



State of Ohio Environmental Protection Agency

Southeast District Office

2195 Front Street
Logan, Ohio 43138

TELE: (740) 385-8501 FAX: (740) 385-6490
www.epa.state.oh.us

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korteski, Director

March 2, 2007

**MUSKINGUM COUNTY
GENERAL FILE
(PRODUCERS SERVICE CORP)
DHWM/SEDO
OHD987048352**

Mr. John Pottmeyer, President
Producers Service Corp.
109 S. Graham Street, P.O. Box 2277
Zanesville, Ohio 43702

Dear Mr. Pottmeyer:

On February 27, 2007, Melody Stewart and I inspected Producers Service Corp., located at 109 S. Graham Street in Zanesville, Ohio to determine compliance with Ohio's hazardous waste laws as found in Chapter 3734. of the Ohio Revised Code (ORC) and Chapter 3745. of the Ohio Administrative Code (OAC). This letter will explain the violations we found and what you need to do to correct the violations, as well as other general concerns we have and what you need to do to respond to those concerns.

We found the following violation of Ohio's hazardous waste laws. In order to correct this violation, you must do the following and send me the required information **within 30 days** of your receipt of this letter:

- (1) **OAC Rule 3745-279-22(C), Used Oil Storage Requirements for Generators:**
Containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil".

One approximately 500-gallon above-ground used oil tank was not labeled or marked with the words "Used Oil".

To demonstrate a return to compliance, Producers Service Corp. must label the used oil tank with the words "Used Oil" and submit to this office a photograph of the properly labeled tank.

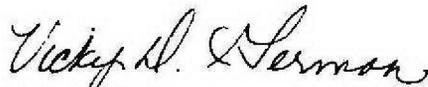
Enclosed, you will find a copy of the checklists that were completed during the inspection, as well as several fact sheets that you may find useful. You can find copies of the hazardous waste rules and other information on our division's web page at <http://www.epa.state.oh.us/dhwm>.

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Compliance assistance and pollution prevention information is available at <http://www.epa.state.oh.us/ocapp/ocapp.html>.

Should you have any questions, please feel free to call me at 740-380-5237.

Sincerely,



Vicky D. German
Environmental Specialist
Division of Hazardous Waste Management
Ohio EPA, Southeast District Office

VDG/mlm

cc: Keith Flexter, Producers Service Corp.

NOTICE:

Ohio EPA's failure to list specific deficiencies or violations in this letter does not relieve your company from having to comply with all applicable regulations.

Ohio Environmental Protection Agency
**RCRA SUBTITLE C SITE
 IDENTIFICATION/VERIFICATION FORM**

For Ohio EPA use only

E-mail this completed form to
tammy.mcconnell@epa.state.oh.us or mail it to
 Tammy McConnell, Central Office

Site EPA ID No.	EPA ID Number: OHD987048352									
Site Name	Name: Producers Service Corporation					Website: (Optional) www.producerservicecorp.com				
Site Location Information	Street Address: 109 S. Graham Street									
	City, Town, or Village: Zanesville					State: OH				
	County Name: Muskingum					Zip Code: 43701				
Site Land Type (check only one)	Private <input checked="" type="checkbox"/>	County <input type="checkbox"/>	District <input type="checkbox"/>	Federal <input type="checkbox"/>	Indian <input type="checkbox"/>	Municipal <input type="checkbox"/>	State <input type="checkbox"/>	Other <input type="checkbox"/>		
NAICS code(s) www.census.gov/epcd/www/naics.html										
Facility Representative Additional names can be recorded in "Comments" below Only provide address information if it is different than the site address	First Name: Dan			MI:	Last Name: Pottmeyer					
	Phone Number: 740-454-6253				Phone Number Extension:					
	E-Mail Address:									
	Fax Number: 740-454-0775				Fax Number Extension:					
	Street or P.O. Box: P.O. Box 2277									
	City, Town or Village: Zanesville					State: OH		Country: USA		Zip Code: 43702
	Name of Site's Legal Owner: Producers Service Corp. is 100% employee owned and operated.					Date Became Owner (mm/dd/yyyy): 01/2000				
	Owner Type:	Private <input checked="" type="checkbox"/>	County <input type="checkbox"/>	District <input type="checkbox"/>	Federal <input type="checkbox"/>	Indian <input type="checkbox"/>	Municipal <input type="checkbox"/>	State <input type="checkbox"/>	Other <input type="checkbox"/>	
Street or P.O. Box:										
City, Town or Village:					Owner Phone #:					
State:					Country:		Zip Code:			
Name of Site's Operator:					Date Became Operator (mm/dd/yyyy):					
Owner Type:	Private <input checked="" type="checkbox"/>	County <input type="checkbox"/>	District <input type="checkbox"/>	Federal <input type="checkbox"/>	Indian <input type="checkbox"/>	Municipal <input type="checkbox"/>	State <input type="checkbox"/>	Other <input type="checkbox"/>		
Street or P.O. Box:										
City, Town or Village:					Operator Phone #:					
State:					Country:		Zip Code:			
Violations Cited?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
Type of Generator:										
<input type="checkbox"/> Not Regulated					<input checked="" type="checkbox"/> Conditionally Exempt Small Quantity Generator					
<input type="checkbox"/> UNKNOWN: Cited for violation of 3745-52-11					<input type="checkbox"/> United States Importer of Hazardous Waste					
<input type="checkbox"/> Large Quantity Generator (LQG)					<input type="checkbox"/> Mixed Waste (Hazardous and Radioactive) Generator					
<input type="checkbox"/> Small Quantity Generator (SQG)										
Type of Regulated Waste Activity (Mark "X" in all of the appropriate boxes)										
<input type="checkbox"/> Recycler of Hazardous Waste					<input type="checkbox"/> Exempt Boiler and/or Industrial Furnace					
<input type="checkbox"/> Underground Injection Control Facility					<input type="checkbox"/> Small Quantity On-Site Burner Exemption					
<input type="checkbox"/> Hazardous Waste Transporter					<input type="checkbox"/> Smelting, Melting, Refining Furnace Exemption					
<input type="checkbox"/> Treater, Storer or Disposer of Hazardous Waste										

Universal Waste Activities (Indicate types of universal waste generated and/or accumulated (check all boxes that apply))					
<input type="checkbox"/> Small Quantity Handler of Universal Waste			<input type="checkbox"/> Large Quantity Handler of Universal Waste (accumulates 5,000 kg. or more)		
<input type="checkbox"/> Destination Facility for Universal Waste					
(Check all boxes below that apply for each of the three types of facilities above)			Used Oil Activities (Indicate Type(s) of Activity(ies))		
	Generated	Accumulated	<input checked="" type="checkbox"/> Used Oil Generator	<input type="checkbox"/> Off-Specification Used Oil Burner	
Batteries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Used Oil Transporter	<input type="checkbox"/> Used Oil Fuel Marketer Who Directs Shipment of Off-Spec. Oil	
Pesticides	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Used Oil Transfer Facility	<input type="checkbox"/> Used Oil Fuel Marketer to Off-Specification Used Oil Burner	
Thermostats	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Used Oil Processor		
Lamps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Used Oil Re-refiner		
Waste Codes for Federally Regulated Hazardous Wastes. Please list the codes for the federally regulated hazardous waste handled at your site. List them in the order they are presented in the regulations (e.g., D001, D003, F007, U112). Use an additional page if more space is needed. If there are more than 7 waste codes and they are the same as listed in the most recent RCRAInfo source record, you do not need to list them all. Instead just indicate the date of the most recent source record.					
D039					
Comments: Use this area to describe whether the inspection was announced, whether the waste is stored in tanks or containers, etc.					
Announced	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Additional Facility Representatives:		Keith Flexter Charles Conrad
Tanks	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Other Comments: 500-gallon above ground used oil storage tank		
Containers	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
Name of Inspector(s)		Name of Inspector(s)		Date of Inspection/Time (mm/dd/yyyy) (hh:mm)	
Vicky German, DHWM-SEDO		Melody Stewart, DHWM-SEDO		02-27-2007	
OPTIONAL CERTIFICATION. I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.					
Signature of Owner, Operator, or an Authorized Representative		Name and Title (Print)		Date (mm/dd/yyyy)	

CONDITIONALLY EXEMPT SMALL QUANTITY (CESQG) GENERATOR REQUIREMENTS

CESQG: <100Kg. (Approximately 25-30 gallons) of waste in a calendar month.

SQG: Between 100 and 1,000 Kg. (About 25 to under 300 gallons) of waste in a calendar month.

LQG: >1,000 Kg. (~300 gallons) of waste in a calendar month or >1 Kg. of acutely hazardous waste in a calendar month.

WASTE EVALUATION

1. Have all wastes generated at the facility been adequately evaluated? [3745-52-11] Yes No NA

GENERATOR CLASSIFICATION

2. Does the generator produce <100 kg. of hazardous waste per month? Yes No NA
[conditionally exempt small quantity generator ("CESQG")] **See Remarks Section**

NOTE: If quantities of hazardous waste accumulated on-site at any one time exceed 1,000 Kg., or the generator produces between 100 and 1,000 Kg. of hazardous waste per month, it is operating as a Small Quantity Generator ("SQG").

OFF-SITE SHIPMENT OF HAZARDOUS WASTE

3. Does the CESQG ensure delivery of hazardous waste(s) to an off-site permitted TSD? Yes No NA
[3734.02(F)]

TREATMENT OF HAZARDOUS WASTE

4. Does the generator treat hazardous waste in a :
- a. Container that meets 3745-66-70 to 3745-66-77? Yes No NA
 - b. Tank that meets 3745-66-90 to 3745-66-101 except 3745-66-97(C) Yes No NA
 - c. Drip pad that meets 3745-69-40 to 3745-69-45? Yes No NA
 - d. Containment building that meets 3745-256-100 to 3745-256-102? Yes No NA

NOTE: If the CESQG conducts treatment they are subject to the LQG requirements.

NOTE: If waste is treated to meet LDRs, use the LDR checklist.

REMARKS

Producer's Service Corporation notified Ohio EPA of their waste generation activities on 2/18/1998 as a Small Quantity Generator (SQG) of hazardous waste. During the 2/27/2007 inspection, it was determined that the company is currently operating as a Conditionally Exempt Small Quantity Generator (CESQG).

USED OIL GENERATOR REQUIREMENTS

NOTE: (Short Version) - This checklist does not include requirements for used oil transporters and transfer facilities, processors and re-refiners, burners, and marketers.

PROHIBITIONS

1. Is used oil being managed in a surface impoundment or waste pile? If so: Yes No NA
- Is the surface impoundment or waste pile being regulated under OAC 3745-54 to 3745-57 and 3745-205 or 3745-65 to 3745-69 and 3745-256? [3745-279-12(A)] Yes No NA
2. Is used oil being used as a dust suppressant? [3745-279-12(B)] Yes No NA
3. Is off-specification used oil fuel burned for energy recovery only in devices specified in 3745-279-12(C)? Yes No NA

USED OIL GENERATOR STANDARDS

4. Does the generator mix hazardous waste with used oil only as provided in 3745-279-10(B)? [2745-279-21(A)] Yes No NA
5. Does the generator of a used oil containing greater than 1,000 ppm total halogens manage the used oil as a hazardous waste unless the presumption is rebutted successfully? [3745-279-21(B)] Yes No NA
6. Does the generator only store used oil in tanks, containers, or units subject to OAC 3745-54 to 3745-57 and 3745-205 or 3745-65 to 3745-69 and 3745-256? [3745-279-22(A)] Yes No NA
7. Are containers and aboveground tanks used to store used oil in good condition with no visible leaks? [3745-279-22(B)] Yes No NA
8. Are containers, above ground tanks, and fill pipes used for underground tanks clearly labeled or marked "Used Oil?" [3745-279-22(C)] Yes No NA
See Remarks Section
9. Has the generator, upon detection of a release of used oil, done the following: [3745-279-22(D)]
- a. Stopped the release? Yes No NA
- b. Contained the release? Yes No NA
- c. Cleaned up and properly managed the used oil and other materials? Yes No NA
- d. Repaired or replaced the containers or tanks prior to returning them to service, if necessary? Yes No NA

10. Does the generator burn used oil in used fired space heaters? [3745-279-20]
If so: Yes No NA
- a. Does the heater burn only used oil that owner/operator generates or used oil received from household do-it-yourself (DIY) used oil generators? Yes No NA
- b. Is the heater designed to have a maximum capacity of not more than 0.5 million BTU per hour? Yes No NA
- c. Are the combustion gases from heater vented to the ambient air? Yes No NA
11. Does the generator have the used oil hauled only by transporters that have obtained U.S. EPA ID#, unless the generator qualifies for an exemption pursuant to 3745-279-24 (self transportation or tolling agreements)? [3745-279-24] Yes No NA

USED OIL COLLECTION CENTERS AND AGGREGATION POINTS

12. Is the DIY used oil collection center in compliance with the generator standards in 3745-279-20 to 3745-279-24? [3745-279-30] Yes No NA
13. Is the non-DIY used oil collection center registered with Ohio EPA? [3745-279-31] Yes No NA
14. Is the used oil aggregation point in compliance with the generator standards in 3745-279-20 to 3745-279-24? [3745-279-32] Yes No NA

WASTE EVALUATION

15. Have all wastes generated at the facility been evaluated? [3745-52-11] Yes No NA

REMARKS

One approximately 500-gallon above ground used oil tank was not labeled or marked with the words "Used Oil".

WASTE ACTIVITIES SUMMARY

Facility Name: Producers Service Corporation

Facility Type: CESQG

EPA ID#: OHD987048352

Waste Generated				On-Site and Off-Site Management			Pollution Prevention Activities		
Process Generating Waste	Waste Generated	EPA Waste Code	Amount Generated per Month	Type and Location of Accumulation, Storage	Type of On-Site Treatment	Off-Site - Name, State, and Type of Activity Occurring at the Facility	Current Pollution Prevention Activities	Pollution Prevention Opportunities	
1	Truck maintenance	Spent parts cleaner solvent	D039	~ 7 G	NA	NA	Safety Kleen Fuel-blending	NA	NA
2	Truck maintenance	Used oil	NA	~ 140 G	~ 500-G above ground used oil tank	NA	Heartland Petroleum Reprocessed, Recycled	Recycled	NA
3	Truck maintenance	Oil/solids from clean out of oil-water separator	NA	Varies	NA	NA	Zemba Brothers Disposal	NA	NA
4	Truck maintenance	Spent antifreeze	NA if recycled	Varies	55-G drum	NA	S.E. Tire Recycled - Reused	Recycled	NA
5	Truck maintenance	Spent lead-acid batteries	NA if recycled	Varies	Pallet inside maintenance garage	NA	Interstate Batteries Core exchange	Recycled through core exchange program	NA

GENERAL FACILITY INFORMATION

Process Information:

Producers Service Corporation is an oil field service company. In 1994, Producers Service Corporation's employees held approximately 85% of the company stock through an ESOP (Employee Stock Ownership Plan). Since 2000, Producers Service Corporation has been 100% employee owned and operated.

The company does hydraulic fracturing and acidizing of new and existing oil and gas wells to enhance well production. Hydraulic fracturing techniques are used in low-permeability reservoirs, and are used to cause a vertical fracture to open and extend away from the wellbore in opposing directions according to the natural stresses within the formation. Acidizing or acid fracturing involves pumping of acid into the wellbore to remove near-well formation damage and other damaging substances, increasing the effective well radius.

A 13,000-gallon tank is used for on-site storage of product HCL that is used in acidizing. The company presently has 20 trucks, working mostly in Ohio, but also in West Virginia, Pennsylvania, and New York. Wastes are generated from truck maintenance, and include spent parts cleaner from two parts washers; used oil, spent antifreeze, spent lead acid batteries, oily sludge/solids from clean out of the oil-water separator, and scrap metal.

Regulatory/Enforcement History:

Producer's Service Corporation notified Ohio EPA of their waste generation activities on 2/18/1998 as a Small Quantity Generator (SQG) of hazardous waste. During the 2/27/2007 inspection, it was determined that the company is currently operating as a Conditionally Exempt Small Quantity Generator (CESQG).

The company was last inspected for compliance with Ohio's hazardous waste regulations on 1/29/1998.

Pollution Prevention Remarks and/or Other Information:

Would this facility be interested in a P2 assessment?

Yes No NA

REMARKS

If yes, refer to Ohio EPA Southeast District Office Pollution Prevention Coordinator or to Ohio EPA's Office of Compliance Assistance and Pollution Prevention, at 1-800-329-7518, p2mail@epa.state.oh.us or www.epa.state.oh.us/ocapp/ocapp.html.