RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

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

AMENDED/RENEWED
Permit No. STF-030, P011654A,
P011654B and P011655
Supercedes Permit Dated April 4, 2014

TOPCAT TRUCK WASH, LLC
P O BOX 921
KILGORE, TX 75663

Based on information contained in the original application dated January 4, 2011, the transfer request received March 13, 2013, the amendment request received October 14, 2013, the renewal request received June 24, 2014, and subsequent information received to date, you are hereby authorized to receive, store, handle, and treat certain oil and gas wastes as specified below at the following facility:

Waskom Treatment Facility
S. Dickerson Survey, A-222
Latitude and Longitude: 32.480704°, -94.088901°
Harrison County, Texas
RRC District 06, Kilgore

NARRATIVE DESCRIPTION OF PROCESS:

Incoming waste is offloaded into two aboveground staging tanks. The waste is directed through piping to the centrifuges where solids and fluids are separated. Separated solids are conveyed to the Mixing Pit and separated liquids are pumped to the Washout Pit. Vacuum trucks are directed to the Washout Pit and rinsed with recycled wastewater from the washout of vehicles and the mud separation process. The accumulated fluids in the Washout Pit drain to a sump and then are pumped into the aboveground storage tanks. Excess fluids from the storage tanks may be piped to three frac tanks for final settling prior to being loaded onto trucks and hauled to an off-site to the Class II injection well for disposal. Solids conveyed from the centrifuges to the mixing tank are stabilized with fly ash prior to removal and disposal at an off-site permitted disposal facility. Excess stabilized solids from the Mixing Pit may be stored in the Solids Storage Pit prior to removal and disposal.
Authority is granted to receive, store, handle, and treat 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

A. The effective date of this permit is February 5, 2016 and expires on February 6, 2021.

B. The permittee shall maintain financial security in the amount of $494,665.00 covering Permit Nos. STF-030, P011654A, P011654B and P011655 until this facility has been closed in accordance with this permit. Technical Permitting reserves the right to revise this amount, as necessary. Prior to any modification 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 Railroad Commission of Texas (RRC) prior to making that modification.

C. The permittee may not receive, store, handle, or treat oil and gas waste at the facility until all necessary air permits are obtained from the Texas Commission on Environmental Quality (TCEQ).

D. 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: the OSSF waste is not commingled with any other oil and gas waste; the system is designed by a Professional Engineer registered in the state of Texas or a sewage system installer licensed in the state of Texas; and the construction, operation, and maintenance of the OSSF complies with all applicable local, county, and state requirements.

E. 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.

F. Any deviation from this permit must be approved by amendment from Technical Permitting in Austin before implementation.

G. This permit does not authorize discharge from the facility of any oil and gas waste, including contaminated storm water.

H. Any soil additives or treatment chemicals must be approved by Technical Permitting prior to use at the facility.

I. Safety Data Sheets (SDS) must be submitted to Technical Permitting in Austin for any chemical proposed to be used in the treatment of waste at the facility. Use of the compound is contingent upon RRC approval.

J. All chemical laboratory analyses required to be performed in accordance with this permit must be performed using appropriate Environmental Protection Agency (EPA) 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 in 40 CFR, Part 136.

K. The permittee must make all records required by this permit available for review and/or copying during normal business hours upon request of RRC personnel.

L. This permit may be considered for administrative renewal upon review by the RRC. Any request for renewal should be received at least 60 days prior to the permit expiration date.

M. This permit is nontransferable without consent of the RRC. Any request for permit transfer must be filed with Technical Permitting in Austin at least 60 days before the permittee wishes the transfer to take place.

N. The permittee shall submit a Quarterly Report according to the following:

1. The report shall contain applicable information as required in Conditions III.E, IV.I., VI.I., VII.I., VIII.J., X.C., and XII.E. of this permit.

2. The quarterly 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.

3. The reports shall be submitted to Technical Permitting in Austin 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 shall 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 shall be included.

6. Analytical results as specified in Permit Conditions III.C., X.B., and XI.H shall be included.

7. The laboratory analytical reports and the corresponding chain of custody shall be provided for all chemical analyses performed.

O. Failure to comply with any provision of this permit shall be cause for modification, suspension, termination or cancellation if Technical Permitting determines that the permittee is in violation of Statewide Rule 8 (6) (E).

II. AUTHORIZED WASTES

A. Only oil and gas wastes subject to the jurisdiction of the RRC that are non-hazardous or exempt from the Resource Conservation and Recovery Act (RCRA), Subtitle C may be received. You may receive, store, handle, treat and process only the following oil and gas wastes:
1. Water based drilling fluids and associated cuttings;
2. Oil based drilling fluids and associated cuttings;
3. Contaminated soils from crude oil spills, gathering pipeline, condensate and saltwater spills;
4. Formation sands and other solids from saltwater storage tanks or vessels and non-commercial saltwater pits;
5. Production tank bottoms which do not exceed 7% in oil content as determined by a Standard American Petroleum Institute (API) Shakeout.

B. This permit does not authorize the reclamation of crude oil from oil and gas waste. A request for authorization under Chapter 3.57 (Statewide Rule 57) must be submitted to Technical Permitting in Austin prior to any reclamation activities at the referenced facility.

C. No oil and gas Naturally Occurring Radioactive Material (NORM) waste as defined in 16 TAC §4.603 (Oil and Gas NORM) 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 the 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. No other waste may be accepted at this facility.

F. The permittee shall not accept waste from a waste hauler unless the waste hauler has an RRC issued waste hauler permit and is authorized to deposit waste at this facility.

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 comply 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 microroentgens 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 Radium-226 combined with Radium-228, and 150 picocuries per gram of any other radionuclide.
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 limit for the respective parameters:

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>LIMITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Organic Halides (TOX)</td>
<td>≤ 100 mg/l</td>
</tr>
<tr>
<td>(EPA Method 9020B)</td>
<td></td>
</tr>
<tr>
<td>or Extractable Organic Halides (EOX)</td>
<td>≤ 100 mg/kg</td>
</tr>
<tr>
<td>(EPA Method 9023)</td>
<td></td>
</tr>
</tbody>
</table>

Special authorization for disposal of waste with a TOX/EOX > 100 ppm may be considered. Authority must be obtained from Technical Permitting in Austin prior to receipt and acceptance of waste.

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

1. Description of the site where the waste was generated, including:
   i. Generator name;
   ii. Lease name, lease number, or gas ID number, and well number or API well number;
   iii. County;
   iv. Waste hauler name;

2. Volume of waste material received (specify units);

3. Type and description of waste (e.g. oil-based drilling fluid, tank bottoms, etc.). For soils contaminated with produced water, crude oil or condensate, indicate how it was determined that the waste is exempt from RCRA, Subtitle C;

4. Copies of all laboratory analytical results and chain of custody required by Conditions III.B. and III.C.

E. A report of all records required by Conditions III.D above, as well as a summary of waste receipts including the cumulative volume of each type of material received must be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.N. of this permit. If no waste was received during the quarter a written statement indicating that no waste was received must be submitted to Technical Permitting in Austin as part of the Quarterly Report.
IV. GENERAL FACILITY CONSTRUCTION AND MAINTENANCE REQUIREMENTS

A. The general layout and arrangement of the facility shall be consistent with the “SITE MAP” (Figure 1) received September 28, 2015, which is attached to and incorporated as part of this permit 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. Earthen berms must be constructed on the west and north sides of the facility to a height of three-feet with a slope that may not exceed 1:3 (height: width) ratio. Berms or containment structures must be constructed around all waste management units and must be compacted or constructed of material that meets or exceeds 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density. Each berm shall maintain a slope no steeper than a three to one (horizontal to vertical) 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 storm water within the waste management units. Refer to the storm water management requirements specified in Permit Conditions IX.

D. No waste, treated or untreated, may be placed 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 through the treatment process or disposed of in an authorized manner.

G. Any chemical used in the treatment process shall be stored in vessels designed for the safe storage of the particular compound and these vessels shall be maintained in a leak free condition.

H. The facility shall maintain security to prevent unauthorized access. Access shall be secured by a 24-hour attendant or a six foot high security fence and locked gates when unattended. The three locked gates must be installed at the locations indicated on the “SITE MAP” (Figure 1), provided in Permit Appendix A. Fencing shall be required unless terrain or vegetation prevents truck or livestock access except through entrances with lockable gates.

I. Each month an inspection of the entire facility must be performed on all concrete slabs, processing equipment, berms, and aboveground storage tanks for deterioration, leaks and spills. Records of each inspection must be kept on-site and submitted as part of the Quarterly Report required by Condition I.N. of this permit.
J. The permittee must maintain the following records for a period of three (3) years from the date of the inspection as required by Permit Condition IV.I:

1. The results of the monthly inspection of concrete slabs, berms and firewalls 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.

V. CONSTRUCTION AND OPERATION OF THE UNLOADING/PROCESSING AND STORAGE AREA

A. The Unloading/Processing and Storage Areas shall consist of reinforced concrete with a minimum thickness of 12-inches. The following equipment shall be located on the unloading/processing area:

   a. One 400-bbl oil tank;
   b. Two 500-bbl centrifuges;
   c. Two 400-bbl unloading tanks
   d. Four 400-bbl salt water tanks.

B. The concrete liner must be installed and maintained in accordance with best management and sound engineering practices.

C. The three 500-bbl open top frac tanks shall be located adjacent to the concrete storage area on the ground surrounded by earthen berms.

D. All the storage tanks containing fluid waste or fuel shall be contained within dikes. Secondary containment of 120% total storage capacity is recommended, however a minimum capacity consistent with the EPA’s rules governing Spill Prevention Control and Countermeasure (SPCC) Plans as specified 40 CFR Part 112, is acceptable that will capture 100% of capacity and the volume of a 25 year/24-hour rainfall event for Harrison County is acceptable.

E. No additional equipment or storage tanks may be added without prior written approval by Technical Permitting. A request for any additional equipment must be submitted in writing to Technical Permitting for review.
VI. CONSTRUCTION AND OPERATION OF WASHOUT/COLLECTING PIT (P011654A)

A. The general layout and arrangement of the Washout Pit (P011654A) must be consistent with the “SITE PLAN” schematic provided in Permit Appendix A and the “WASHOUT PIT P-011654A” diagram, received on June 16, 2015, which is attached to and incorporated into this permit as Permit Appendix B.

B. A sign shall be posted identifying the Washout Pit using letters at least three inches in height.

C. The Washout Pit (P011654A) must be 150-feet long by 60-feet wide. The pit must be lined with reinforced concrete with a minimum thickness of 12-inches. The concrete pit walls shall be 52-inches to 24-inches in height and six-inches wide.

D. The usable capacity for the Washout Pit shall not exceed 3,200 barrels or 665 cubic yards.

E. Use of the pit is limited to the collection of drilling fluids and wastewater from the washout of trucks. No other oil field fluids or oil and gas wastes may be stored or disposed of in the pit.

F. At least two foot of freeboard must be maintained between the fluid level in the pit and the top of the concrete wall for the pit.

G. The concrete liner must be installed and maintained in accordance with best management and sound engineering practices.

H. The paved road surrounding the pit must be graded such that all surfaces slope away from the pit to prevent surface flow storm water from entering the pit.

I. The pit must be emptied and visually inspected annually for deterioration and leaks. A record of this inspection and photographs of the interior of the pit must be maintained and shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.N. of this permit. The Kilgore District Office must be notified by phone or email at least 48 hours before emptying the pit for inspection.

J. The concrete liner must be inspected whenever evidence of liner leakage arises. If inspection of the liner reveals a leak or other loss of liner integrity, the liner must be replaced or repaired and re-inspected by RRC personnel before resuming use of the pit.

K. No oil may be allowed to accumulate on top of the water or wastes stored in the pit. Any oil on top of the liquids must be skimmed off and handled in accordance with RRC rules. A Skim Oil/Condensate Report (Form P-18) must be filed for every month in which skim oil is recovered and then subsequently sold during the operation of this facility.

L. This permit does not authorize discharge of waste from the pit to the surface or surface water.
M. Unless otherwise required by conditions of this permit, construction, use, and maintenance of the pit must be in accordance with the information represented on the application (Form H-11) and attachments thereto.

VII. CONSTRUCTION AND OPERATION OF MIXING PIT (P011654B)

A. The general layout and arrangement of the Mixing Pit must be consistent with the “SITE PLAN” schematic provided in Permit Appendix A and the “MIXING PIT P-011654B” diagram, received on June 16, 2015, which is attached to and incorporated into this permit as Permit Appendix C.

B. A sign shall be posted identifying the Mixing Pit using letters at least three inches in height.

C. The Mixing Pit (P011654B) must have dimensions no greater than 150-feet by 50-feet wide. The pit must be lined with reinforced concrete with a minimum thickness of 12-inches. The concrete pit walls shall be 30-inches to 12-inches in height and six-inches wide.

D. The capacity must not exceed 2,665 barrels or 554 cubic yards.

E. Use of the pit is limited to the collection of solid wastes prior to off-site disposal. No other oil field fluids or oil and gas wastes may be stored or disposed of in the pit.

F. At least two foot of freeboard must be maintained between the top of the waste and the top of the concrete wall for the pit.

G. The concrete liner must be installed and maintained in accordance with best management and sound engineering practices.

H. The paved road surrounding the pit must be graded such that all surfaces slope away from the pit to prevent surface flow storm water from entering the pit.

I. Each pit must be emptied and visually inspected annually for deterioration and leaks. A record of this inspection and photographs of the interior of the pit must be maintained and shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.N. of this permit. The Kilgore District Office must be notified by phone or email at least 48 hours before emptying the pit for inspection.

J. The concrete liner must be inspected whenever evidence of liner leakage arises. If inspection of the liner reveals a leak or other loss of liner integrity, the liner must be replaced or repaired and re-inspected by RRC personnel before resuming use of the pit.

K. No oil may be allowed to accumulate on top of the water or wastes stored in the pit. Any oil on top of the liquids must be skimmed off and handled in accordance with RRC rules. A Skim Oil/Condensate Report (Form P-18) must be filed for every month in which skim oil is recovered and then subsequently sold during the operation of this facility.
L. This permit does not authorize discharge of waste from the pit to the surface or surface water.

M. Unless otherwise required by conditions of this permit, construction, use, and maintenance of the pit must be in accordance with the information represented on the applications (Form H-11’s) and attachments thereto.

VIII. CONSTRUCTION AND OPERATION OF MATERIAL STORAGE PIT (P011655)

A. The general layout and arrangement of the Material Storage Pit must be consistent with the “SITE PLAN” schematic provided in Permit appendix A and the “MATERIAL STORAGE PIT P-011655” diagram, received on September 28, 2015, which is attached to and incorporated into this permit as Permit Appendix D.

B. A sign shall be posted identifying the Material Storage Pit using letters at least three inches in height.

C. Prior to resuming use of the Material Storage Pit, the Kilgore District Office must be notified in writing.

D. The Material Storage Pit (P011655) must have dimensions no greater than 150-feet by 60-feet wide. The pit must be lined with reinforced concrete with a minimum thickness of 12-inches. The concrete pit walls shall be seven-feet to four-feet in height and six-inches wide.

E. The capacity must not exceed 4,167 barrels or 866 cubic yards.

F. Use of the pits is limited to the collection of solid wastes prior to off-site disposal. No other oil field fluids or oil and gas wastes may be stored or staged in the pit.

G. At least two foot of freeboard must be maintained between the top of the waste and the top of the concrete wall for the pit.

H. The concrete liner must be installed and maintained in accordance with best management and sound engineering practices.

I. The paved road surrounding the pit must be graded such that all surfaces slope away from the pit to prevent surface flow storm water from entering the pit.

J. Each pit must be emptied and visually inspected annually for deterioration and leaks. A record of this inspection and photographs of the interior of the pit must be maintained and shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Condition I.N. of this permit. The Kilgore District Office must be notified by phone or email at least 48 hours before emptying the pit for inspection.

K. The concrete liner must be inspected whenever evidence of liner leakage arises. If inspection of the liner reveals a leak or other loss of liner integrity, the liner must be replaced or repaired and re-inspected by RRC personnel before resuming use of the pit.

L. No oil may be allowed to accumulate on top of the water or wastes stored in the pit. Any oil on top of the liquids must be skimmed off and handled in accordance with
RRC rules. A Skim Oil/Condensate Report (Form P-18) must be filed for every month in which skim oil is recovered and then subsequently sold during the operation of this facility.

M. This permit does not authorize discharge of waste from the pit to the surface or surface water.

N. Unless otherwise required by conditions of this permit, construction, use, and maintenance of the pit must be in accordance with the information represented on the applications (Form H-11’s) and attachments thereto.

IX. STORMWATER CONTROL

A. This permit does not authorize the discharge of oil and gas waste or stormwater that has come into contact with oil and gas waste.

B. Stormwater collected in the treatment facility area must be disposed of in an authorized manner.

C. Any storm water within the facility’s outer most berm will be considered contact storm water. Contact storm water must be collected immediately and must be subsequently disposed of in an authorized manner or used in the treatment process.

D. 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.

X. GROUNDWATER MONITORING

A. Four groundwater monitor wells must be installed and numbered as represented on the “SITE MAP” (Figure 1) provided in Permit Appendix A.

1. The wells must be completed by a certified water well driller in accordance with 16 TAC Part 4, Chapter 76 (Water Well Drillers and Water Well Pump Installers).

2. The wells must be completed to penetrate 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 at least five feet of groundwater.

4. Provision must be made to protect the well heads from damage by vehicles and heavy equipment.

5. The wells must be water tight at the surface and fitted with a lockable water tight expansion cap.

6. The following information must be submitted after the wells are completed:
a. A soil boring lithological log for the well, with the soils described using the Unified Soil Classification System (equivalent to ASTM D 2487 and ASTM D 2488). The log must also include the method of drilling, well specifications, slot size, riser and screen length, bentonite and cement intervals, total depth, and the top of the first encountered water or saturated soils. The sand pack size should be compatible with well screen and slot size, as well as the local lithology.

b. A well installation diagram detailing construction specifications for each well.

c. A survey elevation for each well head reference point (top of casing) relative to a real or arbitrary benchmark and mean sea level.

d. A potentiometric map showing static water levels and the estimated direction of groundwater flow and the calculated gradient.

B. The groundwater monitoring wells must be sampled or monitored for the following parameters after installation and quarterly thereafter:

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>LIMITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Static water level Feet Below Ground Surface (bgs)</td>
<td>Report</td>
</tr>
<tr>
<td>Total Petroleum Hydrocarbon (TPH) mg/L (EPA Method TX 1005)</td>
<td>Report</td>
</tr>
<tr>
<td>Benzene mg/L (EPA Method 602 or equivalent)</td>
<td>Report</td>
</tr>
<tr>
<td>Total Dissolved Solids (TDS) mg/L EPA Method 2540C or equivalent</td>
<td>Report</td>
</tr>
<tr>
<td>pH Standard Units (S.U.) EPA Method 150.1, 150.2, or equivalent</td>
<td>Report</td>
</tr>
<tr>
<td>Soluble Cations: mg/L Calcium, Magnesium, Potassium, and Sodium (EPA Method 6010)</td>
<td>Report</td>
</tr>
<tr>
<td>Soluble Anions: mg/L Carbonates, Chlorides, Nitrate and Sulfates (EPA Method 300.1 or 9056)</td>
<td>Report</td>
</tr>
<tr>
<td>Total Depth Feet Below Ground Surface (bgs)</td>
<td>Report</td>
</tr>
</tbody>
</table>
C. Copies of the results must be filed with Technical Permitting as part of the Quarterly Report required in Condition I.N. of this permit. The laboratory analytical reports and the corresponding chain of custody shall be provided for all chemical analyses performed.

XI. FACILITY CLOSURE

A. Technical Permitting and the Kilgore District Office must be notified in writing at least 45 days prior to commencement of closure activities. The permittee must submit a closure plan to Technical Permitting in Austin to be reviewed and approved prior to closure activities beginning.

B. At facility closure all waste, chemicals, and materials must be processed through the facility and removed from the facility for authorized reuse or disposed of in an authorized manner.

C. Processing equipment, aboveground storage tanks, and any other equipment and storage must be removed from the facility.

D. Provisions must be taken to prevent erosion both during and following closure.

E. The entire facility must be backfilled as necessary, contoured to original grade and re-vegetated with vegetation appropriate for the geographic region.

F. Closure of the Unloading/Processing and Storage Areas shall be as follows:
   1. All aboveground storage tanks and any other equipment must be removed from the area.
   2. The concrete shall be cleaned, demolished and the concrete rubble and washwater must be disposed of in an authorized manner.
   3. 12 inches of soil from beneath the concrete shall be excavated, removed and disposed of in an authorized manner.
   4. After soil removal, four representative soil samples must be obtained from the centrifuge area and four representative soil samples from the unloading and mud tank area. These soil samples must be analyzed for the Parameters listed in Condition XI.H. of this permit. Additional soil must be removed in any area where the Parameter Limitations have been are exceeded and the affected area re-sampled.

G. Closure of the Washout Pit (P011654A), Mixing Pit (P011654B) and the Material Storage Pit (P011655) shall be as follows:
   1. All waste must be removed from the pits and disposed of in an authorized manner.
   2. The concrete shall be steam cleaned, demolished and the concrete rubble and wash-water must be disposed of in an authorized manner.
3. 12 inches of soil from beneath the concrete shall be excavated, removed and disposed of in an authorized manner.

4. After soil removal, five representative soil samples must be obtained from the bottom of each of the pits for a total of 15 samples. These soil samples must be analyzed for the Parameters listed in Condition XI.H. of this permit. Additional soil must be removed in any area where the Parameter Limitations have been exceeded and the affected area re-sampled.

H. Soil samples required by Permit Condition XI.F. and XI.G, must be analyzed for the following parameters and shall not exceed the following limitations:

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>LIMITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>pH</td>
<td>6 to 10 standard units</td>
</tr>
<tr>
<td><strong>EPA Method 9045C</strong></td>
<td></td>
</tr>
<tr>
<td>Electrical Conductivity (EC)</td>
<td>≤ 4.0 mhmhos/cm</td>
</tr>
<tr>
<td><strong>(Louisiana Dept. of Natural Resources</strong></td>
<td></td>
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<tr>
<td><em>Lab Procedures for Analysis of</em>*</td>
<td></td>
</tr>
<tr>
<td><em>Exploration &amp; Production</em>*</td>
<td></td>
</tr>
<tr>
<td><em>Waste or equivalent</em>*</td>
<td></td>
</tr>
<tr>
<td>Total Petroleum Hydrocarbons (TPH)</td>
<td>≤ 10,000 mg/kg or 1% by weight</td>
</tr>
<tr>
<td><em>(EPA Method 5035A/TX1005)</em></td>
<td></td>
</tr>
<tr>
<td>Total Benzene, Toluene, Ethylbenzene, Xylenes (BTEX)</td>
<td>≤ 30 mg/kg</td>
</tr>
<tr>
<td><em>(EPA Method 5035A/8021/8260B)</em></td>
<td></td>
</tr>
<tr>
<td>Metals (Total)</td>
<td></td>
</tr>
<tr>
<td><em>(EPA Method 6010/6020/7471A)</em></td>
<td></td>
</tr>
<tr>
<td>Arsenic</td>
<td>≤ 10 mg/kg</td>
</tr>
<tr>
<td>Barium</td>
<td>≤ 10,000 mg/kg</td>
</tr>
<tr>
<td>Cadmium</td>
<td>≤ 10 mg/kg</td>
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<tr>
<td>Chromium</td>
<td>≤ 100 mg/kg</td>
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<tr>
<td>Lead</td>
<td>≤ 200 mg/kg</td>
</tr>
<tr>
<td>Mercury</td>
<td>≤ 10 mg/kg</td>
</tr>
<tr>
<td>Selenium</td>
<td>≤ 10 mg/kg</td>
</tr>
<tr>
<td>Silver</td>
<td>≤ 200 mg/kg</td>
</tr>
</tbody>
</table>

I. A summary of the soil sampling required by Permit Condition XI.F. and XI.G. must include:

1. A map drawn to scale and 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.

J. Any soil sample that exceeds the Parameter Limitations specified in Permit Condition XIII. is considered waste and must be disposed of at an authorized disposal facility.

K. Once the results of the closure activities have been approved by the RRC, the pits must be dewatered, steam cleaned, demolished, emptied, backfilled, and compacted within 120 days of final cessation of use of the pit. Final surface grading of the pits and the storage tank battery areas must be accomplished in such a manner that rainfall will not collect at these locations. Upon final closure, the Kilgore District Office and Technical Permitting in Austin shall be notified in writing.

XII. POST-CLOSURE CARE AND MONITORING

A. The site will be monitored for a period of no less than five years after closure of the facility has been approved by the RRC.

B. Post-closure care must include quarterly inspections of the entire facility by a Texas-registered Professional Engineer for signs of deterioration.

C. Any areas showing signs of erosion must be contoured, backfilled, and reseeded as necessary.

D. All monitoring wells must remain operational, and monitoring requirements must continue as specified in Permit Condition X.B. until written approval from Technical Permitting in Austin is granted for plugging the wells.

E. A summary of the results of the post-closure monitoring activity must be submitted to Technical Permitting in Austin as part of a Quarterly Report required in Condition I.N. of this permit.

F. The permittee must request in writing permission to cease post-closure monitoring. Post-closure monitoring requirements may be extended by Technical Permitting based on the monitoring results.

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

APPROVED AND ISSUED ON February 5, 2016

[Signature]
Grant Chambless, P.G.
Manager
Environmental Permits & Support
Technical Permitting
Attachments:
Permit Appendices A, B, C and D
cc:
RRC- Kilgore/06
RRC Reporting Log in Austin
RRC Production in Austin