit number of the transporter
  3. Volume of waste material received (specify units)
  4. Detailed description of the type of waste, including any analysis required by Permit Conditions III.B. and III.C. above.
- E. The permittee must maintain the following records on each load of waste **removed** from the facility for a period of three (3) years from the date of receipt:
1. Date waste is removed and hauled to a disposal facility
  2. Name and RRC permit number of the transporter
  3. Volume (specify units) of each shipment of waste hauled to a disposal facility
  4. Type of waste (basic sediment, water, water-based mud, etc.)
  5. Name and permit number of the facility to which the waste was hauled to for disposal
- F. A report must be submitted to Technical Permitting in Austin and the appropriate RRC District Office as part of the **Quarterly Report** required in Permit Condition I.P. and must include the following information:
1. A table summarizing all incoming waste, including the following:

- a. Generator name
  - b. Lease name and number and well number(s), or gas ID number(s), or American Petroleum Institute (API) well number(s); or latitude and longitude coordinates in decimal degrees if the waste was not generated on a lease
  - c. County
  - d. Name and RRC permit number(s) of the transporter(s)
  - e. Description and **total volume** (specify units) of waste from each job (for which Permit Conditions III.D.1.a, III.D.1.b., and III.D.1.c are the same)
  - f. The total volume of each type of waste material received during the quarter
2. A table summarizing all waste removed from the facility, including the following:
    - a. Name and permit number of the disposal facility
    - b. Name and RRC permit number(s) of the transporter(s)
    - c. Description and **total volume** (specify units) of waste hauled to the disposal facility
    - d. The total volume of each type of waste that leaves the facility for disposal or final disposition during the quarter
  3. Copies of all analyses required by Permit Conditions III.B. and III.C. above

#### **IV. General Facility Design and Maintenance Requirements**

- A. The general layout and arrangement of the facility must be consistent with the "Site Plan" and "Storage Tanks" diagrams, received on March 6, 2014, which are attached as **Permit Appendix A**.
- B. A sign must be posted at each entrance to the facility. The sign must be readily visible and show the operator name, facility name, and permit number in letters and numerals at least three inches in height.
- C. The entire facility must consist of, and is defined by, the following waste management unit designations:
  1. Three (3) Truck Unloading/Washout Bays
  2. One (1) 350-bbl Collecting/Washout Tank
  3. One (1) 350-bbl Washout Tank
  4. One (1) 500-bbl Gunbarrel Tank
  5. One (1) 2-Phase Centrifuge

6. One (1) 210-bbl Used Oil Tank
  7. One (1) 350-bbl Fluid Processing Tank
  8. One (1) 400-bbl Water Filtration Tank
  9. One (1) 400-bbl Contaminated Water Tank
  10. One (1) 400-bbl Produced/Reclaimed Water Tank
  11. One (1) 400-bbl Fresh Water Tank
  12. One (1) 400-bbl Solids Catch Tank
  13. Eight (8) 400-bbl Storage Tanks
- D. No waste, treated or untreated, may be placed directly on the ground.
- E. All storage tanks, equipment and roll-off boxes must be maintained in a leak-free condition. If inspection of a tank reveals deterioration or leaks, the tank must be repaired before resuming use of the tank.
- F. Any spill of waste, chemical, or any other material must be collected and cleaned up within 24 hours and processed or disposed of in an authorized manner.
- G. Any chemical used in the treatment process must be stored in vessels designed for the safe storage of the particular chemical and these vessels must be maintained in a leak free condition.
- H. Dikes or containment structures must be constructed around all waste management units. All earthen dikes surrounding pits and constructed as perimeter berms must be compacted or constructed of material that meets 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density and meet a permeability of  $1 \times 10^{-7}$  cm/sec or less when compacted. During construction, successive lifts should not exceed nine inches in thickness, and the surface between lifts should be scarified to achieve a good seal. Each berm must maintain a slope no steeper than a one to three (vertical to horizontal) ratio, unless constructed of concrete or equivalent material (firewalls). These structures must be used to divert non-contact storm water around the waste management areas and contain and isolate contact storm water within the waste management units. Refer to the stormwater management requirements specified in Permit Condition VI.
- I. The facility must maintain security to prevent unauthorized access. Access must be maintained by a 24-hour attendant or a six-foot-high security fence and locked gate when unattended. Fencing shall be required unless terrain or vegetation prevents vehicle or livestock access except through entrances with lockable gates.
- J. No oil may be allowed to accumulate on top of the water or wastes stored in the pit. Any oil on top of any waste liquids must be skimmed off and handled in accordance with RRC rules. Any recovered oil must be recorded and filed as either a Skim Oil/Condensate Report (Form P-18) or a "Letter of Authority Request for Oil Movement" (Form T-1) Letter:

1. A Skim Oil/Condensate Report (Form P-18) must be filed with the RRC every month to record skim oil volumes recovered and sold during the operation of this facility. If no skim oil is recovered for a given month, a (Form P-18) should still be filed with the RRC.

**OR**

2. An original signed "*Letter of Authority Request for Oil Movement*" (Form T-1) must initially be submitted on letterhead to Field Operations, Austin, TX, Oil and Gas Division, for every event in which sellable skim oil is recovered and intended to be sold during the operation of this facility. Filing frequency requirements may be redefined after the initial oil movement request has been processed. The request must include:
  - a. The time period for which oil movement authority is requested
  - b. The name of the applicant requesting to move the oil
  - c. Volume (barrels) of oil to be moved
  - d. Name and location of the facility which oil will be moved
  - e. Name, address, telephone, and fax number of facility buying the oil to be moved
  - f. Contact person, T-1 permit number, and P-5 Operator Number of the oil buyer
  - g. A description of the source(s) of the oil at the facility
- K. Each month an inspection of the entire facility must be performed on all concrete slabs, processing equipment, containment berms, and aboveground storage tanks or vessels for deterioration, leaks and spills. The records of each inspection must be kept on-site and maintained for a period of three (3) years from the date of the inspection. The following must be included in the inspection report and submitted as part of the **Quarterly Report** required by Permit Condition I.P.:
  1. The results of the monthly inspection of concrete slabs within the facility for evidence of deterioration, leakage, or storm water run-on, and a description of corrective action taken, if any.
  2. The results of the monthly inspection of process equipment, tanks, and roll-off boxes for evidence of deterioration or leakage, and a description of corrective action taken, if any.
  3. The results of the monthly inspection of waste levels within the storage areas, tanks, and roll-off boxes, and a description of corrective action taken, if any.
  4. The results of the monthly inspections of the silt fencing/rock filter dams installed to control and modulate run-off to surface waters and indicate whether debris has been removed.

## V. **Truck Unloading/Washout Bay Area and the Storage Tank Area Construction and Operation**

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- A. The general layout and arrangement of the Truck Unloading/Washout Bay Area and the Storage Tank Area must be consistent with the "*Site Plan*" and "*Storage Tanks*" diagrams, received on March 6, 2014, which are attached as **Permit Appendix A**.
- B. Spills within the secondary containment areas must be containerized immediately and contact stormwater must be managed as waste and disposed of in an authorized manner.
- C. All storage tanks containing fluid waste or fuel must be contained within dikes. Secondary containment of 120% total storage capacity is recommended, however a firewall capacity that will capture 100% of the volume of the largest tank plus the volume of a 25 year/ 24-hour rainfall event for Leon County is acceptable.
- D. The containment for the Storage Tank Area must be lined with a 20-mil High Density Polyethylene (HDPE) liner overlain by compacted clay and one foot of sand and gravel. The dikes (curbs) constructed for the Storage Tank Area must be at least two (2) feet in height and meet the requirements outlined in Permit Condition IV.H.
- E. The concrete Truck Unloading/ Washout Bay Area must consist of an above-grade structure that is approximately 50 feet by 50 feet. The slab must be constructed of reinforced concrete of at least 18 inches. A concrete firewall that is at least 2 feet 6 inches in height and 18 inches thick must be constructed on the north, south, and east sides of the Truck Unloading/ Washout Bay Area.
- F. The Truck Unloading/ Washout Bay Area must be sloped to convey wastes to the washout frac tank. The Truck Unloading/ Washout Bay Area must not be used to stage or store incoming waste or the rinsate wastewater that is generated while conducting washout activities.
- G. The area surrounding the Truck Unloading/ Washout Bay Area must be graded such that all surfaces slope away from the area to prevent surface flow stormwater from entering the bays and the tanks.
- H. Waste must be transferred from the Truck Unloading/ Washout Bay Area to a 350 bbl collecting/ washout frac tank that is constructed of steel and accessible on all sides.
- I. The collecting/ washout frac tank must be no greater than 12 feet by 32 feet by 5 feet deep, with a usable capacity not to exceed **350 bbl** of waste.
- J. The waste separation area must be lined with a 18-inch concrete slab over compacted clay. The concrete slab has a concrete firewall 2 feet high on three sides and 5 feet 6 inches high on the western uphill side.
- K. The liner systems must be installed and maintained in accordance with best management and sound engineering practices.

## VI. Stormwater Control

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- A. The facility and all waste management units must be designed and constructed to contain and isolate contact stormwater and prevent run-on of non-contact stormwater.
- B. All above-ground storage tanks must be contained within dikes. Dikes must be constructed and maintained at a minimum to contain the largest tank's maximum capacity, plus freeboard to contain a 25-year, 24-hour storm event volume for Leon County.
- C. Berms and other containment structures must be constructed around all waste management units and storage areas. These structures must be used to divert non-contact stormwater around the waste management areas, and isolate and contain contact stormwater within the waste management units. Berms must meet compaction criteria as specified in Permit Condition IV.H.
- D. Any stormwater that has accumulated within the firewalls of tanks will be considered contact stormwater. Contact stormwater must be collected and/or containerized within 24 hours and disposed of in an authorized manner or used in the treatment process.
- E. A discharge permit from the EPA may be required for non-contact stormwater discharges. If required, the permit from the EPA must be in place prior to commencement of discharge operations.

## VII. Facility Closure

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- A. Technical Permitting and the appropriate District Office must be notified in writing at least 45 days prior to commencement of all facility closure activities. **The permittee must submit a closure plan to Technical Permitting in Austin to be reviewed and approved prior to beginning closure activities.**
- B. Unless otherwise specified by this permit, all waste, chemicals, and waste-related materials must be processed and removed from the facility and disposed of in an authorized manner.
- C. All processing equipment, above-ground storage tanks, and any other non-maintenance related equipment must be cleaned and removed from the facility. The contents of all tanks, vessels, or other containers must be disposed of in an authorized manner.
- D. All concrete pads must be steam cleaned and demolished and the rubble and wash water disposed of in an authorized manner.
- E. Affected soils underlying the concrete pads must be removed and disposed of in an authorized manner.
- F. The entire facility must be backfilled as necessary, contoured to original grade and re-vegetated as appropriate for the geographic region.

G. Closure of the Truck Unloading/Washout Bay Area, Storage Tank Area, and Separation Area must be as follows:

1. All wastes, including clay or synthetic liners, must be removed and disposed of in an authorized manner.
2. The concrete areas, concrete pads, washout bays and access roads must be cleaned and demolished, and the concrete rubble and wash-water must be disposed of in an authorized manner. All visually contaminated soils must be excavated and removed. The contaminated soil must be disposed of in an authorized manner
3. Once waste removal is completed, a soil sampling plan must be submitted to Technical Permitting to characterize the scope of contamination (if any) at the facility. After the removal of wastes, composite soil samples must be taken comprised of a minimum of five representative soil samples per acre. Samples must be taken from around and underneath the former Truck Unloading/Washout Bay Area, Storage Tank Area, and Separation Area.
4. Soil samples must be analyzed for the parameters listed in Permit Condition VII.H., and the specified limitations must not be exceeded.
5. Any soil sample that exceeds the parameter limitations specified in Permit Condition VII.H. is considered waste and must be disposed of at an authorized disposal facility.

H. Soil samples must be analyzed for the following parameters and not exceed the corresponding constituent limitations:

<u>PARAMETER</u>	<u>LIMITATION</u>
pH <i>EPA Method 9045C</i>	6 to 10 standard units
Electrical Conductivity (EC) <i>Louisiana Dept. of Natural Resources Lab Procedures for Analysis of Exploration &amp; Production Waste or equivalent</i>	≤ 4.0 mmhos/cm or background, if established
Total Petroleum Hydrocarbon (TPH) <i>Method 5035A/TX1005</i>	≤ 10,000 mg/kg or 1% by weight
Total Benzene, Toluene, Ethylbenzene, Xylenes (BTEX) <i>EPA Method 5035A/8021/8260B</i>	≤ 30 mg/kg
Metals (Total) <i>EPA Method 6010/6020/7471A</i>	
Arsenic	≤ 10 mg/kg
Barium	≤ 10,000 mg/kg
Cadmium	≤ 10 mg/kg
Chromium	≤ 100 mg/kg
Lead	≤ 200 mg/kg

<u>PARAMETER</u>	<u>LIMITATION</u>
Mercury	≤ 10 mg/kg
Selenium	≤ 10 mg/kg
Silver	≤ 200 mg/kg

- I. A summary of the soil sampling required by Permit Condition VII.G. must include:
  1. A map drawn to scale with coordinates of the sampling locations
  2. A table indicating the results of the parameters sampled
  3. The date of sampling
  4. The approximate depth of the sample below land surface
  5. Copies of the laboratory analytical reports and chain of custody

Upon final closure, the appropriate District Office and Technical Permitting in Austin must be notified in writing.

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

APPROVED AND ISSUED ON November 5, 2019.



Tiffany Humberson, Manager  
Environmental Permits & Support  
Technical Permitting

Attachment: Permit Appendix A

Notes:

1. The Collecting/Washout Pit P012057 permit was canceled on November 5, 2019 because it did not meet the criteria for a pit.
2. The permit language has been updated to be consistent with changes in standard permitting.
3. The financial security amount of \$87,249.36 has not changed.

# PERMIT APPENDIX A

Site Plan

