

**United States Environmental Protection Agency
Underground Injection Control Program**

FINAL PERMIT

Class I Non-hazardous Waste Injection Wells

Permit No. R9UIC-CA1-FY17-1R (the Permit)

Well Names: La Paloma WD-3, 6, and 7

Issued to:

CXA La Paloma, LLC

**1760 West Skyline Road, P.O. Box 175
McKittrick CA 93251**

TABLE OF CONTENTS

PART I. AUTHORIZATION TO INJECT	5
PART II. SPECIFIC PERMIT CONDITIONS.....	7
A. REQUIREMENTS PRIOR TO DRILLING, TESTING, CONSTRUCTING, OR OPERATING	7
1. Financial Assurance.....	7
2. Field Demonstration Submittal, Notification, and Reporting for all Wells authorized under this Permit.....	7
B. CONDITIONS FOR ALL WELLS AUTHORIZED BY THIS PERMIT.....	7
1. Surface Location	7
2. Well Construction Details	8
3. Proposed Injection Well Authorization and Construction.....	8
4. Injection Well Formation Testing.....	8
5. Injection Interval.....	10
6. Monitoring Devices	11
7. Proposed Changes and Workovers	11
C. CORRECTIVE ACTION	12
1. Annual Zone of Endangering Influence (ZEI) Review.....	12
2. Implementation of Future Corrective Actions.....	12
D. WELL OPERATION	13
1. Required Demonstrations	13
2. Mechanical Integrity	14
3. Injection Pressure Limitation.....	17
4. Injection Volume (Rate) Limitation.....	18
5. Injection Fluid Limitation	18
6. Tubing/Casing Annulus Requirements	19
E. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS	20
1. Injection Fluid Monitoring Program	20
2. Monitoring Information	21
3. Monitoring Devices	21
4. Recordkeeping	23
5. Reporting	23

F.	PLUGGING AND ABANDONMENT	25
1.	Notice of Plugging and Abandonment.....	25
2.	Plugging and Abandonment Plans	25
3.	Cessation of Injection Activities	26
4.	Plugging and Abandonment Report.....	26
G.	FINANCIAL ASSURANCE REQUIREMENTS	27
1.	Demonstration of Financial Assurance	27
2.	Failure of Financial Assurance	27
3.	Insolvency of Owner or Operator	28
H.	DURATION OF PERMIT	28
PART III. GENERAL PERMIT CONDITIONS.....		28
A.	EFFECT OF PERMIT	28
B.	PERMIT ACTIONS.....	29
1.	Modification, Revocation and Reissuance, or Termination.....	29
2.	Transfers	29
C.	SEVERABILITY	29
D.	CONFIDENTIALITY	29
E.	GENERAL DUTIES AND REQUIREMENTS	30
1.	Duty to Comply.....	30
2.	Penalties for Violations of Permit Conditions.....	30
3.	Need to Halt or Reduce Activity Not a Defense	30
4.	Duty to Mitigate	30
5.	Proper Operation and Maintenance	30
6.	Property Rights	31
7.	Duty to Provide Information.....	31
8.	Inspection and Entry	31
9.	Submittal Requirements.....	31
10.	Additional Reporting Requirements	32
11.	Requirements Prior to Commencing Injection, Plugging and Abandonment Report, Duty to Establish and Maintain Mechanical Integrity.....	34
12.	Continuation of Expiring Permit.....	34
13.	Records of Permit Application.....	34
14.	Availability of Reports	34
15.	Monitoring and Records	34

Appendices

APPENDIX A – Project Location Map

APPENDIX B – Well Schematics

APPENDIX C – EPA Reporting Forms

APPENDIX D – EPA Region 9 Radioactive Tracer Survey and Temperature Logging Guidelines

APPENDIX E – EPA Region 9 UIC Pressure Falloff Requirements

APPENDIX F – EPA Region 9 Step Rate Test Procedure Guidelines

APPENDIX G – Plugging and Abandonment Plan(s)

APPENDIX H – Step Rate Test Report

PART I. AUTHORIZATION TO INJECT

Pursuant to the Underground Injection Control (UIC) regulations of the U.S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (CFR) Parts 124, 144, 146, 147, and 148,

CXA La Paloma, LLC (CXA or the Permittee)
1760 West Skyline Road
McKittrick, CA 93251

is hereby authorized, as owner and operator, and contingent upon the Permit conditions herein, to continue to operate existing injection well WD-3 and to install and operate two additional injection wells WD-6 and WD-7 at their facility location listed above and as described below.

As background, on March 6, 2008, EPA issued UIC Program Permit CA10710001, authorizing CXA to construct and operate up to five (5) injection wells at the La Paloma Generating Plant (LPGP or the facility). Injection well WD-3 was completed into the Olig Sand Member of the Reef Ridge Formation and was tested and placed into service in May of 2009. Four other injection wells authorized by the permit were never constructed. Accordingly, CXA is currently authorized to operate Existing Injection Well WD-3. Until this Permit is issued and effective, authority to operate Existing Injection Well WD-3 will continue under the current UIC permit, No. CA10710001.

The LPGP is located in Section 27, Township 30 South, Range 22 East, Northeast $\frac{1}{4}$ Section; Latitude 35.2940022 degrees North and Longitude 119.5908203 degrees West, approximately two (2) miles east-southeast of the City of McKittrick, California.

The facility is a 1,022-megawatt, combined cycle, natural gas-fired electrical power plant. The combined cycle power block consists of four combustion turbine generators and four heat recovery steam generators located on a 400-acre site.

The current water injection well facilities include the WD-3 injection well, wellhead, well pad, access roads, and injection pipelines, and three high pressure service pumps. The current well (WD-3) and proposed injection wells (WD-6 and WD-7) will be operated on a rotating basis with only one injection well operating at any given time.

Wastewater generated at the LPGP consists primarily of cooling tower blowdown from the power plant cooling process with lesser volumes of boiler and evaporative cooler blowdown, wash water, filter backwash, equipment drains, and stormwater from equipment containment areas.

Before final discharge to the UIC disposal well, wastewater passes through the filtration portion (multi-media filters and reverse osmosis system) of LPGP's Zero Discharge wastewater treatment system. The filtrate (reverse osmosis concentrate) is then pumped into the UIC disposal well. Pretreatment of both wastewater and raw water effectively removes solids that could potentially plug the injection zone.

The Permittee is limited to injecting the above-described wastewater fluids. As required under Part II.D.1.b., the Permittee shall provide the EPA with the characterizations of all wastewater injectate.

This Permit authorizes the Permittee to inject using the existing La Paloma Well WD-3 into the Upper Miocene Olig Sand Member of the Reef Ridge Formation at the injection interval of 4,381 feet to 5,268 feet below ground surface. The Olig Sand at La Paloma WD-3 has greater than 10,000 mg/L total dissolved solids and is confined above by the approximately 2,475-foot-thick undifferentiated San Joaquin-Etchegoin Formation, which is located below the lowermost underground source of drinking water (USDW). The Olig Sand is confined below by the Reef Ridge Miocene Shale.

EPA authorizes the Permittee to operate their Class I UIC well(s) conditional upon the Permittee meeting the Financial Assurance requirements set forth in Part II.G. of this Permit. Injection operation of the Permitted Well will continue to be limited to the maximum volume and pressure as established by the previously conducted Step-Rate Test under EPA Permit No. CA10710001, and in accordance with terms and conditions in Parts II.B.4.a. and II.D.3. and 4. of this Permit.

All conditions set forth herein are based on Title 40 of the CFR Parts 124, 144, 146, 147 and 148, which are regulations that are in effect on the date that this Permit is effective.

This Permit consists of thirty-four (34) pages plus the appendices, and includes all items listed in the Table of Contents. Further, the Permit is based upon representations made by the Permittee and other information contained in the administrative record. The Permittee is responsible to read, understand, and comply with all terms and conditions of this Permit.

This Permit is issued for a period of ten (10) years unless the Permit is terminated under the conditions set forth in Part III.B.1. or is administratively extended under the conditions set forth in Part III.E.12.

This permit is immediately effective on the date of signature.

Tomás Torres, Director
Water Division, EPA Region 9

PART II. SPECIFIC PERMIT CONDITIONS

A. REQUIREMENTS PRIOR TO DRILLING, TESTING, CONSTRUCTING, OR OPERATING

1. Financial Assurance

The Permittee's plugging and abandonment cost estimate and chosen financial assurance mechanism for Existing Injection Well La Paloma WD-3 meet the requirements of 40 CFR § 144.52(a)(7).

Prior to commencing Drilling and Construction for proposed injection wells WD-6 and WD-7, the Permittee shall supply evidence of increased financial assurance for EPA review and approval in accordance with Section G of this part.

2. Field Demonstration Submittal, Notification, and Reporting for all Injection Wells authorized under this Permit

- a. Prior to each field demonstration required by and described in the following Parts II.B.4.a. and 4.b., and Parts II.D.1.a., 2.a., and 2.b., the Permittee shall submit plans for procedures and specifications to the EPA Region 9 Groundwater Protection Section for approval at least sixty (60) days prior to the planned demonstration. Submittals shall be made in accordance with Part III.E.9. No demonstration in these Sections may proceed without prior written approval from EPA.
- b. After receipt of approval of the Permittee's proposed field demonstrations in writing from EPA, the Permittee must provide notice at least thirty (30) days prior to performing any required field demonstrations.
- c. Unless otherwise specified elsewhere in this Permit, or otherwise directed by EPA, the Permittee shall submit results of each such field demonstration required by Parts II.B. through D. and F. to EPA within sixty (60) days of completion.

B. CONDITIONS FOR ALL WELLS AUTHORIZED BY THIS PERMIT

1. Surface Locations

Existing Well La Paloma WD-3 is currently authorized for UIC Class I non-hazardous injection activities under this Permit. Proposed Wells La Paloma WD-6 and WD-7 will be authorized for UIC Class I non-hazardous injection activities when they are constructed and operated in compliance with the conditions of this Permit.

The three (3) injection wells authorized by this Permit are located as follows:

- Well WD-3: Located at 35 Degrees, 17 Minutes, 38 Seconds North and Longitude 119 Degrees, 35 Minutes, 31 Seconds West
- Well WD-6: Proposed location at 35 Degrees, 17 Minutes, 38 Seconds North and Longitude 119 Degrees, 35 Minutes, 35 Seconds West
- Well WD-7: Proposed location at 35 Degrees, 17 Minutes, 47 Seconds North and Longitude 119 Degrees, 35 Minutes, 45 Seconds West

2. Well Construction Details

The existing Well Schematic for Well La Paloma WD-3 is contained in Appendix B of this Permit, which also contains a proposed schematic for wells WD-6 and WD-7. If WD-6 or WD-7 are built, as-built schematics for each well shall be submitted to EPA. The Permittee shall always maintain each Well constructed and operated under this Permit consistent with the associated as-built Well Schematics approved by EPA, unless changes are authorized by EPA as described in Part II.B.7.

3. Proposed Injection Well Authorization and Construction

Prior to drilling proposed injection Wells La Paloma WD-6 or WD-7, and in addition to supplying evidence of increased financial assurance for EPA review and approval (see Part II.A.1.), the Permittee must submit to EPA for review and approval, detailed construction plans and procedures, including any changed field coordinates (Section, Township, Range, with latitude/longitude) for the surface and bottom hole locations of the proposed well(s). The Permittee shall also provide the drilling program details, and the distance between all wells, and any justification for the proposed separation distance between the wells, both at the surface and at the true vertical depth of the top of the injection interval.

Construction on any new injection wells may only commence after the Permittee receives written EPA approval, consistent with 40 CFR § 144.52(a)(1). All drilling, work-over, and plugging procedures must also comply with CalGEM's "Onshore Well Regulations" of the California Code of Regulations, found in Title 14, Natural Resources, Division 2, Department of Conservation, Chapter 4, Article 3, Sections 1722-1723. Additional requirements may be applied upon EPA's review and approval.

4. Injection Formation Testing

a. Step-Rate Test (SRT)

- i. Within ninety (90) days after the effective date of EPA approval to operate either of the proposed Injection Wells La Paloma WD-6 or

WD-7, the Permittee shall conduct an SRT on the new well to establish the maximum allowable surface injection pressure (MASIP) in accordance with Part II.D.3.a. The Permittee shall submit to EPA for review and approval a detailed plan for conducting the SRT. Once EPA approves in writing the test plan, the Permittee may schedule the SRT, providing EPA at least thirty (30) days' notice before the SRT is conducted. The final SRT report shall be submitted to EPA within sixty (60) days of test completion.

- ii. Refer to Appendix F – Step Rate Test Procedure Guidelines. Refer also to Society of Petroleum Engineering (SPE) Paper #16798 for test design and analysis guidance.
- iii. Injection into any well as proposed in an approved SRT procedure, which may include injecting above fracture pressure, will be temporarily authorized only until such time that EPA approves final injection requirements pursuant to Parts II.D.3. and 4.

b. Pressure Fall Off Test (FOT)

- i. For new injection wells authorized under this Permit, within a window of six to twelve months after EPA approves the completed SRT and establishes a MASIP pursuant to Part II.D.3., the Permittee shall conduct an initial FOT to determine and monitor formation characteristics. The Permittee shall conduct the FOT after a radial flow regime has been established at an injection rate which is representative of the expected wastewater flows to the new well(s). Existing injection wells authorized under this Permit shall be inactive during the FOT in order to obtain reliable pressure data and accurate results. The Permittee shall conduct the FOT in accordance with EPA Region 9 guidance found in Appendix E, and as follows.
- ii. For existing well WD-3, an FOT shall be performed within a window of three (3) to nine (9) months after the permit becomes effective, if an FOT has not been conducted within the last six (6) months pursuant to the Class I UIC permit. If an FOT has been performed within six (6) months under the Class I UIC permit, the next FOT shall be performed within a window of nine (9) to fifteen (15) months after the prior FOT. If a new Step Rate Test is approved and conducted and a new MASIP is established (see Parts II.B.4.a. and II.D.3.), a new FOT shall also be performed.

- iii. The Permittee has historically determined and monitored formation characteristics by conducting an annual FOT in Well WD-3. For consistency, the Permittee may continue to conduct the FOT in this well or may propose to conduct the test in another constructed injection well to determine and monitor formation characteristics. The Permittee shall conduct the FOT after a radial flow regime has been established at an injection rate that is representative of the wastewater contribution to the well. Other injection wells shall either be inactive, or operated at a constant rate, prior to and during the FOT, in order to obtain reliable pressure data and accurate results. The Permittee shall conduct the FOT in accordance with EPA Region 9 guidance found in Appendix E, and as follows.
- iv. The Permittee shall submit to EPA for review and approval a detailed plan for any FOT that is developed in accordance with EPA Region 9 guidance in Appendix E. Once EPA approves the test plan in writing, the Permittee may schedule the FOT, providing EPA at least thirty (30) days' notice before the test is conducted. The final FOT report shall be submitted to EPA within sixty (60) days of test completion.
- v. The Permittee shall use the FOT test results to recalculate the Zone of Endangering Influence (ZEI), consistent with procedures set forth at 40 CFR § 146.6(a), and to evaluate whether any corrective action will be required (refer to Part II.C.). The Permittee shall include a summary of the ZEI recalculation with the FOT report.
- vi. After conducting the FOT required in Parts II.B.4.b.i. or ii. above, the Permittee shall conduct an FOT annually thereafter following the same procedures described in Parts II.B.4.b.i. and iv., above. The Permittee may conduct the annual FOT in conjunction with the annual External Mechanical Integrity Test (MIT) demonstration, as required by Part II.D.2.a.iii.
- vii. The Permittee shall create a plot/graph of the latest static reservoir pressure of the injection zone and its cumulative behavior over time, starting with the FOT conducted after the initial FOT; the plot shall be included with the annual FOT report each year.

5. Injection Interval

La Paloma Well WD-3 is currently authorized to inject into the Olig Sand Member of the Reef Ridge Formation. The Olig Sand at Well La Paloma WD-3 has greater than 10,000 mg/L total dissolved solids. La Paloma WD-3 injection

is only permitted into the Olig Sand, within the depth range as depicted in the as-built well schematic in Appendix B.

Proposed Wells La Paloma WD-6 and WD-7 injection intervals will be established and approved by EPA prior to written EPA approval to construct and operate.

6. Monitoring Devices

The Permittee shall maintain the following monitoring devices in good operating condition at all times during operation of all wells authorized under this Permit:

- a. A tap on the discharge line between the injection pump and the wellhead or an alternative location proposed in a detailed written request by the Permittee and approved in writing by EPA for the purpose of obtaining representative samples of injection fluid; and
- b. Devices to continuously measure and record injection pressure, annulus pressure, flow rate, and injection volume, subject to the following:
 - i. Pressure gauges shall be of a design to provide:
 - (a) A full pressure range of at least fifty (50) percent greater than the anticipated operating pressure; and
 - (b) A certified deviation accuracy of five (5) percent or less throughout the operating pressure range.
 - ii. Flow meters shall measure cumulative volumes and be certified for a deviation accuracy of five (5) percent or less throughout the range of injection rates allowed by the Permit.

7. Proposed Changes and Workovers

- a. The Permittee shall give advance notice to EPA, as soon as possible, pursuant to and in accordance with 40 CFR § 144.51(I), of any planned physical alterations or additions to any of the wells authorized under this Permit, including sidetracking and deepening or perforating additional intervals. Any changes in well construction, including changes in casing, tubing, packers, and/or perforations other than minor changes, will require prior written approval by EPA and may require a permit modification application under the requirements of 40 CFR § 144.39 or 144.41. Modifications that are considered routine in well construction details, such as tubing dimensions and strengths, packer models, types and setting

depths, and perforation interval changes within the permitted injection zone, may be processed by EPA as minor permit modifications, consistent with 40 CFR § 144.41(f) and Part III.B.1 of this Permit.

- b. For each operating well authorized by this Permit, the Permittee shall provide all records of well workovers, logging, or other subsequent test data to EPA within sixty (60) days of completion of the activity.
- c. The Permittee shall submit all reports required by this Permit using the appropriate reporting forms (see Appendix C).
- d. The Permittee shall perform a Mechanical Integrity Test (MIT) on each well authorized by this Permit, using the procedures set forth in Parts II.D.1.a. and II.D.2., within thirty (30) days of completion of workovers or alterations and prior to resuming injection activities. The Permittee shall provide results of the MIT to EPA within sixty (60) days of completion.

C. CORRECTIVE ACTION

The Permittee is not required to conduct any corrective action, in accordance with 40 CFR §§ 144.55 and 146.7, prior to EPA granting initial authorization to inject under this Permit.

1. Annual Zone of Endangering Influence Review (ZEI)

Annually, beginning with the first FOT conducted under this Permit, the Permittee shall review the ZEI calculation based on any new data obtained from the FOT and static reservoir pressure observations required by Part II.B.4.b. and per the requirements of 40 CFR § 146.6(a). The Permittee shall provide to EPA a copy of the modified ZEI calculations, along with all associated assumptions and justifications, with the Quarterly Report due annually in April, as required by Part II.E.5.c.

2. Implementation of Future Corrective Actions

- a. If any additional wells requiring corrective action, in accordance with 40 CFR §§ 144.55 and 146.7, are found within the modified ZEI referenced above, a list of the wells along with their locations and construction data shall be provided to EPA within thirty (30) days of their identification.
- b. The Permittee shall submit a plan for approval by EPA to re-enter, plug, and abandon the wells listed in Part II.C.2.a., above, in a manner that does not allow movement of fluid containing any contaminant into USDWs, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR Part 142 or may otherwise adversely affect the health of

persons. The Permittee may submit an alternative plan to address the potential for fluid movement in any such wells to EPA.

- c. The Permittee may not commence corrective action activities without prior written approval from EPA.

D. WELL OPERATION

1. Required Demonstrations

a. Mechanical Integrity

Within ninety (90) days of the effective date of this Permit, the Permittee shall propose a schedule to conduct an MIT to demonstrate that the existing well WD-3 has mechanical integrity consistent with 40 CFR § 146.8 and with Part II.D.1.a. The test should be planned within a window of nine (9) to fifteen (15) months after the prior MIT was conducted under the previous permit. Also, prior to the approval to inject in the proposed wells WD-6 and WD-7, the Permittee shall conduct an MIT of the well for which they are seeking approval. These MITs shall demonstrate that there are no significant leaks in the casing and tubing (internal mechanical integrity) and that there is no significant fluid movement into or between USDWs through the casing wellbore annulus or vertical channels adjacent to the injection wellbore (external mechanical integrity).

b. Injectate Hazardous Waste Determination

- i. With the first quarterly report (see II.E.5.b.) due after the effective date of this Permit, the Permittee shall certify that the existing Injectate “Hazardous Waste Determination” of each unique waste stream source injected into each operating injection well authorized by this Permit, as listed in Part II.D.5.a. and in accordance with 40 CFR § 262.11, is unchanged. If a change is identified, a new determination must be performed within sixty (60) days of the effective date of this Permit. The results of the analyses shall demonstrate that the injectate does not meet the definition of hazardous waste as defined in 40 CFR § 261.3.
- ii. Whenever there is a process change or a change in fluid chemical constituents or characteristics of the injectate at the CXA facility, the Permittee shall perform an additional “Hazardous Waste Determination” for each unique waste stream source listed in Part II.D.5.a. The Permittee should also refer to injectate testing

requirements set forth in Part II.E.1., below. A letter with the results of the analyses shall be submitted to EPA within sixty (60) days of the “Hazardous Waste Determination” completion.

2. Mechanical Integrity

a. Mechanical Integrity Tests (MITs)

Mechanical integrity testing shall conform to the following requirements throughout the life of each well authorized by this Permit and in accordance with the requirements set forth at 40 CFR §§ 144.51(q) and 146.8:

i. Casing/Tubing Annular Pressure (Internal MIT)

In accordance with the timing requirements defined in Part II.D.2.b., below, the Permittee shall perform a pressure test on the annular space between the tubing and long string casing to demonstrate the absence of significant leaks in the casing, tubing and/or liner of each constructed injection well. This test shall be for a minimum of thirty (30) minutes at a pressure as established below. If greater than the MASIP, it should be no greater than one hundred (100) pounds per square inch gauge (psig) or 10% of the MASIP, whichever is less. A well passes the MIT if there is less than a five (5) percent change in pressure over the thirty (30) minute period. A pressure differential of at least three hundred and fifty (350) pounds per square inch (psig) between the tubing and annular pressures shall be maintained throughout the MIT. This test shall be performed on each well authorized by this Permit initially as described in this Part and at least once every five (5) years thereafter.

Detailed plans for conducting the Internal MIT must be submitted to EPA for review and approval. Once approved, the Permittee may schedule the Internal MIT, providing EPA at least thirty (30) days’ notice before the Internal MIT is conducted. The final test report shall be submitted to EPA within sixty (60) days of test completion.

ii. Continuous Pressure Monitoring

The Permittee shall continuously monitor and record the tubing/casing annulus pressure and injection pressure by a digital instrument with a resolution of one tenth (0.1) psig. The average, maximum, and minimum monthly results shall be included in the next Quarterly Report submitted to EPA pursuant to Part II.E.5.b.,

along with any additional records or data requested by EPA regarding the continuous monitoring data described in this Section.

iii. Injection Profile Survey (External MIT)

In conjunction with and consistent with the deadlines for the initial FOT required in Part II.B.4.b., the Permittee shall conduct a demonstration that the injectate is confined to the proper zone and submit the results of the demonstration to EPA for approval.

This demonstration shall consist of temperature and radioactive tracer surveys, and top perforation and packer checks (as specified in Appendix D) or other diagnostic tool or procedure as approved by EPA.

Detailed plans for conducting the External MIT must be submitted to EPA for review and approval. Once approved, the Permittee may schedule the External MIT, providing EPA at least thirty (30) days' notice before the External MIT is conducted. The final test report shall be submitted to EPA within sixty (60) days of test completion.

iv. Cement Evaluation Analysis

For any approved well under this Permit, after installing and cementing casing, conducting a cement squeeze job, or any well cement repair, the Permittee shall submit to EPA cementing records and cement evaluation logs that demonstrate isolation of the injection interval and other formations from underground sources of drinking water. Surface casing, intermediate, and long string casing well bore annuli shall be cemented to ground surface.

Analysis shall include cement evaluation performed after each casing is set and cemented. Cement evaluation must assess the following four objectives:

- (a) Bond between casing and cement;
- (b) Bond between cement and formation;
- (c) Detection and assessment of any micro-annulus (small gaps between casing and cement); and
- (d) Identification of any cement channeling in the borehole annulus.

If the cement bond logs indicate a lack of sufficient cement or poor bonding at the base of USDWs and/or other critical intervals in any approved well under this Permit, remedial cementing may be required to place additional cement in the casing/wellbore annulus.

The Permittee may not commence or recommence injection or operation of that well until it has received written notice from EPA that the cement evaluation/demonstration is satisfactory.

b. Schedule for MITs

EPA may require that an Internal and/or External MIT be conducted, within thirty (30) days of a written request from EPA during the permitted life of any well authorized by this Permit. The Permittee shall also arrange and conduct MITs in each well authorized by this Permit according to the following requirements and schedule:

- i. Within thirty (30) days from completion of any work-over operation where well integrity is compromised (e.g., the well packer is unseated or monitoring data indicates a well integrity problem), an Internal MIT shall be conducted, and the results submitted to EPA for approval to verify that the well has mechanical integrity. Prior to this field demonstration, the Permittee shall submit testing plans to EPA, as described in Part II.A.2.
- ii. At least annually for each operating injection well authorized by this Permit, an injection profile survey External MIT shall be conducted in accordance with 40 CFR § 146.8 and Part II.D.2.a.iii., above.
- iii. At least once every five (5) years for each operating injection well authorized by this Permit, an Internal MIT shall be conducted in accordance with 40 CFR § 146.8 and Part II.D.2.a.i., above.
- iv. At least once every five (5) years, a casing evaluation log shall be conducted in each operating injection well authorized by this Permit, and a copy of the results provided to EPA within sixty (60) days, in accordance with 40 CFR § 146.8 and Part II.D.2.a.iv., above.

c. Loss of Mechanical Integrity

Within twenty-four (24) hours from the time the Permittee becomes aware of any loss of mechanical integrity in any well authorized by this Permit, the Permittee shall notify EPA of the situation and specify which of the following circumstances apply:

- i. The well fails to demonstrate mechanical integrity during a test; or
- ii. A loss of mechanical integrity becomes evident during operation; or

- iii. A significant change in the annulus or injection pressure occurs during normal operating conditions. See Parts II.D.6.c. and d.

In the event of a loss of mechanical integrity, the Permittee shall immediately suspend injection activities in the affected well and shall not resume operation until it has taken necessary actions to restore and confirm mechanical integrity of the affected well, and not until EPA has provided written approval prior to recommencing injection into the affected well.

The Permittee may not recommence injection after a workover that has compromised well integrity until receiving written approval from EPA that the demonstration of mechanical integrity is satisfactory.

3. Injection Pressure Limitation

For each well authorized by this Permit:

- a. Maximum allowable surface injection pressure (MASIP) will be set at 80% of the calculated fracture pressure at the surface without consideration of friction losses, or the maximum safe operating pressure of the injection equipment, whichever is less. The applicable fracture gradient will be based on results of the SRT conducted in Well La Paloma WD-3 in the Olig Sand injection zone under Part II.B.4.a.
 - i. Based on the results of the SRT conducted on Injection Well WD-3 (See Appendix H) and as implemented in the previous permit, injection pressure measured at the WD-3 wellhead shall not exceed seven hundred and seventy (770) psig.
- b. The Permittee may request a change in the maximum injection pressure allowed under Part II.D.3.a.i. above. Any such request shall be made in writing and justified to EPA with the results of a SRT conducted as described in Part II.B.4.a. If EPA approves the change, the proposed MASIP would be added to the Permit as an attachment, becoming the enforceable MASIP.
- c. In no case shall the Permittee inject at pressures that (i) initiate new fractures or propagate existing fractures in the injection zone or the confining zone, or (ii) cause the movement of injection or formation fluids into or between USDWs.

4. Injection Volume (Rate) Limitation

For each well authorized by this Permit:

- a. An injection rate limit shall be determined along with EPA's establishment of a maximum allowable injection pressure, based on an SRT(s) and an annual ZEI re-calculation. Once the injection rate limit is established based on the testing requirements outlined in this Permit, the Permittee shall not inject at a rate above the limit. This rate will be subject to an annual review based on the annual ZEI determinations performed as described in Part II.C.1.
 - i. Based on the results of the SRT conducted on Injection Well WD-3 and as implemented in the previous permit, the current injection rate limit of 14.28 bbls/min (equivalent to 600 gpm or 864,000 gpd) remains in effect.
- b. The Permittee may request an increase in the maximum rate allowed in Part II.D.4.a.i., above. Any such request shall be made in writing, along with a justification for the proposed increase, to EPA for review and approval by EPA.
- c. Should any change in the allowed injection rate above be requested, the Permittee shall demonstrate to the satisfaction of EPA that the proposed increase will not interfere with the operation of the Facility, their ability to meet conditions described in this Permit, change well classification, or cause migration of injectate or pressure buildup to occur beyond the Area of Review.
- d. The injection rate shall not cause an exceedance of the injection pressure limitation established pursuant to Part II.D.3.a.

5. Injection Fluid Limitation

- a. This Permit authorizes the following injection fluids into wells authorized by this Permit: LPGP facility wastewater, consisting primarily of cooling tower blowdown from the power plant cooling process with lesser volumes of boiler and evaporative cooler blowdown, wash water, filter backwash, equipment drains, and stormwater from equipment containment areas at LPGP. Before injection, the wastewater is filtered by the facilities wastewater treatment system (multi-media filters and reverse osmosis system).
- b. The Permittee shall not inject any hazardous waste, as defined by 40 CFR § 261.3, at any time. See also Part II.D.1.b.

- c. Injection fluids shall be limited to those authorized by this Permit, which includes those fluids produced by the Permittee as described in Part II.D.5.a., above. No fluids shall be accepted from sources other than the LPGP Facility.
- d. Particulate Filters may be used upstream of any well authorized by this Permit, at the discretion of the Permittee, to prevent formation plugging or damage from particulate matter. The Permittee shall include any filter specifications in the Quarterly Report due annually in April as required in Part II.E.5.b., including proposed particle size removal with any associated justification for the selected size. For any particulate filters used, the Permittee shall follow appropriate waste analysis and disposal practices consistent with local, state, and federal law, and provide documentation to EPA.
- e. Any well stimulation or treatment procedure (such as acidizing, etc.) performed at the discretion of the Permittee shall be proposed and submitted to EPA for approval. After approval is granted, notification to EPA is required at least thirty (30) days prior to performing the approved procedure. This requirement may be modified if the Permittee submits a standard operating procedure for well stimulation or treatment for EPA approval after the effective date of this Permit. This standard operating procedure must include all potential additives that may be used. If the standard operating procedure plan is approved by EPA in writing, the Permittee may notify EPA within fifteen (15) days of the proposed well stimulation or treatment procedure, provided the procedure does not deviate in any way from the EPA-approved plan.

6. Tubing/Casing Annulus Requirements

For any well authorized by this Permit:

- a. The Permittee shall use and maintain corrosion-inhibiting annular fluid during well operation.
- b. The Permittee shall maintain a minimum pressure of one hundred (100) psig at shut-in conditions on the tubing/casing annulus.
- c. Based on the historic cyclic range of annular pressure fluctuation, an operating pressure range of 130 to 260 psi above well-head pressure was established. This range shall be included as reference with each quarterly report, starting with the first Quarterly Report due after the effective date of the Permit. A proposal to modify the range may be submitted for review and approval by EPA.

- d. Any annular pressure measured outside of the established normal pressure range, either previously determined under EPA Permit No. CA10710001 or as determined pursuant to Part II.D.6.c. above, regardless of whether it otherwise meets the requirements of this Permit, shall be reported orally to EPA within twenty-four (24) hours, followed by a written submission within five (5) days, as a potential loss of mechanical integrity. In the submission, the Permittee must describe the event and include details, such as associated injection pressures and temperatures. The Permittee shall provide any additional information regarding the reported annular pressure event requested by EPA within sixty (60) days of receipt of a written request from EPA.

E. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Injection Fluid Monitoring Program

On a quarterly basis, the Permittee shall sample and analyze injection fluids to yield representative data on their physical, chemical, and other relevant characteristics. Test results shall be submitted by the Permittee to EPA on a quarterly basis (see Part II.E.5., below).

Samples and measurements shall be representative of the monitored activity. The Permittee shall utilize applicable analytical methods described in Table I of 40 CFR § 136.3 or in EPA Publication SW-846, "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods," and as described below, unless other methods have been approved by EPA or additional approved methods or updates to the methods listed below become available.

a. Summary of Acceptable Analytic Methods

- i. Inorganic Constituents – USEPA Method 300.0, Part A for Major Anions and USEPA Method 200.8 for Cations and Trace Metals.
- ii. Solids – Standard Methods 2540C and 2540D for Total Dissolved Solids (TDS) and Total Suspended Solids (TSS).
- iii. General and Physical Parameters – appropriate USEPA methods for Temperature, Turbidity, pH, Conductivity, Hardness, Specific Gravity, Alkalinity, and Biological Oxygen Demand (BOD); and Density and Viscosity (see EPA Bulletin 712-C-96-032) under standard conditions.
- iv. Volatile Organic Compounds (VOCs) – USEPA Method 8260D.
- v. Semi-Volatile Organic Compounds (SVOCs) – USEPA Method 8270E.

b. Analysis of Injection Fluids

With the first quarterly report (see II.E.5.b.) due after the effective date of this Permit, and whenever there is a change in injection fluids such as whenever the injection fluid is no longer representative of previous samples and measurements that have been submitted and approved, the Permittee shall perform injectate sampling and analyses as outlined in Part II.E.1.a., above.

2. Monitoring Information

For all wells authorized by this Permit, the Permittee shall maintain records of monitoring activity required under this Permit, including the following information and data:

- a. Date, exact location, and time of sampling or measurements;
- b. Name(s) of individual(s) who performed sampling or measuring;
- c. Exact sampling method(s) used;
- d. Date(s) laboratory analyses were performed;
- e. Name(s) of individual(s) who performed laboratory analyses;
- f. Types of analyses; and
- g. Results of analyses.

3. Monitoring Devices

a. Continuous Monitoring Devices

During all periods of operation of any well authorized by this Permit, the Permittee shall measure the following wellhead parameters: (i) injectate rate/volume, (ii) injectate temperature, (iii) annular pressure, and (iv) injection pressure. All measurements must be recorded at minimum to a resolution of one tenth (0.1) of the unit of measure (e.g., injection rate and volume must be recorded to a resolution of one tenth (0.1) of a gallon; pressure must be recorded to a resolution of one tenth (0.1) of a psig; injection fluid temperature must be recorded to a resolution of one tenth (0.1) of a degree Fahrenheit). Exact dates and times of measurements, when taken, must be recorded and submitted. The well shall have a dedicated flow meter, installed so it records all injection flow. To meet the requirements of this Section, the Permittee shall monitor the following parameters, at the prescribed frequency, and record the measurements at

this required frequency, using the prescribed instruments (continuous monitoring requires a minimum frequency of at least one (1) data point every sixty (60) seconds):

Monitoring Parameter	Frequency	Instrument
Injection Rate (gallons per minute)	Continuous	Digital recorder
Daily Injection Volume (gallons)	Daily	Digital totalizer
Total Cumulative Volume (gallons)	Continuous	Digital totalizer
Well Head Injection Pressure (psig)	Continuous	Digital recorder
Annular Pressure (psig)	Continuous	Digital recorder
Injection Fluid Temperature (degrees Fahrenheit)	Continuous	Digital recorder

The Permittee must adhere to the required format below for reporting injection rate and well head injection pressure. An example of the required electronic data format:

<u>DATE</u>	<u>TIME</u>	<u>INJ. PRESS (PSIG)</u>	<u>INJ. RATE (GPM)</u>
06/27/09	16:33:16	1525.6	65.8
06/27/09	17:33:16	1525.4	66.3

Each data line shall include four (4) values separated by a consistent combination of spaces or tabs. The first value contains the date measurement in the format of mm/dd/yy or mm/dd/yyyy, where mm is the number of the month, dd is the number of the day and yy or yyyy is the number of the year. The second value is the time measurement, in the format of hh:mm:ss, where hh is the hour, mm are the minutes and ss are the seconds. Hours should be calculated on a twenty-four (24)-hour basis, i.e. 6 PM is entered as 18:00:00. Seconds are optional. The third value is the well head injection pressure in psig. The fourth column is injection rate in gallons per minute (gpm).

b. Calibration and Maintenance of Equipment

The Permittee shall calibrate and maintain on a regular basis all monitoring and recording equipment to ensure proper working order of all equipment.

4. Recordkeeping

- a. The Permittee shall retain the following records and shall always have them available at the facility for inspection by EPA or other authorized personnel, in accordance with the following:
 - i. All monitoring information, including required observations, calibration and maintenance records, recordings for continuous monitoring instrumentation, copies of all reports required by this Permit, and records of all data used to complete the permit application;
 - ii. Information on the physical nature and chemical composition of all injected fluids;
 - iii. Results of the injectate “Hazardous Waste Determination” according to 40 CFR § 262.11 (see Part II.D.1.b.). Results shall demonstrate that the injectate does not meet the definition of hazardous waste as defined in 40 CFR § 261.3; and
 - iv. Records and results of MITs, FOTs, and any other tests and logs required by EPA, and any well work and workovers completed.
- b. The Permittee shall maintain copies (or originals) of all records described in Parts II.E.4.a.i. through iv., above, during the operating life of any well authorized by this Permit and shall make such records available at all times for inspection at the Facility. The Permittee shall only discard the records described in Parts II.E.4.a.i. through iv., if written approval from EPA to discard the records is obtained.

5. Reporting

- a. The Permittee shall submit to EPA Quarterly Reports containing, at minimum, the following information gathered during the Reporting Period identified in Part II.E.5.b.:
 - i. Injection fluid characteristics for parameters specified in Part II.E.1.a.;
 - ii. When appropriate, Injectate Hazardous Waste Determination according to Part II.D.1.b.;
 - iii. The results of any additional MITs, FOTs, logging or other tests, as required by EPA;

- iv. Any pressure tests, as required by Part II.D.2.a.i.;
 - v. Shut-in static reservoir pressure cumulative behavior plot of the injection zone, as required by Part II.B.4.b.vii.;
 - vi. Hourly and daily values, submitted in electronic format, for the continuously monitored parameters specified for the injection wells in Part II.E.3.a.;
 - vii. Monthly cumulative total volumes, as well as monthly average, minimum, and maximum values for the continuously monitored rate, pressure, and temperature parameters specified for the injection wells in Part II.E.3.a., unless more detailed records are requested by EPA; and
 - viii. A copy of the Safety Data Sheet (SDS) for any new processes or water treatment chemicals used at the facility.
- b. Quarterly Reports, with the applicable Appendix C forms, shall be submitted for the reporting periods by the respective due dates as listed below:

<u>Reporting Period</u>	<u>Report Due</u>
Jan, Feb, Mar	Apr 28
Apr, May, June	July 28
July, Aug, Sept	Oct 28
Oct, Nov, Dec	Jan 28

- c. For the Quarterly Report covering the reporting period of January, February, and March, the Permittee shall also include in that Report the following information collected during the prior year covering January through December:
- i. Annual reporting summary (7520-8 in Appendix C);
 - ii. Annual injection profile survey results as required in Part II.D.2.a.iii.;
 - iii. Annual ZEI recalculation as required in Part II.C.1.; and
 - iv. A narrative description of all non-compliance that occurred during the past year.

- d. In addition to meeting the submittal requirements of Part III.E.9., digital e-copies of all Quarterly Reports shall also be provided to the following:

California Geologic Energy Management Division (CalGEM)
Inland District
Attention: District Deputy
Email: calgeminlandnotices@conservation.ca.gov

Central Valley Regional Water Quality Control Board
Fresno Office
Attention: Underground Injection Control
Email: centralvalleyfresno@waterboards.ca.gov

Should either of the contact email addresses identified no longer work at CalGEM/Regional Water Board, the Permittee must notify EPA, ascertain the replacement contact(s)/addresses, and submit reports going forward to the new contact(s)/addresses.

F. PLUGGING AND ABANDONMENT

1. Notice of Plugging and Abandonment

The Permittee shall notify EPA no less than sixty (60) days before abandonment of any well authorized under this Permit and shall not perform the plugging and abandonment activities until the Permittee receives written notice of approval by EPA.

2. Plugging and Abandonment Plans

The Permittee shall plug and abandon any well authorized by this Permit as provided by the Plugging and Abandonment Plan submitted by the Permittee (see Appendix G) and approved by EPA, consistent with CalGEM's "Onshore Well Regulations" of the California Code of Regulations, found in Title 14, Natural Resources, Division 2, Department of Conservation, Chapter 4, Article 3, Sections 1722-1723 and 40 CFR § 146.10. Upon written notice to the Permittee, EPA may change the manner in which a well will be plugged, based upon but not limited to the following reasons: (a) if the well is modified during its permitted life, (b) if the proposed Plugging and Abandonment Plan for the well is not consistent with EPA requirements for construction or mechanical integrity, or (c) otherwise at EPA's discretion. Upon written notice, EPA may periodically require the Permittee to update the estimated plugging cost. To determine the appropriate level of financial assurance for the Plugging and Abandonment Plan, the Permittee shall obtain a cost estimate from an independent third-party firm in the business of plugging wells. The estimate shall include the costs of all the materials and activities necessary to pay an independent third-party contractor to

completely plug and abandon the well as established in the Plugging and Abandonment Plan.

3. Cessation of Injection Activities

After a cessation of injection operations for two (2) years for any wells authorized by this Permit, a well is considered inactive. In this case, the Permittee shall plug and abandon the inactive well in accordance with the approved Plugging and Abandonment Plans, contained in Appendix G, unless the Permittee:

- a. Provides notice to EPA of an intent to re-activate the well;
- b. Has demonstrated that the well(s) will be used in the future;
- c. Has described actions or procedures, satisfactory to EPA and approved in writing by EPA, which will be taken to ensure that the well(s) will not endanger USDWs during the period of inactivity, including annually demonstrating external mechanical integrity of the well(s); and
- d. Conducts an initial, Internal MIT on the inactive well(s) and subsequent Internal MITs annually thereafter while the well(s) remains inactive, demonstrating no loss of mechanical integrity. The Permittee must restore mechanical integrity of the inactive well(s) or plug and abandon the well(s) if it fails the MIT.

4. Plugging and Abandonment Report

Within sixty (60) days after plugging any well authorized by this Permit, or at the time of the next Quarterly Report (whichever is sooner), the Permittee shall submit a report on Form 7520-19, provided in Appendix C, as well as the detailed procedural activity of engineer's log and daily rig log to EPA. The report shall be certified as accurate by the person who performed the plugging operation and shall consist of either:

- a. A statement that the well was plugged in accordance with the approved Plugging and Abandonment Plan contained in Appendix G; or
- b. Where actual plugging differed from the Plugging and Abandonment Plan contained in Appendix G, a statement specifying and justifying the different procedures followed.

G. FINANCIAL ASSURANCE REQUIREMENTS

1. Demonstration of Financial Assurance

The Permittee is required to demonstrate and maintain financial assurance and resources sufficient to close, plug, and abandon any authorized underground injection operations by this Permit, as provided in the Plugging and Abandonment Plan contained in Appendix G and consistent with 40 CFR Part 144 Subpart E.

In addition, the following specific financial assurance requirements apply:

- a. Prior to the issuance of this Permit, the Permittee established, and EPA has approved in writing, a financial assurance instrument consistent with Part II.A.1. of this Permit, to guarantee closure of Well La Paloma WD-3.
- b. For each well authorized by this Permit, the financial assurance mechanism shall be reviewed and updated annually, if necessary, and a description of that review and any updates shall be set forth in the Quarterly Report due on April 28 of each year. EPA, upon written request, may require the Permittee to change to an alternate method of financial assurance. Any such change must be approved in writing by EPA prior to the change.
- c. EPA may periodically require the Permittee to update the estimated Plugging and Abandonment Plan (see Appendix G) and/or the cost associated with it, and the Permittee shall make such an adjustment within sixty (60) days of notice from EPA. Alternately, EPA may independently adjust the required financial assurance amount, as warranted.

2. Failure of Financial Assurance

The Permittee must notify EPA of the insolvency of a financial institution supporting the financial assurance as soon as possible, but no later than ten (10) days after the Permittee becomes aware of the insolvency. The Permittee shall submit to EPA a revised and/or new instrument of financial assurance, consistent with the terms of this Permit, within sixty (60) days after any of the following events occur:

- a. The institution issuing the bond or other financial instrument files for bankruptcy;

- b. The authority of the trustee institution to act as trustee, or the authority of the institution issuing the financial instrument, is suspended or revoked; or
- c. The institution issuing the financial instrument lets it lapse or decides not to extend it.

Failure to submit an acceptable financial assurance may result in the termination of this Permit pursuant to 40 CFR § 144.40(a)(1).

3. Insolvency of Owner or Operator

An owner or operator must notify EPA by certified mail of the commencement of voluntary or involuntary proceedings under U.S. Code Title 11 (Bankruptcy), naming the owner or operator as debtor, within ten (10) business days after such an event occurs. A guarantor of a corporate guarantee must make such a notification if he/she is named as debtor, as required under the terms of the guarantee.

H. DURATION OF PERMIT

This Permit and the authorization to inject are issued for a period of ten (10) years unless terminated under the conditions set forth in Part III.B.1. or administratively extended under the conditions set forth in Part III.E.12.

PART III. GENERAL PERMIT CONDITIONS

A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection well construction and operation in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any injection activity not otherwise allowed by this permit, as such activities may allow the movement of fluid containing any contaminant into USDWs (as defined by 40 CFR §§ 144.3 and 146.3).

Any underground injection activity not specifically authorized in this Permit is prohibited. 40 CFR § 144.11. The Permittee must comply with all applicable provisions of the Safe Drinking Water Act (SDWA) and 40 CFR Parts 124, 144, 146, 147, and 148. Such compliance does not constitute a defense to any action brought under Section 1431 of the SDWA, 42 U.S.C. § 300i, or any other common law, statute, or regulation other than Part C of the SDWA. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege, nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of State or local law or regulations. Nothing in this Permit shall be construed to relieve the Permittee of any duties under all applicable, including future, laws or regulations.

B. PERMIT ACTIONS

1. Modification, Revocation and Reissuance, or Termination

EPA may, for cause or upon request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR §§ 124.5, 144.12, 144.39, 144.40, and 144.51(f). The Permit is also subject to minor modifications for cause as specified in 40 CFR § 144.41. The filing of a request for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated non-compliance by the Permittee, does not stay the applicability or enforceability of any permit condition. EPA may also modify, revoke and reissue, or terminate this Permit in accordance with any amendments to the SDWA if the amendments have applicability to this Permit.

2. Transfers

This Permit is not transferable to any person unless notice is first provided to EPA and the Permittee complies with requirements of 40 CFR § 144.38. *See also* 40 CFR § 144.51(l)(3). EPA may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the SDWA.

C. SEVERABILITY

The provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance is held invalid, the application of such provision to other circumstances and the remainder of this Permit shall not be affected thereby.

D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and § 144.5, any information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures contained in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

1. Name and address of the Permittee; or
2. Information dealing with the existence, absence, or level of contaminants in drinking water.

E. GENERAL DUTIES AND REQUIREMENTS

The provisions of 40 CFR § 144.51 are incorporated by reference into this permit, except as modified by specific provisions in this permit. In addition, the following general duties and requirements apply to this permit and the Permittee.

1. Duty to Comply

The Permittee shall comply with all applicable UIC Program regulations and all conditions of this Permit, except to the extent and for the duration such non-compliance is authorized by an emergency permit issued in accordance with 40 CFR § 144.34. Any permit non-compliance constitutes a violation of the SDWA and is grounds for enforcement action, permit termination, revocation and reissuance, or modification, or denial of a permit renewal application. Such non-compliance may also be grounds for enforcement action under the Resource Conservation and Recovery Act (RCRA).

2. Penalties for Violations of Permit Conditions

Any person who violates a permit requirement is subject to civil penalties, fines, and other enforcement action under the SDWA and may be subject to enforcement actions pursuant to RCRA or other applicable authorities. Any person who willfully violates a permit condition may be subject to criminal prosecution.

3. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

4. Duty to Mitigate

The Permittee shall take all reasonable steps to minimize and correct any adverse impact on the environment resulting from non-compliance with this Permit.

5. Proper Operation and Maintenance

The Permittee shall always properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance include effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary

facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

6. Property Rights

This Permit does not convey any property rights of any sort, or any exclusive privilege.

7. Duty to Provide Information

The Permittee shall furnish to EPA, within a time specified, any information which EPA may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this Permit, or to determine compliance with this Permit. The Permittee shall also furnish to EPA, upon request, copies of records required to be kept by this Permit.

8. Inspection and Entry

The Permittee shall allow EPA, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- a. Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records are kept under the conditions of this Permit;
- b. Have access to and copy, at reasonable times, any records that are kept under the conditions of this Permit;
- c. Inspect and photograph, at reasonable times, any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and
- d. Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

9. Submittal Requirements

The Permittee shall follow the procedures set forth below for all submittals made to EPA under this Permit, including all notices and reports:

- a. All submittals to EPA shall be signed and certified by a responsible corporate officer or duly authorized representative consistent with the requirements of 40 CFR §§ 122.22, 144.32, and 144.51(k).

- b. Unless otherwise required by this Permit or rule, all submissions (including correspondence, reports, records and notifications) required under this Permit shall be in writing and mailed first class mail to the following address:

U.S. Environmental Protection Agency, Region 9
Water Division
UIC Program
Groundwater Protection Section (WTR-4-2)
75 Hawthorne St.
San Francisco, CA 94105-3901

And by e-mail to: albright.david@epa.gov

- c. The compliance date for submittal of a report is the day it is mailed.

10. Additional Reporting Requirements

- a. Planned Changes

The Permittee shall give notice to EPA as soon as possible of any planned physical alterations or additions to the permitted facility.

- b. Anticipated Non-compliance

The Permittee shall give advance notice to EPA of any planned changes in the permitted facility or activity which may result in non-compliance with permit requirements.

- c. Compliance Schedules

Reports of compliance or non-compliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted to EPA no later than thirty (30) days following each schedule date.

- d. Monitoring Reports

Monitoring results shall be reported at the intervals specified elsewhere in this Permit. See also 40 CFR § 144.51(j).

- e. Twenty-four Hour Reporting

- i. The Permittee shall report to EPA any non-compliance which may endanger health or the environment, including:

(a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW; or

(b) Any non-compliance with a permit condition, or malfunction of the injection system, which may allow the movement of fluid containing any contaminant into a USDW, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR Part 142 or may otherwise adversely affect the health of persons.

ii. Any information shall be provided orally within twenty-four (24) hours from the time the Permittee becomes aware of the circumstances. A written submission of all non-compliance as described in Part III.E.10.e.i. above, shall also be provided to EPA within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain: a description of the non-compliance and its cause; the period of non-compliance, including exact dates and times; if the non-compliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the non-compliance.

f. Other Non-compliance

At the time monitoring reports are submitted, the Permittee shall report in writing all other instances of non-compliance not otherwise reported pursuant to other reporting requirements outlined in this Permit. The Permittee shall submit the applicable information listed in Part III.E.10.e.

g. Other Information

If the Permittee becomes aware that it failed to submit all relevant facts in the permit application or submitted incorrect information in the permit application or in any report to EPA, the Permittee shall submit such facts or information within two (2) weeks of the time such facts or information becomes known.

11. Requirements Prior to Commencing Injection, Plugging and Abandonment Report, Duty to Establish and Maintain Mechanical Integrity

The Permittee shall comply with all applicable requirements set forth at 40 CFR §§ 144.51(m)-(q) and as outlined throughout this Permit.

12. Continuation of Expiring Permit

a. Duty to Re-apply

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, the Permittee must submit a complete application to EPA for a new permit at least three hundred and sixty-five (365) days before this Permit expires.

b. Permit Extensions

The conditions and requirements of an expired permit continue in force and effect in accordance with 5 U.S.C. § 558(c) until the effective date of a new permit, if:

- i. The Permittee has submitted a timely and complete application for a new permit; and
- ii. EPA, through no fault of the Permittee, does not issue a new permit with an effective date on or before the expiration date of the previous permit.

13. Records of Permit Application

The Permittee shall maintain records of all data required to complete the permit application and any supplemental information submitted with the permit application.

14. Availability of Reports

All reports prepared in accordance with the conditions of this Permit shall be available for public inspection at appropriate offices of the EPA. Permit applications, permits, and well operation data shall not be considered confidential.

15. Monitoring and Records

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. The Permittee is required to conduct monitoring and retain records as required by 40 CFR § 144.51(j) and as outlined throughout this Permit.