RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

PERMIT TO RECLAIM OILFIELD RELATED HYDROCARBONS

AMENDED
Permit No. R9 08-1420
Associated with Pit Permit No. P012594
Supersedes the permit issued on November 3, 2015

MARTIN COUNTY ENVIRONMENTAL LLC
2014 CR C2831
STANTON TX 79782

Based on information contained in the original application (Form R-9) received on December 19, 2014, the amendment request received October 11, 2018, and subsequent information to date, you are hereby authorized to store, handle, treat and reclaim oilfield related hydrocarbons designated herein:

**Martin County Reclamation Facility**
- Approximately 5.0 acres of the T. & P.R.R. Co. Survey, A-267
- Latitude/Longitude: 32.09293°, -101.89055°
- Martin County, Texas
- RRC District 08, Midland

**NARRATIVE DESCRIPTION OF PROCESS**

Incoming oil and gas waste will be unloaded into the designated frac tanks for processing or directly onto the Collecting/Washout Pit (P012594) where the waste immediately drains into open-top "receiving tanks". The hydrocarbons are skimmed and transferred by truck to the thermally augmented waste separation tanks for additional processing. The recovered hydrocarbons are then transferred by vacuum truck to one (1) of the six (6) 500-bbl oil storage tanks and sold. Incoming oil and gas waste with elevated volatile vapors (lower explosive limit (LEL) greater than 10%) and/or H2S vapor greater than 10 parts per million (ppm) will be offloaded into the thermally augmented waste separation tanks that are equipped with a vapor recovery system.

The separated fluid wastes from the "receiving tanks" are transferred and stored in one (1) of the ten (10) 500-bbl frac tanks before being transported off-site to a Railroad Commission of Texas (RRC) permitted Class II injection well for disposal.

The separated solid waste that accumulates during operations and/or washouts must be periodically removed from the Collecting/Washout Pit (P012594) and staged in the designated open-top containers. The solids must be transported off-site to an authorized disposal facility.
Authority is granted to reclaim oilfield related hydrocarbons in accordance with Texas Administrative Code (TAC) Title 16, Part 1, Chapter 3.57 (Statewide Rule 57) and TAC Title 16, Part 1, Chapter 3.8 (Statewide Rule 8) and is subject to the following conditions:

I. GENERAL PERMIT CONDITIONS

A. The authority granted by Permit No. (R9 08-1420) is effective January 29, 2019.

B. The authority granted by Permit No. (P012594) is effective January 29, 2019 and will expire on January 28, 2024.

C. In accordance with TAC, Title 16, Part 1, 3.78 (Statewide Rule 78) the permittee shall maintain financial security in the total amount of $156,181.00 until this reclamation plant and washout pit have 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 RRC prior to making that modification.

D. The permittee shall install at least three (3) groundwater monitoring wells at the designated locations within 30 days after the effective date of this permit. The documentation required by Permit Conditions VI.A. and VI.B. must be provided to Technical Permitting within 30 days after installation of the groundwater monitoring wells.

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

F. Unless otherwise required by conditions of this permit, construction, use and maintenance of the facility must be in accordance with the information represented on the “Application for Permit to Operate a Reclamation Plant” (Form R-9) provided and incorporated into this permit as Permit Appendix A and attachments thereto. Authority is granted for the active reclaiming of oil field related hydrocarbons and does not cover reclamation of any refined products. Commingling or blending of refined products with crude oil or condensate is not permitted unless written authority is granted following a formal written request for such blending by the Reclamation Plant operator. Any deliveries made containing refined products or crude blended with refined products must be clearly identified on the RRC Form R-2 as “Products” or “Crude Blended with Products.”

G. Prior to beginning operations, the facility shall have procedures in place to prevent unauthorized access. Access shall be maintained by a 24-hour attendant or a six-foot-high security fence and a locked gate when the facility is unattended. Fencing shall be required unless terrain or vegetation prevents vehicles or livestock access except through entrances with lockable gates.

H. Use of the Reclamation Plant is limited to the treatment, processing or reclamation of tank bottoms and other hydrocarbon wastes generated through activities associated with exploration, development and production of crude oil and other wastes contacting crude oil.

I. A sign must be posted at each entrance to the reclamation 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.
J. This permit does not authorize the discharge from the facility of any oil and gas waste, including contaminated or contact stormwater.

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

L. Safety Data Sheets (SDS) must be submitted to Technical Permitting in Austin for any chemical or bio-accelerator proposed to be used in the treatment of waste at the facility. Use of the compound is contingent on RRC approval and must be used and stored according to the manufacturer’s recommendations.

M. All chemical laboratory analyses required to be performed in accordance with 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 registered Professional Engineer.

N. The facility’s Stormwater Management Plan shall be maintained on-site and made available upon request of the RRC.

O. A copy of the site-specific Spill Prevention and 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.

P. 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 RRC if: (1) the OSSF waste is not comingled with any other oil and gas waste; (2) 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 (3) the construction, operation, and maintenance of the OSSF complies with all applicable local, county, and state requirements.

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

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

S. The Reclamation Plant permit is nontransferable by Statewide Rule 57(c)(9). A new permit must be obtained by the new operator.

T. The Collecting/Washout Pit (P012594) 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.

U. The Collecting/Washout Pit (P012594) is nontransferable without the consent of the RRC. Any request for transfer of this permit must be filed with Technical Permitting in Austin at least 60 days before the permittee wishes the transfer to take place.
V. The permittee shall submit a Quarterly Report according to the following:

1. The report shall contain applicable information as required in Permit Conditions III.I., IV.O., V.K., VI.C. and IX.E.

2. The quarterly reporting periods shall be January 1 through March 30, April 1 through June 30, July 1 through September 30, and October 1 through December 31 of each year.

3. The Quarterly 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 shall be included that describes facility operations and delete activities that occurred during the specific quarter.

W. The permit to operate a Reclamation Plant (R9 08-1420) shall remain in effect until canceled at the request of the operator, the permitted facility has been inactive for 12 months, there has been a violation or a violation is threatened of any provision of the permit, the conservation laws of the state or rules or orders of Statewide Rule 57(c)(7).

X. Failure to comply with any provision of this permit may be cause for modification, suspension, termination or cancellation of this permit in accordance with Statewide Rule 8 (d)(6)(E).

II. AUTHORIZED WASTES

A. Only oil and gas wastes subject to the jurisdiction of the RRC that are nonhazardous or exempt according to Subtitle C (Resource Conservation and Recovery Act (RCRA)), may be received or processed at this facility. This permit authorizes the receipt of only the following oil and gas wastes:

1. Tank bottoms

2. Other hydrocarbon wastes, as defined by Statewide Rule 57(b)(2)

B. No other waste may be accepted at this facility

C. No oil and gas Naturally Occurring Radioactive Material (NORM) waste defined in 16 TAC §4.603 or waste from a facility that is licensed by the Texas Department of State Health Services 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) containing material regulated under the Toxic Substances Control Act may be accepted for processing at the facility.

E. The receipt of any tank bottoms or other hydrocarbons wastes from outside the State of Texas must be authorized in writing by the RRC prior to such receipt. Written approval is not required if another regulatory entity with jurisdiction over the waste will indicate, in the appropriate monthly report, a corresponding delivery of the same material.
F. All waste haulers received at the facility must be RRC-permitted Oil and Gas Waste Haulers and must have the subject facility listed as an approved 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 four grab samples 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 fluid and the associated cuttings, or oil-based drilling fluid and the associated cuttings, must be scanned for the presence of NORM using a scintillation meter with a sodium iodide detector or 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 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 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. The operator of the reclamation plant must conduct a shakeout test on all tank bottoms or other hydrocarbon wastes upon removal from any producing lease tank, pipeline, storage tank, or other production facility, to determine crude oil content.

D. The shakeout test shall be conducted in accordance with the most current American Petroleum Institute (API) or ASTM method.

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

<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><em>(EPA Method 9020B)</em></td>
<td></td>
</tr>
<tr>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>Extractable Organic Halides (EOX)</td>
<td>100 mg/kg</td>
</tr>
<tr>
<td><em>(EPA Method 9023)</em></td>
<td></td>
</tr>
</tbody>
</table>

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

F. Details of receipts of deliveries for incoming waste to be processed at the Reclamation Plant *(R9 08-1420)* and the stock on hand (available for re-sale) must be reported monthly on the Form R-2, “Monthly Report for Reclaiming and Treating Plants”. Submit the original Form R-2 directly to Technical Permitting in Austin and a copy of the report
to the appropriate District Office by the 15th day of the calendar month following the month of the report. Form R-2 shall be completed in accordance with Statewide Rule 57.

G. 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 American Petroleum Institute (API) well number(s); or latitude and longitude coordinates in decimal degrees if the waste was not generated on a lease; and
   c. County

2. Name and RRC permit number of the transporter

3. Volume of waste material (specify units)

4. Detailed description of the type of waste, including any analysis required by Permit Conditions III.B., III.C. and III.E. above

H. The permittee shall maintain the following records on each load of waste removed at the facility for a period of three 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 disposal facility

4. Type of waste (basic sediment, water, water-based mud, etc.)

5. Name and permit number of the disposal facility

I. A report must be submitted to Technical Permitting in Austin and the appropriate District Office as part of the Quarterly Report required in Permit Condition I.V. and shall include the following information:

1. All records required by Permit Conditions III.G., III.H. above, as well as a summary of waste receipts

2. The total volume of each type of waste material received during the specific quarter

3. Total volume of each type of waste that leaves the facility for disposal or final disposition during the quarter

IV. CONSTRUCTION AND OPERATION OF THE RECLAMATION PLANT AND UNLOADING AREA

A. The general layout and arrangement of the facility shall be consistent with the “Reclamation Plant Site Diagram” schematic received on October 11, 2018, which is attached and incorporated into this permit as Permit Appendix B.

B. The facility shall consist of the following waste management units and designations:

1. One (1) 120-bbl Collecting/Washout Pit (P012594)

2. Two (2) 220-bbl Receiving Tanks
3. One (1) 120-cy Collecting Tank
4. One (1) 45-cy Collecting Tank
5. Six (6) 500-bbl Thermal Separation Tanks
6. Ten (10) 500-bbl Frac Storage Tanks
7. One (1) 400-bbl Washwater Tank

C. The reclamation facility is limited to having no more than 8,840 barrels (bbls) of unprocessed and processed oil and gas fluid waste, and recovered oil resulting from the reclamation process onsite at any time.

D. The facility is limited to having no more than 165 cy of solids resulting from the reclamation process onsite at any given time. Once this limit has been reached, the solids must be transferred from the receiving tanks into water-tight roll-off boxes and immediately removed off-site and disposed of at an authorized disposal facility.

E. No additional equipment or storage tanks may be added without prior written approval by Technical Permitting. A request for an additional equipment must be submitted in writing to Technical Permitting for review and approval.

F. All wastes generated by reclaiming operations shall be disposed of in an authorized manner.

G. Any spill of waste, treatment chemicals or any other waste related material must be collected and containerized within 24 hours and processed through the treatment process or disposed of in an authorized manner.

H. No waste, treated or untreated, may be placed directly on the ground. All treated and untreated waste must be stored in steel tanks or in steel, water tight roll-off boxes.

I. 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.

J. All storage tanks, equipment and roll-off boxes must be maintained in a leak free condition. If inspection of a tank or storage vessel reveals deterioration or leaks, the tank or storage vessel must be repaired before resuming use.

K. Berms or containment structures must be constructed around all waste management and 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 shall maintain a slope no steeper than a one to three (vertical to horizontal) ratio, unless constructed of concrete of 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 VII.
L. Concrete slabs and secondary containment structures shall be constructed underneath all tank batteries and all waste management storage and processing areas. The concrete slabs shall be steel reinforced with a minimum thickness of eight (8) inches. Concrete sidewalls that are two (2) feet in height and eight (8) inches in thickness must be constructed to surround the load/unload station. Other waste management storage and processing areas that require vehicle access shall have concrete sidewalls on at least three sides and shall be sloped and graded such that all surfaces slope away to prevent stormwater from entering the containment area and prevent contact stormwater flow from migrating outside of the area.

M. Construction of the concrete containment structures referenced in Permit Condition IV.L shall be completed within 180 days after the effective date of this permit and “as-built” drawings must be submitted to Technical Permitting 30 days after completion.

N. All storage tanks containing fluid waste or fuel shall be contained within secondary containment. 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 Martin County is acceptable.

O. Each month, an inspection of the entire facility must be performed on all concrete slabs, firewalls, processing equipment, berms and above-ground storage tanks for deterioration, leaks and spills. Records of each inspection must be kept onsite and submitted as part of the Quarterly Report required by Permit Condition I.V. of this permit.

P. The following records must be submitted and maintained for a period of three years from the date of the inspection as required by Permit Condition IV.O.:  

1. The results of the monthly inspection of liners, berms and firewalls within the facility for evidence of deterioration, leakage or stormwater run-on and a description of the 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 the 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 the corrective action taken, if any.

V. CONSTRUCTION AND OPERATION OF COLLECTING/WASHOUT PIT (P012594)

A. The general layout and arrangement of the pit must be consistent with the “Diagram of Cement Wash Pad” schematic received on September 25, 2017, which is attached and incorporated into this permit as Permit Appendix C.

B. Use of the Collecting/Washout Pit (P012594) is limited to the collection of wastes specified in Permit Condition II.A. and washwater rinsate prior to processing through the on-site reclamation plant. No other oil field fluids or oil and gas wastes may be stored or staged in the pit.

C. A sign shall be posted identifying the pit by permit number using letters and numbers at least three inches in height.
D. The pit must have approximate dimensions no greater than 60 feet by 80 feet by three (3) feet. The floor of the pit shall be constructed with steel reinforced concrete with a minimum thickness of seven (7) inches. A steel reinforced concrete sidewall that ranges from three (3) to two (2) feet in height and eight (8) inches thick must be constructed on the north, south and west sides on the pit.

E. The floor of the pit shall have a minimum slope of 1.25% allowing for incoming waste and washwater rinseate to immediately drain to the “receiving tanks”. Waste from the pit will be transferred to the on-site reclamation plant for processing or transported off-site for authorized disposal.

F. The usable capacity of the pit must not exceed 120 barrels or 25 cubic yards.

G. At least one foot of freeboard must be maintained between the waste level in the pit and the top of the pit wall.

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

I. The land surface must be graded such that the unloading area slopes towards the pit to collect all potential unloading spills and to prevent storm water run-on from entering the pit.

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

K. 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 shall be submitted to Technical Permitting in Austin as part of the Quarterly Report required in Permit Condition I.V. The appropriate District Office must be notified by phone or email at least 48 hours before emptying the pit for inspection.

L. 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.

VI. GROUNDWATER MONITORING

A. At least three (3) monitor wells must be installed at the facility. The monitor wells must be installed at the locations designated on the “Proposed Groundwater Monitoring Well Locations” (Attachment 1) diagram received November 20, 2018, which is attached and incorporated into this permit as Permit Appendix D.

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 groundwater monitoring wells must be able to provide a representative sample of groundwater underlying the site for the duration of facility operations. If a groundwater monitoring well is not capable of providing a representative sample, the permittee must notify Technical Permitting in Austin and install a replacement monitor well that is acceptable to Technical Permitting.

7. The following information must be submitted after the wells are completed:

   a. A soil boring lithologic log for the 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, 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 slot size, as well as the local lithology.

   b. A well installation diagram for each well detailing construction specifications, including riser and screen length, screen slot size, bentonite and cement intervals. The sand pack size should be compatible with the well screen slot size and the local lithology.

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

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

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

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Static Water Level</td>
<td>Feet (ft)</td>
</tr>
<tr>
<td>Total Depth</td>
<td>ft</td>
</tr>
<tr>
<td>Benzene</td>
<td>mg/L</td>
</tr>
</tbody>
</table>
  `(EPA Method 8260/8021B or equivalent)`
| Total Petroleum Hydrocarbon (TPH)              | mg/L           |
  `(Method TX1005)`
| Total Dissolved Solids (TDS)                   | mg/L           |
  `(Standard Method 160.1 or equivalent)`
| pH                                             | s.u.           |
  `(EPA Method 150.1 or equivalent)`
| Soluble Cations:                               | mg/L           |
  Calcium, Magnesium, Potassium, and Sodium
  `(EPA Method 6020 or equivalent)`
C. The groundwater quality sampling results required by Permit Condition VI.B. must be filed with Technical Permitting as part of the Quarterly Report required by Permit Condition I.V. The laboratory analytical reports and the corresponding chain of custody shall be provided for all chemical analyses performed.

VII. STORMWATER MANAGEMENT

A. The facility must be designed and constructed to contain contact stormwater and prevent run-on of non-contact stormwater.

B. 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.

C. The permit does not authorize the discharge or release off-site of oil and gas waste or stormwater than has come into contact with oil and gas waste.

D. Any stormwater that has accumulated within the firewalls for storage tanks or within any pit will be considered contact stormwater. Contact stormwater must be collected and containerized within 24 hours and disposed of in an authorized manner or used in the treatment process.

VIII. FACILITY CLOSURE

A. Technical Permitting and the appropriate 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 other waste materials must be processed and removed from the facility for authorized reuse or disposed of in an authorized manner.

C. Processing equipment, aboveground storage tanks and associated piping, and any relevant equipment must be removed from the facility in an authorized manner.

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

E. The entire facility must be contoured and backfilled as necessary to original grade and revegetated as needed.

F. Closure of the reclamation facility, unloading area, waste management storage and processing areas and the Collecting/Washout Pit shall be as follows:

1. All above ground storage tanks and any other equipment must be removed from the area in an authorized manner.

2. All concrete shall be cleaned, demolished and the concrete rubble and wash water must be disposed of in an authorized manner.
3. Affected or contaminated soils must be removed and disposed of in an authorized manner.

4. After soil removal, representative soil samples must be obtained from the tank battery, waste management storage areas and the former pit area. These soil samples must be analyzed for the parameters listed in Permit Condition VIII.G. Additional soil must be removed in any area where the parameter limitations have been exceeded.

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

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>LIMITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>pH [(EPA Method 9045C or equivalent)]</td>
<td>6 to 10 standard units</td>
</tr>
<tr>
<td>Electrical Conductivity (EC)(^1)</td>
<td>≤ 4.0 mmhos/cm</td>
</tr>
<tr>
<td>Total Petroleum Hydrocarbon (TPH) [(EPA Method 5035A/TX1005)]</td>
<td>≤ 10,000 mg/kg or 1 % by weight</td>
</tr>
<tr>
<td>Total Benzene, Toluene, Ethylbenzene, Xylenes (BTEX) [(EPA Method 5035A/8021/8260B)]</td>
<td>≤ 30 mg/kg</td>
</tr>
<tr>
<td>Metals (Total) [(EPA Method 6010/6020/7471A)]</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>
</tr>
<tr>
<td>Chromium</td>
<td>≤ 100 mg/kg</td>
</tr>
<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>

H. A summary of the soil sampling required by Permit Condition VIII.F. 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

\(^1\) Louisiana Department Natural Resources (LDNR) Lab Procedures for Extraction and Analysis of Exploration and Production (E&P) Waste or equivalent
I. Any soil sample that exceeds the parameter limitations specified in Permit Condition VIII.G. is considered waste and must be disposed of at an authorized disposal facility.

J. Once the results of the closure activities have been approved by the RRC the final surface grading of the facility must be accomplished in such a manner that rainfall will not collect at these locations. Upon final closure, the appropriate District Office and Technical Permitting in Austin shall be notified in writing.

IX. POST-CLOSURE CARE AND MONITORING

A. In accordance with 16 TAC § 3.78 the permittee shall maintain financial security in the amount of $156,181.00 after the facility has stopped receiving waste and has met all specified closure requirements in accordance with this permit. Technical Permitting reserves the right to revise this amount, as necessary.

B. The site will be monitored for a period of no less than five years after final closure of the facility.

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

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

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 January 29, 2019.

[Signature]
Tiffany Humberson, Manager
Environmental Permits and Support
Technical Permitting
Notes:

1. Permit now includes the associated Collecting/Washout pit.
2. Added groundwater monitoring wells and monitoring.
3. Added post closure monitoring for the groundwater monitoring wells.
4. Increased financial security to include the already existing bond for the reclamation facility and the new amount required for the amendment.
5. Updated the permit language to be consistent with current permitting standards.

cc: RRC District 8, Midland

Attachments:
Permit Appendices A, B and C
Permit Appendix A

Application for Permit to Operate a Reclamation Plant
(Form R-9)
**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division

**APPLICATION FOR PERMIT TO OPERATE**  
A RECLAMATION PLANT

<table>
<thead>
<tr>
<th>1. OPERATOR NAME, exactly as shown on P-5, Organization Report</th>
<th>2. OPERATOR P-S NO.</th>
<th>3. RRC DISTRICT NO.</th>
<th>4. COUNTY OF PLANT LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin County Environmental LLC</td>
<td>583479</td>
<td>8</td>
<td>Martin</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. OPERATOR ADDRESS, including city, state, and zip code</th>
<th>6. PURPOSE OF FILING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1115 Turner Road, Overton, TX 75684</td>
<td>☒ New permit for new facility. Estimated completion date: December 31, 2014</td>
</tr>
</tbody>
</table>

8. Driving directions from the nearest town (identify town): From the intersection of FM 2002 and Interstate Highway 20, Stanton, Texas, go west on I 20 for ± 6.1 mile along I 20 access road. Turn right (north) onto CR 2831. Go ± 0.2 mile to site location on the right side.

9. Brief description of treating process:

Reclaim oil from RRC regulated waste using heat treatment, mechanical pumps, chemicals, and separation by gravity.

10. Material transported to plant in: (see Inst. No. 6)

- [ ] vehicles owned by applicant
- [x] for-hire vehicles
- [ ] both applicant's and for-hire vehicles

11. Identify all oil and/or gas-related facilities located within 100 yards of facility. (example: well, pipeline, saltwater disposal facility, tank battery, etc.)

<table>
<thead>
<tr>
<th>TYPE OF FACILITY</th>
<th>OPERATOR</th>
<th>TYPE OF FACILITY</th>
<th>OPERATOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pipeline, T-4#00679</td>
<td>Oneok Westex Transmission, L.L.C.</td>
<td>Pipeline, T-4 #00963</td>
<td>Chevron Pipe Line Co.</td>
</tr>
</tbody>
</table>

**CERTIFICATION.** I certify under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that it was prepared by me or under my supervision and direction, and that the data and facts stated herein are true, correct, and complete to the best of my knowledge.

**Bart A. Huffman**  
Engineer  
(210) 523-1085  
December 9, 2014

**TO BE COMPLETED BY RAILROAD COMMISSION PERSONNEL**

This permit is valid until cancellation under either of the following conditions:

1. The above named operator requests cancellation in writing.
2. The commission cancels the permit after notice and an opportunity for hearing because:
   a. the permit facility has been inactive for 12 months.
   b. there has been a violation or a violation is threatened at any provision of the permit, the conservation laws of the state, or rules or orders of the Commission.

This permit is non-transferable. The financial assurance filed in support of this application shall be renewed and continued in effect until its conditions have been met or released. It is subject to a permit fee paid by the Commission. The facility schematic diagram is to be kept with this permit.

Permit and diagram are to be kept at facility.

**Serial/registration no.** 89 08-1060  
**Serial/renewed effective** January 29, 2019  
**by** Tiffany Humphrey 632-463-4354

**ALL WASTES GENERATED BY RECLAMING OPERATIONS SHALL BE DISPOSED OF IN ACCORDANCE WITH STATEWIDE RULES 8, 9, AND 46 (RELATING TO WATER PROTECTION, DISPOSAL WELLS, AND FLUID INJECTION)**
Permit Appendix B

Reclamation Plant Site Diagram
Permit Appendix C

Diagram of Cement Wash Pad
Load Bearing Cement Pad
60 ft wide \times 80 ft Long \times 7 inches thick

Direction of On-Coming Traffic
1.25\% Grade

Open Drain Port

3 ft tall \times 8 inch thick
Concrete Splash Guard Wall

Top View

7 inch Thick
Load Bearing Cement Pad

30 Mil Herculine Nom Liner installed between Soil and Cement Pad

Ground Surface

Soil Type MaB
Mansker Loam

Front View

3 ft tall \times 8 inch thick
Concrete Splash Guard Wall

Open Drain Port

60 ft

3 ft tall \times 8 inch thick
Concrete Splash Guard Wall

Side View

Description of Mansker
Landform: Plains
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Calcareous, loamy eolian deposits from the blackwater draw formation of pleistocene age

Martin County Environmental LLI
Reclamation Plant R9-08-1420
Diagram of Cement Wash Pad
Drawn by: Bart A. Huffman, PE.
August 25, 2017
Permit Appendix D

Proposed Groundwater Monitoring Well Locations
(Attachment 1)