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December 18, 2007

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VIA EMAIL AND HAND DELIVERY

Hearing Officer Paul Kramer
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Re: Panoche Energy Center 06-AFC-5

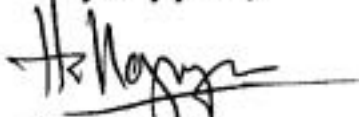
DOCKET	
06-AFC-5	
DATE	DEC 18 2007
RECD.	DEC 19 2007

Dear Hearing Officer Kramer:

Enclosed herewith are copies of Applicants comments to the Environmental Protection Agency related to the rough draft Underground Injection Control Program permit. Papers copies will be submitted to the Docket Unit by 9:00 a.m. Wednesday, December 19, 2007.

Should you have any questions, please contact John McKinsey or Melissa Foster at 916-447-0700.

Very truly yours,



Ha T. Nguyen
Paralegal

Enclosure

cc: Mr. John McKinsey, Stoel Rives LLP
Ms. Melissa Foster, Stoel Rives LLP

7



Jason Moore /Fresno/URSCorp
12/07/2007 03:28 PM

To Robin.George@epamail.epa.gov
cc Maggie Fitzgerald/SantaAna/URSCorp@URSCorp, "Michael King" <mpk.nextgen@gmail.com>
bcc

Subject Re: Panoche Energy Center ROUGH DRAFT UIC Permit

George,

Thank you for providing us the opportunity to comment on the rough draft UIC permit for the Panoche Energy Center injection wells. URS's comments are attached. Because the site will be extensively covered with facilities required for the planned power plant it appears that directional drilling may be desirable in some cases in order to locate injection zones at the locations shown in the permit application. I would like to confirm with you that directional drilling is allowed under the permit and that the injection well locations shown on maps submitted in the permit application apply to the location of the proposed injection zones - not necessarily the above ground injection well features.

With respect to your notes below:

- 1) The address for PEC, LLC has been corrected to the site address.
- 2) I will send you current Appendices A (Project Maps), B (Well Schematics) and F (Plugging and Abandonment Plans and Schematics) next week.
- 3) Our drilling engineer Dave Alford (Dritek) has assured me that the injection wells described in the permit are constructible and feasible as described in the revised permit.

I hope you are available to talk next week regarding finalization of the draft permit.

Thanks



Rough Draft UIC Permit.doc Panoche - IW1 Casing Detail.pdf

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Senior Geologist
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This e-mail and any attachments are confidential. If you receive this message in error or are not the intended recipient, you should not retain, distribute, disclose or use any of this information and you should destroy the e-mail and any attachments or copies.

Robin.George@epamail.epa.gov



Robin.George@epamail.epa.gov



11/01/2007 03:25 PM

To "James Reede" <Jreede@energy.state.ca.us>,
Maggie_Fitzgerald@URSCorp.com,
Jason_Moore@URSCorp.com
cc Maggie_Fitzgerald@URSCorp.com,
Jason_Moore@URSCorp.com,
Albright.David@epamail.epa.gov
Subject Panoche Energy Center ROUGH DRAFT UIC Permit

James,

For your information and in response to your request, attached is a rough draft. The requirements within this draft document are not expected to change by the time the permit becomes finalized.

Maggie and Jason,

Please note this rough draft contains bold, blue highlighted language for you to examine and provide any comments, recommended edits and information corrections to my attention. I will be preparing the final Draft permit for public review as soon after we have an exchange in that regard.

Note 1:

Within the document that we prefer to provide the issuance and authorization to the same facility. Please clarify whether the address should be at the address at Needham, MA or at South Jordan, UT.

Note 2:

The Appendices A (Project Maps), B (Well Schematics) and F (Plugging and Abandonment Plans and Schematics) will be inserted into the final document with electronic copies of these maps and schematic. Please provide your latest updated copies.

Note 3:

Panoche will be held to the construction standards and specifications contained within the language of this permit. I requested earlier that if Panoche anticipates any need for flexibility in these plans - for instance, the casing program may require different grades and dimensions because of changes in drilling plans, equipment availability, etc. - to please submit these. The purpose of our request/notice is that many of these changes to an existing permit will be regarded as "major" and will require subsequent review and 30-day Public Comment period. This can be avoided if the upcoming Public Comment Notice posts these possible changes for public review as well. We have not received such requests and will proceed if we do not receive any requests from you.

George Robin
Engineer
415-972-3532

(See attached file: Panoche ROUGH DRAFT Permit 110107.doc) [attachment "Panoche ROUGH DRAFT Permit 110107.doc" deleted by Jason Moore/Fresno/URSCorp]

U.S. EPA Underground Injection Control Program

ROUGH DRAFT PERMIT

Class I Nonhazardous Waste Injection Wells

Permit No. CA10600001

Well Names: IW1, IW2, IW3, IW4, IW5 and IW6
Fresno County, CA

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Issued to:

Panoche Energy Center, LLC
43883 W. Panoche Road
Firebaugh, CA 93622

Deleted: 2542 Singletree Lane

Deleted: South Jordan, UT 84095

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APPENDIX A - Project Maps

APPENDIX B - Well Schematic(s)

APPENDIX C - EPA Reporting Forms

APPENDIX D - **TEMPERATURE LOGGING REQUIREMENTS**

APPENDIX E - **REGION 9 UIC PRESSURE FALLOFF REQUIREMENTS**

APPENDIX F - Plugging and Abandonment Plans

APPENDIX G - **REGION 9 STEP RATE TEST**

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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), §§124, 144, 145, 146, 147, and 148,

Panoche Energy Center, LLC
43883 W. Panoche Road
Firebaugh, CA 93622

Deleted: Three Charles River Place, 63 Kendrick Street
Deleted: Needham, MA 02404

is hereby authorized to, contingent upon Permit conditions, construct and operate a Class I nonhazardous waste injection well facility with a maximum of six (6) injection wells, known as the IW1, IW2, IW3, IW4, IW5 and IW6 wells. The wells are to be located in Section 05, Township 15S, Range 13E, at 36 degrees, 39 minutes, 8 seconds Latitude and 120 degrees, 35 minutes, and 6 seconds Longitude, on Panoche Energy Center facilities in Fresno County, California. Exact locations of each well will be established and approved as outlined in this permit.

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Authorization to drill and construct the wells will be issued by EPA after the requirements of Financial Responsibility in Part II, Section F of this permit have been met. EPA will grant authorization to inject after the requirements of Part II Sections A-C of this permit have been met. Operation of the wells will be limited to maximum pressure and volume determined by the results of a valid Step-Rate Test as stated in this permit. Total amounts must not exceed specified limits. The wastewater to be injected is limited to cooling tower blowdown, reverse osmosis (RO) system rejects, evaporative cooler blowdown, combustion turbine generator (CTG) intercooler condensation and water effluent from the oil-water separator derived solely from this Panoche Energy power plant. If approved, injection will be authorized into the Eocene to upper Cretaceous age Domengine, Laguna Seca, and Moreno Formations below the Kreyenhagen Shale Formation (the confining zone), for the purpose of disposal of the previously described industrial nonhazardous wastewater fluids produced solely from this Panoche Energy power plant facility in Fresno County.

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All conditions set forth herein are based on Title 40 §§124, 144, 145, 146, 147 and 148 of the Code of Federal Regulations.

This permit consists of ~~twenty-eight (28) pages~~ plus the appendices, and includes all items listed in the Table of Contents. Further, it is based upon representations made by **Panoche Energy Center, LLC (Permittee)** and on other information contained in the administrative record. It is the responsibility of the Permittee to read, understand, and comply with all terms and conditions of this permit.

This permit and the authorization to construct, test, and inject are issued for a period of ten (10) years unless terminated under the conditions set forth in Part III, Section B.1 of this permit.

This permit is issued and becomes effective on _____.

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Alexis Strauss, Director
Water Division, EPA Region IX

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PART II. SPECIFIC PERMIT CONDITIONS

Prior to each demonstration required in the following sections A through C, the Permittee shall submit plans for procedures and specifications to the U.S. Environmental Protection Agency Region IX Ground Water Office ("EPA") for discussion and approval. The submittal address is provided in Section D, paragraph 5. No demonstration in these sections may proceed without prior written approval from EPA. The Permittee shall submit results of each demonstration required in this section to EPA within sixty (60) days of completion.

A. WELL CONSTRUCTION

1. Requirement for Prior Written Permission to Drill, Test, Construct, or Operate

(a) Financial Assurance

The Permittee shall supply evidence of financial assurance prior to commencing Injection Well Drilling and Construction, in accordance with Section F of this part.

(b) Pre-notification

After approval for any of the approved field demonstrations is provided, notification to EPA at least 30 days prior to performing the demonstration is required, to allow EPA to arrange to witness if so elected.

2. Locations of Injection Wells IW1, IW2, IW3, IW4, IW5 and IW6

Injection wells authorized under this permit will be located in **Section 05, Township 15S, Range 13E, at approximately 36 degrees, 39 minutes, 8 seconds Latitude and 120 degrees, 35 minutes, and 6 seconds Longitude**, on Panoche Energy Center facilities in Fresno County, California. The proposed general location for the wells is found in Appendix A, Figure 1 1-3. The wells shown in Appendix A, Figure 1 may be drilled in any sequence and will be numbered serially as drilled.

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(a) Prior to drilling any well, the Permittee must submit proposed field coordinates (Section, Township, Range, with latitude/longitude) with maps updated for each specific well in addition to providing the distance between all wells, along with justification for the separation distance. If directional drilling is used top and estimated bottom hole coordinates will be provided.

(b) After drilling is completed, the Permittee must submit final field coordinates (Section, Township, Range, with latitude/longitude) of any well constructed under this permit with the Final Well Construction Report required under

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paragraph 12 of this section. ~~If directional drilling is used a final directional survey will be submitted for the well.~~ If final well coordinates differ from the proposed coordinates submitted under paragraph (a), justification and documentation of any communication with and approval by EPA shall be included.

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3. Order of Construction for Wells IW1, IW2, IW3, IW4, IW5 and IW6

Well IW1 shall be constructed first, and shall meet all conditions of Sections A through C of this part prior to the Permittee receiving approval to successively construct Well IW2, etc.

4. Testing during Drilling and Construction

The wells will be drilled to the bottom of the Cima sand zone of the Moreno Formation.

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Proposed Well Schematics submitted with the application are hereby incorporated for reference into this permit as **Appendix B, Figures 21 and 22.**)

Logs and other tests conducted during drilling and construction shall include, at a minimum, deviation checks, casing logs, and injection formation tests as outlined in 40 CFR §146.12(d). Open Hole logs (such as Schlumberger's Basic E-Logs: DIL/SP/GR/CAL) shall be conducted over the entire open hole sequence starting from the base of the conductor casing at approximately 80 ft. to the total depth of the 14-3/4in "surface hole" at approximately 1,500 ft. Spherically focused Cement Evaluation logs shall be run from the base of the Surface Casing at approximately 1,500 ft to surface. Open Hole logs (such as Schlumberger's DIL/SP/GR/CND/BCS/CAL) shall be conducted over the entire open hole sequence starting from the base of the Surface Casing at approximately 1,500 ft. to the total depth of the 9-7/8 in diameter open hole portion of the well at approximately 5,600 ft.

Other (.....specify which.....) logs - Confining Zone and Injection Zone logs.... shall be run over the target injection zone interval which is expected to occur from the base of the Kreyenhagen Shale at approximately 4,240 ft. to the top of the Moreno shale at approximately 5,600 ft.

5. Injection Formation Testing

Injection formation information for Well IW1, as described in 40 CFR 146.12 (e), shall be determined through well logs and tests and shall include porosity, permeability, static formation pressure, and effective thickness of the injection zone. A summary of results shall be submitted to EPA with the Final Construction Report

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required in paragraph 12 of this section. In addition, similar logs and tests may be required in **Well IW2 or any subsequent well**, at the discretion of EPA.

(a) Ground Water Testing

During construction of the wells, information relating to ground water at these sites shall be obtained and submitted to EPA. This information shall include direct Total Dissolved Solids ("TDS") analysis of target injection formation water to demonstrate either the presence and characteristics of, or the lack of, any Underground Sources of Drinking Water ("USDW"s). A USDW is defined as an aquifer or its portion which supplies any public water system; or which contains a sufficient quantity of ground water to supply a public water system; and currently supplies drinking water for human consumption; or contains fewer than 10,000 milligrams per liter TDS; and which is not an exempted aquifer (40 CFR §§144.3, 146.4).

- (i) The Permittee shall provide well logs and representative ground water sample analyses from the **targeted injection zone** using method(s) approved by EPA as evidence. These analyses shall be sufficient to confirm compatibility of the injectate with the injection formation. Deleted: aquifer
- (ii) EPA may require minor alterations to the construction requirements based upon the information obtained during well drilling and related operations if the proposed casing setting depths will not completely cover the base of the USDWs and the confining formation located immediately above the injection zone.

(b) Step-Rate Test ("SRT")

A SRT will be conducted on **Well IW1** before injection is authorized, to establish maximum injection pressure. Refer to Society of Petroleum Engineering ("SPE") paper #16798 for test design and analysis. Similar testing may be required in **any other permitted injection well**, at the discretion of EPA. The SRT will be used to establish the injection pressure limitation, in accordance with section C, paragraph 3 of this part. **Permittee must submit detailed plans for conducting the SRT allowing sufficient time for EPA review, and possible revision, followed by approval before the SRT will be allowed to be scheduled and conducted.** Deleted: ,
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- (i) Prior to testing, shut in the well long enough so that the bottom-hole pressure approximates shut-in formation pressure.
- (ii) Measure pressures with a down-hole pressure bomb and coordinate with a surface pressure recorder. Deleted: CA10500002

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- (iii) Use equal-length time step intervals throughout the test; these should be **technically justified and** sufficiently long to overcome well bore storage and to achieve radial flow. **Intervals may need to be more, but must be no less than thirty (30) minutes in duration.**
- (iv) Use **1/2 (one-half) bbl per min rate increments in the early stages. Larger rate increments may be used later in the test, however the reasons for this request must be approved.** This also allows for the requirement to record at least three (3) time steps (data points on pressure vs. flow plot) before reaching the anticipated fracture pressure.
- (v) At the end of the test, shut down pumps and record the instantaneous shut in pressure.

(c) Fall Off (Pressure) Test ("FOT")

To determine and to monitor formation characteristics, a FOT shall be conducted in accordance with EPA Region 9 Guidance found in Appendix F. The Permittee shall use the test results to recalculate the Zone of Endangering Influence ("ZEI", as defined in 40 CFR §146.6) and to evaluate whether any corrective action is now required (refer to Section B of this part); a summary of the recalculation shall be included with the FOT report. **Permittee must submit detailed plans for conducting the FOT allowing sufficient time for EPA review, and possible revision, followed by approval before the FOT will be allowed to be scheduled and conducted.**

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- (i) Initially, a FOT shall be run in Well IW1 after a radial flow regime has been established at an injection rate that is representative of the facility's wastewater generation rate.
- (ii) Annually thereafter, the FOT test shall be repeated and results shall be included within 60 days. **Annual FOTs should not be less than 10 months or greater than 14 months from the previous test.**
- (iii) **The latest static reservoir pressure of the injection zone and its cumulative behavior over time on a graphic plot shall be determined and reported with the initial and all subsequent FOT reports in paragraphs (i) and (ii) above.**

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- (d) **Particulate filters may be used upstream of the well, at the discretion of the operator and justification to EPA, to prevent formation plugging or damage from particulate matter. Permittee shall include any filter**

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specifications in the Final Construction Report required in paragraph 12 of this section, including proposed particle size removal along with any associated justification.

- (i) For any particulate filters used, follow appropriate waste analysis and disposal practices.

6. Drilling, Work-over, and Plugging Procedures

Drilling, work-over, and plugging procedures must comply with the California Division of Oil, Gas, and Geothermal Resource's ("CDOGGR") "Onshore Well Regulations" of the California Code of Regulations, found in Title 14, Natural Resources, Division 2, Department of Conservation, Chapter 4, Article 3, Section 1722-1723. Drilling procedures shall also include the following:

- (a) Details for staging long-string cementing or justification for cementing without staging; and
- (b) Reporting to EPA shall include records of Daily Drilling Reports (electronic and hard copies), Blowout Preventer (BOP) System tests must be on recording charts with complete explanatory notes, casing and other tubular and accessory measurement tallies, CDOGGR reporting forms such as Well Summary Report, etc. may be accepted provided they contain all information as required within this permit.

7. Casing and Cementing

Notwithstanding any other provisions of this permit, the Permittee shall case and cement the wells to prevent the movement of fluids into or between USDWs. Cement evaluation analyses shall be performed as described in Section C paragraph 2(a)(iv) of this part. Casings shall be maintained throughout the operating life of the wells. The following approximate specifications from the permit application apply to the proposed injection wells:

- (a) Conductor casing: 16 in ABA cemented to surface.
- (b) Surface casing: 10-3/4 in, 40.5 lb, J-55, STC from ground surface to approximately 1,500 feet cemented to surface.
- (c) Long String Casing: 7-5/8 in, 26.4 lb, K-55, LTC from ground surface to approximately 4,800 ft, cemented to surface.

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(d) Slotted Liner – install 850 ft of slotted 5 in, 15 lb, K-55, LTC (200 mesh 24 row 6 inch centers 2 inch slots) casing from 4,750 - 5,600 ft Total Depth with liner hanger/Tie-Back assembly.

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8. Tubing Specifications

Injection will take place through a system with a tubing string and a liner, subject to the following approximate specifications from the permit application:

- (a) Tubing: 5 in, 15 lb, K-55, LTC Tie-back String at 4,750 ft (top of slotted liner).
- (b) Weatherford HSP Packer with 6 ft PBR.

9. Injection Intervals

Injection shall be permitted for the Lodo (Laguna Seca) Formation and Cima sand zone within the Eocene to upper Cretaceous age Domingine, Laguna Seca, and Moreno Formations expected to occur from approximately from 4,800 to 5,600 feet below ground surface and located below the Kreyenhagen Shale formation (the confining zone). Minor alterations of the depths at which the injection zone intervals are actually encountered and therefore, the casing setting depths are expected to be realized upon drilling. These alterations and other rework operations that may occur later in the course of operation of the wells are considered minor for this permit and must be properly reported (use EPA Form 7520-12). The Permittee must demonstrate that each well has mechanical integrity, in accordance with Section C paragraphs 1(a) and 2 of this part, before any injection is authorized.

- Deleted: Paleocene, Lower Eocene age,
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10. Confining Layer

Field information on the confining layer, the Kreyenhagen Shale formation, such as its characteristics, its thickness and its local structure will be obtained and updated during drilling of the injection wells and shall be included in the Final Well Construction Report required in paragraph 12 of this section.

11. Monitoring Devices

The Permittee shall install and maintain in good operating condition:

- (a) A tap on the discharge line between the injection pump and the wellhead for the purpose of obtaining representative samples of injection fluids; and
- (b) Devices to continuously measure and record injection pressure, annulus pressure, flow rate, and injection volumes, subject to the following:

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- (i) Pressure gauges shall be of a design to provide:
 - a) A full pressure range of 100 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 volume and be certified for a deviation accuracy of five (5) percent or less throughout the range of injection rates allowed by the permit.

12. Final Well Construction Report and Completion of Construction Notice

- (a) **The Permittee must submit a final well construction report, including logging, coring, and other results, with a schematic diagram and detailed description of construction, including driller's log, materials used (i.e., tubing and casing tallies), and cement (and other) volumes, to EPA within sixty (60) days after completion of each injection well.**
- (b) The Permittee must also submit a notice of completion of construction to EPA (see EPA Form 7520-9 in Appendix C). Injection operations may not commence until EPA has inspected or otherwise reviewed the injection wells and notified the Permittee that it is in compliance with the conditions of the permit.

13. Proposed Changes and Workovers

The Permittee shall give advance notice to EPA, as soon as possible, of any planned physical alterations or additions to the permitted injection wells. Any changes in well construction require prior approval of EPA and may require a permit modification under the requirements of 40 CFR §§144.39 and 144.41. In addition, the Permittee shall provide all records of well workovers, logging, or other subsequent test data, including required mechanical integrity testing, to EPA within sixty (60) days of completion of the activity. Appendix C contains samples of the appropriate reporting forms. Demonstration of mechanical integrity shall be performed within thirty (30) days of completion of workovers or alterations and prior to resuming injection activities, in accordance with Section C paragraphs 1(a) and 2 of this part.

B. **CORRECTIVE ACTION**

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Corrective action to 40 CFR §§144.55 and 146.7 may be necessary for existing wells in the Area of Review ("AOR", defined in 40 CFR §146.6) that penetrate the injection zone, or which may otherwise cause movement of fluids into USDWs. No corrective action plan is currently required, since no known wells located within the AOR penetrate the proposed zones of injection.)

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1. Initial ZEI re-evaluation with Field Data

Data resulting from testing performed under Section A paragraphs 4 and 5, or Section C paragraph 2, in this part will be used to confirm or modify assumptions used to calculate the original ZEI and to set the AOR. If new field data results in a ZEI larger than the AOR which includes wells penetrating the proposed zones of injection, a corrective action plan shall accordingly be proposed for approval and implemented as described in paragraph 3 of this section.

2. Annual ZEI Review

Annually, the ZEI calculation shall be reviewed, based on any new data obtained from the FOT and static reservoir pressure tests required in Section A, paragraphs 5(d) and (e) of this part. A copy of the modified ZEI calculations, along with all associated assumptions or justifications, shall be provided to EPA with the quarterly report due in January, as required in Section D paragraph 5 of this part.

3. Implementation of Corrective Actions

- (a) If any wells requiring corrective action are found within the modified ZEI, a list of these wells along with their locations shall be provided to EPA as soon as possible.
- (b) If requested by EPA, the Permittee shall submit a plan to re-enter, plug, and abandon the wells listed in paragraph (a) above in such a manner to prevent the migration of fluids into a USDW.
- (c) The Permittee may not commence corrective action activities without prior written approval from EPA.

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C. WELL OPERATION

1. Demonstrations Required Prior to Injection

Injection operations may not commence until construction is complete and the Permittee has complied with following paragraphs (a) and (b):

(a) Mechanical Integrity

The Permittee shall demonstrate that all wells have and maintain mechanical integrity consistent with CFR §146.8 and with paragraph 2 of this section. The Permittee shall demonstrate that there are not significant leaks in the casing and tubing and that there is not significant fluid movement into or between USDWs through the casing wellbore annulus or vertical channels adjacent to the injection wellbore. The Permittee may not commence injection until it has received written notice from EPA that such a demonstration is satisfactory.

(b) Injectate Hazardous Waste Determination

The Permittee shall perform a Hazardous Waste Determination on the injectate according to 40 CFR §262.11. The results of the analyses shall demonstrate that the injectate does not meet the definition of hazardous waste as defined in 40 CFR §261. In addition:

- (i) A sample of the injectate shall be taken by an individual with the proper expertise and sent to a laboratory with proof of certification from the State of California. Sampling must occur at least once for every for every quarter in which injection occurs or every time there's a significant change in injection fluid, and shall be reported per section D paragraph 5(b)(ii) of this part.
- (ii) Operation of the injection facility is temporarily granted for four (4) weeks following initial operations to allow for sample analyses to be performed and for the results to be submitted to EPA.
- (iii) The Permittee shall maintain copies (or originals) of all records relating to the hazardous waste determination and make such records available for inspection.
- (iv) The Permittee shall perform an additional hazardous waste determination whenever there is a process change or a change in fluid chemical constituents or characteristics.

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2. Mechanical Integrity

(a) Mechanical Integrity Tests ("MITs")

(i) Casing/tubing annular pressure (internal MIT)

A demonstration of the absence of significant leaks in the casing, tubing and/or liner hanger shall be made by performing a pressure test on the annular space between the tubing and long string casing. This test shall be for a minimum of thirty (30) minutes at a pressure equal to or greater than the maximum allowable injection pressure. 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 350 pounds per square inch ("psi") between the tubing and annular pressures shall be maintained throughout the MIT.

(ii) Continuous pressure monitoring

The tubing/casing annulus pressure and injection pressure shall be monitored and recorded continuously to an accuracy within one (1) psi. The total, average, maximum, and minimum monthly results shall be included in the quarterly report to EPA unless more detailed records are requested by EPA.

(iii) Injection profile survey (external MIT)

In conjunction with the initial FOT required in Section A paragraph 5(c), a demonstration that the injectate is confined to the proper zone shall be conducted and presented by the Permittee and subsequently approved by EPA. This demonstration shall consist of a radioactive tracer and a temperature log (as specified in Appendix E) or other diagnostic tool or procedure as approved in advance by EPA. **Permittee must submit detailed plans for conducting the external MIT allowing sufficient time for EPA review, and possible revision, and approval before being allowed to be conducted.**

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(iv) Cement Evaluation Analysis

After casing is installed, or after conducting a cement squeeze job in an open hole, for any well constructed under this permit, the Permittee shall submit cementing records and cement evaluation logs that demonstrate the isolation of the injection interval and other formations from underground sources of drinking water by means of cementing the surface casing and the long string casing well bore

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annuli to surface. The analysis shall include a spherically-focused tool which enables the evaluation of the bond between cement and casing as well as of the bond between cement and formation. The Permittee may not commence injection until it has received written notice from EPA that such a demonstration is satisfactory.

(b) Subsequent MITs

It is the Permittee's responsibility to arrange and conduct MITs.

- (i) At least once every five (5) years during the life of the well, in accordance with 40 CFR §146.8 and paragraph (a)(i) above, an internal pressure MIT shall be conducted on each injection well authorized under this permit. A MIT shall also be conducted within thirty (30) days from completion of any workover, if the packer is unseated, if the seal is broken at the wellhead assembly, ~~if the construction of the well is modified, or when any loss of mechanical integrity becomes evident during operation.~~ In addition, EPA may require that a MIT be conducted at any time during the permitted life of the wells. Deleted: etc.
- (ii) At least annually for the life of the well, an injection profile survey external MIT, in accordance with 40 CFR §146.8 and paragraph (a)(iii) above, shall be conducted.
- (iii) At least annually for the life of the well, a FOT shall be conducted in accordance with Section A paragraph 5(d) of this part, unless other information demonstrates the need for additional tests and/or an increased frequency of tests. The proposed procedures must conform to EPA regional guidance for conducting pressure falloff tests but must be adapted for the specific conditions at this facility and must be reviewed and approved by EPA before being allowed to be scheduled 30 days in advance before being conducted. Appendix E contains REGION 9 UIC PRESSURE FALLOFF REQUIREMENTS.

(c) Loss of Mechanical Integrity

The Permittee shall notify EPA, in accordance with Part III, Section E paragraph 10 of this permit, under any of the following circumstances:

- (i) The well fails to demonstrate mechanical integrity during a test, or
 - (ii) A loss of mechanical integrity becomes evident during operation, or
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- (iii) A significant change in the annulus or injection pressure occurs during normal operating conditions.

Furthermore, in the event of (i), (ii), or (iii), injection activities shall be terminated immediately and operation shall not be resumed until the Permittee has taken necessary actions to restore mechanical integrity to the well and EPA gives approval to recommence injection.

(d) Prohibition without Demonstration

After the permit effective date, injection into wells may continue only if:

- (i) The well has passed an internal pressure MIT in accordance with paragraph 2(a) of this section; and
- (ii) The Permittee has received written notice from EPA that the internal pressure MIT demonstration is satisfactory.

3. Injection Pressure Limitation

Maximum allowable injection pressure measured at the wellhead shall be based on the Step-Rate Test conducted under Section C paragraph 5(b) of this part. EPA will provide the Permittee written notification of the maximum allowable injection pressure, along with a minor modification of the permit under 40 CFR §144.41(e). In no case shall pressure in the injection zone during injection initiate new fractures or propagate existing fractures in the injection zone or the confining zone. In no case shall injection pressure cause the movement of injection or formation fluids into or between underground sources of drinking water.

4. Injection Volume (Rate) Limitation

- (a) The injection rate shall not exceed the volume determined appropriate through the demonstrations conducted in this section and justified by the measured fluid friction. EPA will provide written notification of the maximum injection volume allowed under this permit prior to any injection activities.
- (b) The Permittee may request an increase in the maximum rate allowed in paragraph (a) above. Any such request shall be made in writing and appropriately justified to EPA.
- (c) Any request for an increase in injection rate shall demonstrate to the satisfaction of EPA that the increase in volume will not interfere with the

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operation of the facility, its ability to meet conditions described in this permit, change its well classification, or cause migration of injectate or pressure buildup to occur beyond the Area of Review.

5. Injection Fluid Limitation

- (a) The Permittee shall not inject any hazardous waste, as defined by 40 CFR Part 261, at any time. See also paragraph 1(b) of this section.
- (b) Injection fluids shall be limited to only waste fluids authorized by this permit and produced at the Panoche Energy Center's facility. No fluids shall be accepted from other sources.
 - (i) Any well stimulation, performed at the discretion of the operator, shall be proposed and submitted for approval prior to implementation.
 - (ii) **Corrosion-inhibiting annular fluid shall be used and maintained during well operation. A complete description and characterization shall be submitted to EPA.**

D. **MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS**

1. Injection Well Monitoring Program

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 Appendix III of 40 CFR '261, unless other methods have been approved by EPA.

- (a) Summary of acceptable analytic Methods:
 - (i) Inorganic Constituents – appropriate USEPA methods for Major Anions and Cations (including an anion/cation balance).
 - (ii) Solids - USEPA Methods 160.1 and 160.2 for Total Dissolved Solids and Total Suspended Solids.
 - (iii) General and Physical Parameters – appropriate USEPA methods for Turbidity, pH, Conductivity, Hardness, Specific Gravity, Alkalinity, and Biological Oxygen Demand (“BOD”).
 - (iv) Trace Metals - USEPA Method 200.8 for trace metals analysis.

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(v) Volatile Organic Compounds ("VOCs") - USEPA Methods 8010/8020 or 8240.

(vi) Semi-Volatile Organic Compounds - USEPA Method 8270.

(b) Analysis of injection fluids.

Annually, or whenever there is a change in injection fluids, the following analyses shall be performed :

(i) Total Dissolved Solids ("TDS");

(ii) Major ions;

(iii) pH;

(iv) Specific Conductance;

(v) Specific Gravity;

(vi) Viscosity, density, and temperature under standard conditions.

2. Monitoring Information

Records of monitoring activity required under this permit shall include:

(a) Date, exact location, and time of sampling or field 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.

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3. Monitoring Devices

(a) Continuous monitoring devices

Temperature, annular pressure, and injection pressure shall be measured at the wellhead using equipment of sufficient sensitivity and accuracy. Injection rate shall be measured in the supply line immediately before the wellhead. The Permittee shall continuously monitor and record the following parameters:

Monitoring Parameter	Frequency	Instrument
injection rate (gallons per minute)	Continuous during operation of permitted well	digital recorder
Daily Injection Volume (gallons)		digital totalizer
Cumulative Volume (gallons)		
Total Volume (gallons)		digital recorder
injection pressure (psig)		
annular pressure (psig)		
injection fluid temperature (degrees F)		

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(b) Injection Fluid Monitoring.

Injection fluids will be analyzed to yield representative data on their physical, chemical, and other relevant characteristics. The Permittee shall take samples at or before the wellhead for analysis. The results of the tests shall be submitted to EPA on a quarterly basis.

(c) Calibration and Maintenance of Equipment

All monitoring and recording equipment shall be calibrated and maintained on a regular basis to ensure proper working order of all equipment.

4. Recordkeeping

The Permittee shall retain the following records and have them available at all times for examination by an EPA inspector:

- (a) The results of performing the hazardous waste determination on the injectate according to 40 CFR §262.11. The results of the analyses shall demonstrate that the injectate does not meet the definition of hazardous waste as defined in 40 CFR §261.
- (b) All monitoring information, including required observations, calibration and maintenance records, recordings for continuous monitoring instrumentation,

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copies of all reports required by this permit, and records of all data used to complete the permit application; and

- (b) Information on the nature and composition of all injected fluids;
- (c) **Records and results** of MITs, any other tests required by EPA, and any well workovers completed.
- (d) The Permittee shall maintain copies (or originals) of all records described in paragraphs (a) through (c) above during the operating life of the well and shall make such records available at **all times** for inspection at the facility.
- (e) The Permittee shall only discard the records described in paragraphs (a) through (c) if:
 - (i) the records are either delivered to the Regional Administrator or
 - (ii) written approval from the Regional Administrator to discard the records is obtained.

5. **Reporting**

Quarterly, the Permittee shall submit accurate reports to EPA containing, at minimum, the following information:

- (a) Monthly total, average, maximum, and minimum values for the continuously monitored parameters specified for the injection wells in paragraph 3(a) of this section for **each well**, unless more detailed records are requested by EPA;
- (b) Injection fluid characteristics for parameters specified in paragraph 3(b) of this section;
- (c) To be included with the next quarterly report immediately following completion of **each well**, results of any additional MITs or other tests required by EPA, and any well workovers completed; and
- (d) To be included in the quarterly report due in January each year, the following annual analyses (some of these are to be resubmitted if they were required to be submitted earlier):
 - (i) Annual reporting summary (7520-11 in Appendix C);
 - (ii) FOT results as required in Section A, paragraph 5(c) of this part;

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- (iii) **Shut-in static reservoir pressure behavior plot of the injection zone**, as required in Section A, paragraph 5(d) of this part;
 - (iv) **Injection profile survey results** as required in Section C paragraph 2(a)(iii) of this part; and
 - (v) **ZEI recalculation** as required in Section B paragraph 2 of this part.
- (e) To be included in the next quarterly report due in January after completion **every five years, an internal MIT** as required in Section C paragraph (a)(i) of this part.
 - (f) A narrative description of **all non-compliance that occurred during the reporting period**.

Quarterly report forms as specified in Appendix C 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

Monitoring results and all other reports required by this permit shall be submitted to the following address:

U.S. Environmental Protection Agency, Region IX
 Water Division
 Ground Water Office (Mail Code WTR-9)
 75 Hawthorne St.
 San Francisco, CA 94105-3901

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Copies of all reports shall also be provided to the following:

California Division of Oil, Gas, and Geothermal Resources
District 5 Office
Attn: Glenn W. Muggelberg
466 N. Fifth Street
Coalinga, CA 93210-1793

California Regional Water Quality Control Board
Central Valley Region
Attn: Shelton R. Gray
1685 E Street
Fresno, CA 93706

California Energy Commission
Energy Facilities Siting Division
Compliance Project Manager – Panoche Energy Center
Attn: Dale Rundquist
1516 - 9th Street
Sacramento, CA 95814-5504

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E. PLUGGING AND ABANDONMENT

1. Notice of Plugging and Abandonment

The Permittee shall notify EPA no less than sixty (60) days before conversion, workover, or abandonment of the well. EPA may require that the plugging and abandonment be witnessed by an EPA representative.

2. Plugging and Abandonment Plans

The Permittee shall plug and abandon the well(s) as provided in Appendix F, the general Plugging and Abandonment Program submitted as Attachment Q to the application, and consistent with CDOGGR requirements and 40 CFR §146.10. EPA reserves the right to change the manner in which a well will be plugged if the well is modified during its permitted life or if the well is not consistent with EPA requirements for construction or mechanical integrity. EPA may require the Permittee to estimate and to update the estimated plugging cost periodically. Such estimates shall be based upon costs which a third party would incur to plug the wells, including mud and disposal costs, with appropriate contingencies.

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3. Cessation of Injection Activities

After a cessation of injection operations for two (2) years, the Permittee shall plug and abandon the inactive well(s) in accordance with the Plugging and Abandonment Plans, unless it:

- (a) Provides notice to EPA;
- (b) Has demonstrated that the well(s) will be used in the future; and
- (c) Has described actions or procedures, satisfactory to EPA, that will be taken to ensure that the well(s) will not endanger underground sources of drinking water during the period of temporary abandonment.

4. Plugging and Abandonment Report

Within sixty (60) days after plugging any well, the Permittee shall submit a report on Form 7520-13, provided in Appendix C, 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 Plugging and Abandonment Plans, or
- (b) Where actual plugging differed from the Plugging and Abandonment Plans, a statement specifying the different procedures followed.

F. **FINANCIAL RESPONSIBILITY**

1. Demonstration of Financial Responsibility

The Permittee is required to demonstrate and maintain financial responsibility and resources sufficient to close, plug, and abandon the underground injection operation as provided in the Plugging and Abandonment Plans and consistent with 40 CFR §144 Subpart D, which the Director has chosen to apply.

- (a) The Permittee shall post a financial instrument such as a surety bond with a standby trust agreement or arrange other financial assurance for each well constructed in the amount of [REDACTED] to guarantee closure. Authority to drill and construct any well will not be given until the financial instrument has been posted and approved by EPA.

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- (b) The financial responsibility mechanism shall be reviewed and updated periodically, upon request of EPA. The permittee may be required to change to an alternate method of demonstrating financial responsibility which names EPA as the beneficiary. Any such change must be approved in writing by EPA prior to the change.

2. Insolvency of Financial Institution

The Permittee must submit an alternate instrument of financial responsibility acceptable to EPA within sixty (60) days after either of the following events occurs:

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

Failure to submit an acceptable financial demonstration will 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. 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.

G. **DURATION OF PERMIT**

This permit and the authorization to inject are issued for a period of up to ten (10) years unless terminated under the conditions set forth in Part III, Section B.1 of this permit.

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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 other injection activity in a manner that allows the movement of fluid containing any contaminant (as defined by 40 CFR §144.3) into underground sources of drinking water (as defined 40 CFR §§144.3, 146.4), if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR Part 141 or may otherwise adversely affect the health of persons.

Furthermore, any underground injection activity not specifically authorized in this permit is prohibited. The Permittee must comply with all applicable provisions of the Safe Drinking Water Act ("SDWA") and 40 CFR Parts 144, 145, 146, and 124. Such compliance does not constitute a defense to any action brought under Section 1431 of the SDWA, 42 U.S.C. § 300(i), 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 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, and 144.40. 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 noncompliance 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.

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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. 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 §§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 §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**

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 noncompliance is authorized by an emergency permit issued in accordance with 40 CFR §144.34. Any permit noncompliance 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 noncompliance 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

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the SDWA and may be subject to enforcement actions pursuant to RCRA. 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 noncompliance with this permit.
5. **Proper Operation and Maintenance** - The Permittee shall at all times 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 includes 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;

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- (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. Signatory Requirements - All applications, reports, or other information submitted to EPA shall be signed and certified by a responsible corporate officer or duly authorized representative according to 40 CFR §§122.22 and 144.32.
10. Additional Reporting
- (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 Noncompliance - The Permittee shall give advance notice to EPA of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
 - (c) Compliance Schedules - Reports of compliance or noncompliance 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) Twenty-four Hour Reporting
 - (i) The Permittee shall report to EPA any noncompliance which may endanger health or the environment. Information shall be provided orally within twenty-four (24) hours from the time the Permittee becomes aware of the circumstances. The following information must be reported orally within twenty-four (24) hours:
 - (1) Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water; and
 - (2) Any noncompliance with a permit condition, or malfunction of the injection system, which may cause fluid migration into or between underground sources of drinking water.

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- (ii) A written submission of all noncompliance as described in paragraph (c)(i) 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 noncompliance and its cause; the period of noncompliance, including exact dates and times; if the noncompliance 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 noncompliance.
- (e) Other Noncompliance - At the time monitoring reports are submitted, the Permittee shall report in writing all other instances of noncompliance not otherwise reported. The Permittee shall submit the information listed in Part III, Section E.10(c) of this permit.
- (f) 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. Continuation of Expiring Permit

- (a) Duty to Reapply - 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 for a new permit at least 180 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.

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APPENDIX A - PROJECT MAPS

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APPENDIX B – WELL SCHEMATIC(S)

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APPENDIX C – EPA REPORTING FORMS
(The website for downloading these forms is at:
<http://www.epa.gov/safewater/uic/7520s.html>)

Form 7520-7: Application to Transfer Permit

Form 7520-9: Completion of Construction

Form 7520-10: Well Completion Report

Form 7520-11: Annual Well Monitoring Report

Form 7520-12: Well Rework Record

Form 7520-14: Plugging and Abandonment Plan

**APPENDIX D – TEMPERATURE LOGGING REQUIREMENTS
U.S.E.P.A. REGION IX**

A Temperature "Decay" Log (two separate temperature logging passes) must satisfy the following criteria to be considered a valid Mechanical Integrity Test ("MIT") as specified by 40 CFR §146.8(c)(1). Variances to these requirements are expected for certain circumstances, but they must be approved prior to running the log. As a general rule, the well shall inject for approximately six (6) months prior to running a temperature decay progression sequence of logs.

1. With the printed log, also provide raw data for both logging runs (at least one data reading per foot depth) unless the logging truck is equipped with an analog panel as the processing device.
2. The heading on the log must be complete and include all the pertinent information, such as correct well name, location, elevations, etc.
3. The total shut-in times must be clearly shown in the heading. Minimum shut-in time for active injectors is 12 hours for running the initial temperature log, followed by a second log, a minimum of 4 hours later. These two log runs will be superimposed on the same track for final presentation.
4. The logging speed must be kept between 20 and 50 ft. per minute (30 ft/min optimum) for both logs. The temperature sensor should be located as close to the bottom of the tool string as possible (logging downhole).
5. The vertical depth scale of the log should be 1 or 2 in. per 100 ft. to match lithology logs (see 7(b)). The horizontal temperature scale should be no more than one Fahrenheit degree per inch spacing.
6. The right hand tracks must contain the "absolute" temperature and the "differential" temperature curves with both log runs identified and clearly superimposed for comparison and interpretation purposes.
7. The left hand tracks must contain (unless impractical, but EPA must pre-approve any deviations):
 - (a) a collar locator log,
 - (b) a lithology log:
 - i. an historic Gamma Ray that is "readable", i.e. one that demonstrates lithologic changes without either excessive activity by the needle or severely dampened responses; or
 - ii. a copy of an original SP curve from either the subject well or from a representative, nearby well.
 - (c) A clear identification on the log showing the base of the lowermost Underground Source of Drinking Water ("USDW"). A USDW is basically a formation that contains less than 10,000 ppm Total Dissolved Solids ("TDS") and is further defined in 40 CFR §144.3.

APPENDIX E - REGION 9 UIC PRESSURE FALLOFF TEST REQUIREMENTS
This document will be inserted here within this document and will be posted on the website.

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APPENDIX F - PLUGGING AND ABANDONMENT PLANS

Upon completion of injection activities the well(s) shall be abandoned according to State and Federal regulations to ensure protection of Underground Sources of Drinking Water.

These will be provided in electronic form within this document as well for posting on the website and for printing in hard copy.

**APPENDIX G –
REGION 9 STEP RATE TEST**

**For reference please refer to:
Society of Petroleum Engineers (SPE) Paper #16798, Systematic Design and Analysis of Step-
Rate Tests To Determine Formation Parting Pressure
(This paper may be obtained from the SPE.)**

PANOCHÉ ENERGY

Chaney Ranch Field

Sec. SW 1/4 Sec. 5-T15S-R13E

Date: 10-May-07

Fresno County, Ca.

Well Number: **IW1**

EPA Permit #: TBD

Well Head: 11"x3Mx7-1/16"

Well Type: Water Disposal Well

16" Conductor @ 80'
Cemented to surface

Directional Hole Information		
MD	Degrees	TVD
Vertical Well		

14-3/4" hole

10-3/4", 40.5# J-55 @ 1,500'
Cemented w/ 1,200 ft3 includes 10% excess

9-7/8" hole

5" 15# K-55 LTC tie-back string

Top of Liner ~4,750'

7-5/8" 26.4# K-55 LTC ~4,800'

Slotted Liner f/ ~4,750' to 5,600'

5" 15# K-55 5-1/2" OD WWS (200Mx24Rx6"Cx2"S)
Open Hole Completion

6-3/4" open hole

5" 15# K-55 LTC @ ~ 5,600'

5,600'
Vertical Well

Ivan D. Allred

