

GW - 087

**GENERAL
CORRESPONDENCE**

YEAR(S): 2007 - 2010



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



May 19, 2008

Mr. David Bays

Williams Four Corners, LLC

188 Road 4900

Bloomfield, New Mexico 87413

Re: NOTICE OF DEFICIENCY
Williams Four Corners Compressor Stations
San Juan Basin facilities

Dear Mr. Bays:

The Oil Conservation Division has performed 26 inspections of Williams Four Corners compressor station located in the San Juan Basin. The following stations have been inspected:

- | | |
|-----------------------------------|-------------------------------------|
| 1. (GW-108) 30-5 #1 | 14. (GW-273) Moore (Idle) |
| 2. (GW-111) 32-8 #2 | 15. (GW-271) Kernaghan |
| 3. (GW-117) 32-7 #1 | 16. (GW-272) Kernaghan B-8 (Idle) |
| 4. (GW-287) Snow Shoe | 17. (GW-136) 29-7 CDP |
| 5. (GW-122) 29-6 #4 | 18. (GW-307) Laguna Seca |
| 6. (GW-229) Trunk G (Idle) | 19. (GW-364) Bancos CDP |
| 7. (GW-121) 29-6 #2 CDP | 20. (GW-365) Eul CDP |
| 8. (GW-118) 31-6 CDP | 21. (GW-133) 30 - 8 CDP (Idle) |
| 9. (GW-120) Pipkin | 22. (GW-116) 32 - 8 CDP |
| 10. (GW-129) Crouch Mesa | 23. (GW-292) Rosa #1 CDP |
| 11. (GW-208) Hart Mountain (Idle) | 24. (GW-306) Trunk N |
| 12. (GW-091) 32-9 CDP | 25. (GW-134) Decker Junction (Idle) |
| 13. (GW-087) Cedar Hills | 26. (GW-250) Coyote Springs |

The OCD has observed several areas of concern after inspecting these sites. They are as follows:

- Condition 6. Waste Disposal and Storage:** *"The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD."* Williams Four Corners has renewed their permits for 5 of the 26 facilities that are "non-operational". These facilities have been non-operational for more than one year and a few still contain waste material on-site, i.e. landfarm soil, solid waste and liquids. Williams Four Corners shall properly dispose of their remaining waste for these facilities.
- Condition 7. Drum Storage:** *"The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. Must store empty drums on their sides with the bungs in place and lined up on a horizontal*



plane. Must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing. OCD has witness several stations with improper storage of barrels and fluids.

3. **Condition 10. Labeling:** *"The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans".* Several containers were not labeled.
4. **Condition 11. A:** *"Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours."* Several secondary containers were holding a large amount of liquids assumed greater then 72 hours. Williams Four Corners must remove all fluids from secondary containers within 72 hours.
5. **Condition 8. Process, Maintenance and Yard areas.** *"The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface."* Secondary containers are present at these facilities but best management practices are not followed. The OCD has witnessed the majority of the stations to have hydrocarbon staining within its facility grounds with the majority near the compressor engines. Williams Four Corners shall prevent any discharging of hydrocarbons directly on to the ground. If a discharge does occur it shall be addressed immediately and not allowed to accumulate. Placing clean gravel over the contamination is not an allowable practice.

The OCD would like to point out these deficiencies. **Please correct as soon as possible and provide the OCD a progress report within 90 days from the date of this letter.** These conditions are assumed by the OCD to be present at all of Williams Four Corners 70 + compressor stations that have a discharge permit. Please reflect these concerns to all of the permitted compressor stations and gas plants owned by Williams Four Corners, LLC. NMSA 1978, Section 70-2-31 (A) authorizes penalties of up to one thousand dollars (\$1000.00) per day per violation for any knowing and willful violation of any provision of the Oil and Gas Act or any rule adopted pursuant to the Act.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or leonard.lowe@state.nm.us.

Sincerely,



Leonard Lowe
Environmental Engineer

cc: Daniel Sanchez, Enforcement and Compliance Manager
Wayne Price, Environmental Bureau Chief
Brandon Powell, District III Environmental Specialist

AFFIDAVIT OF PUBLICATION

Ad No. 000504193

STATE OF NEW MEXICO County of San Juan:

COPY OF PUBLICATION

BOB WALLER, being duly sworn says: That he is the CLASSIFIED MANAGER of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication and appeared in the Internet at The Daily Times web site on the following day(s):

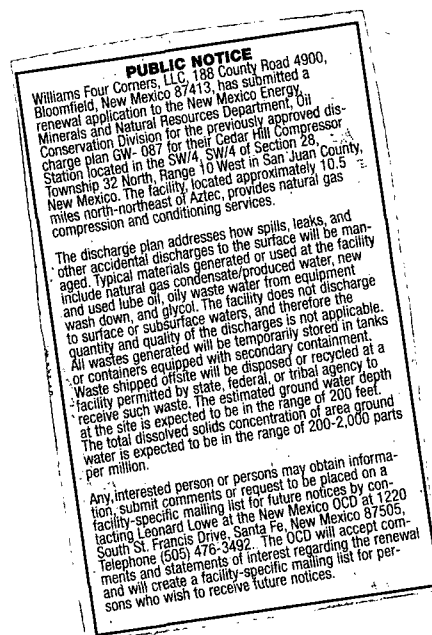
Wednesday, October 03, 2007

And the cost of the publication is \$77.68



ON 11/5/07 BOB WALLER appeared before me, whom I know personally to be the person who signed the above document.


My Commission Expires November 17, 2008



AFFIDAVIT OF PUBLICATION

Ad No. 000504527

STATE OF NEW MEXICO County of San Juan:

COPY OF PUBLICATION

BOB WALLER, being duly sworn says: That he is the CLASSIFIED MANAGER of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication and appeared in the Internet at The Daily Times web site on the following day(s):

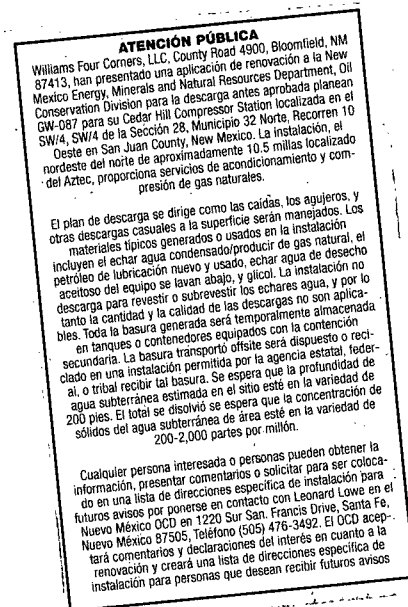
Friday, October 05, 2007

And the cost of the publication is \$65.81



ON 11/5/07 BOB WALLER appeared before me, whom I know personally to be the person who signed the above document.


My Commission Expires November 17, 2008



THE
DAILY TIMES
FARMINGTON, NEW MEXICO
THE FOUR CORNERS INFORMATION LEADER

PO Box 450 Farmington, NM 87499

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Date: 10/11/07

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NM ENERGY, MINERALS & NA

1220 SOUTH ST. FRANCIS DR.

SANTA FE, NM 87505

(505) 476-3400

| Ad# | Publication | Class | Start | Stop | Times | AS/400 Acct |
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Please include Ad number on your payment.

AFFIDAVIT OF PUBLICATION


Ad No. 55768

STATE OF NEW MEXICO County of San Juan:

ROBIN ALLISON, being duly sworn says:
That she is the CLASSIFIED MANAGER of
THE DAILY TIMES, a daily newspaper of
general circulation published in English at
Farmington, said county and state, and that
the hereto attached Legal Notice was
published in a regular and entire issue of the
said DAILY TIMES, a daily newspaper duly
qualified for the purpose within the meaning of
Chapter 167 of the 1937 Session Laws of the
State of New Mexico for publication and
appeared in the Internet at The Daily Times
web site on the following day(s):

Friday, October 5, 2007

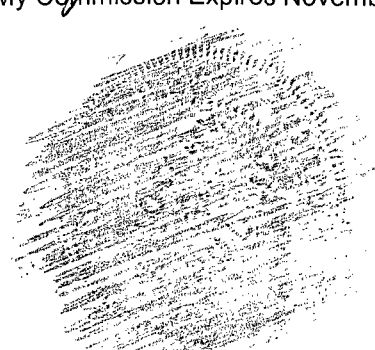
And the cost of the publication is \$644.74



ON 10/15/07 ROBIN ALLISON
appeared before me, whom I know personally
to be the person who signed the above
document.



My Commission Expires November 17, 2008



COPY OF PUBLICATION

NOTICE OF PUBLICATION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-087) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Cedar Hill Compressor Station, located in the SW/4 SW/4 of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, approximately 10.5 miles north northeast of Aztec, New Mexico and 1.3 miles northeast of the Animas river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 200-500 bbl/year of wastewater; 1500 gal/year/engine of wash down water and 5000 bbl/year of natural gas condensate are generated and stored in OCD approved containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 160 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-091) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 32-9 CDP Compressor Station, located in the NW/4 SW/4 of Section 15, and NW/4 SW/4 of Section 14, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 9 miles northeast of Aztec, New Mexico and approximately 3 miles east of the Animas river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 500 - 5000 gal/year/engine of wash down water and 100-6000 bbl/year of natural gas condensate are generated and stored in OCD approved containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-116) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 32-8 # 3 CDP Compressor Station, located in the NE/4 NE/4 of Section 9, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. Approximately 18.8 miles northeast of Aztec, New Mexico and approximately 10 miles north - north east of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-118) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 31-6 # 3 CDP Compressor Station, located in the SE/4 SW/4 of Section 1, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 31.7 miles east of Aztec, New Mexico and approximately 1.6 miles north east of Navajo Lake. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-120) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Pipkin Compressor Station, located in the NW/4 NW/4 of Section 36, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, approximately 6.5 miles south of Bloomfield, New Mexico. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 200 feet, with a total dissolved solids concentration of approximately 200 - 2000mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-121) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 29-6 # 2 CDP Compressor Station, located in the NE/4 NE/4 of Section 10, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 30 miles east of Bloomfield, New Mexico and approximately 6.1 miles south east of Navajo Lake. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 - 400 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-122) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 29-6 # 4 CDP Compressor Station, located in the SE/4 SE/4 of Section 19, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 27 miles east of Bloomfield, New Mexico and approximately 13.4 miles east of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 - 200 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-129) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Crouch Mesa Compressor Station, located in the SE/4 NE/4 of Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Approximately 4.5 miles west of Bloomfield, New Mexico and approximately 2 miles north of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 1000 - 4000 bbl/year of natural gas condensate and 500 - 1500 gal/year/engine of waste water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-208) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Hart Compressor Station, located in the SE/4 NE/4 of Section 27, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 4.6 miles south southeast of Cedar Hill, New Mexico and approximately 8 miles northeast of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-229) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Trunk G. Compressor Station, located in the NE/4 NE/4 of Section 35, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 1/2 mile south of U.S. 64 and approximately 33 miles east of Bloomfield, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-271) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Kernaghan Compressor Station, located in the SW/4 NW/4 of Section 29, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. Approximately 16 miles east of Aztec, New Mexico and approximately 6.2 miles north of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 2000 - 6000 bbl/year produced water and 500 - 5000 gal/year/engine of wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 500 - 700 feet, with a total dissolved solids concentration of approximately 200-2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-272) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Kernaghan B-8 Compressor Station, located in the SE/4 SW/4 of Section 33, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico, approximately 17 miles east of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-273) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Moore Compressor Station, located in the SE/4 SW/4 of Section 9, Township 30 North, Range 8 West, NMPM, San Juan County, New Mexico, approximately 17 miles east of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-287) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Snowshoe Compressor Station, located in the SW/4 NW/4 of Section 15, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico, approximately 6 miles east of Bloomfield, New Mexico. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 1000 - 3000 bbl/year of natural gas condensate, 500 - 1500 gal/year/engine of wash down water and 200 - 500 bbl/year of produced water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 28 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerales y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 1 day of October 2007.

THE SANTA FE
NEW MEXICAN
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1220 S ST FRANCIS DR
SANTA FE NM 87505

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LEGAL NO: 81735 P.O. #: 52100-00000075
961 LINES 1 TIME(S) 836.64
AFFIDAVIT: 6.00
TAX: 66.36
TOTAL: 909.00

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, T. Valencia, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 81735 a copy of which is hereto attached was published in said newspaper 1 day(s) between 10/08/2007 and 10/08/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 8th day of October, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

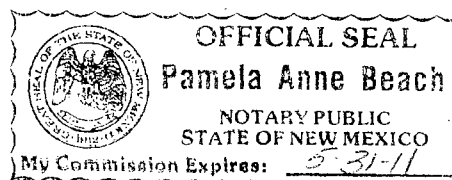
/S/

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 8th day of October, 2007

Notary

Commission Expires:



NOTICE OF PUBLICATION**STATE OF NEW MEXICO
ENERGY, MINERALS
AND NATURAL
RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-278) Key Energy Services, Inc., 6 Desta Drive, Suite 4400, Midland TX 79705, has submitted a renewal application for the previously approved discharge plan for their Carlsbad Service Yard, Yale E. Key Inc. dba Key Energy Services Inc., located in the SE/4 NE/4 of Section 33 and SW/4 NW/4 Section 34, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, 1609 E. Greene Street, Carlsbad, New Mexico 88220. The facility transports fluids used for, or in conjunction with, the discovery, development, production, refining, processing and/or storage of natural gas and petroleum, and its products and by products. Approximately 10 bbl/day of truck wash wastewater and 40 bbl/day of frac tank wash down water are generated and stored in approved containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 15 - 46 feet, with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-087) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Cedar Hill Compressor Station, located in the SW/4 SW/4 of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, approximately 10.5 miles north northeast of Aztec, New Mexico and 1.3 miles northeast of the Animas river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 200-500 bbl/year of wastewater; 1500 gal/year/engine of wash down water and 5000 bbl/year of natural gas condensate are generated and stored in OCD approved containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 160 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-091) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 32-9 CDP Compressor Station, located in the NW/4 SW/4 of Section 15, and NW/4 SW/4 of Section 14, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 9 miles northeast of Aztec, New Mexico and approximately 3 miles east of the Animas river. The station provides metering, compression, and dehydration

services to various producers for the gathering of natural gas for treatment and delivery. Approximately 500 - 5000 gal/year/engine of wash down water and 100-6000 bbl/year of natural gas condensate are generated and stored in OCD approved containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-116) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 32-8 # 3 CDP Compressor Station, located in the NE/4 NE/4 of Section 9, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. Approximately 18.8 miles northeast of Aztec, New Mexico and approximately 10 miles north - north east of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved

solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-118) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 31-6 # 3 CDP Compressor Station, located in the SE/4 SW/4 of Section 1, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 31.7 miles east of Aztec, New Mexico and approximately 1.6 miles north east of Navajo Lake. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-120) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Pipkin

Compressor Station, located in the NW/4 NW/4 of Section 36, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, approximately 6.5 miles south of Bloomfield, New Mexico. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 - 200 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-121) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 29-6 # 2 CDP Compressor Station, located in the NE/4 NE/4 of Section 10, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 30 miles east of Bloomfield, New Mexico and approximately 6.1 miles south east of Navajo Lake. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers onsite within a bermed area prior to disposal

at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 - 400 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-122) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their 29-6 #4 CDP Compressor Station, located in the SE/4 SE/4 of Section 19, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 27 miles east of Bloomfield, New Mexico and approximately 13.4 miles east of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100 - 6000 bbl/year of condensate/produced water and 500 - 5000 gal/year/engine of waste/wash down water are generated and stored in above ground containers on-site within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 - 200 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-129) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Crouch Mesa Compressor Station, located in the SE/4 NE/4 of Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Approximately 4.5 miles west of Bloomfield, New Mexico and approximately 2 miles north of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 1000 - 4000 bbl/year of natural gas condensate and 500 - 1500 gal/year/engine of waste water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 - 500 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and

other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-208) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Hart Compressor Station, located in the SE/4 NE/4 of Section 27, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 4.6 miles south southeast of Cedar Hill, New Mexico and approximately 8 miles north-

east of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-229) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Trunk G. Compressor Station, located in the NE/4 NE/4 of Section 35, Township 29 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 1 mile south of U.S. 64 and approximately 33 miles east of Bloomfield, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-271) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Kernaughan Compressor Station, located in the SW/4 NW/4 of Section 29, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. Approximately 16 miles east of Aztec, New Mexico and approximately 6.2 miles north of the San Juan river. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 2000 - 6000 bbl/year produced water and 500 - 5000 gal/year/engine of wash down water are generated and stored in above ground containers on-site within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at

a depth of approximately 500 - 700 feet, with a total dissolved solids concentration of approximately 200-2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-272) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Kernaughan B-8 Compressor Station, located in the SE/4 SW/4 of Section 33, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico, approximately 17 miles east of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-273) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Moore Compressor Station, located in the SE/4 SW/4 of Section 9, Township 30 North, Range 8 West, NMPM, San Juan County, New Mexico, approximately 17 miles east of Aztec, New Mexico. The station is currently non-operational and has no equipment on site. The applicant would like to renew the application for future possible activity of the site.

(GW-287) Williams Four Corners, Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Snowshoe Compressor Sta-

tion, located in the SW/4 NW/4 of Section 15, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico, approximately 6 miles east of Bloomfield, New Mexico. The station provides metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. Approximately 1000 - 3000 bbl/year of natural gas condensate, 500 - 1500 gal/year/engine of wash down water and 200 - 500 bbl/year of produced water are generated and stored in above ground containers onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 28 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD

web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 01 day of October, 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL
Mark Fesmire,
Director

Legal#81735
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