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

Permit Nos: STF-0117,
P012479, P012480, P012481, P012482 (Disposal Pit #1),
P012483 (Disposal Pit #2), P012484 (Disposal Pit #3),
P012485 (Disposal Pit #4) P012486 (Disposal Pit #5),
P012487 (Disposal Pit #6) P012488A, P012488B,
P012488C, P012488D, P012489A, P012489B, P012489C,
P012489D and P012499

PETRO WASTE ENVIRONMENTAL, LP
153 TREELINE PARK, STE 100
SAN ANTONIO, TX 78209

Based on information contained in the original application received March 25, 2014, and subsequent information received to date, you are hereby authorized to receive, store, handle, treat and dispose of certain non-hazardous oil and gas wastes as specified below at the following facility:

Pecos County Disposal and Reclamation Facility (85.3 acres)
Latitude, Longitude: 30.935887°, -103.27565°
Pecos County, Texas
RRC District 08, Midland

NARRATIVE DESCRIPTION OF PROCESS:

Incoming oil and gas waste is directed to either the Settling Basins, Receiving Pits, or the active Disposal Pit depending on the liquid content and composition of the waste. The Settling Basins and the Receiving Pits will passively separate solids, liquids, and oil.

Separated fluids from the Settling Basins will be pumped to a gun barrel fractionation tank for further separation and then stored in separate oil and water tanks. The recovered hydrocarbons will be stored in above ground tanks prior to being sold. The remaining fluids will be transported to an off-site Class II injection well for disposal. The accumulated solids from the Settling Basins will be transferred into a Receiving Pit or directed into an active Disposal Pit.

The Receiving Pits will be utilized to further separate and dry the solids before placement in the Disposal Pits. Solid wastes recovered from the Receiving Pits must pass a paint filter test before
placement into an active Disposal Pit. Fluids from the Receiving Pits and contact storm water will be pumped or conveyed to the Collecting Pit then transported to a Railroad Commission of Texas (RRC) permitted, off-site Class II injection well for disposal.

The Truck Wash Bays (Washout Pit/Trench) and Settling Basins are designed as an interconnected system. The Washout Pit/Trench will convey washout water from the Truck Wash Area to the Settling Basins.

Authority is granted to receive, store, handle, treat, or dispose of certain nonhazardous oil and gas wastes in accordance with 16 Texas Administrative Code (TAC), Part 1, § 3.8 (Statewide Rule 8) and is subject to the following conditions:

I. GENERAL PERMIT CONDITIONS

A. The effective date of this permit is **December 27, 2016** and expires on **December 26, 2021**.

B. The permittee may not receive, store, or handle, oil and gas wastes or fluids at the facility until financial security in the amount of **$2,516,893.00** is provided and approved by the RRC for the referenced location. This amount provides financial security for all RRC permitted waste storage and treatment permits allocated for this facility.

C. In accordance with 16 TAC § 3.78 the permittee shall maintain financial security in the amount of **$2,516,893.00** until this facility and all of the referenced Permit Nos: STF-0117, P012479, P012480, P012481, P012482 (Disposal Pit #1), P012483 (Disposal Pit #2), P012484 (Disposal Pit #3), P012485 (Disposal Pit #4) P012486 (Disposal Pit #5), P012487 (Disposal Pit #6) P012488A, P012488B, P012488C, P012488D, P012489A, P012489B, P012489C, P012489D and P012499 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 RRC prior to making that modification.

D. No waste may be received at the referenced facility until a restrictive covenant is signed by a representative of the permittee, the landowner, and a representative of the RRC; and the signed document is filed in the Real Property Records of Pecos County, Texas, and proof of filing with Pecos County is submitted to and approved by the RRC.

E. 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.

F. The facility’s Stormwater Management Plan shall be maintained on-site and made available upon request of the RRC.
G. Technical Permitting in Austin and the appropriate District Office must be notified in writing when construction of the facility is initiated and with the completion of each disposal pit and waste management unit.

H. Technical Permitting in Austin and the appropriate District Office must be notified in writing upon final completion of construction of the facility. The permittee may not begin receiving, storing, handling, or treating oil and gas waste until the appropriate District Office has performed its inspection of the completed facility and has verified that the facility is constructed in accordance with the application and this permit.

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

J. 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.

K. 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. *When construction of the facility is completed, submit the as-built plans to be incorporated as part of the permit application.*

L. Prior to beginning operations, the facility shall have procedures in place to prevent unauthorized access. The entire facility shall be surrounded by a security fence. Access shall be maintained by a locked gate when the facility is unattended.

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

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

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

P. Safety Data Sheets (SDS) must be submitted to Technical Permitting in Austin for any chemical or compound proposed to be used in the treatment of waste at the facility. Use of the compound is contingent upon RRC approval. All chemicals must be stored according to the manufacturer’s specifications.

Q. 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 chemical laboratory analysis must be collected and preserved in a manner appropriate for that analytical method and must be consistent with criteria specified in 40 CFR Part 136. All geotechnical testing must
be performed by a laboratory certified to conduct geotechnical testing according to the standards specified by ASTM International (ASTM) and approved by a Professional Engineer licensed in the State of Texas.

R. 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.

S. 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.

T. 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.

U. 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.J., V.Q., VI.K., VII.I., VIII.B.11., and XII.F.

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. Data tables presenting volumes or amounts of treated waste received and interred into the each pit shall be included.

7. Laboratory analytical results and corresponding chain of custody as specified in Permit Conditions III.D., and III.E. shall be included.

V. 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 (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 Resource Conservation and Recovery Act (RCRA), Subtitle C may be received. You may receive, store, handle, treat, process, and dispose of only the following oil and gas wastes:

1. Water-based drilling fluids and associated cuttings;
2. Oil-based drilling fluids and associated cuttings;
3. Iron sulfide, which has been fully oxidized; or it is (non-exempt)
4. Contaminated soils from crude oil spills, pipeline, condensate, and saltwater spills;
5. Solid waste generated from gas dehydration and sweetening processes (spent filters and filter media, molecular sieves, precipitated amine sludge, iron sponge, and hydrogen sulfide scrubber sludge);
6. Waste material from produced water collecting pits;
7. Produced formation sand;
8. Non-injectable waste waters (too many solids to directly inject in an injection well without pretreatment for solids removal);
9. Spent activated carbon and other filtering and separation media; and
10. Inert wastes as defined by Statewide Rule 8 such as contaminated concrete or wood.

B. RCRA non-exempt wastes under the jurisdiction of the RRC may be accepted and processed at the facility if analytical results demonstrate that the waste is characteristically non-hazardous. See Permit Condition III.D.

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. 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 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, other than Total Organic halides (TOX) or Extractable Organic Halides (EOX) analyses, 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 of Radium-226 combined with Radium-228, and 150 picocuries per gram of any other radionuclide.

C. All waste shall pass a Paint Filter Test (EPA Method 9095) prior to interment into a disposal pit. Test results from each Paint Filter Test must be submitted to Technical Permitting in Austin.

D. 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 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</td>
<td></td>
</tr>
<tr>
<td>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 of waste.

E. Prior to receipt at the site, representative samples of incoming RCRA non-exempt waste or any international waste must be analyzed for the following parameters and may not exceed the specified limitations:

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>LIMITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrosivity</td>
<td>pH 2.0 -12.5 standard units (s.u.) (EPA Method 1110A, 9040C or equivalent)</td>
</tr>
<tr>
<td>Ignitability</td>
<td>Flash Point &lt; 60° C (EPA Method 1010A, 1020B, or 1030A)</td>
</tr>
<tr>
<td>Reactivity</td>
<td>No materials exhibiting the characteristic of reactivity as defined by RCRA</td>
</tr>
<tr>
<td>PARAMETER</td>
<td>LIMITATION</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Toxicity</td>
<td>No materials exhibiting the characteristic of toxicity as defined by RCRA \</td>
</tr>
<tr>
<td></td>
<td>( \text{(EPA Method 1311)} )</td>
</tr>
<tr>
<td>Metals:</td>
<td>Toxic Characteristic Leaching Procedure (TCLP) \</td>
</tr>
<tr>
<td>Metals:</td>
<td>( \text{(EPA Method 1311/6010/6020/7147A)} )</td>
</tr>
<tr>
<td>Arsenic</td>
<td>(&lt; 5.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Cadmium</td>
<td>(&lt; 1.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Barium</td>
<td>(&lt; 100.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Chromium</td>
<td>(&lt; 5.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Lead</td>
<td>(&lt; 5.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Mercury</td>
<td>(&lt; 0.2 \text{ mg/L} )</td>
</tr>
<tr>
<td>Selenium</td>
<td>(&lt; 1.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Silver</td>
<td>(&lt; 5.0 \text{ mg/L} )</td>
</tr>
<tr>
<td>Benzene</td>
<td>( \text{(EPA Method 1311/8260/8021B)} )</td>
</tr>
<tr>
<td></td>
<td>(&lt; 0.5 \text{ mg/L} )</td>
</tr>
</tbody>
</table>

F. 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:
   i. Generator name;
   ii. 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 waste was not generated on a lease; and
   iii. County;

2. Name and RRC permit number of the transporter;

3. Volume of waste material (specify units); and

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

G. The permittee shall maintain the following records on each load of waste removed at 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.); and
5. Name and permit number of the disposal facility.

H. 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.U. and shall include the following information:
   1. All records required by Permit Conditions III.B., III.C., III.D., and III.E. above, as well as a summary of waste receipts;
   2. The total volume of each type of waste material received during the specific quarter; and
   3. Total volume of each type of waste that leaves the facility for disposal or final disposition during the quarter.

IV. GENERAL FACILITY DESIGN/ MAINTENANCE REQUIREMENTS
   A. The general layout and arrangement of the facility shall be consistent with the “SITE PLAN” (Sheet C1) diagram received May 12, 2016, which is attached and incorporated into this permit as Permit Appendix A.
   B. The entire facility shall consist of the following waste management units:
      1. Truck Washout Bays and Settling Basin Area:
         a. Eight Truck Wash Bays;
         b. Washout trench (P012499);
         c. Settling Basins (P012488A, P012488B, P012488C, P012488D, P012489A, P012489B, P012489C, and P012489D);
         d. One 250-bbl gun barrel separator;
         e. One 500-bbl water tank;
         f. One 300-bbl water tank;
         g. One 500-bbl reclaimed oil tank;
      2. Two Receiving Pits (P012480 and P012481);
      3. One Collecting Pit (P012479);
      4. Six Disposal Pits P012482 (#1), P012483 (#2), P012484 (#3), P012485 (#4), P012486 (#5) and P012487 (#6);
      5. One Stormwater Retention Pond.
   C. 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.
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 containerized 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 that particular compound and these vessels shall be maintained in a leak free condition.

H. Berms or containment structures must be constructed around all waste management units and must be compacted or constructed of material that meets 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density. Each berm shall 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 IX.

I. 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 gate when unattended to prevent vehicle or livestock access. Fencing shall be required unless terrain or vegetation prevents truck or livestock access except through entrances with lockable gates.

J. 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 Permit Condition I.U.

K. The permittee must maintain the following records for a period of three (3) years from the date of the inspection required by Permit Condition IV.J.:

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. CONSTRUCTION AND OPERATION OF TRUCK WASHOUT BAYS AND SETTLING BASIN AREA

A. The general layout and arrangement of the Truck Wash and Settling Basins Area must be consistent with the schematic diagrams provided in the “TRUCK WASH AREA AND SETTLING BASIN PLAN” (Attachment E), the “TRUCK WASH AND SETTLING BASIN SITE PLAN” (Sheet C15), the “TRUCK WASH AREA AND DETAILS” (Sheet C16) and the “SETTLING BASIN AND DETAILS” (Sheet C17), received May 12, 2016, which are attached and incorporated into this permit as Permit Appendix B.

B. The Truck Washout Unloading Area shall consist of an above grade structure that will have eight washout bays that are approximately 20 feet wide by 50 feet long. The slab shall consist of reinforced concrete with a minimum thickness of 12 inches. The unloading bays are surrounded by a low permeability (cement stabilized roadbase) pavement. A concrete curb shall be constructed that is 12 inches in height by three feet wide and completely surrounds the truck wash unloading bays and settling basin area. The bays slope towards the washout trench (P012499) located in the middle and collects waste that then gravity flows to the Settling Basins.

C. Use of the washout trench (P012499) is limited to the collection of wastewater and rinsate from the washout of trucks and frac tanks. No other oil field fluids or oil and gas wastes may be stored or staged in the pit.

D. The floor of each bay shall have a minimum slope of 2% allowing for wash water to drain into the grated washout trench (P012499). The washout trench shall consist of two channels that are each three-feet wide and three-feet deep and extend the full length of the unloading bays and will gravity drain into the settling basins.

E. The capacity of the washout trench must not exceed 350 barrels.

F. The Settling Basins P012488A, P012488B, P012488C, P012488D, P012489A, P012489B, P012489C, P012489D are an interconnected weir system used to passively separate the fluids from the Washout Area.

G. Settling Basins (P012488A, P012488B, P012489A, and P012489B) must be 61 feet long by 12 feet wide by six feet deep. The pit must be lined with reinforced concrete with a minimum thickness of 12 inches. The usable capacity for each pit must not exceed 420 barrels.

H. Settling Basins (P012488C, P012488D, P012489C, and P012489D) must be 25 feet long by 12 feet wide by six feet deep. The pit must be lined with reinforced concrete with a minimum thickness of 12 inches. The usable capacity for each pit must not exceed 320 barrels.

I. The total combined permitted capacity for all of the Settling Basins shall not exceed 2,960 barrels.

J. Use of the Settling Basins is limited to the collection of wastewater rinsate from the washout of trucks and other oil and gas wastes specified in Permit Condition II.A. prior to disposal in a permitted off-site Class II injection well. No other oil field fluids or oil and gas wastes may be stored or disposed of in the pits.
K. A sign shall be posted identifying the Washout Trench and permit number of each Settling Basin in letters and numerals at least three inches in height.

L. At least two feet of freeboard must be maintained between the fluid level in each of the Settling Basin pits and the top of the pit wall.

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

N. The concrete apron surrounding the pits must be graded such that all surfaces slope away from the pit to prevent surface flow storm water from entering the pit.

O. The concrete tank pad shall consist of reinforced concrete with a minimum thickness of 12 inches. The following equipment shall be located on the pad and is associated with the Settling Basins:

1. One 250-bbl gun barrel separator;
2. One 500-bbl water tank;
3. One 300-bbl water tank; and
4. One 500-bbl reclaimed oil tank.

P. The concrete tank pad shall be surrounded by a concrete block fire wall that is 2 feet 8 inches in height and eight inches wide.

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

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

S. 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.

T. This permit does not authorize discharge of waste from the pits to the surface or surface water.

U. No additional equipment 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.

V. 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 II-11) and attachments thereto.
VI. CONSTRUCTION AND OPERATION OF RECEIVING PITS (P012480 and P012481)

A. The general layout and arrangement of the Receiving Pits P012480 and P012481 must be consistent with the schematic diagram provided in the Permit Appendix A.

B. The Receiving Pits P012480 and P012481 must be constructed and arranged as shown on the “RECEIVING PITS PLAN AND DETAILS” (Sheet C6), received on May 12, 2016, which is attached and incorporated into this permit as Permit Appendix C.

C. Use of the pits is limited to the collection of non-hazardous oil and gas wastes prior to disposal by injection in a Class II disposal well or placement in the on-site disposal pits. No other oil field fluids or oil and gas wastes may be stored or disposed of in the pit.

D. A sign shall be posted identifying each Receiving Pit by permit number in letters and numerals at least three inches in height.

E. Receiving Pit P012480 must have dimensions no greater than 212 feet by 146 feet by 10.1 feet. The usable capacity must not exceed 29,589 barrels or 6,152 cubic yards.

F. Receiving Pit P012481 must have dimensions no greater than 212 feet by 146 feet by 10.4 feet. The useable capacity must not exceed 30,330 barrels or 6,307 cubic yards.

G. The Receiving Pits (P012480 and P012481) must be constructed in accordance with the liner system installation methods included in the application and consist of 12 inches of compacted subgrade, a Geosynthetic Clay Liner (GCL) secondary liner, and a 60-mil high-density polyethylene (HDPE) primary liner. The primary liner shall be covered with 12 inches of protective soil that is excavated from on-site.

H. At least two feet of freeboard must be maintained between the fluid level in each of the pits and the top of the pit berms.

I. Each Receiving Pit must be equipped with a sump that is 12 feet by 20 feet. Fluids that collect in the sump shall be transferred to the Collecting Pit for temporary storage by pump or vacuum truck.

J. A concrete curb will surround each Receiving Pit and shall be 12 inches in height by two feet wide. The concrete curb is in-between the pit berms and the low permeability pavement that extends laterally and functions as an access road.

K. 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 Permit Condition I.U. The Midland District Office must be notified by phone or email at least 48 hours before emptying the pit for inspection.

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 pits 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.

VII. CONSTRUCTION AND OPERATION OF THE COLLECTING PIT (P012479)

A. The general layout and arrangement of the Collecting Pit (P012479) must be consistent with the schematic diagram provided in the Permit Appendix A.

B. The Collecting Pit (P012479) may store untreated, partially treated waste and contact stormwater and must be constructed and arranged as shown on the “COLLECTING PIT PLAN AND DETAILS” (Sheet C7), schematic received May 12, 2016, which is attached and incorporated into this permit as Permit Appendix D.

C. Use of the pit is limited to the collection of non-hazardous oil and gas wastes prior to disposal by injection in a Class II disposal well. No other oil field fluids or oil and gas wastes may be stored or disposed of in the pit.

D. A sign shall be posted identifying the Collecting Pit (P012479) by permit number in letters and numerals at least three inches in height.

E. The Collecting Pit (P012479) must have dimensions no greater than 337 feet by 174 feet by 9.5 feet. The usable capacity must not exceed 39,072 barrels.

F. At least two feet of freeboard must be maintained between the fluid level in the pit and the contact stormwater receiving culvert within the pit.

G. The pit must be constructed in accordance with the liner installation methods included in the application and consist of 12 inches of compacted subgrade, a 60-mil HDPE secondary liner, and a 60-mil HDPE primary liner.

H. The pit must be equipped with a leak detection system (LDS), which will consist of a HDPE drainage layer with a thickness of at least 200 mils placed between the primary and secondary liners, along with a leak detection trench/sump and riser that are designed to maintain sufficient capacity to allow continuous flow and fluid evacuation.

I. The liner systems and the LDS must be installed in accordance with the manufacturer’s specifications and sound engineering practices.

J. The floor of the pit must have at least a 1% slope to allow fluids to drain to the leak detection sump.

K. The leak detection system must be monitored at least weekly and the permittee must maintain a record of when the liner and the leak detection system are inspected and the results of each inspection. This record shall include:

1. Date of fluid level measuring;
2. Fluid level;
3. Volume of fluid removed;
4. Electrical conductivity; and

5. Chloride concentration of the fluids removed.

L. A report of all records required by Permit Condition VI.K above must be submitted in table form within the Quarterly Report required by Permit Condition I.U. The physical record must be maintained by the permittee for the life of the pit. The physical record shall be filed with the RRC upon request.

M. If the leak detection system indicates a possible liner system failure, the liner system must be inspected for deterioration and leaks within five days of the detection of the failure. The Midland District Office must be notified of that fact by phone or email within 24 hours of the initial detection of the failure. No additional waste shall be added to the pit in the event of a failure. After inspection, the identified failed component must be replaced or repaired and re-inspected by RRC personnel before resuming use of the pit. A liner system failure for Collecting Pit (P012479) is defined as any of the following:

1. A leak rate from the primary liner greater than the Action Leakage Rate (ALR) of 1,239 gallons per day or 1,000 gallons per acre per day (GPAD).

2. Any failure in the leak detection and return system or any component thereof.

3. Any detected damage to or leakage from the secondary liner.

N. A concrete curb will surround the Collecting Pit and shall be 12 inches in height by two feet wide. The concrete curb is in-between the pit berms and the low permeability pavement that also function as access roads. Refer to Permit Appendix D for the paving/ditch/road detail (cross-section C7).

O. 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 collected 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.

P. This permit does not authorize discharge of waste from the pits to the surface or surface water.

Q. 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.

VIII. CONSTRUCTION AND OPERATION OF DISPOSAL PITS P012482 (#1), P012483 (#2), P012484 (#3), P012485(#4), P012486(#5), and P012487(#6)

A. CONSTRUCTION OF DISPOSAL PITS

1. The general layout, arrangement and construction of the Disposal Pits, as well as the perimeter berms, liner systems, inter-cell berms, stormwater retention pond slide gates, and anchor trenches shall be consistent with the schematic diagrams "DISPOSAL CELL SITE PLAN" (Sheet C2), "DISPOSAL CELL PLAN AND DETAILS"
(Sheet C3) and the "DISPOSAL PIT DETAILS" (Sheet C4 and Sheet C5), received May 12, 2016, which are attached and incorporated into this permit as **Permit Appendix E**.

2. Technical Permitting in Austin and the Midland District Office must be notified in accordance with Permit Condition I.H. upon the initiation and final completion of construction of each Disposal Pit. The permittee may not begin using the Disposal Pits until the District Office has completed an inspection of the specific pit and provided verification that the pit is constructed in accordance with the application and permit.

3. The general layout and sequenced construction of the Disposal Pits, perimeter berms, intercell berms, liner systems, anchor trenches shall be consistent with the schematic diagrams "DISPOSAL CELL 1 PLAN AND DETAILS" (Sheet C9), "DISPOSAL CELL 1 CAPPING PLAN AND DISPOSAL CELL 2 PLAN AND DETAILS" (Sheet C10), "DISPOSAL CELL 2 CAPPING PLAN AND DISPOSAL CELL 3 PLAN AND DETAILS" (Sheet C11), "DISPOSAL CELL 3 CAPPING PLAN AND DISPOSAL CELL 4 PLAN AND DETAILS" (Sheet C12), "DISPOSAL CELL 4 CAPPING PLAN AND DISPOSAL CELL 5 PLAN AND DETAILS" (Sheet C13), and "DISPOSAL CELL 5 CAPPING PLAN AND DISPOSAL CELL 6 PLAN AND DETAILS" (Sheet C14), received May 12, 2016, which are attached and incorporated into this permit as **Permit Appendix F**.

4. A sign must be posted identifying each Disposal Pit by permit number in letters and numerals at least three inches in height.

5. The capacity of each Disposal Pit shall not exceed the volumes or the waste limit heights listed below:

<table>
<thead>
<tr>
<th>Pit Permit No.</th>
<th>Total Volume (bbl)</th>
<th>Total Volume (cu yd)</th>
<th>Height Above Grade (ft)</th>
<th>Depth Below Grade (ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P012482</td>
<td>1,713,708</td>
<td>350,523</td>
<td>48.8</td>
<td>18.1</td>
</tr>
<tr>
<td>P012483</td>
<td>2,256,331</td>
<td>469,198</td>
<td>48.8</td>
<td>17.0</td>
</tr>
<tr>
<td>P012484</td>
<td>2,337,466</td>
<td>486,070</td>
<td>48.7</td>
<td>18.9</td>
</tr>
<tr>
<td>P012485</td>
<td>2,743,526</td>
<td>570,210</td>
<td>48.8</td>
<td>14.7</td>
</tr>
<tr>
<td>P012486</td>
<td>2,150,460</td>
<td>447,183</td>
<td>46.9</td>
<td>16.6</td>
</tr>
<tr>
<td>P012487</td>
<td>2,518,537</td>
<td>523,724</td>
<td>51.7</td>
<td>11.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,720,028</strong></td>
<td><strong>2,846,908</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. Berms must be constructed and maintained on all sides of the Disposal Pits with a slope no steeper than a one to three (vertical to horizontal) ratio on both sides.
7. The berms that separate the Disposal Pits from the non-contact storm water interior ditch must be four feet in height. Rip rap shall be installed to prevent erosion where appropriate.

8. The Disposal Pits shall be surrounded by a perimeter berm and roadway that includes interior and exterior ditches and culverts that will convey the non-contact storm water to the Stormwater Retention Pond.

9. A liner anchor trench must be used to key the synthetic liner to the berm.

10. The Disposal Pits must be constructed in accordance with the liner system installation methods included in the application and consist of 12 inches of compacted subgrade, Geosynthetic Clay Liner (GCL), a 60-mil HDPE secondary liner, 60-mil HDPE primary liner and 18 inches of a protective soil layer that is not composed of waste.

11. The Disposal Pits must be equipped with a LDS, including an HDPE drainage layer with a thickness of at least 200 mils that extends over the entire pit between the primary and secondary liners, to collect any leakage from the primary liner.

12. The Disposal Pits must be equipped with a leachate collection system (LCS). Leachate collected in the leachate collection sump must be removed through the leachate removal pipe and disposed of in an authorized manner.

13. The liners, LCS and the LDS must be installed in accordance with the manufacturer’s specifications and sound engineering practices.

14. The floor of the pits must have at least a 2% slope to allow fluids to drain to the sump located at the low end of each cell.

15. A permanent liner boundary marker must be installed and maintained on all four sides of the pit that clearly identifies the subsurface liner boundary system locations at the surface.

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

B. OPERATION OF DISPOSAL PITS

1. Only one Disposal Pit may be considered active and accept oil and gas waste at any time.

2. All waste must pass a Paint Filter Test (EPA Method 9095) prior to interment into a Disposal Pit and the permittee must maintain records of the results from each Paint Filter Test for the life of the pit.
3. Before the Permittee may begin excavation of the Disposal Pit P012483 (#2), Disposal Pit P012482 (#1) must be filled with waste to almost final grade height and the exposed side that abuts the next pit in sequence has been properly graded and prepared to receive contact waste. The Permittee will contact the Midland District Office to proceed with construction of next disposal pit in the sequence and it may not begin accepting waste until:

a. The Permittee has received approval from the Midland District Office to begin accepting waste in Disposal Pit P012483 (#2).

b. Waste is no longer being accepted in the active Disposal Pit P012482 (#1),

c. The portions of the Disposal Pit P012482 (#1) that do not abut future Disposal Pit P012483 (#2) will be capped according to the details specified in Permit Condition XI.;

d. Waste disposal operations will continue in Disposal Pit P012483 (#2) until waste height exceeds the height of the intercell berm, then the waste will be placed between Disposal Pit P012482 (#1) and Disposal Pit P012483 (#2);

e. Once the waste is almost filled to the final grade height in Disposal Pit P012483 (#2) and the exposed side that abuts the next pit in sequence has been properly graded and prepared to receive contact waste the excavation of the next disposal pit will be begin and the process will be repeated.

The construction of the successive Disposal Pits P012484 (#3), P012485 (#4), P012486 (#5), and P012487 (#6) must progress in the same manner and will require the same approvals from the Midland District Office sequentially.

4. The permittee must not construct or use any Disposal Pits in a manner that could exceed the financial security required by Permit Condition I.B.

5. Prior to the Disposal Pit accepting waste above grade, the waste collected below grade in the active Disposal Pit must be stabilized and maintained to prevent collapse of the structure, and must not have side slopes steeper than a one to four (vertical to horizontal) ratio.

6. At least four feet of horizontal freeboard must be maintained at all times between the edge of waste in the pit and the top of the pit dikes (as represented in the application).

7. No free oil may be allowed to accumulate on top of the waste stored in a Disposal Pit. Any free oil on top of the waste must be collected 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.
8. No freestanding fluids may accumulate in a Disposal Pit. Any fluids must be removed within 72 hours of discovery and disposed of in an authorized manner.

9. This permit does not authorize the discharge of any oil and gas waste from any Disposal Pit.

10. The leak detection system must be monitored at least weekly and the permittee must maintain a record of when the liner and the leak detection system are inspected and the results of each inspection for the life of the pit. This record shall include:
   a. Date of fluid level measuring;
   b. Fluid level;
   c. Volume of fluid removed;
   d. Electrical conductivity; and
   e. Chloride concentration of the fluids removed.

11. The information must be submitted in table form within the Quarterly Report required in Permit Condition I.U. of this permit. The physical record must be maintained by the permittee for the life of the pit. The physical record shall be filed with the RRC upon request.

12. If the leak detection system indicates a possible liner system failure, the liner system must be inspected for deterioration and leaks within five days of the initial detection of the failure to verify and identify the failed component. The Midland District Office must be notified of that fact by phone or email within 24 hours of detection and identification of the failure. No additional waste shall be added to the pit in the event of a failure. After inspection, the identified failed component must be replaced or repaired and re-inspected by RRC personnel before resuming use of the pit. Liner system failure is defined as any of the following:
   a. A leak rate from the primary liner greater than the ALR is defined as a rate greater than 100 GPAD.

<table>
<thead>
<tr>
<th>Pit Permit No.</th>
<th>Total Acres</th>
<th>ALR(GPAD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P012482</td>
<td>8.9</td>
<td>890</td>
</tr>
<tr>
<td>P012483</td>
<td>6.5</td>
<td>650</td>
</tr>
<tr>
<td>P012484</td>
<td>6.9</td>
<td>690</td>
</tr>
<tr>
<td>P012485</td>
<td>5.2</td>
<td>520</td>
</tr>
<tr>
<td>P012486</td>
<td>10.8</td>
<td>1,080</td>
</tr>
<tr>
<td>P012487</td>
<td>10.5</td>
<td>1,050</td>
</tr>
</tbody>
</table>

b. Any failure in the leak detection system or any component thereof.

c. Any detected damage to or leakage from the secondary liner.
13. The permittee must maintain a record of when the leak detection and the liner systems are inspected, and the results of each inspection. This record must be maintained by the permittee for the life of the pit, and made available upon request of the RRC.

14. The former caliche pit near the Disposal Pit (P012487) will be backfilled with compacted soil and graded as necessary to achieve the design grades for the disposal cell to be constructed in this area. A 12-inch thick liner subgrade layer consisting of compacted soil will be placed on the regraded floor and walls of the former caliche pit. The surface of the liner subgrade will be smooth rolled and stones ( < 2 inches) and other sharp objects will be removed to provide a stable surface for the overlying liner system for the disposal cell.

IX. STORM WATER MANAGEMENT

A. A perimeter berm that surrounds the Receiving Pits, Collecting Pit, Disposal Pits and the storm water retention pond must be constructed and maintained to provide a physical barrier to prevent potential runoff of contact storm water and prevent run-on of noncontact storm water. The perimeter berm, cell berms, trench drain and concrete curbs must be constructed and arranged as shown on the “BERM LOCATIONS” (Attachment F) diagram received on May 12, 2016, which is attached and incorporated into this permit as Permit Appendix G.

B. The perimeter berm must be constructed to a minimum height of at least four feet above land surface with a minimum 1:3 slope (height to width) ratio. It must include a rip rap rock drainage swale in the perimeter ditch that extends at least two feet up the interior side of the perimeter berm and the access road to prevent erosion.

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 storm water around the waste management areas, and isolate and contain contact storm water within the waste management units. Spills and releases into the interior ditch must be contained and removed immediately to prevent contact with storm water.

D. Contact storm water must be contained within the waste management units. Contact storm water must be removed and disposed of in an authorized manner.

E. Non-contact storm water within the facility must be conveyed away from the waste management units and directed to the Storm Water Retention Pond using a series of ditches, culverts and slide gates. The slide gates must be located at the entrance of the culverts that are used to convey non-contact storm water to the Storm Water Retention Pond. The Storm Water Retention Pond must be constructed to contain storm water from a 25-year, 24-hour storm event. Construction of the culverts, ditches, trench drain and roads must be consistent with the “DISPOSAL FACILITY CULVERT LOCATIONS AND DESCRIPTIONS” (Attachment K-5) diagram received May 12, 2016, which are attached to and incorporated into this permit as Permit Appendix H.
F. The contact and non-contact storm water areas have been identified and must be managed as illustrated on the diagrams “STORMWATER AREAS” (Attachment K-2) and “STORMWATER MANAGEMENT SCHEMATIC DURING FACILITY OPERATIONS” (Attachment K-3) received May 12, 2016, which are attached to and incorporated into this permit as Permit Appendix I.

G. In the event that contact storm water enters a Storm Water Retention Pond the permittee must submit a written report detailing the event to Technical Permitting in Austin before disposing of the contents of the pond. Contact storm water must be removed and disposed of in an authorized manner.

H. All above ground tanks must be diked. Dikes must be constructed and maintained to contain the largest tank’s maximum capacity, plus freeboard to contain a 25-year, 24-hour storm event.

I. A discharge permit from the EPA may be required for non-contact storm water discharges. If required, the permit from the EPA must be in place prior to commencement of discharge operations.

X. FACILITY CLOSURE

A. Technical Permitting and the Midland District Office must be notified in writing at least 45 days prior to commencement of final 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. At facility closure, all waste, chemicals, and waste related 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 waste related equipment must be emptied, cleaned, and removed from the facility.

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

E. Excluding Disposal Pit areas, the entire facility must be backfilled as necessary, contoured to original grade and re-vegetated with ground cover appropriate for the geographic region.

F. Closure of the Truck Washout Bays/Trench (P021499), Settling Basins (P012488A, P012488B, P012488C, P012488D, P012489A, P012489B, P012489C, and P012489D), Receiving Pits (P012480 and P012481), and Collecting Pit (P012479) Areas shall be as follows:

1. The contents of all tanks, vessels, or other containers must be disposed of in an authorized manner.

2. All equipment must be removed and salvaged, if possible, or disposed of in an authorized manner.

3. The washout trench, Settling Basin, Receiving Pit and Collecting Pits must be dewatered, emptied, backfilled, compacted, and properly closed. All wastes, including the liners, must be removed and disposed of in an authorized manner.
4. The concrete unloading bays, washout trench, Settling Basins, concrete pads and access roads shall be cleaned, demolished and the concrete rubble and wash-water must be disposed of in an authorized manner.

5. 12 inches of soil from beneath the concrete unloading bays, concrete liners, concrete aprons, and all visually contaminated soils from beneath the synthetic pit liners shall be excavated and removed. The contaminated soil must be disposed of in an authorized manner.

6. Once waste removal is completed, a soil sampling plan must be submitted to Technical Permitting to characterize the scope of any contamination at the facility. After the removal of wastes, composite soil samples must be taken comprising of a minimum of four representative soil samples per former pit location and five representative soil samples per acre. Samples must be taken from around and underneath the Truck Washout Bays/Trench, Settling Basins, Receiving Pits, and Collecting Pit Areas.

7. Soil samples required by Permit Condition X.F.6. must be analyzed for the analytical Parameters listed in Permit Condition X.G., and those Parameter Limitations shall not be exceeded.

G. Soil samples required by Permit Conditions X.F.6. 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>≤ 200 mg/kg</td>
</tr>
<tr>
<td>Silver</td>
<td></td>
</tr>
</tbody>
</table>

¹ Louisiana Department Natural Resources (LDNR) Lab Procedures for Extraction and Analysis of Exploration and Production (E&P) Waste or equivalent.
H. A summary of the soil sampling required by Permit Condition X.F.6. 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.

I. Any soil sample that exceeds the Parameter Limitations specified in Permit Condition X.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, all non-disposal pits must be dewatered, emptied, demolished, backfilled, and compacted within 120 days of final cessation of use of each 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 former locations. Upon final closure, the appropriate District Office and Technical Permitting in Austin shall be notified in writing.

XI. CLOSURE AND CAPPING

A. Closure of the Disposal Pits P012482 (#1), P012483 (#2), P012484 (#3), P012485(#4), P012486(#5), and P012487(#6) must be as follows:

B. Once each Disposal Pit has reached its permitted capacity:
   1. Waste material in the Disposal Pit must be stabilized, so that the structure will not fail, slump or erode;
   2. Waste material in the Disposal Pit must be graded and compacted so that waste will support the pit cover and rainwater will not collect on top of the pits;
   3. The compacted waste must be covered with a cap that must consist of a subgrade layer that is 12 inches thick, overlain by a geosynthetic clay liner, overlain with a 60-mil HDPE liner, overlain with a geocomposite drainage layer, overlain by layer of soil that is 18 inches thick compacted to at least 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density, and seeded with appropriate vegetation for the geologic region.
   4. Unless otherwise required by conditions of this permit, final closure of the Disposal Pits must be consistent with the application and details provided on the diagram "DISPOSAL PIT CAPPING PLAN AND DETAILS" (Sheet C8) received May 12, 2016, which is attached and incorporated into this permit as Permit Appendix J.
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.

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. Once the facility is no longer in operation the storm water must be handled in a manner that is consistent with the application and the “STORMWATER MANAGEMENT SCHEMATIC AFTER FACILITY CLOSURE” (Attachment K-4) diagram, received on May 12, 2016, which is attached to and incorporated into this permit as Permit Appendix K.

E. The leak detection system and the leachate collection system for the Disposal Pits must be maintained and monitored quarterly. Any leachate detected must be pumped out and disposed of in an authorized manner.

F. 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.U.

G. The permittee must request in writing formal approval 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 December 27, 2016

Grant Chambless, P.G.
Manager
Environmental Permits & Support
Technical Permitting

cc:
RRC - Midland/08
RRC - Reporting Log in Austin
RRC - Production Audit Austin
Permit Appendix A

“SITE PLAN” (Sheet C1)
Permit Appendix B

"TRUCK WASH AREA AND SETTLING BASIN PLAN" (Attachment E),

"TRUCK WASH AND SETTLING BASIN SITE PLAN" (Sheet C15),

"TRUCK WASH AREA AND DETAILS" (Sheet C16)
and

"SETTLING BASIN AND DETAILS" (Sheet C17)
Permit Appendix C

"RECEIVING PITS PLAN AND DETAILS" (Sheet C6)
Permit Appendix D

"COLLECTING PIT PLAN AND DETAILS" (Sheet C7)
Permit Appendix E

“DISPOSAL CELL SITE PLAN” (Sheet C2),
“DISPOSAL CELL PLAN AND DETAILS” (Sheet C3) and

“DISPOSAL PIT DETAILS” (Sheet C4 and Sheet C5),
Permit Appendix F

“DISPOSAL CELL 1 PLAN AND DETAILS” (Sheet C9),

“DISPOSAL CELL 1 CAPPING PLAN AND DISPOSAL CELL 2 PLAN AND DETAILS” (Sheet C10),

“DISPOSAL CELL 2 CAPPING PLAN AND DISPOSAL CELL 3 PLAN AND DETAILS” (Sheet C11),

“DISPOSAL CELL 3 CAPPING PLAN AND DISPOSAL CELL 4 PLAN AND DETAILS” (Sheet C12),

“DISPOSAL CELL 4 CAPPING PLAN AND DISPOSAL CELL 5 PLAN AND DETAILS” (Sheet C13), and

“DISPOSAL CELL 5 CAPPING PLAN AND DISPOSAL CELL 6 PLAN AND DETAILS” (Sheet C14)
Permit Appendix G

"BERM LOCATIONS" (Attachment F)
Permit Appendix H

“DISPOSAL FACILITY CULVERT LOCATIONS AND DESCRIPTIONS” (Attachment K-5)
Permit Appendix I

“STORMWATER AREAS” (Attachment K-2) and
“STORMWATER MANAGEMENT SCHEMATIC DURING FACILITY OPERATIONS” (Attachment K-3)
Permit Appendix J

"DISPOSAL PIT CAPPING PLAN AND DETAILS" (Sheet C8)
Permit Appendix K

"STORMWATER MANAGEMENT SCHEMATIC AFTER FACILITY CLOSURE" (Attachment K-4)