

GENERAL CORRESPONDENCE

YEAR(S): 2010 - 2007

Lowe, Leonard, EMNRD

From: Sent: To: Subject: Kamps, Kim [Kimberly.D.Kamps@conocophillips.com] Wednesday, May 12, 2010 10:12 AM Lowe, Leonard, EMNRD RE: GW-054 ConocoPhillips Wingate Fractionator

I will notify.

Kim

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us] Sent: Wednesday, May 12, 2010 10:03 AM To: Kamps, Kim Subject: RE: GW-054 ConocoPhillips Wingate Fractionator

Kim,

OCD approves your request. I request that you notify me via e-mail when your work ceases for the tanks.

Thank you,

llowe

Leonard Lowe

Environmental Engineer Oil Conservation Division/EMNRD 1220 S. St. Francis Drive Santa Fe, N.M. 87505 Office: 505-476-3492 Fax: 505-476-3462 E-mail: <u>leonard.lowe@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>

From: Kamps, Kim [mailto:Kimberly.D.Kamps@conocophillips.com]
Sent: Wednesday, May 12, 2010 8:39 AM
To: Lowe, Leonard, EMNRD
Cc: Stuart, John D
Subject: FW: GW-054 ConocoPhillips Wingate Fractionator

Leonard,

We are in the process of planning maintenance and inspections on two towers in our fractionation train during our June turnaround (June 7-16). We would like to set up five, 400 BBL temporary tanks to contain the water generated from washing and steaming the towers and associated vessels prior to commencing repairs and inspections. I am requesting the same arrangement that we have used previously; that we will create and use an inspection sheet to monitor the portable tanks daily to verify that we do not have any signs of leakage, that we will also monitor and document inspection for leakage during the removal of the tanks. If COP notices a release, we understand that we will be subject to Rule 116. The tanks will only store wash/steam water.

The portable tanks will arrive during the first week of June. We would begin using them on June 7. We do not anticipate that the tanks will be in place longer than 60 days.

The tanks we will be using are made of steel and are not owned by ConocoPhillips. They will again be leased from Dawn Trucking out of Farmington. The 2 towers and the associated vessels hold a mixture of propane and butanes.

Will you approve this arrangement of tanks and documented inspection for leakage?

Kim Kamps Compliance Coordinator ConocoPhillips - Wingate Fractionator Office 505.863.1023 Mobile 505.870.1559

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Lowe, Leonard, EMNRD

	Kamps, Kim [Kimberly.D.Kamps@conocophillips.com] Thursday, January 14, 2010 8:03 AM
То:	Lowe, Leonard, EMNRD RE: GW-054 Wingate 5-year Drain System Pressure - Results Attached

Leonard,

It's a pneumatic test - so the lines are isolated and air is used to reach the appropriate pressure.

Kim

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Wednesday, January 13, 2010 8:53 AM
To: Kamps, Kim
Subject: RE: GW-054 Wingate 5-year Drain System Pressure - Results Attached

See one response below.

From: Kamps, Kim [mailto:Kimberly.D.Kamps@conocophillips.com]
Sent: Monday, January 04, 2010 11:14 AM
To: Lowe, Leonard, EMNRD
Subject: RE: GW-054 Wingate 5-year Drain System Pressure - Results Attached

Leonard,

From the discharge plan: 'the owner/operator shall test underground process/wastewater pipelines at lease once every five years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temp and pressure.....' We only have one system - or maybe I should say that it's all interconnected so it gets tested at one time.

Then a description of the testing a bit further down: '...or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure.' We test at 7 lbs per square inch - it's more conservative and easier for us to maintain the pressure on the system and read the results.

No water disposal associated with this test, it's not required to be a hydrostatic test, I should not have put that in the subject line.....

What media was used for testing then?

This is the first time I've been around for the test so I'm trying to update our internal documentation. Please let me know if I did not answer your questions.

Kim

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Monday, January 04, 2010 10:16 AM
To: Kamps, Kim
Subject: RE: GW-054 Wingate 5-year Drain System Hydrotesting - Results Attached

Kim Kamps,

Good morning and happy new year!

1

What drain-lines were tested?

What did you do with your hydrostat water? Is disposal of waste water noted within your discharge plan? It should be.

Are your procedures noted within your application as well? It should be.

llowe

Leonard Lowe

Environmental Engineer Oil Conservation Division/EMNRD 1220 S. St. Francis Drive Santa Fe, N.M. 87505 Office: 505-476-3492 Fax: 505-476-3462 E-mail: leonard.lowe@state.nm.us Website: http://www.emnrd.state.nm.us/ocd/

From: Kamps, Kim [mailto:Kimberly.D.Kamps@conocophillips.com]
Sent: Monday, January 04, 2010 10:05 AM
To: Lowe, Leonard, EMNRD
Subject: GW-054 Wingate 5-year Drain System Hydrotesting - Results Attached

Mr. Lowe,

Please find attached the results of Wingate Fractionators' five year drain system hydro testing completed on December 31, 2009. The test was successful.

Happy New Year!

Kim Kamps Compliance Coordinator ConocoPhillips Wingate Fractionator (505)863-1023 cell (505)870-1559

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From:	Chavez, Carl J, EMNRD
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Sent: Tuesday, September 30, 2008 9:07 AM

To: 'Cox, Beverly J.'

Cc: Anderson, Larry E; Price, Wayne, EMNRD

Subject: RE: Water holding pond

Beverly:

Hi. Per the OCD Memo dated August 12, 2008

(<u>http://www.emnrd.state.nm.us/ocd/documents/FreshWaterStationMemorandum.pdf</u>), fresh water pits are excluded from the requirements of in this case a temporary fresh water pit for construction activities unless you exceed WQCC Stds. In the pit.

For guidelines on temporary pit construction, please go to the OCD rules at <u>http://www.emnrd.state.nm.us/ocd/documents/RULEBOOK2008-06-16_002.pdf</u> and perform a search for "Temporary Pit." This will give you some specifications on the pit design that may be useful to you.

Also, since the facility is permitted by the OCD, any requirements in the rules to submit forms to the district office may be waived, and the info. should be submitted to the Santa Fe Office in a form that satisfies the intent of the regulations.

Please contact me if you have questions. Thank you

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From: Cox, Beverly J. [mailto:Beverly.J.Cox@conocophillips.com]
Sent: Friday, September 26, 2008 10:32 AM
To: Chavez, Carl J, EMNRD
Cc: Cox, Beverly J.; Anderson, Larry E
Subject: Water holding pond

Carl,

It has been brought to my attention that the rail project will require a temporary pond to be constructed. This pond will only contain fresh water that will come from the ConocoPhillips water wells. This water will be used during the dirt work of the rail construction. We estimate the pond size to be at least 200 feet by 200 feet.

Please advise on the requirements for constructing a fresh water holding pond.

Water holding pond

Thanks,

Beverly

Beverly J. Cox Sr. Staff Environmental Technologist San Juan Business Unit 505.324.6194 Cell: 505.947.7243

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From: Cox, Beverly J. [Beverly.J.Cox@conocophillips.com]

Sent: Wednesday, September 17, 2008 9:06 AM

To: Chavez, Carl J, EMNRD

Subject: RE: Gas Plants & EPA Stormwater Construction Permit for Wingate Plant Rail Project

Thanks Carl, I will check the links out today.

bj

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Tuesday, September 16, 2008 4:35 PM
To: Cox, Beverly J.; Anderson, Larry E
Cc: Price, Wayne, EMNRD
Subject: Gas Plants & EPA Stormwater Construction Permit for Wingate Plant Rail Project

Beverly and Larry:

Hi. Pursuant to our meeting today, you may review the website links below and also contact the EPA directly to determine whether your rail project requires an EPA Stormwater Construction Permit (see links provided below). You might want to call EPA Region 6 to quickly resolve.

Storm Water Discharges Associated with Construction Activities

http://www.epa.gov/region6/water/npdes/sw/construction/index.htm

EPA Contacts

http://www.epa.gov/region6/water/comentwq.htm

Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/index.htm</u> (Pollution Prevention Guidance is under "Publications")

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From: Chavez, Carl J, EMNRD

Sent: Tuesday, September 16, 2008 4:55 PM

To: Price, Wayne, EMNRD

Cc: VonGonten, Glenn, EMNRD

Subject: ConocoPhillips (COP) Wingate Plant Rail Project & Modification to Permit (GW-054) Esat of Gallup

Wayne:

FYI, today I met w/ Ms. Beverly Cox and Larry Anderson of COP about a rail project along the railroad corridor south and east of their OCD permitted facility. They wanted to explain a project that was precipitated by BSNF Railroad after they no longer will handle COP Railroad cars and switching of COP cars. COP cars consist of Propane, Butane and Natural Gas Liquids. Consequently, COP is working to lease or purchase land within the railroad corridor to construct its own rail road storage and switching area. They plan to construct about 1.5 miles of track (rail road at a projected cost of \$7.1 million just south of their facility) toward the east of their facility. COP will hire a rail road related company to perform all of their car storage and switching activities in order to make filled cars available for shipment on Mondays, Wednesdays and Fridays.

Since their will not be any changes to their process lines or existing facility with the exception of their storage and switching activities, COP will be proposing a "Minor Modification" to their permit via addendums to their Application and existing discharge permit as needed. They are also working to satisfy EPA and DOT requirements for emergency response, risk management plan, SWPPP, etc. They will need to build additional track to stage their filled cars for transport. COP estimates that at least 4% of total storage will be staged at anytime before BSNF picks up their staged cars. Nothing really changes at the facility except the construction of the track and staging area. COP discussed their upcoming planned submittal in detail (maps, addendums, etc.) and the applicable sections of the application and permit that they will slightly modify. For example, the rail area would also need to be mentioned in the closure, housekeeping, etc. sections of the permit. Sections of the application (ex., emergency response, etc.) would also be slightly modified where needed and be part of their submittal.

In conclusion, I think their rail project is a "Minor Modification" according to the discharge permit and COP will submit a request for a Minor Modification with addendums to their existing application and discharge permit within the next couple of months. They will include any Federal info. that may also pertain to the OCD Permit in case it will satisfy or supplement the OCD discharge permit provisions.

Please contact me if you have questions. Thanks.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>index.htm (Pollution Prevention Guidance is under "Publications")

From:	Cox, Beverly J. [Beverly.J.Cox@conocophillips.com]
Sent:	Monday, August 06, 2007 9:03 AM
То:	Chavez, Carl J, EMNRD
Cc:	Cox, Beverly J.
Subject:	Wingate Fractionator Public Notice
Attachments	: Public Notice in Paper 062907.pdf

Carl,

The public notice for the Wingate Fractionator Ground Water Discharge Permit (GW054) was placed in the Gallup newspaper on June 29, 2007. The thirty day comment period has ended and there have been no comments regarding this permit.

Attached you will find a copy of the newspaper ad.

Let me know what would be a good time for you to discuss the permit conditions.

Thanks,

Beverly

<< Public Notice in Paper 062907.pdf>>

Beverly J. Cox Environmental Specialist ConocoPhillips San Juan Business Unit 505.324.6194 Cell: 505.947-7243

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Notice is hereby given that pursuant to New Viexico Water Quality Control Commission Regulations (the following discharge permit renewal tres been submitted to the Director of the Oil Conservation Division, 1220 S Saint Francis Drive, Santa Fe, New Mexico, 27505, Telephone

(GW-054) - Concett Phillips, Inc., Beverly Cox Environmental Specialist, 3401 E 30th Street (PO, Bex 4289) Farmington, New Mexico 87499, has submitted a renewal (505) 478-3440. application for a discharge plan for the Wingate Fractionation Plant located in Section 910, end 15-17 Township 15 North, Bange 7 West, NMPM Mokinley County, New Mexico (approximately one mile east of Gallup on US Hwy 68) The facility separates hydrocarbon liquids from a natural gas liquid steam into propane. n-butane light gasoline, natural gas and mix butane. The facility discharges wastewater into evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers, and shipped offsite for disposal or recycling at an COD approved site. Ground water most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 to 25 feet below the ground surface, with a total dissolved solids concentration of approximately 1.000 mg/L. The discharge plan addresses how olifield products and waste will be properly handled, stored, and disposed of including how spills, leaks, and other accidental discharges to the The Independent __Gallup, N.M. __Tiday, June 29, 2007. Page

es up town

Catch a Predator

surface will be managed in order to protect fresh water The New Mexico Oil Conservation Division will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive tuture notices. Persons interested in obtaining further information, submitting commente ot requesting to be on a facility-specific mailing list for future notices may contact.

Carl Chavez, CHMM Environmental Bureau New Mexico Oll Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 Office: (505) 476-3491

O DE PUBLICACIÓN

Por la presente se da aviso, en conformidad con las regulaciones de la Comisión de Control de Calidad de Agua de Nuevo México, de que la siguiente renovación de permiso de desarga ha sido sometida al Director de la División de la Conservación de Petroleo, 1220 S Saint Francis,

Drive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3440.

(GW-054) - ConocoPhillips, Inc., Beverly Cox Especialista Ambiental, 3401, E. 30% Street (PO Box 4289) Faimington, New México 87499, ha sometido una aplicación de renovación para un plan de la descarga para la Planta del Fraccionamiento Wingate situdad en las secciones 9-10, y 15-17, Township 15 North, Range 7 West, NMPM, condado de McKinley. Nuevo Máxico (aproximadamente una milla al este de Gallup en US. Hwy 66). La facilidad separa hidrocarburos liquidos de una contente liquida de gas natural en propano, n-butano, gasolina ligera, gas natural y mezcla de butano. La facilidad descarga las aguas residuales en fosas de evaporación. Otros desechos generados serán almacenados temporalmente en tanques o contenedores y transportados luera del área para la disposición o reciclaje en un eitto aprobado por la División de la Conservación de Petróleo. El agua subterránea mes probablemente a ser alectada por un derrame, un escape o una descarga accidental, está a una profundidad de aproximademente 20 a 25 pies debajo de la superficie de la tierra con una concentración de sólidos disueltos totales de aproximadamente 1.000 mg/l. El plan de descarga Indica como los productos del campo pstrolero y los desechos serán manejados correctamente, almacenados, y dispuestos, induyendo cómo derrames, escapes, y ctras descargas accidentales a

la superficie serán manejados para proteger el aguna dulce. La División de la Conservación de Petróleo de Nuevo México aceptara comentarios y declaraciones de interes con respecto a esta aplicación y creara una lista de correo específica para la facilidad para las personas que desean recibir futuros avisos. Las personas interesadas en la obtención de información adicional, someter comentarios o la petición para estar en una lista de correro específica para la facilidad para futuros avisos pueen entrar en contacto con

Carl Chavez, CHMM División de la Gonservación de Petróleo de Nuevo México Oficina Ambiental 1220 South St Francis Dr

From: Chavez, Carl J, EMNRD

Sent: Wednesday, December 19, 2007 2:08 PM

To: 'Cox, Beverly J.'

Cc: Price, Wayne, EMNRD; Brooks, David K., EMNRD

Subject: GW-054 ConocoPhillips Wingate Gas Plant November 11, 2007 Meeting

Ms. Cox:

Re: OCD GW-054 DP Meeting held November 11, 2007 in Santa Fe, NM

Good afternoon. the OCD appreciated the opportunity to meet with you and Mr. Larry Anderson in November and wish to apologize for the delay in response to action items agreed to during the meeting.

As agreed to after the meeting, the OCD is writing to follow-up on action items associated with secondary containment around LNG spheres and financial assurance (FA) issues associated with the evaporation ponds and ground water monitoring at the OCD permitted facility. Regarding the question of two bonds due to the ponds (15.9 & 11.8 Acres) being on Native American Land, and the rest of the facility on New Mexico land, the OCD recommends only one surety bond (see link to applicable form below) for the entire facility. In addition, the OCD has other types of financial assurance (see links below).

Surface Waste Management Facility - Cash Bond	PDF DOC
Surface Waste Management Facility - Irrevocable Letter of Credit	PDF DOC
Surface Waste Management Facility - Surety Bond	PDF DOC

The OCD requires a closure plan report (WQCC 20.6.2.3107(A)(11) NMAC)) with FA for the evaporation ponds & ground water contamination at the facility. The OCD recommends an amount of \$100,000.00 (one-hundred thousand dollars) in a Surety Bond or other FA form (see forms in table above) be submitted to the OCD.

Please note that ConocoPhillips (COP) may also decide instead to estimate an amount based on its closure plan for the decommissioning of evaporation ponds and for ground water monitoring and cleanup. COP may provide an estimated amount for closure to the OCD for consideration and approval. Based on the final approved amount, an original or duplicate original of the surety bond or other FA form will need to be submitted to the OCD.

The secondary containment (LNG Spheres) issues:

1) Place liner underneath LNG Spheres w/ curb or berm directly underneath spheres. COP does not have to remove spheres, just anchor liner over and under an installed curb(s) or berm(s).

2) Inspect sphere pipelines with a PID on a regular basis to detect hydrocarbon vapors or possible leaks in associated pipelines.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>Carl J. Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/index.htm</u> (Pollution Prevention Guidance is under "Publications")

Energy, Minerals and Natural Resources Department Oil Conservation Division <u>Surety Bond For Waste Management Facilities</u> (File with Oil Conservation Division, 1220 S. Saint Francis, Santa Fe, New Mexico 87505)

BOND NO.

(For Surety Company Use)

KNOW ALL MEN BY THESE PRESENTS:

That									,	(an
individual, partnership, o	r a corporation	organiz	ed in the S	State of			, v	vith its	s princ	ipal
office in the City of	, State	of				_, and author	rized	to do b	ousine	ss in
the State of New Mexico)), as PRINCIPA	AL, and		<u> </u>		, a corpo	oratio	n orga	anized	and
existing under the laws of						ndauthorized				
State of New Mexico as	SURETY, are	held fir	mly boun	d unto the	State	e of New Me	xico,	for th	ie use	and
benefit of the Oil Conser	vation Divisio	n of the	Energy,	Minerals a	nd N	atural Resou	rces I	Depar	tment	(the
"Division") pursuant	to NMSA	1978,	Section	70-2-12	as	amended,	in	the	sum	of
								•		
PRINCIPAL and SURET	ΓY hereby bind	i themse	lves, their	successor	s and	l assigns, joir	ntly a	nd sev	/erally	<i>'</i> .

The conditions of this obligation are such that:

WHEREAS, the above PRINCIPAL has heretofore or may hereafter enter into the collection, disposal, evaporation, remediation, reclamation, treatment or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, BS&W, tank bottoms, waste oil and/or other oil field related waste in Section _____, Township _____, Range _____, NMPM, _____ County, New Mexico.

NOW, THEREFORE, this \$______ performance bond is conditioned upon substantial compliance with all applicable statutes of the State of New Mexico and all rules and orders of the Oil Conservation Commission and the Division. Upon clean-up of the facility site to standards of the Division, the Division will release this bond; otherwise, the principal amount of the bond is to be forfeited to the State of New Mexico.

Signed and sealed this _____ day of _____, 2____.

PRINCIPAL

Mailing Address

By

Signature

Title

Note: If Principal is a corporation, affix corporate seal here.

SURETY

Mailing Address

By__

Attorney-in-Fact

Note: If corporate surety, affix corporate seal here.

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STATE OF) SS. COUNTY OF) The foregoing instrument was acknowledged before me this			, by
My commission expires:			
Date Notary P	Public		
ACKNOWLEDGMENT FORM FOR A CORPORATION, IN PARTNERSHIP	CORPORATED AS	SSOCIATION OR	
STATE OF) SS. COUNTY OF)			
The foregoing instrument was acknowledged before me this	_		
of			
My commission expires:			
Date Notary P	ublic		

F.

ABATEMENT STANDARDS AND REOUIREMENTS: 20.6.2.4103

The vadose zone shall be abated so that water contaminants in the vadose zone shall not be capable of A contaminating ground water or surface water, in excess of the standards in Subsections B and C below, through leaching, percolation or as the water table elevation fluctuates.

Ground-water pollution at any place of withdrawal for present or reasonably foreseeable future use, В. where the TDS concentration is 10,000 mg/L or less, shall be abated to conform to the following standards:

toxic pollutant(s) as defined in Section 20.6.2.1101 NMAC shall not be present; and (1)

the standards of Section 20.6.2.3103 NMAC shall be met. (2)

C. Surface-water pollution shall be abated to conform to the Water Quality Standards for Interstate and Intrastate Streams in New Mexico (20.6.4 NMAC).

Subsurface-water and surface-water abatement shall not be considered complete until a minimum of eight D. (8) consecutive quarterly samples from all compliance sampling stations approved by the secretary meet the abatement standards of Subsections A, B and C of this section. Abatement of water contaminants measured in solid-matrix samples of the vadose zone shall be considered complete after one-time sampling from compliance stations approved by the secretary. E.

Technical Infeasibility.

If any responsible person is unable to fully meet the abatement standards set forth in Subsections A and B (1)of this section using commercially accepted abatement technology pursuant to an approved abatement plan, he may propose that abatement standards compliance is technically infeasible. Technical infeasibility proposals involving the use of experimental abatement technology shall be considered at the discretion of the secretary. Technical infeasibility may be demonstrated by a statistically valid extrapolation of the decrease in concentration(s) of any water contaminant(s) over the remainder of a twenty (20) year period, such that projected future reductions during that time would be less than 20 percent of the concentration(s) at the time technical infeasibility is proposed. A statistically valid decrease cannot be demonstrated by fewer than eight (8) consecutive quarters. The technical infeasibility proposal shall include a substitute abatement standard (s) for those contaminants that is/are technically feasible. Abatement standards for all other water contaminants not demonstrated to be technically infeasible shall be met.

(2) In no event shall a proposed technical infeasibility demonstration be approved by the secretary for any water contaminant if its concentration is greater than 200 percent of the abatement standard for that contaminant.

If the secretary cannot approve any or all portions of a proposed technical infeasibility demonstration (3) because the water contaminant concentration(s) is/are greater than 200 percent of the abatement standard(s) for each contaminant, the responsible person may further pursue the issue of technical infeasibility by filing a petition with the commission seeking:

(a) approval of alternate abatement standard(s) pursuant to Subsection F of this section; or

granting of a variance pursuant to Section 20.6.2.1210 NMAC. (b)

Alternative Abatement Standards.

At any time during or after the submission of a Stage 2 abatement plan, the responsible person may file a (1)petition seeking approval of alternative abatement standard(s) for the standards set forth in Subsections A and B of this section. The commission may approve alternative abatement standard(s) if the petitioner demonstrates that:

(a) compliance with the abatement standard(s) is/are not feasible, by the maximum use of technology within the economic capability of the responsible person; OR there is no reasonable relationship between the economic and social costs and benefits (including attainment of the standard(s) set forth in Section 20.6.2.4103 NMAC) to be obtained;

(b) the proposed alternative abatement standard(s) is/are technically achievable and cost-benefit justifiable; and

(c) compliance with the proposed alternative abatement standard(s) will not create a present or future hazard to public health or undue damage to property.

The petition shall be in writing, filed with the secretary. The petition shall specify, in addition to the (2)information required by Subsection A of Section 20.6.2.1210 NMAC, the water contaminant(s) for which alternative standard(s) is/are proposed, the alternative standard(s) proposed, the three-dimensional body of water pollution for which approval is sought, and the extent to which the abatement standard(s) set forth in Section 20.6.2.4103 NMAC is/are now, and will in the future be, violated. The petition may include a transport, fate and risk assessment in accordance with accepted methods, and other information as the petitioner deems necessary to support the petition.

The commission shall review a petition for alternative abatement standards in accordance with the (3)procedures for review of a variance petition provided in the commission's adjudicatory procedures, 20.1.3 NMAC. [12-1-95, 11-15-96; 20.6.2.4103 NMAC - Rn, 20 NMAC 6.2.IV.4103, 1-15-01]

20.6.2.4104 **ABATEMENT PLAN REQUIRED:**

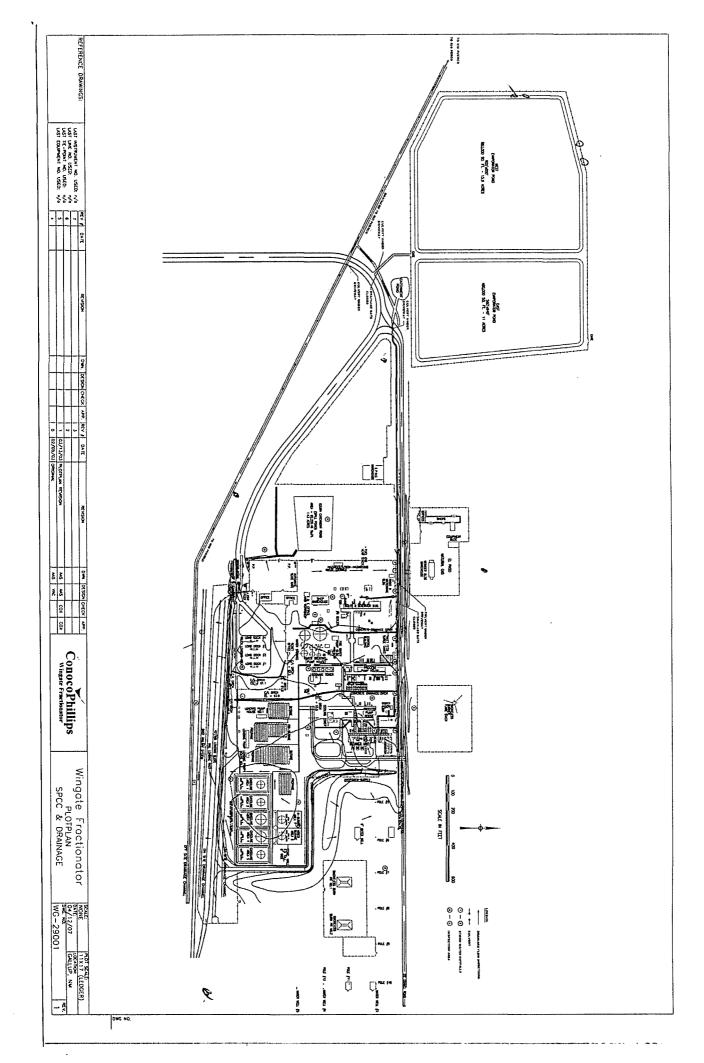
Unless otherwise provided by this Part, all responsible persons who are abating, or who are required to Α. abate, water pollution in excess of the standards and requirements set forth in Section 20.6.2.4103 NMAC of this Part shall do so pursuant to an abatement plan approved by the secretary. When an abatement plan has been approved, all actions leading to and including abatement shall be consistent with the terms and conditions of the abatement plan.

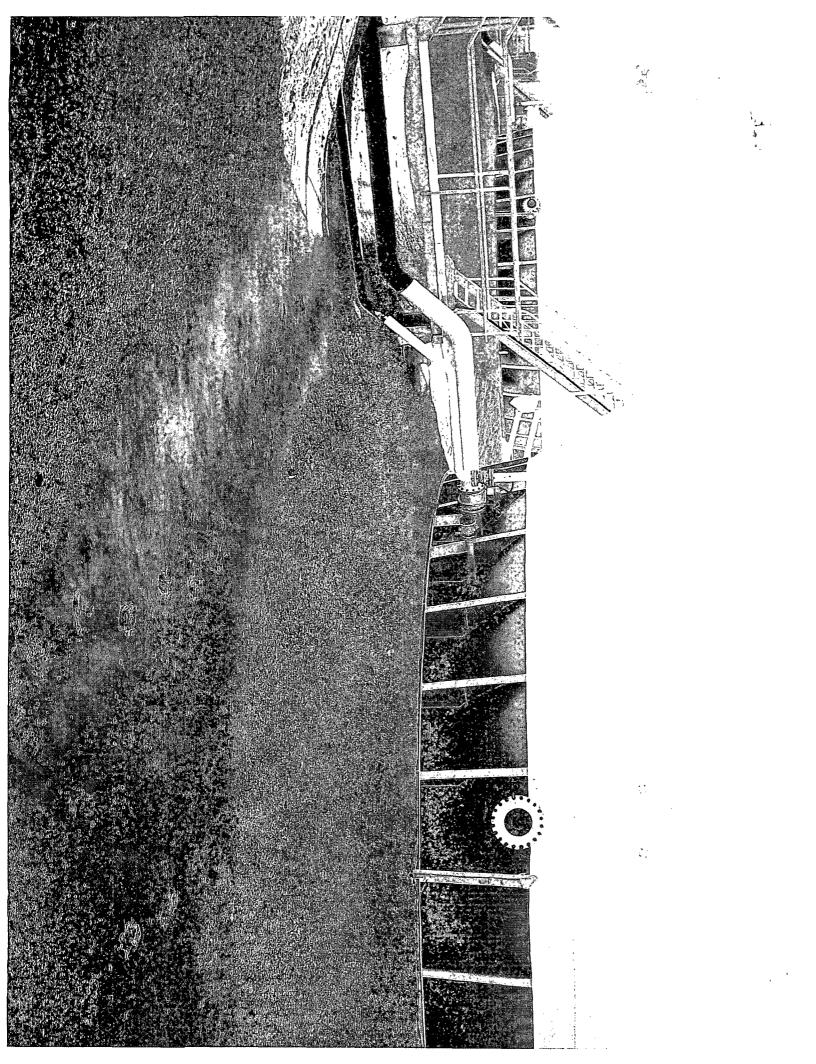
In the event of a transfer of the ownership, control or possession of a facility for which an abatement plan R is required or approved, where the transferor is a responsible person, the transferee also shall be considered a responsible

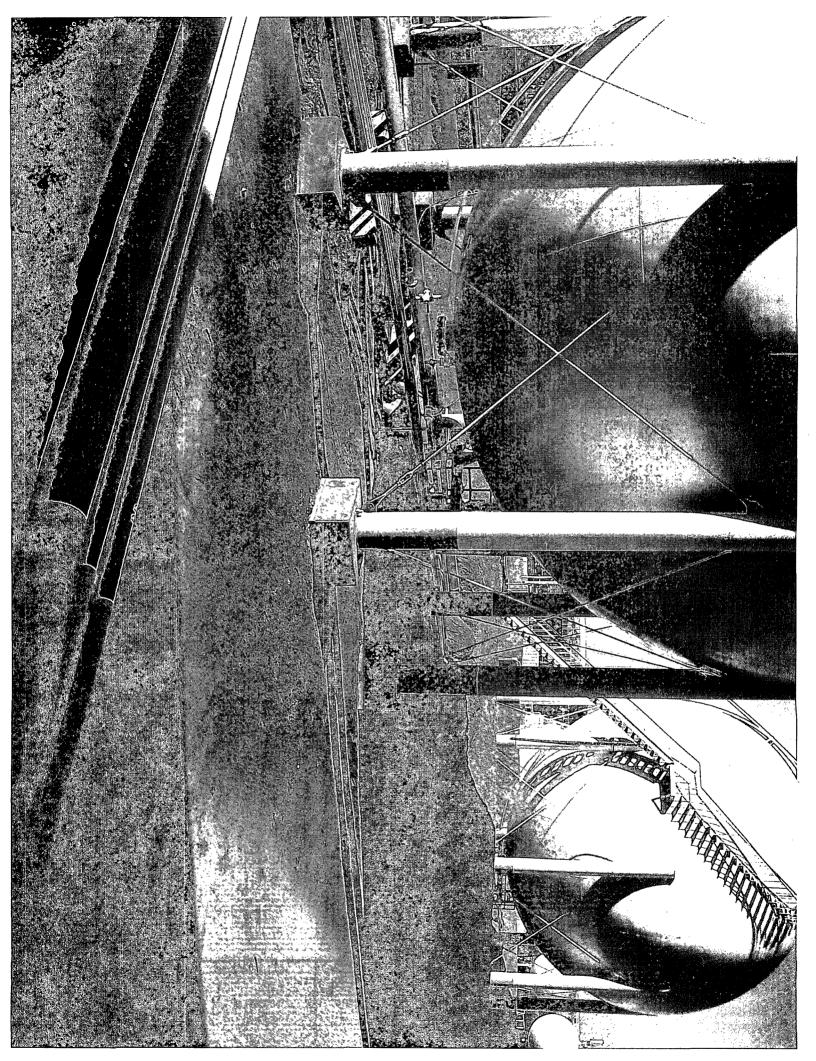
person for the duration of the abatement plan, and may jointly share the responsibility to conduct the actions required by this Part with other responsible persons. The transferor shall notify the transferee in writing, at least thirty (30) days prior to the transfer, that an abatement plan has been required or approved for the facility, and shall deliver or send by certified mail to the secretary a copy of such notification together with a certificate or other proof that such notification has in fact been received by the transferee. The transferor and transferee may agree to a designated responsible person who shall assume the responsibility to conduct the actions required by this Part. The responsible persons shall notify the secretary in writing if a designated responsible person is agreed upon. If the secretary determines that the designated responsible person has failed to conduct the actions required by this Part, the secretary shall notify all responsible persons of this failure in writing and allow them thirty (30) days, or longer for good cause shown, to conduct the required actions before issuing a compliance order pursuant to Section 20.6.2.1220 NMAC.

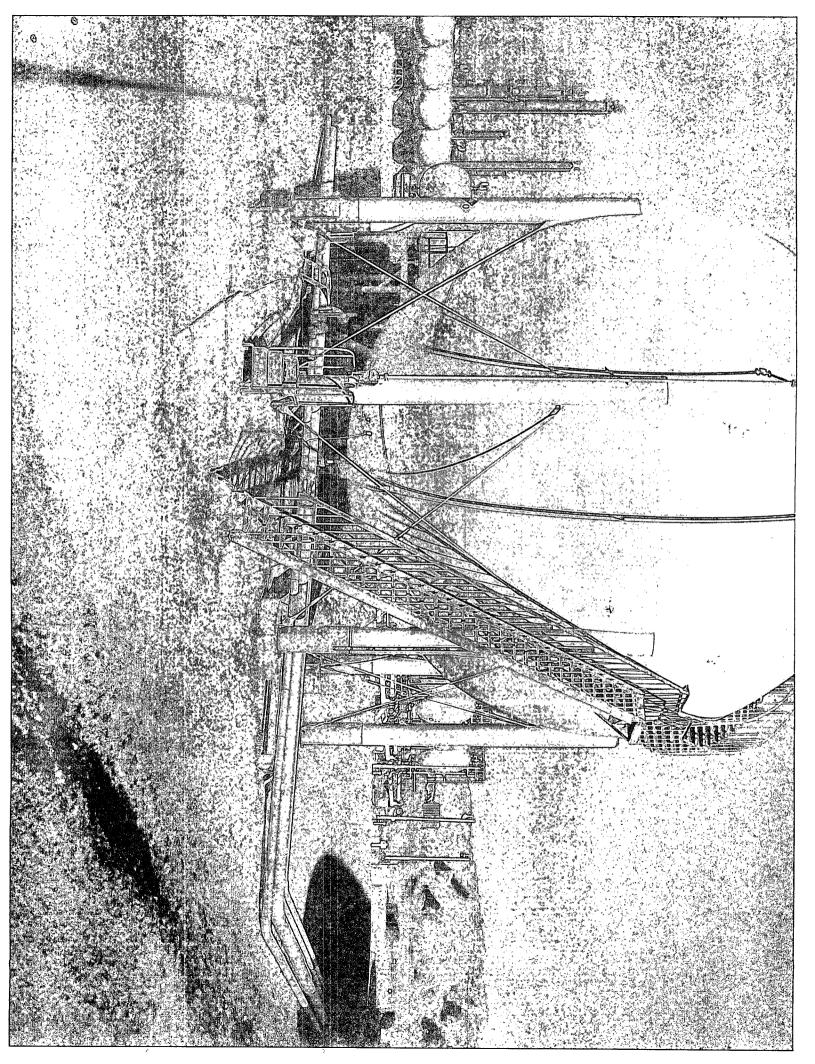
C. If the source of the water pollution to be abated is a facility that operated under a discharge plan, the secretary may require the responsible person(s) to submit a financial assurance plan which covers the estimated costs to conduct the actions required by the abatement plan. Such a financial assurance plan shall be consistent with any financial assurance requirements adopted by the commission.

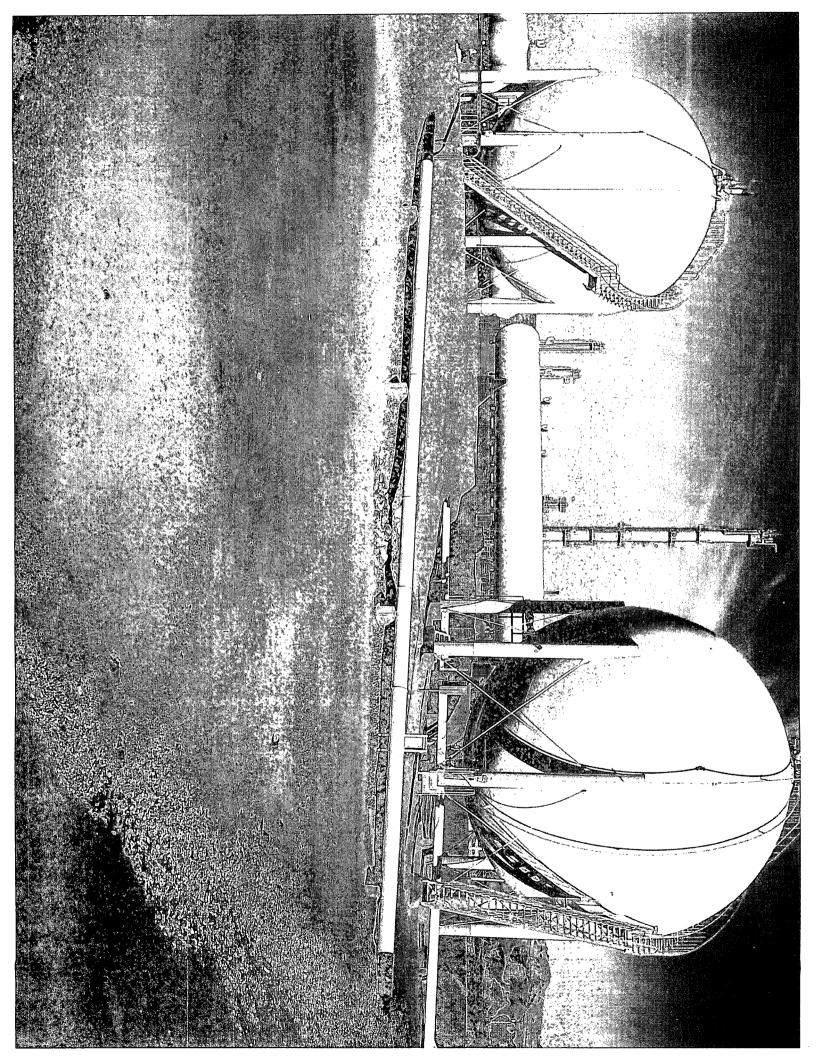
[12-1-95; 20.6.2.4104 NMAC - Rn, 20 NMAC 6.2.IV.4104, 1-15-01]

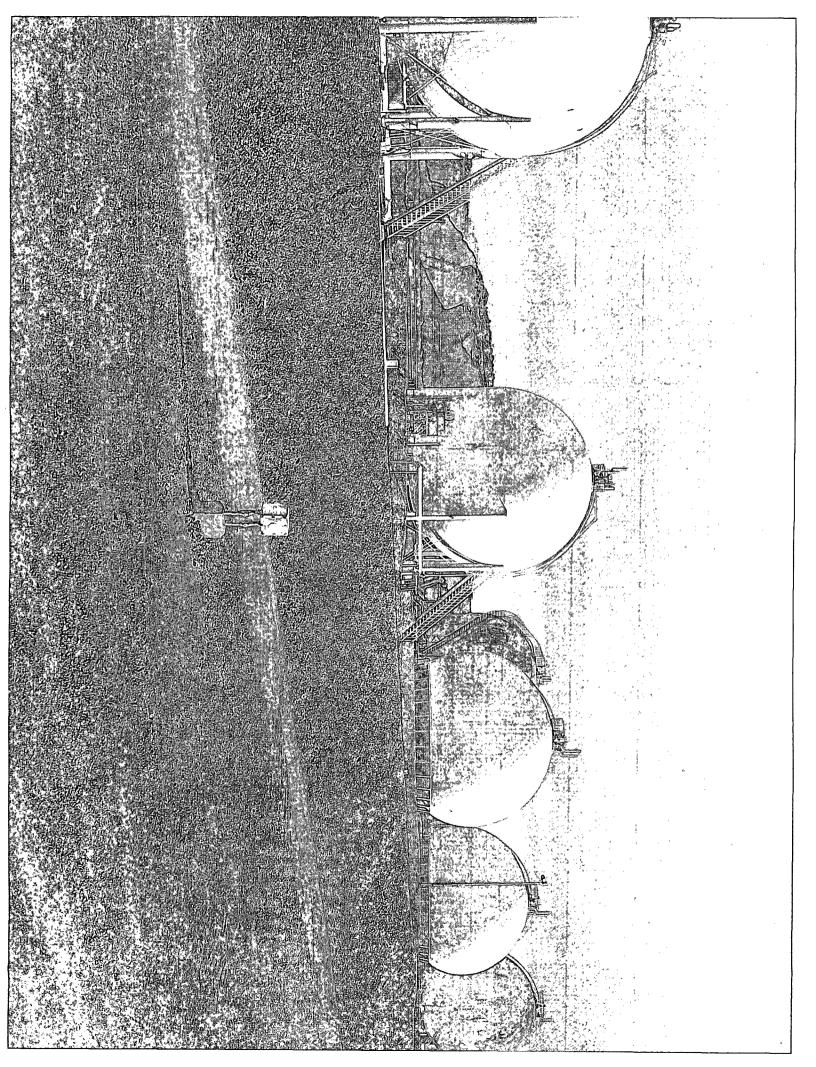


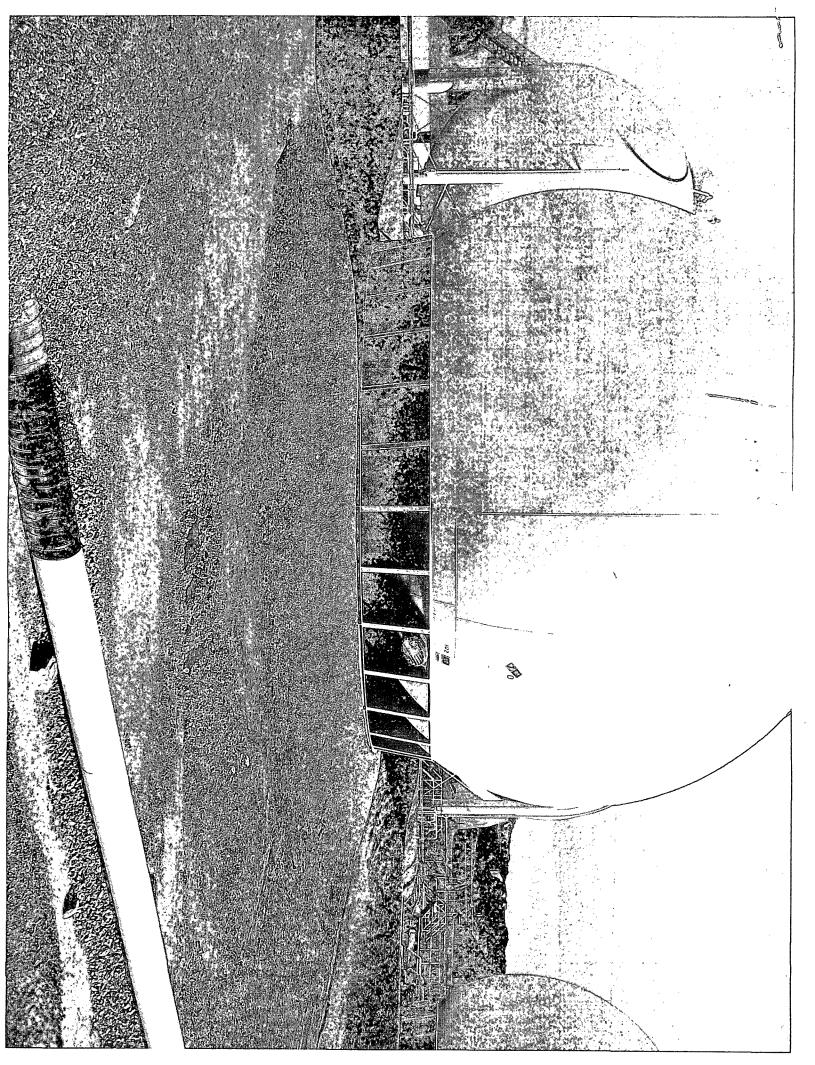












From:	Price, Wayne, EMNRD
Sent:	Thursday, August 30, 2007 8:59 AM
То:	Chavez, Carl J, EMNRD
Subject:	FW: Wingate Fractionator Annual Report 6W-054
Importance:	High
Attachments:	2007 Annual Wingate GW Report FINAL.pdf

From: Cox, Beverly J. [mailto:Beverly.J.Cox@conocophillips.com]
Sent: Wednesday, August 29, 2007 3:15 PM
To: Price, Wayne, EMNRD
Cc: Cox, Beverly J.; Keys, Frank T
Subject: Wingate Fractionator Annual Report
Importance: High

Mr. Price,

Under the current Ground Water Discharge Plan, condition 18 requires an annual report to be submitted prior to September 15th of each year. The condition also request a copy in an electronic format.

Attached you will find the Wingate Fractionator Annual Report as outlined in condition 18. A hard copy will follow the week of September 3rd. Should you have questions, please do not hesitate to call me at 505-324-6194.

Thanks,

Beverly Cox

<<2007 Annual Wingate GW Report FINAL.pdf>>

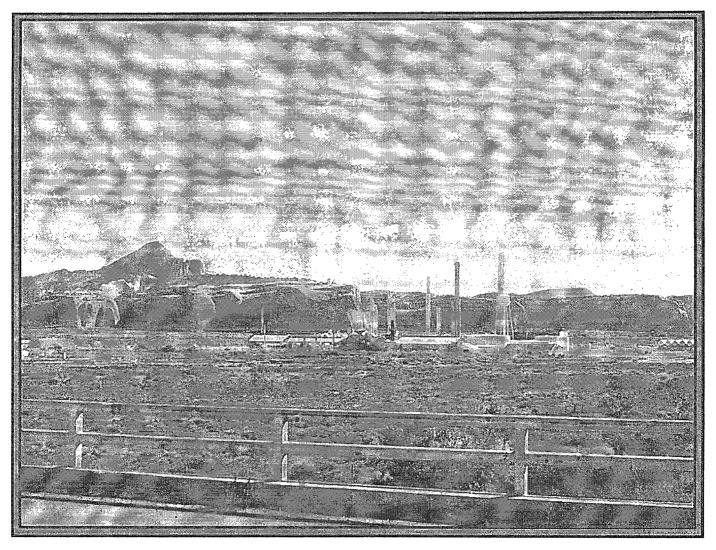
Beverly J. Cox Environmental Specialist ConocoPhillips San Juan Business Unit 505.324.6194 Cell: 505.947-7243

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ANNUAL GROUNDWATER MONITORING REPORT SAMPLING EVENT OF JUNE 2007

WNGATE FRACTIONATING PLANT Gallup, New Mexico

IN COMPLIANCE WITH GROUNDWATER DISCHARGE PLAN GW054







TETRA TECH, INC.

From: (Chavez.	Carl J.	EMNRD
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Sent: Wednesday, December 19, 2007 2:08 PM

To: 'Cox, Beverly J.'

Cc: Price, Wayne, EMNRD; Brooks, David K., EMNRD

Subject: GW-054 ConocoPhillips Wingate Gas Plant November 11, 2007 Meeting

Ms. Cox:

Re: OCD GW-054 DP Meeting held November 11, 2007 in Santa Fe, NM

Good afternoon, the OCD appreciated the opportunity to meet with you and Mr. Larry Anderson in November and wish to apologize for the delay in response to action items agreed to during the meeting.

As agreed to after the meeting, the OCD is writing to follow-up on action items associated with secondary containment around LNG spheres and financial assurance (FA) issues associated with the evaporation ponds and ground water monitoring at the OCD permitted facility. Regarding the question of two bonds due to the ponds (15.9 & 11.8 Acres) being on Native American Land, and the rest of the facility on New Mexico land, the OCD recommends only one surety bond (see link to applicable form below) for the entire facility. In addition, the OCD has other types of financial assurance (see links below).

Surface Waste Management Facility - Cash Bond	PDF DOC
Surface Waste Management Facility - Irrevocable Letter of Credit	PDF DOC
Surface Waste Management Facility - Surety Bond	PDF DOC

The OCD requires a closure plan report (WQCC 20.6.2.3107(A)(11) NMAC)) with FA for the evaporation ponds & ground water contamination at the facility. The OCD recommends an amount of \$100,000.00 (one-hundred thousand dollars) in a Surety Bond or other FA form (see forms in table above) be submitted to the OCD.

Please note that ConocoPhillips (COP) may also decide instead to estimate an amount based on its closure plan for the decommissioning of evaporation ponds and for ground water monitoring and cleanup. COP may provide an estimated amount for closure to the OCD for consideration and approval. Based on the final approved amount, an original or duplicate original of the surety bond or other FA form will need to be submitted to the OCD.

The secondary containment (LNG Spheres) issues:

1) Place liner underneath LNG Spheres w/ curb or berm directly underneath spheres. COP does not have to remove spheres, just anchor liner over and under an installed curb(s) or berm(s).

2) Inspect sphere pipelines with a PID on a regular basis to detect hydrocarbon vapors or possible leaks in associated pipelines.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>Carl J. Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/index.htm</u> (Pollution Prevention Guidance is under "Publications")

From: Cox, Beverly J. [Beverly.J.Cox@conocophillips.com]

Sent: Monday, July 23, 2007 10:50 AM

To: Chavez, Carl J, EMNRD

Cc: Cox, Beverly J.

Subject: RE: GWDP 054

Mr. Chavez,

This was addressed in the application, No. 13. Evaporation Pond Closure Plan. Let me know if you need additional information.

Beverly

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us] Sent: Tuesday, July 03, 2007 4:23 PM To: Cox, Beverly J. Subject: RE: GWDP 054

Beverly:

Please be aware of the closure and financial assurance provision of the new discharge plan below. Thank you.

22. Closure and Financial Assurance (20.6.2.3107A(11) NMAC):

notify the OCD when operations of the facility are to be discontinued for months. A closure plan to prevent the exceedance of standards of Sectic the presence of a toxic pollutant in ground water after the cessation of of a description of closure measures, maintenance and monitoring plans, pl and monitoring plans, financial assurance inclusive of wastewater ponds necessary to prevent and/or abate such contamination is required by Aug obligation to implement the closure plan as well as the requirements of t required, survives the termination or expiration of the permit. Closure a in accordance with the statutes, rules and regulations in effect at the time

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: <u>CarlJ.Chavez@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/index.htm</u> (Pollution Prevention Guidance is under "Publications")

GWDP 054

From: Cox, Beverly J. [mailto:Beverly.J.Cox@conocophillips.com]
Sent: Tuesday, July 03, 2007 1:54 PM
To: Chavez, Carl J, EMNRD
Cc: Cox, Beverly J.; Henderson, Daniel H.; Keys, Frank T; Wurtz, Jack G
Subject: GWDP 054

Carl,

Attached is the copy of the Wingate GWDP conditions that were posted on the OCD Web site. I have added notes in this document that speak to some of the differences between the old permit conditions and this permit. There may be some notes in this document that will require further discussion. I know you will be on vacation the week of the 16th and as mentioned in our previous phone discussions, I will be on vacation through July 16th returning on the 17th. When you return from vacation we will need to discuss the permit conditions in detail. For now, I am sending you a DRAFT of the permit conditions with our comments.

Thanks,

Beverly <<GW-054DP Draft.pdf>> Beverly J. Cox Environmental Specialist ConocoPhillips San Juan Business Unit 505.324.6194 Cell: 505.947-7243

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From:	Chavez, Carl J, EMNRD
Sent:	Tuesday, July 10, 2007 10:50 AM
То:	'Jane Cudney'
Subject:	RE: Wingate questions (GW-054)

Jane:

Good morning. Since the waste from the Wingate Facility (DP-054) is listed in the discharge plan, OCD permission to dispose of it at an approved OCD Facility is not required under the discharge plan.

As per OCD Part 36 (http://www.emnrd.state.nm.us/ocd/documents/RULEBOOK07-02-14_001.pdf), please review the following:

19.15.36.13 Siting and operational requirements applicable to all permitted surface waste management facilities: Except as otherwise provided in 19.15.36 NMAC.

F. Surface waste management facilities shall accept only exempt or non-hazardous waste, except as provided in Paragraph (3) of Subsection F of 19.15.36.13 NMAC. The operator shall not accept hazardous waste at a surface waste management facility. The operator shall not accept wastes containing regulated naturally occurring radioactive material (NORM) at a surface waste management facility except as provided in Subsection C of 19.15.9.714 NMAC. The operator shall require the following documentation for accepting oil field wastes, and both the operator and the generator shall maintain and make the documentation available for division inspection.

(1) Exempt oil field wastes. The operator shall require a certification on form C-138, signed by the generator or the generator's authorized agent, that represents and warrants that the oil field wastes are generated from oil and gas exploration and production operations, are exempt waste and are not mixed with non-exempt waste. The operator shall have the option to accept such certifications on a monthly, weekly or per load basis. The operator shall maintain and shall make the certificates available for the division's inspection.

(2) Non-exempt, non-hazardous, oil field wastes. The operator shall require a form C-138, oil field waste document, signed by the generator or its authorized agent. This form shall be accompanied by acceptable documentation to determine that the oil field waste is non-hazardous.

(3) Emergency non-oil field wastes. The operator may accept non-hazardous, non-oil field wastes in an emergency if ordered by the department of public safety. The operator shall complete a form C-138, oil field waste document, describing the waste, and maintain the same, accompanied by the department of public safety order, subject to division inspection. G. The operator of a commercial facility shall maintain records reflecting the generator, the location of origin, the location of disposal within the commercial facility, the volume and type of oil field waste, the date of disposal and the hauling company for each load or category of oil field waste accepted at the commercial facility. The operator shall maintain such records for a period of not less than five years after the commercial facility's closure, subject to division inspection. H. Disposal at a commercial facility shall occur only when an attendant is on duty unless loads can be monitored or otherwise isolated for inspection before disposal. The surface waste management facility shall be secured to prevent unauthorized disposal.

19.15.2.51 TRANSPORATION OF PRODUCED WATER, DRILLING FLUIDS AND OTHER LIQUID OIL FIELD WASTE: A. No person shall transport produced water, drilling fluids or other liquid oil field waste, including drilling fluids and residual liquids in oil field equipment, except for small samples removed for analysis, by motor vehicle from a lease, central tank battery or other facility without an approved form C-133, authorization to move liquid waste. The transporter shall maintain a photocopy of the approved form C-133 in the transporting vehicle

OCD C-133 Transporter List

http://www.emnrd.state.nm.us/ocd/documents/C133_WaterHaulerList_009.pdf

Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: CarlJ.Chavez@state.nm.us Website: http://www.emnrd.state.nm.us/ocd/index.htm (Pollution Prevention Guidance is under "Publications")

-----Original Message-----From: Jane Cudney [mailto:jcudney@enservice.com] Sent: Tuesday, July 10, 2007 9:47 AM To: Chavez, Carl J, EMNRD Subject: Re: Wingate questions

Carl,

Finally got a response from Basin. They require no testing, only a copy of the C-138 form from ConocoPhillips.

What do we need to do now?

Let me know - thanks!

Jane E. Cudney Environmental Scientist III

Environmental Services, Inc. (ESI) 8220 Louisiana NE, Suite A Albuquerque, NM 87113 (505) 266-6611 (o) (505) 980-6575 (c) http://www.enservice.com

On Jul 5, 2007, at 11:22 AM, Chavez, Carl J, EMNRD wrote:

> To confirm your exempt waste determination, please review the info.

> at the website http://www.epa.gov/epaoswer/other/oil/oil-gas.pdf.

> Thanks.

>

>

- > Carl J. Chavez, CHMM
- > New Mexico Energy, Minerals & Natural Resources Dept.
- > Oil Conservation Division, Environmental Bureau 1220 South St. Francis
- > Dr., Santa Fe, New Mexico 87505

> Office: (505) 476-3491

- > Fax: (505) 476-3462
- > E-mail: CarlJ.Chavez@state.nm.us
- > Website: http://www.emnrd.state.nm.us/ocd/index.htm
- > (Pollution Prevention Guidance is under "Publications")

> >

- > -----Original Message-----
- > From: Jane Cudney [mailto:jcudney@enservice.com]
- > Sent: Thursday, July 05, 2007 11:21 AM
- > To: Chavez, Carl J, EMNRD
- > Subject: Re: Wingate questions

>

> Hi Carl,

>

- > I think this material can be categorized as E&P Exempt Waste. This
- > waste stream is listed in Table 8-1 of the current discharge plan
- > application.
- >
- I'll contact Basin and find out what they require in terms of testing,
 and get back to you John V isn't in right now.
- >
- > Jane E. Cudney
- > Environmental Scientist III
- >
- > Environmental Services, Inc. (ESI)

> 8220 Louisiana NE, Suite A > Albuquerque, NM 87113 > (505) 266-6611 (o) (505) 980-6575 (c) > http://www.enservice.com > > > > > > On Jul 5, 2007, at 10:52 AM, Chavez, Carl J, EMNRD wrote: > >> Jane: >> >> Butane is a liquid at and below 31F. Most likely not much concern >> about propane; however, butane is a different matter. Can you tell >> me if tank waste water for butane and/or propane are included in the >> facility waste list? If not, you will need OCD permission. I don't >> see a problem in approving the waste water for disposal at an OCD >> approved facility like Basin Disposal. Please contact them and >> determine what testing they would require in order to take your tank >> cleaning waste water. Thank you. >> >> Carl J. Chavez, CHMM >> New Mexico Energy, Minerals & Natural Resources Dept. >> Oil Conservation Division, Environmental Bureau 1220 South St. >> Francis Dr., Santa Fe, New Mexico 87505 >> Office: (505) 476-3491 >> Fax: (505) 476-3462 >> E-mail: CarlJ.Chavez@state.nm.us >> Website: http://www.emnrd.state.nm.us/ocd/index.htm >> (Pollution Prevention Guidance is under "Publications") >> >> -----Original Message----->> From: Jane Cudney [mailto:jcudney@enservice.com] >> Sent: Thursday, July 05, 2007 10:47 AM >> To: Chavez, Carl J, EMNRD >> Subject: Re: Wingate questions >> >> Carl. >> >> It is my understanding that the tanks that are to be cleaned normally >> contain only propane or butane. I don't believe this can be defined >> as condensate. >> >> How does this change the requirements for ConocoPhillips? >> >> Thanks, >> >> >> Jane E. Cudney >> Environmental Scientist III >> >> Environmental Services, Inc. (ESI) >> 8220 Louisiana NE, Suite A >> Albuquerque, NM 87113 >> (505) 266-6611 (o) (505) 980-6575 (c) http://www.enservice.com >> >> >> >> >> >> On Jul 3, 2007, at 4:56 PM, Chavez, Carl J, EMNRD wrote: >> >>> Jane:

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>>> Your inquiries are as follows:

>>>

>>> I believe that the clean product that you are referring to is >>> indeed an oil field exempt condensate from gas production, which >>> under the permit, you are authorized to dispose of at an OCD >>> approved facility like Basin Disposal. However, it the waste water >>> is RCRA non-hazardous, non-exempt oil field waste to be disposed of >>> at an OCD-approved facility upon proper waste determination >>> pursuant to 40 CFR Part 261. Any waste stream that is not listed in >>> the discharge permit application must be approved by the OCD on a >>> case-by-case basis. Consequently, if you look through the discharge >>> plan and condensate waste water is not listed, you need to request >>> permission. >>> >>> We have a couple of questions about this: >>> * What permission will we need to obtain from OCD to make this >>> activity approved by OCD? The OCD may simply respond to your e->>> mail. >>> >>> OCD Applicable DP Permit Provisions >>> 6. Waste Disposal and Storage: The owner/operator shall dispose of >>> all wastes at an OCD-approved facility. Only oil field RCRA-exempt >>> wastes may be disposed of by injection in a Class II well. RCRA >>> non-hazardous, non-exempt oil field wastes may be disposed of at an >>> OCD-approved facility upon proper waste determination pursuant to >>> 40 CFR Part 261. Any waste stream that is not listed in the >>> discharge permit application must be approved by the OCD on a case->>> by-case basis. >>> OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 >>> Α. >>> NMAC) disposal of certain non-domestic waste without notification >>> to the OCD is allowed at NMED permitted solid waste facilities if >>> the waste stream has been identified in the discharge permit and >>> existing process knowledge of the waste stream does not change. >>> >>> Β. Waste Storage: The owner/operator shall store all waste in an >>> impermeable bermed area, except waste generated during emergency >>> response operations for up to 72 hours. All waste storage areas >>> shall be identified in the discharge permit application. Any waste >>> storage area not identified in the permit shall be approved on a >>> case-by-case basis only. The owner/operator shall not store oil >>> field waste on-site for more than 180 days unless approved by the >>> OCD. >>> >>> * What further information does OCD need from us to provide >>> approval. >>> if necessary? Is condensate tank waste water listed in the >>> discharge plan application waste for the facility. >>> >>> * By OCD's rules, will they be required to test the material? In the >>> past, they have presented analytical results from the product >>> tank to >>> show what will be in the waste stream. Will this suffice this >>> year? Please contact Basin disposal to inquire about testing they >>> may require to dispose of your waste water. If the waste water is >>> not a listed waste in the permit application, then the OCD must >>> approve first, but it is the receiving facility that will specify >>> the analytical testing required.

>>>

>>> Thank you.

>>>

- >>> Carl J. Chavez, CHMM
- >>> New Mexico Energy, Minerals & Natural Resources Dept.

æ.,

>>> Oil Conservation Division, Environmental Bureau >>> 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 >>> Office: (505) 476-3491 >>> Fax: (505) 476-3462 >>> E-mail: CarlJ.Chavez@state.nm.us >>> Website: http://www.emnrd.state.nm.us/ocd/index.htm >>> (Pollution Prevention Guidance is under "Publications") >>> >>> >>> -----Original Message----->>> From: Jane Cudney [mailto:jcudney@enservice.com] >>> Sent: Tuesday, July 03, 2007 4:43 PM >>> To: Chavez, Carl J, EMNRD >>> Cc: Beverly Cox >>> Subject: Wingate guestions >>> >>> Carl. >>> >>> As I discussed with you earlier, ConocoPhillips is currently >>> preparing to clean tanks at the Wingate Fractionating Plant. Here's >>> what I know about this project: >>> * The tanks to be cleaned normally contain clean product. The >>> Wingate >>> plant is a fractionating plant, they fractionate inlet hydrocarbon >>> liquids into propane, iso-butane, normal butane, and natural gas >>> products. "Clean product" will consist of one of these: a >>> fractionated liquid or inlet hydrocarbon liquids (Natural Gasoline). >>> Their storage tanks are normally pressurized. >>> * The cleaning is a normal event for this plant, which they have >>> completed in previous years. >>> * The cleaning will consist of steam cleaning the product tanks. Two >>> 500bbl frac tanks will be set for the purpose of collecting the >>> waste >>> water stream from the cleaning process. >>> * Beverly believes the waste will be non-hazardous, non-exempt >>> waste, >>> based on previous experience with this activity. They have done this >>> before. >>> * The waste collected in the frac tanks will be disposed of by Basin >>> Disposal, we believe as Non-exempt waste. >>> >>> We have a couple of questions about this: >>> * What permission will we need to obtain from OCD to make this >>> activity approved by OCD? >>> * What further information does OCD need from us to provide >>> approval, >>> if necessary? >>> * By OCD's rules, will they be required to test the material? In the >>> past, they have presented analytical results from the product >>> tank to >>> show what will be in the waste stream. Will this suffice this year? >>> Will testing under WQCC >>> >>> Your earliest response will be greatly appreciated - ConocoPhillips >>> wishes to complete this test by the end of July. >>> >>> Feel free to contact me if you need further information on this >>> activity. >>> >>> Many thanks, >>> >>> Jane E. Cudney >>> Environmental Scientist III >>>

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>>> Environmental Services, Inc. (ESI)
>>> 8220 Louisiana NE, Suite A
>>> Albuquerque, NM 87113
>>> (505) 266-6611 (o) (505) 980-6575 (c)
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From: Sent: To: Subject:

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Chavez, Carl J, EMNRD Thursday, July 05, 2007 10:53 AM 'Jane Cudney' RE: Wingate questions

Jane:

Butane is a liquid at and below 31F. Most likely not much concern about propane; however, butane is a different matter. Can you tell me if tank waste water for butane and/or propane are included in the facility waste list? If not, you will need OCD permission. I don't see a problem in approving the waste water for disposal at an OCD approved facility like Basin Disposal. Please contact them and determine what testing they would require in order to take your tank cleaning waste water. Thank you.

Carl J. Chavez, CHMM New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division, Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 Office: (505) 476-3491 Fax: (505) 476-3462 E-mail: CarlJ.Chavez@state.nm.us Website: http://www.emnrd.state.nm.us/ocd/index.htm (Pollution Prevention Guidance is under "Publications")

-----Original Message-----From: Jane Cudney [mailto:jcudney@enservice.com] Sent: Thursday, July 05, 2007 10:47 AM To: Chavez, Carl J, EMNRD Subject: Re: Wingate questions

Carl,

It is my understanding that the tanks that are to be cleaned normally contain only propane or butane. I don't believe this can be defined as condensate.

How does this change the requirements for ConocoPhillips?

Thanks,

Jane E. Cudney Environmental Scientist III

Environmental Services, Inc. (ESI) 8220 Louisiana NE, Suite A Albuquerque, NM 87113 (505) 266-6611 (o) (505) 980-6575 (c) http://www.enservice.com

On Jul 3, 2007, at 4:56 PM, Chavez, Carl J, EMNRD wrote:

> Jane:

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- > I believe that the clean product that you are referring to is indeed
- > an oil field exempt condensate from gas production, which under the

> permit, you are authorized to dispose of at an OCD approved facility > like Basin Disposal. However, it the waste water is RCRA > non-hazardous, non-exempt oil field waste to be disposed of at an > OCD-approved facility upon proper waste determination pursuant to 40 > CFR Part 261. Any waste stream that is not listed in the discharge > permit application must be approved by the OCD on a case-by-case > basis. Consequently, if you look through the discharge plan and > condensate waste water is not listed, you need to request permission. > > We have a couple of questions about this: > * What permission will we need to obtain from OCD to make this > activity approved by OCD? The OCD may simply respond to your e-mail. > > OCD Applicable DP Permit Provisions Waste Disposal and Storage: The owner/operator shall dispose of > 6. > all wastes at an OCD-approved facility. Only oil field RCRA-exempt > wastes may be disposed of by injection in a Class II well. RCRA > non-hazardous, non-exempt oil field wastes may be disposed of at an > OCD-approved facility upon proper waste determination pursuant to 40 > CFR Part 261. Any waste stream that is not listed in the discharge > permit application must be approved by the OCD on a case- by-case > basis. > > Α. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712) > NMAC) disposal of certain non-domestic waste without notification to > the OCD is allowed at NMED permitted solid waste facilities if the > waste stream has been identified in the discharge permit and existing > process knowledge of the waste stream does not change. > > Waste Storage: The owner/operator shall store all waste in an Β. > impermeable bermed area, except waste generated during emergency > response operations for up to 72 hours. All waste storage areas shall > be identified in the discharge permit application. Any waste storage > area not identified in the permit shall be approved on a case-by-case > basis only. The owner/operator shall not store oil field waste > on-site for more than 180 days unless approved by the OCD. > > * What further information does OCD need from us to provide approval. > if necessary? Is condensate tank waste water listed in the discharge > plan application waste for the facility. > > * By OCD's rules, will they be required to test the material? In the > past, they have presented analytical results from the product tank to > show what will be in the waste stream. Will this suffice this year? > Please contact Basin disposal to inquire about testing they may > require to dispose of your waste water. If the waste water is not a > listed waste in the permit application, then the OCD must approve > first, but it is the receiving facility that will specify the > analytical testing required. > > Thank you. > > Carl J. Chavez, CHMM > New Mexico Energy, Minerals & Natural Resources Dept. > Oil Conservation Division, Environmental Bureau 1220 South St. Francis > Dr., Santa Fe, New Mexico 87505 > Office: (505) 476-3491 > Fax: (505) 476-3462 > E-mail: CarlJ.Chavez@state.nm.us > Website: http://www.emnrd.state.nm.us/ocd/index.htm > (Pollution Prevention Guidance is under "Publications") > > > -----Original Message-----2

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> From: Jane Cudney [mailto:jcudney@enservice.com]

- > Sent: Tuesday, July 03, 2007 4:43 PM
- > To: Chavez, Carl J, EMNRD

> Cc: Beverly Cox

> Subject: Wingate questions

>

> Carl,

>

> As I discussed with you earlier, ConocoPhillips is currently preparing

> to clean tanks at the Wingate Fractionating Plant. Here's what I know > about this project:

> * The tanks to be cleaned normally contain clean product. The Wingate

> plant is a fractionating plant, they fractionate inlet hydrocarbon

> liquids into propane, iso-butane, normal butane, and natural gas

> products. "Clean product" will consist of one of these: a

> fractionated liquid or inlet hydrocarbon liquids (Natural Gasoline).

> Their storage tanks are normally pressurized.

> * The cleaning is a normal event for this plant, which they have

> completed in previous years.

> * The cleaning will consist of steam cleaning the product tanks. Two

> 500bbl frac tanks will be set for the purpose of collecting the waste

> water stream from the cleaning process.

> * Beverly believes the waste will be non-hazardous, non-exempt waste,

> based on previous experience with this activity. They have done this

> before.

> * The waste collected in the frac tanks will be disposed of by Basin

> Disposal, we believe as Non-exempt waste.

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> We have a couple of questions about this:

- > * What permission will we need to obtain from OCD to make this
- > activity approved by OCD?
- > * What further information does OCD need from us to provide approval,

> if necessary?

> * By OCD's rules, will they be required to test the material? In the

- > past, they have presented analytical results from the product tank to
- > show what will be in the waste stream. Will this suffice this year?

> Will testing under WQCC

>

- > Your earliest response will be greatly appreciated ConocoPhillips
- > wishes to complete this test by the end of July.

>

> Feel free to contact me if you need further information on this
 > activity.

> Any thanks.

- >
- > Jane E. Cudney
- > Environmental Scientist III
- > Environmental Services, Inc. (ESI)

> 8220 Louisiana NE, Suite A

- > Albuquerque, NM 87113
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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 # 81071 a copy of which is hereto attached was published in said newspaper 4 day(s) between 06/12/2007 and 07/03/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 12nd day of June, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 3rd day of July, 2007

Marye Black Notary

Commission Expires:

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NOTICE OF PUBLICATION

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

Notice is hereby given that pusuant to New Mexico Water Quality Control Commission Regulations NMAC), (20.6.2.3106 the following dis charge permit application(s) has been submited to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 467-3440

(GW-054) Conoco Phillips Company, Beverly Cox, Environmental Specialist, 3401 E. 30th Street (P.O. Box 4289), Farmington, New Mexico 87499, has submitted a renewal application for the Wingate Fractionating Gas Plant located in Sections 9-10, and 15-17 Township 15 North, Tange 7 West, NMPM. McKinley County, New Mexico (approximately one mile east of Gallup on US Hwy 66). The facilit separates hydrocarbon liquíds from a natural gas liquid steam into propane, n-butane, light gaso-line, natural gas and mixed butane. The fadischarges cility wastewater into unlined evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers and shipped offsite for disposal or recy-cling at an. Ground-water most likely to be affected by a spill, leak, or accidental discharge la at a

depth from 20 to 25 ft. below ground sur-face, with a totoal dissolved solids concen-tration of 1000 mg/L. The discharge plan addresses well conplan struction, operation, monitoring of the well, associated surface facilities, and provides a contin-gency plan in the eventof accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is adminis-tratively complete complete and has prepared a draft permit. The NMOCD will accept The comments and statements of interest regarding this applica-tion and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information. submitting coments or request-ing to be on a facility-specific mailing listfor future no-tices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The adminis-trative completeness determiation and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m. Monday through Fri-day, or may also be viewed at the NMOCD web site http://www.emnrd.st ate.nm.us/ocd/. Per-sons interested in obtaininga 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 coments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. Ahearing will be held if the Director determines that there is significant public interest.

If no public hearing is held the Director will approve of disapprove the proposed permit based on information available, including all comments received. If a public hearing is held the Director will approve of disapprove the proposed permit based on information submited at the hearing.

Para obtener mas informacion sobre esta solicitud en espanol, sirvase comunicarse por favor: New Mexico Energy, Minerals, and Natural Resour-. cees Department (Depto. Del Energia, Minerals y Recursos Maturales de Nuevo Mexico), Oil Conser-vation Division (Depto. | Conservacion Del Petroleo) 1220 South Saint 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 7th day of June 2007

STATE OF NEW MEX-ICO OIL CONSERVA-TION DIVISION

S E A L Mark Fesmire, Director regal]#81071 Pub. June 12, 19, 26 &

July 3, 2007