RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

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

AMENDED

Permits Nos. STF-0106, P012321, P012322,
P012323, P012328, P012359, P012610, P012611A,
P012611B, P012611C, P012612A, P012612B, P012612C,
P012747, P012748A, P012748B, P012748C, P012748D,
P012748E, P012748F, P012748G and P012748H
Supersedes Permit issued on March 13, 2018

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

Based on information contained in the original application from Trinity Environmental SWD, LLC, received on June 17, 2015, the transfer request from Petro Waste Environmental, LP, received on November 17, 2017, the amendment request, received on September 10, 2018, 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:

Deep Six STF & Truck Wash Facility – Reeves County (200 acres)
Section 11, Block 51 T7 S, T. & P. R.R. Co. Survey, A-736
Latitude, Longitude: 31.286932°, -103.394229°
Reeves County, Texas
RRC District 08, Midland

NARRATIVE DESCRIPTION OF PROCESS:

Incoming oil and gas wastes will be directed to either the Collecting/Settling Pits (P012611A, P012611B, P012611C, P012612A, P012612B and P012612C), the Collecting/Staging Pits (P012321, P012322, P012323 and P012747), or the Disposal Pits (P012328, P012748A, P012748B, P012748C, P012748D, P012748E, P012748F, P012748G and P012748H), depending on the liquid content and composition of the waste. The Truck Wash Bays, the Collecting/Washout Pit (P012610) and the Collecting/Settling Pits are designed as an interconnected system. The Collecting/Washout Pit will gravity feed washout water from the Truck Wash Area to the Collecting/Settling Pits for separation and processing.

The Collecting/Settling Pits will passively separate solids, liquids and oil. The separated fluids will be pumped into the 500-bbl frac tanks and may be reused in the truck wash operations. The remaining separated fluids will be transported to a Railroad Commission of Texas (RRC) permitted Class II injection well for disposal. The recovered hydrocarbons will be stored in above ground tanks prior to being sold. The accumulated solids from the Collecting/Settling Pits will be mechanically transferred to the Collecting/Staging Pits for further processing and stabilization and/or interred in the active on-site Disposal Pit.
The separated and accumulated solid wastes are staged in the Collecting/Staging Pits and will be stabilized through evaporation and the use of aggregate materials. The staged solids must pass a paint filter test before placement into the active Disposal Pit. Fluids and contact stormwater recovered from the Collecting/Staging Pits will be pumped or conveyed to the Collecting/Retention Pit (P012359), then transported to a RRC permitted Class II injection well for disposal.

Authority is granted by the RRC to receive, store, handle, treat or dispose of certain nonhazardous oil and gas wastes in accordance 16 Texas Administrative Code (TAC) §3.57 (Statewide Rule 57) and TAC, §3.8 (Statewide Rule 8) and is subject to the following conditions:

I. GENERAL PERMIT CONDITIONS

A. The effective date of this permit is November 16, 2018 and expires on March 8, 2021.

B. The permittee may not receive, store, handle, treat, reclaim or dispose of oil and gas wastes or fluids at the facility until financial security in the amount of $3,531,063.00 is provided and approved by the RRC for the referenced location. This amount provides financial security for the RRC permitted Waste Storage and Treatment Units listed below.

C. In accordance with 16 TAC § 3.78 the permittee shall maintain financial security in the amount of $3,531,063.00 until this facility and all the referenced Permit Nos: STF-0106, Collecting/Staging Pits (P012321, P012322, P012323 and P012747), Collecting/Washout Pit (P012610), Collecting/Settling Pits (P012611A, P012611B, P012611C, P012612A, P012612B and P012612C), Collecting/Retention Pit (P012359) and Disposal Pits (P012328, P012748A, P012748B, P012748C, P012748D, P012748E, P012748F, P012748G and P012748H) 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. 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 Section of Reeves County, Texas, and proof of the filing with Reeves County is submitted to and approved by the RRC.

E. A copy of the site-specific Spill Control Plan that details means and methods of waste management and containment in the event of a release or discharge must be maintained on-site and made available to RRC staff for review and inspection upon request.

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

G. A discharge permit from the Environmental Protection Agency (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.

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

I. The permittee may not receive, store, handle, treat, reclaim or dispose of oil and gas waste at the facility until all necessary air permits or exemptions (if any) are obtained from the Texas Commission on Environmental Quality (TCEQ).
J. Technical Permitting in Austin and the Midland District Office must be notified in writing when construction of the facility is initiated and with the completion of the disposal pit and/or each waste management unit.

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

L. 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.

M. An On-Site Sewage Facility (OSSF) may be constructed, operated, and maintained within the boundaries of the subject facility without an additional permit from the Commission if: (1) the OSSF waste is not commingled with any other oil and gas waste; (2) the system is designed by a 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.

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

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 component 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 laboratory analysis must be collected and preserved in a manner appropriate for that analytical method as specified by 40 CFR, Part 136. All geotechnical testing is to be performed utilizing tests standardized by the American Society for Testing and Materials (ASTM) and certified by a Texas licensed Professional Engineer.

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 application 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.H., IV.K., V.E.11., VI.N., VII.L., IX.F., IX.M., and XIII.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 Midland 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. Laboratory analytical results, corresponding chain of custody and other relevant data as specified in Permit Conditions III.D. and XII.F. 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 (d)(6)(E) or Statewide Rule 57 (c)(7).

II. AUTHORIZED WASTES

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

4. Contaminated soils from crude oil spills, pipeline spills, and saltwater spills from production operations

5. Solid wastes from gas dehydration and gas plant sweetening wastes (i.e. spent filter media, amine filters, precipitated amine sludge, iron sponge, iron sulfide scale, and hydrogen sulfide scrubber fluids and sludge)

6. Production tank bottoms, which do not exceed 7% in oil content as determined by a Standard API Shakeout

7. Waste material from produced water collecting pits

8. Produced formation sands

9. Liners and bottoms from pits that contained exempt oil and gas wastes

10. Inert wastes, as defined by Statewide Rule 8, such as contaminated concrete or wood

B. No other waste may be accepted at this facility.
C. 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.E.

D. 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.

E. 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.

F. All waste haulers received at the facility must be currently permitted RRC Oil and Gas Waste Haulers and must have the subject facility listed as an authorized disposal facility on their “Oil and Gas Waste Hauler’s Authority to use Approved Disposal/Injection System”, (Form WH-3).

III. WASTE TESTING AND RECORD KEEPING REQUIREMENTS

A. For the purposes of this permit a representative sample of incoming waste is defined as a composite sample composed of four grab samples mixed to form one composite 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. All instrument calibration records must be maintained onsite and made available upon request. 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.

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 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>(EPA 100 mg/l</td>
</tr>
<tr>
<td>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 acceptance of that waste.
E. Prior to acceptance 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>Toxicity</td>
<td>No materials exhibiting the characteristic of toxicity as defined by RCRA</td>
</tr>
</tbody>
</table>

Metals: Toxicity Characteristic Leaching Procedure (TCLP) (EPA Method 1311/6010/6020/7471A)

<table>
<thead>
<tr>
<th>Metal</th>
<th>Limitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arsenic (As)</td>
<td>&lt; 5.0 mg/L</td>
</tr>
<tr>
<td>Barium (Ba)</td>
<td>&lt; 100.0 mg/L</td>
</tr>
<tr>
<td>Cadmium (Cd)</td>
<td>&lt; 1.0 mg/L</td>
</tr>
<tr>
<td>Chromium (Cr)</td>
<td>&lt; 5.0 mg/L</td>
</tr>
<tr>
<td>Lead (Pb)</td>
<td>&lt; 5.0 mg/L</td>
</tr>
<tr>
<td>Mercury (Hg)</td>
<td>&lt; 0.2 mg/L</td>
</tr>
<tr>
<td>Selenium (Se)</td>
<td>&lt; 1.0 mg/L</td>
</tr>
<tr>
<td>Silver (Ag)</td>
<td>&lt; 5.0 mg/L</td>
</tr>
</tbody>
</table>

Benzene (TCLP) (EPA Method 1311/8260/8021B) 

< 0.5 mg/L

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:
   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 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); 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 from the facility for a period of three (3) years from the date of receipt:
   1. Date waste is removed and hauled to a disposal facility
   2. Name and RRC permit number of the transporter
   3. Volume (specify units) of each shipment of waste hauled to a disposal facility
   4. Type of waste (basic sediment, water, water-based mud, etc.)
   5. Name and permit number of the facility

H. A report must be submitted to Technical Permitting in Austin and the Midland 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.F and III.G. 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. GENERAL FACILITY DESIGN AND MAINTENANCE REQUIREMENTS

A. The general layout and arrangement of the facility shall be consistent with the “SITE PLAN” (Sheet C1) diagram, received September 10, 2018, which is attached and incorporated into this permit as Permit Appendix A.

B. A sign must be posted at each entrance to the facility. The sign must be readily visible and show the operator name, facility name, and permit number in letters and numerals at least three inches in height.

C. The entire facility shall consist of and is defined by the following waste management unit designations:
   1. Truck Washout Bays and Receiving Area:
      a. Eight (8) Truck Wash Bays
      b. One (1) Collecting/Washout Pit (P012610)
      d. Two (2) 550-bbl frac tanks
      e. Two (2) 300-bbl water tanks
   2. Four (4) Collecting/Staging Pits (P012321, P012322, P012323 and P012747)
   4. One (1) Stormwater Collecting/Retention Pit (P012359)

D. No waste, treated or untreated, may be directly 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, roll-off box or storage vessel reveals deterioration or leaks, it must be repaired or replaced before resuming use of the vessel.
F. Any spill of waste, chemicals, or any other waste related material must be collected and containerized within 24 hours and conveyed 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. Dikes or containment structures must be constructed around all waste management units. All earthen dikes surrounding pits and constructed as perimeter berms must be compacted or constructed of material that meets 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density and meet a permeability of $1 \times 10^{-7}$ cm/sec or less when compacted. During construction, successive lifts should not exceed nine inches in thickness, and the surface between lifts should be scarified to achieve a good seal. Each berm 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 XI.

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. Fencing shall be required unless terrain or vegetation prevents truck or livestock access except through entrances with lockable gates.

J. No oil may be allowed to accumulate on top of the water or wastes stored in the pits. Any oil on top of any waste liquids must be skimmed off and handled in accordance with RRC rules. Any recovered oil must be recorded and filed as either a Skim Oil/Condensate Report (Form P-18) or a “Letter of Authority Request for Oil Movement” (Form T-1) Letter:

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

OR

2. An original signed “Letter of Authority Request for Oil Movement” (Form T-1) must initially be submitted on letterhead to Field Operations, Austin, TX. Oil and Gas Division, for every event in which sellable skim oil is recovered and intended to be sold during the operation of this facility. Filing frequency requirements may be redefined after the initial oil movement request has been processed. The request must include:
   a. The time period for which oil movement authority is requested.
   b. The name of the applicant requesting to move the oil.
   c. Volume (barrels) of oil to be moved.
   d. Name and location of the facility which oil will be moved.
   e. Name, address, telephone, and fax number of facility buying the oil to be moved.
   f. Contact person, T-1 permit number, and P-5 Operator Number of the oil buyer.
   g. A description of the source(s) of the oil at the facility.

K. Each month an inspection of the entire facility must be performed on all concrete slabs, processing equipment, containment berms, and aboveground storage tanks or vessels for
deterioration, leaks and spills. The records of each inspection must be kept on-site and maintained for a period of three (3) years from the date of the inspection. The following must be included in the inspection report and submitted as part of the Quarterly Report required by Permit Condition I.U.: 

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.


A. The general layout and arrangement of the Truck Washout Bays, the Receiving Area and the Collecting/Settling Pits shall be consistent with the “TRUCK WASH AND SETTLING BASIN SITE PLAN” (Drawing No. 20), the “TRUCK WASH PLAN AND DETAILS” (Drawing No. 21) and the “SETTLING BASIN PLAN AND DETAILS” (Drawing No. 22) diagrams, received on January 28, 2018, and the “SETTLING BASIN DETAILS” (Drawing No. 23) diagram, received on November 17, 2017, which are attached and incorporated into this permit as Permit Appendix B.

B. The Truck Washout Bays and Receiving Area shall consist of an above grade structure that will have eight (8) washout bays that are each approximately 20 feet wide by 20 feet long. The slab shall be constructed of reinforced concrete with a minimum thickness of 12 inches. The unloading bays and the entire receiving area is surrounded by a low permeability (cement stabilized roadbase) pavement. A concrete curb shall be constructed that is 12 inches in height be three (3) feet wide that surrounds the truck washout and settling basin area. The truck washout bays slope towards the centralized Collecting/Washout Pit which collects waste that then gravity flows to the settling pits.

1. Use of the Truck Washout Bays and the Collecting/Washout Pit is limited to the collection of waste water, rinseate and residual solids generated 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.

2. The floor of each bay shall have a minimum slope of 2%, allowing for wash water to drain into the grated Collecting/Washout Pit. The Collecting/Washout Pit shall consist of two channels that are each three (3) feet wide and three (3) feet deep and extend the full length of the Truck Washout Bays (80 feet) and will gravity drain into the Collecting/Settling Pits.

3. The usable capacity of the dual channel Collecting/Washout Pit must not exceed 240 barrels.
4. A sign shall be posted identifying the Collecting/Washout Pit by name and permit number using letters and numerals at least three (3) inches in height.

C. The low permeability pavement and concrete aprons surrounding the Truck Washout Bays, the Receiving Area, the Collecting/Washout Pit and the Collecting Settling Pits must be graded such that surface flow storm water is diverted around the Collecting/Settling Pits and to the Collecting/Washout Pit.

D. The tank pad shall be constructed of reinforced concrete with a minimum thickness of 12 inches and shall contain the tanks outlined in Permit Condition IV.C.1. The tank pad shall be surrounded by a concrete block fire wall that is two (2) feet, eight (8) inches in height and eight (8) inches wide and must maintain sufficient volume as specified in Permit Condition X.L.C.


1. The Collecting/Settling Pits are an interconnected weir system used to passively separate the incoming fluids and waste received from the Truck Washout Bays.

2. Use of the Collecting/Settling Pits is limited to the collection of wastes generated from the Truck Washout Bays and other oil and gas wastes specified in Permit Condition II.A. prior to disposal in a permitted Class II injection well or in the active on-site Disposal Pit. No other oil field fluids or oil and gas wastes may be stored or staged in the pit.

3. A sign shall be posted identifying each Collecting/Receiving Pit by name and permit number using letters and numerals at least three inches in height.

4. Collecting/Settling Pits (P012611A and P012612A) must be approximately 61 feet long by 12 feet wide by six (6) feet deep. The usable capacity of each pit must not exceed 543 barrels or 113 cubic yards.

5. Collecting/Settling Pits (P012611B, P012611C, P012612B and P012612C) must be approximately 25 feet long by 12 feet wide by six (6) feet deep. The usable capacity of each pit must not exceed 316 barrels or 66 cubic yards.

6. The total combined permitted capacity for all six Collecting/Settling Pits shall not exceed 2,350 barrels or 490 cubic yards.

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

8. Residual solid waste that accumulates at the bottom of the pit shall be removed regularly to maintain freeboard and shall be disposed of in an authorized manner.

9. Liquid waste accumulated within the pit shall be removed, as needed, to maintain freeboard. Liquid waste shall be transferred to the tanks for further processing or transported offsite for disposal to an authorized Class II injection well.

10. Each Collecting/Settling Pit shall be constructed of reinforced concrete at least 12 inches thick. The concrete liner must be installed and maintained in accordance with best management and sound engineering practices.

11. Each Collecting/Settling Pit must be emptied and visually inspected annually for deterioration and leaks. A record of each inspection and photographs of the interior of each pit must be maintained for the life of the pit 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.

12. The concrete liner must be inspected whenever evidence of liner leakage arises. If inspection of the concrete liner reveals cracking, a leak or other loss of integrity the pit must have all the waste immediately removed. No waste shall be added to the affected pit until the liner has been replaced or repaired and re-inspected by RRC personnel before resuming use of the pit.

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

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

VI. CONSTRUCTION AND OPERATION OF THE COLLECTING/STAGING PITS (P012321, P012322, P012323 and P012747)

A. The general layout and arrangement of the Collecting/Staging Pits must be consistent with the schematic diagrams “RECEIVING PITS PLAN” (Drawing No. 11) and “RECEIVING PITS PLAN AND DETAILS” (Drawing No. 13), received on January 25, 2018, “RECEIVING PITS CROSS-SECTIONS” (Drawing No. XS-2), received on February 16, 2018, and “RECEIVING PIT PLAN AND DETAILS” (Sheet C15), received on September 10, 2018, which are attached and incorporated into this permit as Permit Appendix C.

B. Use of the Collecting/Staging Pits is limited to the collection of non-hazardous oil and gas solid wastes as specified in Permit Condition II.A. for processing, stabilization and staging prior to disposal in the on-site active Disposal Pit. 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 each Collecting/Staging Pits by name and permit number using letters and numerals at least three inches in height.

D. The Collecting/Staging Pits (P012321, P012322 and P012323) must be approximately 342 feet long by 100 feet wide by 6.5 feet deep. The usable capacity of the of the pits must not exceed 29,508 barrels or 6,136 cubic yards.

E. The Collecting/Staging Pit (P012747) must be approximately 343 feet long by 211 feet wide by 12 feet deep. The usable capacity of the of the pits must not exceed 69,409 barrels or 14,431 cubic yards.

F. The total combined permitted capacity for all six Collecting/Staging Pits shall not exceed 157,924 barrels or 32,839 cubic yards.

G. Berms must be constructed and maintained on all sides each Collecting/Staging Pit with a slope no greater than a one to three (vertical to horizontal) ratio and meet compaction criteria specified in Permit Condition IV.H.

H. The pits shall have a minimum slope of 1% to allow the wastes to gravity flow to the fluid collection sump.

I. The Collecting/Staging Pits must be constructed with a liner system that includes a geosynthetic clay liner (GCL), a 60-mil high-density polyethylene (HDPE) secondary liner and a 60-mil HDPE primary liner overlain with 24 inches of a protective soil layer not composed of waste.
J. Each Collecting/Staging Pit must be equipped with a Leak Detection System (LDS), including a HDPE drainage layer with a thickness of at least 200-mil that extends over the entire pit between the primary and secondary liners to collect any leakage from the primary liner.

K. The liner system and the LDS shall be consistent with the diagrams provided in Permit Appendix C.

L. The liners and the LDS must be installed in accordance with the application, the material manufacturer's specifications and sound engineering practices.

M. The LDS must be monitored at least weekly. This record shall include:
   1. Date of fluid level measuring
   2. Fluid level or volume
   3. Volume of fluid removed;
   4. Electrical conductivity
   5. Chloride concentration of the fluids removed.

N. Records of leak detection system monitoring required by Permit Condition VI.M. 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.

O. 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 by phone or email within 24 hours of detection of the failure. No additional waste shall be added to the Disposal Pit Phase 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 is defined as any of the following:
   1. A leak rate from the primary liner greater than the calculated Action Leakage Rate (ALR) of 78 gallons per day (GPD) for Collecting/Staging Pits (P012321, P012322 and P012323) or greater than 1,780 GPD for Collecting/Staging Pit (P012747) or 100 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

P. Liquid waste accumulated shall be removed, as needed, to maintain freeboard. Liquid waste shall be transferred to the tanks for further processing or transported offsite for disposal to an authorized Class II injection well.

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

R. Unless otherwise required by conditions of this permit, construction, use, and maintenance of the pits must be in accordance with the information represented on the application (Form H-11) and attachments thereto.
VII. CONSTRUCTION AND OPERATION OF THE COLLECTING/RETENTION PIT (P012359)

A. The general layout and arrangement of the Collecting/Retention Pit must be consistent with the schematic diagrams “STORMWATER POND PLAN” (Drawing No. 14), received on January 25, 2018, “STORMWATER POND CROSS-SECTIONS” (Drawing No. XS-3), received on February 16, 2018, and “STORMWATER POND DETAILS” (Drawing No. 15), received on January 25, 2018, which are attached and incorporated into this permit as Permit Appendix D.

B. Use of the Collecting/Retention Pit is limited to the collection of non-hazardous oil and gas solid wastes as specified in Permit Condition I.A. for storing fluid wastes and the collection of contact stormwater. 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 Collecting/Retention Pit by name and permit number using letters and numerals at least three inches in height.

D. The Collecting/Retention Pit (P012359) must be approximately 375 feet long by 100 feet wide by 6.5 feet deep. The usable capacity of the of the pits must not exceed 25,689 barrels or 5,342 cubic yards.

E. Berms must be constructed and maintained on all sides each Collecting/Retention Pit with a slope no greater than a one to three (vertical to horizontal) ratio and meet compaction criteria specified in Permit Condition IV.H.

F. The pits shall have a minimum slope of 1% to allow the wastes to gravity flow to the fluid collection sump.

G. The Collecting/Retention Pit must be constructed with a liner system that includes a geosynthetic clay liner (GCL), a 60-mil high-density polyethylene (HDPE) secondary liner and a 60-mil HDPE primary liner.

H. The Collecting/Retention Pit must be equipped with a LDS, including a HDPE drainage layer with a thickness of at least 200-mil that extends over the entire pit between the primary and secondary liners to collect any leakage from the primary liner.

I. The liner system and the LDS shall be consistent with the diagrams provided in Permit Appendix D.

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

K. The LDS must be monitored at least weekly. This record shall include:
   6. Date of fluid level measuring
   7. Fluid level or volume
   8. Volume of fluid removed;
   9. Electrical conductivity
   10. Chloride concentration of the fluids removed.

L. Records of leak detection system monitoring required by Permit Condition VII.K. 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.
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 by phone or email within 24 hours of detection of the failure. No additional waste shall be added to the Disposal Pit Phase 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 is defined as any of the following:

a. A leak rate from the primary liner greater than the calculated ALR of 860 GPD or 1000 GPAD.
b. Any failure in the leak detection and return system or any component thereof
c. Any detected damage to or leakage from the secondary liner

N. Liquid waste accumulated shall be removed, as needed, to maintain freeboard. Liquid waste shall be transferred to the tanks for further processing or transported offsite for disposal to an authorized Class II injection well.

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

P. 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.


A. The Disposal Pits must be constructed and arranged as shown on the schematic diagrams “DISPOSAL CELL CROSS-SECTIONS” (Drawing No. XS-1), received on February 16, 2018, “DISPOSAL PIT PLAN” (Sheet C2), “DISPOSAL PIT SECTIONS” (Sheets C3 and C4), received on September 10, 2018, which are attached and incorporated into this permit as Permit Appendix E.

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

C. A sign must be posted identifying the Disposal Pit and the Phase Number by name and permit number using letters and numerals at least three inches in height.

D. The dimensions and the total capacities for each Disposal Pit must not exceed the following:

<table>
<thead>
<tr>
<th>Pit No.</th>
<th>Total Volume (bbl)</th>
<th>Total Volume (cu yd)</th>
<th>Length (ft)</th>
<th>Width (ft)</th>
<th>Height Above Grade (ft)</th>
<th>Depth Below Grade (ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P01232B</td>
<td>3,932,031</td>
<td>817,657</td>
<td>912</td>
<td>660</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>P012748A</td>
<td>2,735,775</td>
<td>568,898</td>
<td>759</td>
<td>522</td>
<td>48</td>
<td>20</td>
</tr>
<tr>
<td>P012748B</td>
<td>2,947,999</td>
<td>613,029</td>
<td>743</td>
<td>514</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Pit No.</td>
<td>Total Volume (bbl)</td>
<td>Total Volume (cu yd)</td>
<td>Length (ft)</td>
<td>Width (ft)</td>
<td>Height Above Grade (ft)</td>
<td>Depth Below Grade (ft)</td>
</tr>
<tr>
<td>----------</td>
<td>-------------------</td>
<td>----------------------</td>
<td>-------------</td>
<td>------------</td>
<td>------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>P012748C</td>
<td>2,779,424</td>
<td>577,974</td>
<td>768</td>
<td>520</td>
<td>48</td>
<td>20</td>
</tr>
<tr>
<td>P012748D</td>
<td>2,983,415</td>
<td>620,394</td>
<td>752</td>
<td>514</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>P012748E</td>
<td>2,873,991</td>
<td>597,639</td>
<td>490</td>
<td>788</td>
<td>46</td>
<td>20</td>
</tr>
<tr>
<td>P012748F</td>
<td>2,897,559</td>
<td>602,540</td>
<td>492</td>
<td>788</td>
<td>46</td>
<td>20</td>
</tr>
<tr>
<td>P012748G</td>
<td>2,889,504</td>
<td>600,865</td>
<td>625</td>
<td>652</td>
<td>46</td>
<td>20</td>
</tr>
<tr>
<td>P012748H</td>
<td>2,746,522</td>
<td>571,132</td>
<td>632</td>
<td>658</td>
<td>44</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,786,220</strong></td>
<td><strong>5,570,119</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

E. The general layout and phased construction of the Disposal Pits shall be consistent with the schematic diagrams “DISPOSAL CELL TOP OF PROTECTIVE COVER” (Drawing No. 8), received on January 25, 2018, “DISPOSAL PIT 2 PLAN” (Sheet C7), “DISPOSAL CELL 2 CAPPING PLAN AND DISPOSAL PIT 3 PLAN” (Sheet C8), “DISPOSAL CELL 3 CAPPING PLAN AND DISPOSAL PIT 4 PLAN” (Sheet C9), “DISPOSAL CELL 4 CAPPING PLAN AND DISPOSAL PIT 5 PLAN” (Sheet C10), “DISPOSAL CELL 5 CAPPING PLAN AND DISPOSAL PIT 6 PLAN” (Sheet C11), “DISPOSAL CELL 6 CAPPING PLAN AND DISPOSAL PIT 7 PLAN” (Sheet C12), “DISPOSAL CELL 7 CAPPING PLAN AND DISPOSAL PIT 8 PLAN” (Sheet C13), “DISPOSAL CELL 8 CAPPING PLAN AND DISPOSAL PIT 9 PLAN” (Sheet C14), received on September 10, 2018, which are attached and incorporated into this permit as Permit Appendix F.

F. 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 and meet compaction criteria specified in Permit Condition IV.H.

G. The Disposal Pits must be constructed in accordance with the liner system installation methods included in the application and consist of (from bottom to top), at least 12 inches of a compacted subgrade, a geosynthetic clay liner (GCL), a 60-mil HDPE secondary liner, a 60-mil HDPE primary liner overlain with 24 inches of a protective soil layer that is not composed of waste.

H. Each Disposal Pit Phase must be equipped with a Leachate Collection System (LCS), including a HDPE drainage net with a thickness of at least 225-mil that covers the entire pit area on top of the primary liner, to collect any rainwater that falls within the pit footprint and leachate that percolates through the waste contained therein.

I. Each Disposal Pit Phase must be equipped with a Leak Detection System (LDS), including an HDPE drainage layer with a thickness of at least 225-mil that extends over the entire pit between the primary and secondary liners, to collect any leakage from the primary liner.

J. The liner system, LCS and LDS shall be consistent with the schematic diagrams “DISPOSAL CELL AND PIT DETAILS” (Drawing No. 10A), received on January 25, 2018, and “DISPOSAL PIT DETAILS” (Sheet C5), received on September 10, 2018, which are attached and incorporated into this permit as Permit Appendix G.

K. The floor of Disposal Pit must have at least a 2% slope to allow fluids to drain to the Leachate Collection System and the Leak Detection System sump at the low end of each pit.
L. The liners, the LCS and the LDS must be installed in accordance with the application, the material manufacturer’s specifications and sound engineering practices.

M. A liner anchor trench must be used to key the synthetic liners for each phase to their respective berms. The liners must be welded together to create a continuous liner system when the next disposal pit is constructed.

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

O. The area surrounding the Disposal Pits must be graded such that all surfaces slope away from the pit areas, to prevent surface flow storm water from entering the pits.

IX. OPERATION OF THE DISPOSAL PIT (P012677)

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

B. The permittee must not construct or use any Disposal Pit in a manner that could exceed the financial security required by Permit Condition 1.B.

C. All waste shall pass a Paint Filter Test (EPA Method 9095) prior to placement in any Disposal Pit.

D. Before the Permittee may begin excavation of the next Disposal Pit in the sequence, the previous Disposal Pit must be filled with waste to almost final grade height, and the exposed side abutting the next pit in the construction sequence must be properly graded and prepared to receive waste. The waste in the previous pit must be properly graded and prepared for the temporary cap, which will consist of 12 inches of soil (not waste) that meets a hydraulic conductivity of 1 x 10⁻⁷ centimeters per second or less and has been compacted to 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density. The temporary cap must be graded to prevent ponding on top of the cover and inhibit infiltration of liquids into the wastes below.

E. The temporary cap must be inspected after each storm event and re-compacted as needed to meet the requirements specified above in Permit Condition 9.D.

F. After the temporary cover has been constructed it must be inspected every quarter for erosion, slope stability, and thickness of the cover. The results of each inspection must be submitted as part of the Quarterly Report required in Permit Condition 1.U. The physical record must be maintained by the permittee for the life of the pit.

G. The Permittee must contact the Midland District Office to proceed with construction of each disposal pit in the sequence and may not begin accepting waste until;

1. The Permittee has received approval from the Midland District Office to begin accepting waste in next Disposal Pit in the sequence.
2. Waste is no longer being accepted in the previous Disposal Pit and the temporary cap is almost completed.

H. At least two (2) feet of horizontal freeboard must be maintained at all times between the edge of waste in the active Disposal Pit and the top of the pit dikes.

I. Prior to the active Disposal Pit accepting waste above grade, the waste collected below grade must be stabilized, compacted and maintained to prevent collapse of the structure, and must not have side slopes steeper than a one-to-three (vertical to horizontal) ratio.
J. Once the Disposal Pit begins to accept waste above grade, the pit freeboard (buffer) shall be constructed and maintained to contain all contact stormwater that may be generated during a 25-year, 24-hour storm event for Reeves County.

K. No freestanding fluids may accumulate in any Disposal Pit. Any fluids must be removed within 72 hours of discovery and disposed of in an authorized manner.

L. The leak detection system must be monitored at least weekly. This record shall include:
   1. Date of fluid level measuring;
   2. Fluid level or volume;
   3. Volume of fluid removed;
   4. Electrical conductivity; and
   5. Chloride concentration of the fluids removed.

M. Records of leak detection system monitoring required by Permit Condition IX.L. 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.

N. 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 by phone or email within 24 hours of detection of the failure. No additional waste shall be added to the Disposal Pit Phase in the event of a failure. After inspection, the identified failed component must be replaced or repaired and reinspected by RRC personnel before resuming use of the pit. A liner system failure is defined as any of the following:
   1. Any failure in the leak detection and return system or any component thereof
   2. Any detected damage to or leakage from the secondary liner
   3. A leak rate from the primary liner greater than the calculated ALR from the table below

<table>
<thead>
<tr>
<th>Pit No.</th>
<th>Total Acres</th>
<th>ALR (GPD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P012328</td>
<td>13.82</td>
<td>1,382</td>
</tr>
<tr>
<td>P012748A</td>
<td>9.30</td>
<td>930</td>
</tr>
<tr>
<td>P012748B</td>
<td>8.91</td>
<td>891</td>
</tr>
<tr>
<td>P012748C</td>
<td>9.42</td>
<td>942</td>
</tr>
<tr>
<td>P012748D</td>
<td>8.98</td>
<td>898</td>
</tr>
<tr>
<td>P012748E</td>
<td>9.20</td>
<td>920</td>
</tr>
<tr>
<td>P012748F</td>
<td>9.25</td>
<td>925</td>
</tr>
<tr>
<td>P012748G</td>
<td>9.65</td>
<td>965</td>
</tr>
<tr>
<td>P012748H</td>
<td>9.63</td>
<td>963</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>88.16</strong></td>
<td></td>
</tr>
</tbody>
</table>
O. 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) and attachments thereto.

P. The RRC reserves the right to require necessary design modifications prior to capping and closure to ensure that the waste is stabilized above grade. Prior to receiving waste at 50-foot intervals above grade, a stabilization geotextile may be required to provide increased tensile strength to stabilize the compacted waste.

X. CLOSURE AND CAPPING OF THE DISPOSAL PIT (P012677)

A. Final closure and capping for the Disposal Pits at the facility shall be consistent with the schematic diagrams “DISPOSAL CELL CAPPING PLAN” (Drawing No. 8A), received on January 25, 2018, and “DISPOSAL PIT CAPPING PLAN” (Sheet C6), received on September 10, 2018, which are attached and incorporated into this permit as Permit Appendix H.

B. Once all the Disposal Pit Phases have reached the permitted capacity:
   1. Waste material in the Disposal Pits must be stabilized, so that the structure will not fail, slump or erode. The RRC reserves the right to require necessary design modifications to increase tensile strength prior to capping and closure to ensure that the waste is stabilized above grade.
   2. Waste material in the Disposal Pits must be graded, stabilized and compacted so that waste will support the pit cover and rainwater will not collect on top of the pits.
   3. A final cap that consists of a 60-mil HDPE liner overlain by a geocomposite drainage layer, overlain by 18 inches of soil seeded with appropriate vegetation for the geologic region.
   4. Unless otherwise required by conditions of this permit, final closure of the Disposal Pit Phases must be consistent with the details as presented in the application. Any modification to the closure or final capping for the Disposal Pit must be submitted and approved by Technical Permitting prior to the modification occurring.

XI. STORMWATER MANAGEMENT

A. The general layout and arrangement of the stormwater management structures during active operations, which includes secondary containment structures and two (2) non-contact Stormwater Retention Ponds, shall be consistent with the diagram provided in Permit Appendix A.

B. Berms and other containment structures must be constructed around all waste management units and storage areas. These structures must be used to divert non-contact stormwater around the waste management areas, and isolate and contain contact stormwater within the waste management units. Spills and releases into the interior ditches must be contained and removed immediately to prevent contact with stormwater.

C. All storage tanks containing fluid waste or fuel shall be contained within dikes. Secondary containment of 120% total storage capacity is recommended, however a firewall capacity that will capture 100% of the volume of the largest tank plus the volume of a 25 year/24-hour rainfall event for Reeves County is acceptable.

D. Spills within the secondary containment areas shall be containerized immediately and contact stormwater must be managed as waste and disposed of in an authorized manner.
E. In the event that contact storm water enters the 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.

F. 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.

XII. FACILITY CLOSURE

A. Technical Permitting and the Midland 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 beginning closure activities.

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

C. Waste processing equipment, aboveground storage tanks, and any other equipment not associated with the maintenance of the facility must be removed.

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

E. Excluding the Disposal Pit and the Stormwater Management Areas, the entire facility must be backfilled as necessary, contoured to original grade and re-vegetated as appropriate for the geographic region.

F. Closure of the Truck Washout Bays, the Collecting/Washout Pit (P012610), the Collecting/Settling Pits (P012611A, P012611B, P012611C, P012612A, P012612B and P012612C), the Collecting/Staging Pits (P012321, P012322, P012323 and P012747) and the Collection/Retention Pit (P012359) shall be as follows:

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

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

3. The concrete from the Truck Washout Bays, the Collecting/Washout Pit, the Collecting/Settling Pits and all concrete pads (storage tanks and equipment) and access roads shall be cleaned and demolished and the concrete rubble and washwater must be disposed of in an authorized manner.

4. The Truck Washout Bays, the Collecting/Washout Pit, the Collecting/Settling Pits, the Collecting/Staging Pits and the Collecting/Retention Pit must be dewatered, emptied, demolished, backfilled, compacted and properly closed. All wastes, including the liners, must be removed and disposed of in an authorized manner.

5. Twelve (12) inches of soil from beneath the concrete liners, concrete aprons, concrete pads, 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 from the waste handling areas, a soil sampling plan must be submitted to Technical Permitting to characterize the scope of any
residual contamination at the facility. After the removal of wastes, composite soil samples must be taken comprised of a number of samples that is representative of acreage and number of former waste management units. Samples must be taken from around and underneath the former Truck Washout Area, the Collecting/Settling Pits, the Collecting/Staging Pits and the Collecting/Retention Pit and concrete pads (storage tank and equipment).

7. Soil samples required by Permit Condition XII.F.6. must be analyzed for the parameters listed in Permit Condition XI.G., and those parameter limitations shall not be exceeded. If any parameter limitation is exceeded, additional waste must be removed from that location, and the area must be resampled. The process must be repeated until the analytical results meet criteria.

G. Soil samples required by Permit Condition XII.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>(\leq 4.0\ \text{mmhos/cm})</td>
</tr>
<tr>
<td>Total Petroleum Hydrocarbons (TPH) ((EPA\ Method\ 5035A/\text{TX1005}))</td>
<td>(\leq 10,000\ \text{mg/kg or 1% by weight})</td>
</tr>
<tr>
<td>Total Benzene, Toluene, Ethylbenzene, Xylenes (BTEX) ((EPA\ Method\ 5035A/8021/8260B))</td>
<td>(\leq 30\ \text{mg/kg})</td>
</tr>
<tr>
<td>Metals (Total) ((EPA\ Method\ 6010/6020/7471A))</td>
<td>(\leq 10\ \text{mg/kg})</td>
</tr>
<tr>
<td>Arsenic</td>
<td>(\leq 10,000\ \text{mg/kg})</td>
</tr>
<tr>
<td>Barium</td>
<td>(\leq 10\ \text{mg/kg})</td>
</tr>
<tr>
<td>Cadmium</td>
<td>(\leq 100\ \text{mg/kg})</td>
</tr>
<tr>
<td>Chromium</td>
<td>(\leq 200\ \text{mg/kg})</td>
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<tr>
<td>Lead</td>
<td>(\leq 10\ \text{mg/kg})</td>
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<tr>
<td>Mercury</td>
<td>(\leq 10\ \text{mg/kg})</td>
</tr>
<tr>
<td>Selenium</td>
<td>(\leq 200\ \text{mg/kg})</td>
</tr>
<tr>
<td>Silver</td>
<td>(\leq 200\ \text{mg/kg})</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 Conditions XII.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; and
5. Copies of the laboratory analytical reports and chain of custody.

I. Any soil sample that exceeds the parameter limitations specified in Permit Condition XII.G. is considered waste and must be disposed of at an authorized disposal facility.
J. The Disposal Pits (P012328, P012748A, P012748B, P012748C, P012748D, P012748E, P012748F, P012748G and P012748H) must be closed and capped as specified in Permit Condition X.

K. Once the results of the closure activities have been approved by the RRC, all pits, excluding the Disposal Pit and Non-Contact Stormwater Retention Pond, 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 Midland District Office and Technical Permitting in Austin shall be notified in writing.

XIII. POST-CLOSURE CARE AND MONITORING

A. In accordance with 16 TAC § 3.78 the permittee shall maintain financial security in the amount of $440,000.00 after the facility has stopped receiving waste, met all specified closure requirements and all the disposal pits have been properly capped for the post-closure monitoring period in accordance with this permit. Technical Permitting reserves the right to revise this amount, as necessary. Prior to closure, an updated post-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 before the operating financial security referenced in Permit Condition I.B. will be released.

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

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

D. Any areas showing signs of erosion or instability must be repaired, contoured, backfilled, and reseeded as necessary.

E. The leak detection system and the leachate collection system for the Disposal Pits must be maintained and monitored at least quarterly. Any leachate detected must be removed and disposed of in an authorized manner, and the information as specified in Permit Condition IX.M. must be reported within the appropriate quarterly report.

F. A summary of the results of the post-closure monitoring activities 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 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 November 16, 2018

[Signature]
Tiffany Humberson, Manager
Environmental Permits & Support
Technical Permitting
Notes: The permit has been amended from the previous version to include:

1. Collecting/Staging Pit (P012747);
2. Disposal Pits (P012748A, P012748B, P012748C, P012748D, P012748E, P012748F, P012748G and P012748H); and
3. Updated conditions reflecting current permit language.

Attachments: Permit Appendices A through H

cc: RRC District 08, Midland
    P-5 Department
PERMIT APPENDIX A

SITE PLAN
(Sheet C1)
PERMIT APPENDIX B

TRUCK WASH AND SETTLING BASIN SITE PLAN
(Drawing No. 20)

TRUCK WASH PLAN AND DETAILS
(Drawing No. 21)

SETTLING BASIN PLAN AND DETAILS
(Drawing No. 22)

SETTLING BASIN DETAILS
(Drawing No. 23)
PERMIT APPENDIX C

RECEIVING PITS PLAN
(Drawing No. 11)

RECEIVING PITS PLAN AND DETAILS
(Drawing No. 13)

RECEIVING PIS CROSS-SECTIONS
(Drawing No. XS-2)

RECEIVING PIT PLAN AND DETAILS
(Sheet C15)
PERMIT APPENDIX D

STORMWATER POND PLAN
(Drawing No. 14)

STORMWATER POND CROSS-SECTIONS
(Drawing No. XS-3)

STORMWATER POND DETAILS
(Drawing No. 15)
PERMIT APPENDIX E

DISPOSAL CELL CROSS-SECTIONS
(Drawing No. XS-1)

DISPOSAL PIT PLAN
(Sheet C2)

DISPOSAL PIT SECTIONS
(Sheets C3 and C4)
PERMIT APPENDIX F

DISPOSAL CELL TOP OF PROTECTIVE COVER  
(Drawing No. 8)

DISPOSAL PIT 2 PLAN  
(Sheet C7)

DISPOSAL CELL 2 CAPPING PLAN AND DISPOSAL PIT 3 PLAN  
(Sheet C8)

DISPOSAL CELL 3 CAPPING PLAN AND DISPOSAL PIT 4 PLAN  
(Sheet C9)

DISPOSAL CELL 4 CAPPING PLAN AND DISPOSAL PIT 5 PLAN  
(Sheet C10)

DISPOSAL CELL 5 CAPPING PLAN AND DISPOSAL PIT 6 PLAN  
(Sheet C11)

DISPOSAL CELL 6 CAPPING PLAN AND DISPOSAL PIT 7 PLAN  
(Sheet C12)

DISPOSAL CELL 7 CAPPING PLAN AND DISPOSAL PIT 8 PLAN  
(Sheet C13)

DISPOSAL CELL 8 CAPPING PLAN AND DISPOSAL PIT 9 PLAN  
(Sheet C14)
PERMIT APPENDIX G

DISPOSAL CELL AND PIT DETAILS
(Drawing No. 10A)

DISPOSAL PIT DETAILS
(Sheet C5)
PERMIT APPENDIX H

DISPOSAL CELL CAPPING PLAN
(Drawing No. 8A)

DISPOSAL PIT CAPPING PLAN
(Sheet C6)