

INSPECTIONS & DATA



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

May 29, 2001

CERTIFIED MAIL RETURN RECEIPT NO. 5051 0487

Ms. Clara Garcia Williams Field Services 188 CR 4900 Bloomfield, New Mexico 87413

RE: Facility Inspections Rio Arriba and San Juan County, New Mexico

Dear Ms. Garcia:

The New Mexico Oil Conservation Division (OCD) on May 23, 2001, along with Williams Field Service (WFS) personnel Ms. Clara Garcia, Mr. Mark Bareta, Mr. Erick Edmondson, and Mr. Greg Millican inspected the Milagro Gas Plant; on May 24, 2001 the OCD along with Ms. Clara Garcia, Mr. Don Molander, and Mr. Alan Haynes inspected the 29-6 #3 Compressor Station and the Pump Mesa Compressor Station. On May 24, 2001, the OCD along with Williams Field Services personnel Ms. Clara Garcia, Mr. Eric Edmonson, Mr. David Corbett, and Mr. Alan Haynes inspected the Horse Canyon compressor station. The purpose was pre-inspections for renewal of discharge plans for these facilities. The information that follows will address the concerns of the OCD at the above referenced facilities.

Note: For WFS information the OCD has enclosed duplicate copies of photos taken during the inspections.

1. Milagro Gas Plant, (Inspected 05/23/01)

- A. The overall housekeeping and pollution prevention in place at the site was generally good to prevent discharges to the ground surface. It should be noted that the used oil and produced oil tanks at the site require some labeling.
- B. The OCD has some concern with piping integrity in the area of the plant which has experienced some ground settling specifically in Trains #1, #2, and #3. Close inspection and observation by Williams Field Service personnel will be necessary to maintain an awareness of conditions in these locations to prevent an accidental unauthorized release.

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2. 29-6 #3 Compressor Station, (Inspected 05/24/01)

- A. General housekeeping at the site is good.
- B. Waste issues lined and bermed area around the production tank indicates overflow of the tank. Remediation of the hydrocarbon stained gravel and tank is required. Steps should be taken to prevent a reoccurance of this condition.
- C. Production tank requires appropriate label.

3. Pump Mesa Compressor Station, (Inspected 05/24/01)

- A. The surface gravel and soils around the base of <u>all</u> compressors has hydrocarbon staining from leaks and spills. Remediation of these areas require immediate attention.
- B. Free standing used engine oil was noted on the concrete base of several compressors. Absorbant pads should be used where applicable and free used oil not be allowed to pool on the concrete foundation pad.
- C. Stained soil was observed around the base of the condensate tank where overflow has occurred. This must be remediated.
- D. A continuous drip appears to be present below the meter box on TK-C11 compressor.
- E. Produced water tank overflow and produced water hose connection catchment requires close observation to eliminate the potential of spilling.

4. Horse Canyon Compressor Station, (Inspected 05/24/01)

- A. General housekeeping at the site is good.
- B. Leaks from automatic valves were noted at the evaporator. Catchment vessels need to be placed to prevent spillage onto the ground surface.
- C. Unlabeled drums and barrels require labeling of contents. All empty drums and barrels must be placed horizontal with bungs in place and horizontal alignment.

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- D. Remediation of spills and overflows around compressor bases is required.
- E. On site landfarm of hydrocarbon contaminated soils requires an approval by the OCD. No request for modification of the discharge plan or approval for this activity has been found in the files at the Santa Fe office. Williams Field Services is currently in violation of OCD Rules. A request for modification must be filed with the OCD immediately for review and approval. No additional materials will be added to the landfarming activity until such approval is obtained from the OCD.

The OCD would like to thank the Williams Field Services personnel for their professional conduct during the site visits. If there any questions regarding this report feel free to call me at (505)-476-3489.

Sincerely,

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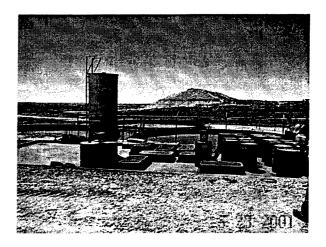
W. Jack Ford, C.P.G. Water Resource Engineering Specialist OCD Environment Bureau

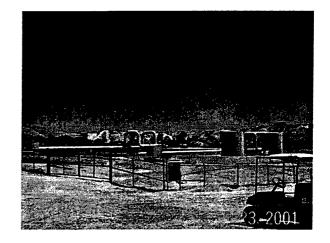
cc: OCD Aztec District Office

ATTACHMENT NO.1 Milagro Gas Plant



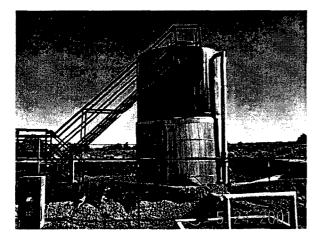


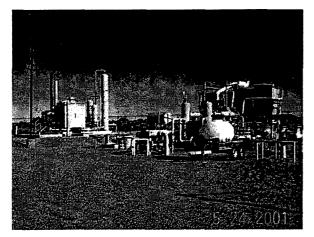


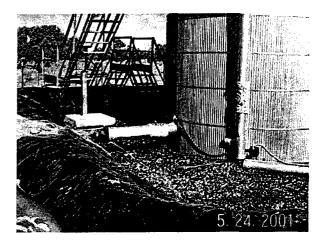




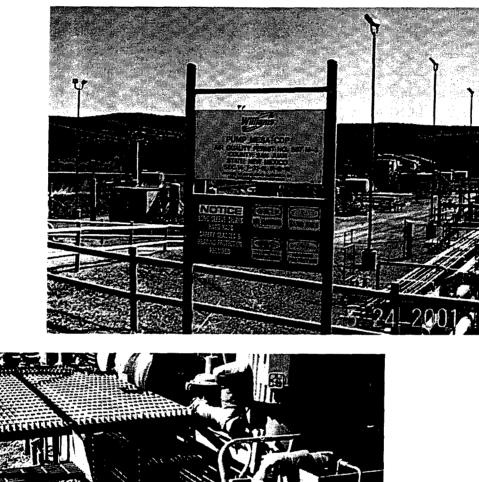




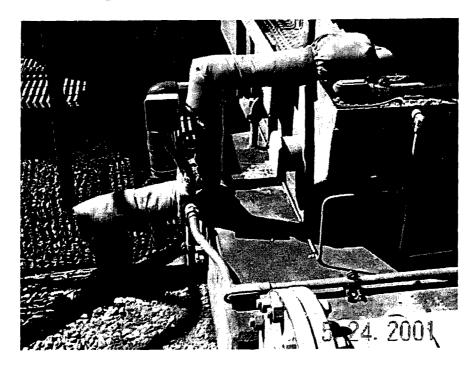


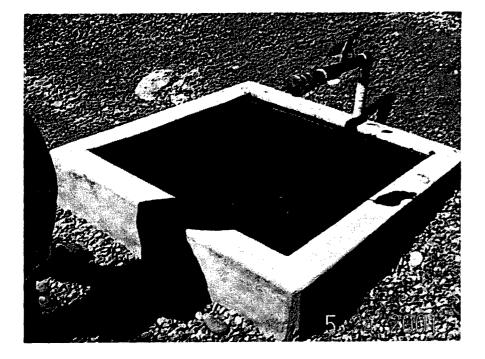


ATTACHMENT NO.3 Pump Mesa Compressor Station

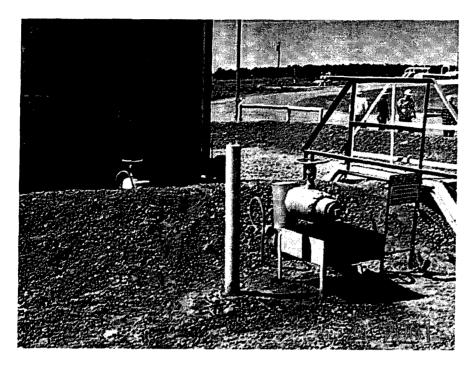


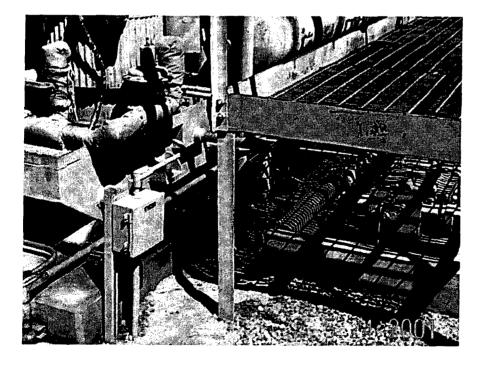
Pump Mesa Compressor Station





Pump Mesa Compressor Station





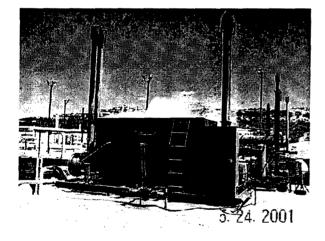
Pump Mesa Compressor Station



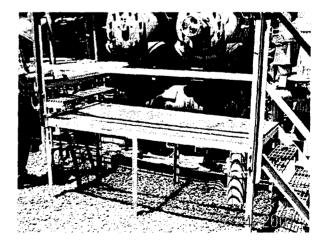
ATTACHMENT NO.4 Horse Canyon Compressor Station



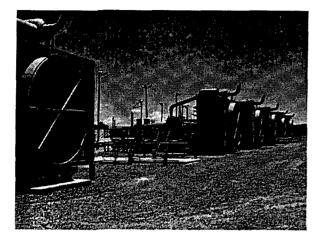


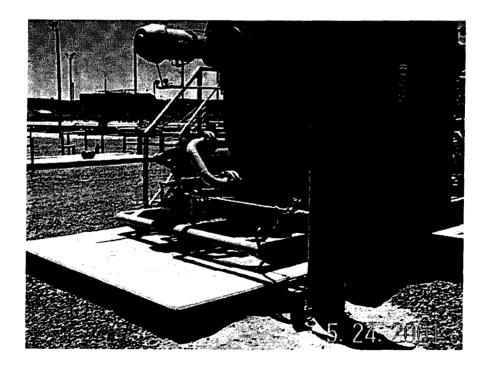




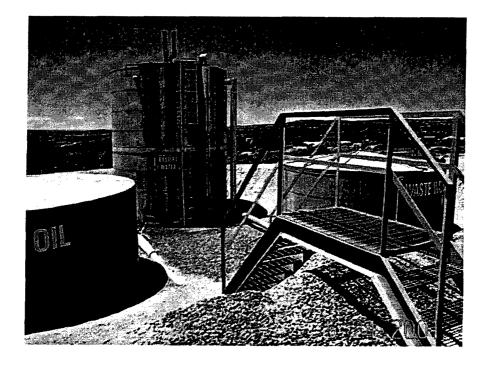


Horse Canyon Compressor Station





Horse Canyon Compressor Station





OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

July 11, 1996

CERTIFIED MAIL RETURN RECEIPT NO. P-594-835-277

Ms. Leigh E. Gooding Williams Field Services P.O. Box 58900, M.S. 2G1 Salt Lake City, Utah 84158-0900

RE: Discharge Plan Inspections GW-61, GW-62, GW-63, GW-64 and GW-87 San Juan County, New Mexico

Dear Ms. Gooding:

The New Mexico Oil Conservation Division (OCD) on June 4, 1996 along with Williams Field Service Operator Mr. Frank Chacon inspected the Horse Canyon (GW-61), Manzanares (GW-62), Pump Mesa (GW-63), Middle Mesa (GW-64), and Cedar Hill (GW-87) compressor stations. The inspections purpose was to determine compliance with the previously approved OCD discharge plan renewals for the facilities. The information that follows will address the concerns of the OCD at the above mentioned facilities.

Note: For WFS information the OCD has enclosed duplicate copies of all photos taken during the inspections.

1. GW-61 or Horse Canyon Compressor Station, (Inspected 06/04/96)

A. The overall house keeping and pollution prevention in place at the site appears to be in compliance with OCD discharge permit GW-061. However, it should be noted that many of the lube oil saddle tanks at the site did not have pad and curb type containment under them - WFS within 30 days of receipt of this letter will propose a time line to the OCD for coming into compliance with this item.

B. Waste issues - it appears that painting does occur at the facility as paint products were found to be in storage at the site - WFS shall within 30 days of receipt of this inspection report determine how the paint waste is disposed/recycled and provide the OCD with an answer.

C. Solvents - WFS shall not commingle solvent wastes with other wastes that are nonhazardous in terms of RCRA unless WFS can prove by characteristic testing or process knowledge (i.e. MSDS) that the solvent is non-hazardous. WFS will address this issue within 30 days of receipt of this inspection report to the OCD.

(D.) WFS needs to make certain that only RCRA Subtitle C Exempt wastes are being disposed of at Class II UIC disposal well facilities - and other wastes that do not meet the criteria of the exemption are not injected into class II UIC disposal wells.

2. GW-62 or Manzanares Compressor Station, (Inspected 06/04/96)

A. The overall house keeping and pollution prevention in place at the site appears to be in compliance with OCD discharge permit GW-062. However, it should be noted that many of the lube oil saddle tanks at the site did not have pad and curb type containment under them - WFS within 30 days of receipt of this letter will propose a time line to the OCD for coming into compliance with this item.

B. Waste issues - it appears that painting does occur at the facility as paint products were found to be in storage at the site - WFS shall within 30 days of receipt of this inspection report determine how the paint waste is disposed/recycled and provide the OCD with an answer.

C. Solvents - WFS shall not commingle solvent wastes with other wastes that are nonhazardous in terms of RCRA unless WFS can prove by characteristic testing or process knowledge (i.e. MSDS) that the solvent is non-hazardous. WFS will address this issue within 30 days of receipt of this inspection report to the OCD.

(D.) WFS needs to make certain that only RCRA Subtitle C Exempt wastes are being disposed of at Class II UIC disposal well facilities - and other wastes that do not meet the criteria of the exemption are not injected into class II UIC disposal wells.

3. **GW-63 or Pump Mesa Compressor Station**, (Inspected 06/04/96)

A. Same as (1.) and (2.) above.

4. **GW-64** or Middle Mesa Compressor Station, (Inspected 06/04/96)

A. Same as (1.) and (2.) above.

B. A 5 gallon can of "Carburetor Cleaner" NAPA 6406 containing Methylene chloride was found at the site - it appears POI uses this chemical as part of valve maintenance on the recips - WFS should require POI to use solvents that would not cause potential RCRA problems - as an example what would happen if a 5 gallon can of this chemical were accidentally spilled into to the below grade waste water piping at the site and then hauled to a class II disposal well?

5. GW-87 or Cedar Hill Compressor Station, (Inspected 06/04/96)

A. Same as (1.) and (2.) above.

Note: All OCD rules/regulations/and guidelines are available on the Internet at WWW.EMNRD.STATE.NM.US.

The OCD would like to thank the Williams Field Service Operators for their professional conduct during the discharge plan inspection site visits.

If there any questions regarding this report feel free to call me at (505)-827-7156.

Sincerely,

Patricio W. Sanchez Petroleum Engineering Specialist

P 594 835 277

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XC: Mr. Denny Foust - Geologist.

ATTACHMENT NO.1 - WFS GW-61 Horse Canyon COMPRESSOR

<WFS> GW-061 (PHOTOS BY OCD)



PHOTO NO. 01

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DATE: 06/04/96



PHOTO NO. 02

DATE: 06/04/96

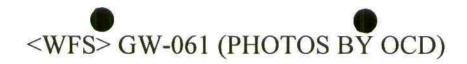




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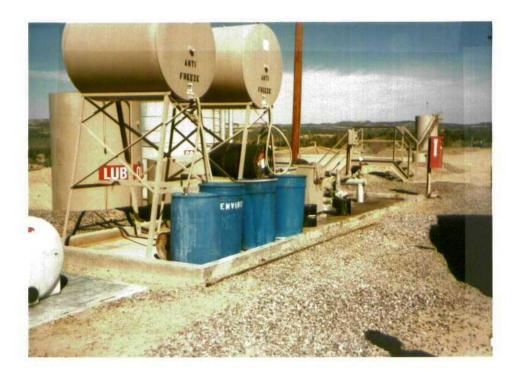


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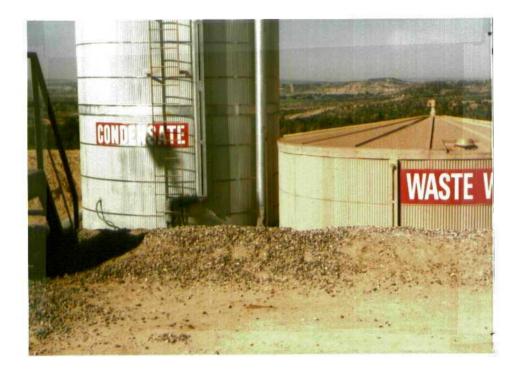


PHOTO NO. 06

DATE: 06/04/96

ATTACHMENT NO.2 - WFS GW-62 Manzanares COMPRESSOR

ATTACHMENT NO.3 - WFS GW-63 Pump Mesa COMPRESSOR

ATTACHMENT NO.4 - WFS GW-64 Middle Mesa COMPRESSOR

ATTACHMENT NO.5 - WFS GW-87 Cedar Hill COMPRESSOR