

GW - 56

**PERMITS,
RENEWALS,
& MODS**

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. 0200001128 dated 4/28/06

or cash received on _____ in the amount of \$ 1700⁰⁰

from TEPPCO NGL

for Pease NGLA Compressor station GW-148

Submitted by: Lawrence Romero Date: 5/3/06

Submitted to ASD by: Lawrence Romero Date: 5/2/06

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal ☒

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND, MICROPRINTING AND A VOID FEATURE PANTOGRAPH.



TEPPCO GP, Inc.
P.O. Box 2521
Houston, TX 77252-2521
(713) 759-3800

Wells Fargo Bank Ohio, N.A.
115 Hospital Drive
Van Wert, OH 45891

0200001128

April 28, 2006

56-382
412

9600112304

PAY TO THE ORDER OF NMED Water Quality Management Fund \$ 19,300.00
nineteen thousand three hundred XX/100 DOLLARS

VOID AFTER 90 DAYS



B. Sandoval

MP

0200001128 04120382419600112304

TEPPCO PERMIT PAYMENT

April 28, 2006

File No	ID	Address	Permit Fee
GW-056	Gobernador Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-057	Pump Canyon Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-059	Manzanares Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-058	Hart Canyon Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-183	Arch Rock Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-194	Frances Mesa Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-193	Sandstone Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-146	Sims Mesa Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-148	Pump Mesa Compressor Station	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$1,700.00
GW-051	Val Verde Gas Plant	TEPPCO NGL Pipelines; 2929 Allen Parkway; Houston TX 77019	\$ 4,000.00
Total			\$19,300.00



TEPPCO GP, Inc.
P.O. Box 2521
Houston, TX 77252-2521
(713) 759-3800

Wells Fargo Bank Ohio, N.A.
115 Hospital Drive
Van Wert, OH 45891

0200001128

56-382
412

9600112304

April 28, 2006

PAY TO THE ORDER OF NME-D Water Quality Management Fund.

Nineteen thousand three hundred ~~xx~~ 100

\$19,300.00

DOLLARS

VOID AFTER 90 DAYS



Prudence P. Poteat

⑈0200001128⑈ ⑆041203824⑆9600112304⑈

THE REVERSE SIDE OF THIS DOCUMENT HAS A SECURITY SCREEN.

MP



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 31, 2006

Deodat Bhagwandin
TEPPCO NGL Pipelines, LLC
P.O. Box 2521
2929 Allen Parkway
Houston, Texas 77252-2521

Re: Discharge Permit GW-056 Renewal
Gobernador Compressor Station

Dear Mr. Bhagwandin:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby **approves the discharge permit** for the TEPPCO NGL Pipelines, LLC (owner/operator) Gobernador Compressor Station GW-056 located in the NW/4 NW/4 of Section 31, Township 30 North, Range 7 West, NMPM, San Juan County, New Mexico, under the conditions specified in the enclosed **Attachment To The Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP/cc
Attachments-1
xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT
TEPPCO NGL PIPELINES, LLC, GOVERNADOR COMPRESSOR STATION (GW-056)
DISCHARGE PERMIT APPROVAL CONDITIONS
March 31, 2006**

Please remit a check for \$1700.00 made payable to Water Quality Management Fund:

**Water Quality Management Fund
C/o: Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505**

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. However, the owner/operator still owes the required \$1700.00 renewal permit fee for a gas compressor station greater than 1001 horsepower.
- 2. Permit Expiration and Renewal:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on October 11, 2010** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its October 31, 2005 discharge permit renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3109.G NMAC addresses possible future modifications of a permit. Pursuant WQCC Regulation 20.6.2.3107.C NMAC, the owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. Pursuant to WQCC Regulation 20.6.2.3109.E NMAC, the Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for

Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

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.

A. 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.

B. 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.

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. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

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.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this 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.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit

renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. 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.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, 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. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic

wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. *An unauthorized discharge is a violation of this permit.*

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions: N/A

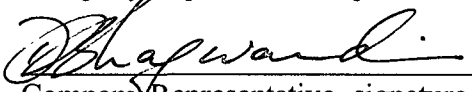
21. Transfer of Discharge Permit: The owner/operator shall notify the OCD prior to any transfer of ownership, control or possession of a facility with an approved discharge permit. The purchaser shall submit a written commitment to comply with the terms and conditions of the previously approved discharge permit and shall seek OCD approval prior to transfer.

22. **Closure:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

23. **Certification:** **Certification:** **TEPPCO NGL Pipelines, LLC**, by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained herein. **TEPPCO NGL Pipelines, LLC** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: **TEPPCO NGL Pipelines, LLC**

Deodat Bhagwandin
Company Representative- print name


Company Representative- signature

Date 4/28/2006

Title: Manager, Environmental Protection

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. 000037411 dated 11/30/00
or cash received on _____ in the amount of \$ 50⁰⁰
from KINDER-MORGAN
for HOBBS GAS PLANT GW-191
Submitted by: ^(Facility Name) WAYNE PRICE Date: ^(OF No.) 12/7/00
Submitted to ASD by: [Signature] Date: 12/7/00
Received in ASD by: _____ Date: _____
Filing Fee ☒ New Facility _____ Renewal _____
Modification _____ Other _____
Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

KINDER MORGAN

Wachovia Bank, N.A.
Greenville, South Carolina
In Cooperation with & Payable
If Desired at Wells Fargo Bank, N.A.
4759-624067

67-1
532

NO. 0000037411

DATE 11/30/00

PAY Fifty and NO/100 Dollars

PAY THIS AMOUNT

*****50.00

TO THE
ORDER
OF

NEW MEXICO WATER QUALITY MANAGEMENT FUND

OCD SANTA FE OFFICE
2040 SOUTH PACHECO ST
SANTA FE

NM 87505

KINDER MORGAN INC. & AFFILIATES
ACCOUNTS PAYABLE

C Paul S
AUTHORIZED SIGNATURE

0000037411 053200019: 5404 78393



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

October 27, 2000

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 5051 5178

Mr. Greg Wurtz
Burlington Resources
P.O. Box 4289
Farmington, NM 87499-4289

**RE: Discharge Plan Renewal GW-056
Burlington Resources
Gobernador Compressor Station
Rio Arriba County, New Mexico**

Dear Mr. Wurtz:

The groundwater discharge plan renewal application GW-056 for the Burlington Resources Gobernador Compressor Station located in the NW/4 NW/4 of Section 31, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.**

The original discharge plan application was submitted on July 27, 1990 and approved on October 11, 1990 with an expiration date of October 11, 1995. The discharge plan renewal application dated June 29, 2000 including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G, which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Burlington Resources of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Burlington Resources of its responsibility to comply with any other governmental authority's rules and regulations.

Please be advised that all exposed pits, including lined pits and open top tanks (exceeding 16 feet in diameter) shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Mr. Greg Wurtz

10/27/00

Page 2

Please note that Section 3104. of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Burlington Resources is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire October 11, 2005** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan application for the Burlington Resources., Gobernador Compressor Station is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$50 plus a renewal flat fee of \$690.00 for natural gas compressor stations with horsepower ratings above 3000 horsepower. The OCD has not received the \$690.00 flat fee. The flat fee of \$690.00 may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.

**Please make all checks payable to: Water Quality Management Fund
C/o: Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505.**

If you have any questions, please contact Wayne Price of my staff at (505-827-7155). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/lwp

Attachment-1

xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-056 APPROVAL
Burlington Resources, Gobernador Compressor Station
DISCHARGE PLAN APPROVAL CONDITIONS
October 27, 2000

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for natural gas compressor stations with horsepower rating above 3000 horsepower. The renewal flat fee required for this facility is \$690.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: Burlington Resources will abide by all commitments submitted in the discharge plan renewal application dated June 29, 2000 including attachments, and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must be tested to demonstrate their mechanical integrity no later than December 15, 2000 and every year from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31, 2000.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than December 15, 2000 and every 5 years, from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31, 2000.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD Aztec District Office.
13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.

14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.
15. Storm Water Plan: Burlington Resources shall maintain stormwater runoff controls as submitted in the discharge plan item IX. B. "Precipitation/Stormwater Runoff Control." As a result of Burlington's operations if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off then Burlington shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Burlington shall also take immediate corrective actions pursuant to Item 12 of these conditions.
16. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
17. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
18. Certification: **Burlington Resources** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **Burlington Resources** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **Burlington Resources**

Company Representative- print name

Company Representative- Sign

Title

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

November 8, 1995

CERTIFIED MAIL

RETURN RECEIPT NO. Z-765-962-586

Mr. Doug Thomas
Meridian Oil, Inc.
P.O. Box 4289
Farmington, New Mexico 87499-4289

**RE: Discharge Plan GW-56
Gobernador Compressor Station
San Juan County, New Mexico**

Dear Mr. Thomas:

The discharge plan renewal GW-56 for Meridian Oil, Inc. (Meridian) Gobernador Compressor Station located in the NW/4 NW/4 of Section 30, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, is **hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original plan approved October 11, 1990 and the renewal application submitted September 5, 1995.

The discharge plan renewal was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations. It is renewed pursuant to Section 3-109.A. Please note Sections 3-109.E and 3-109.F. which provide for possible future amendments or modifications of the plan. Please be advised the approval of this plan does not relieve Meridian of liability should their operation result in pollution of surface water, ground water or the environment.

Please be advised that all exposed pits, including lined pits and open tanks (tanks exceeding 16 feet in diameter), shall be screened, netted or otherwise rendered nonhazardous to wildlife including migratory birds.

Please note that Section 3-104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.C. you are required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Mr. Doug Thomas
November 8, 1995
Page 2

Pursuant to Section 3-109.G.4., this plan is for a period of five (5) years. This approval will expire on November 11, 2000, and Meridian should submit an application in ample time before this date.

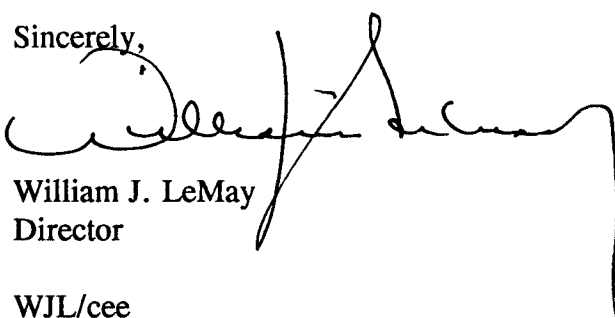
The discharge plan application for the Meridian Gobernador Compressor Station is subject to WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of fifty (\$50) dollars plus the flat fee of six hundred ninety dollars (\$690), for renewals of compressor facilities in excess of 3000 horse powers.

The OCD has received Meridian's fifty dollar filing fee. The flat fee for an approved discharge plan may be paid in a single payment at the time of approval, or in equal installments over the duration of the plan, with the first payment due at the time of approval. The flat fee (total payment or the first installment) is due upon receipt of this letter.

Please make all checks payable to: **NMED - Water Quality Management** and send to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/cee
Attachment

cc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-56 APPROVAL
MERIDIAN OIL, INC.
GOVERNADOR COMPRESSOR STATION
DISCHARGE PLAN REQUIREMENTS
(November 8, 1995)

1. Payment of Discharge Plan Fees: The \$670 flat fee (either total payment or installment) will be paid upon receipt of this approval.
2. Drum Storage: All drums will be stored on pad and curb type containment.
3. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their designs.
4. Berms: All tanks that contain materials other than freshwater will be bermed to contain one and one-third (1-1/3) the capacity of the largest tank within the berm or one and one-third (1-1/3) the total capacity of all interconnected tanks.
5. Pressure testing: All discharge plan facilities are required to pressure test all underground piping at the time of discharge plan renewal. All new underground piping shall be designed and installed to allow for isolation and pressure testing at 3 psi above normal operating pressure.
6. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.
7. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.



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

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 11, 1990

CERTIFIED MAIL
RETURN RECEIPT NO. P-918-402-481

Mr. C. R. Owen
Regional Operations Manager
Meridian Oil, Inc.
P. O. Box 4289
Farmington, New Mexico 87499-4289

RE: Discharge Plan GW-56
Gobernador Compressor Station
Rio Arriba County, New Mexico

Dear Mr. Owen:

The ground water discharge plan (GW-56) for the Meridian Oil, Inc. Gobernador Compressor Station located in the NW/4, Section 31, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico is hereby approved.

The approved discharge plan consists of the plan dated July 19, 1990 and the materials dated September 13, 1990, submitted as supplements to the discharge plan.

The discharge plan was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations. It is approved pursuant to Section 3-104.A; please note Section 3-109.F., which provides for possible future amendment of the plan. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

There will be no routine monitoring or reporting requirements other than those specified in the discharge plan.

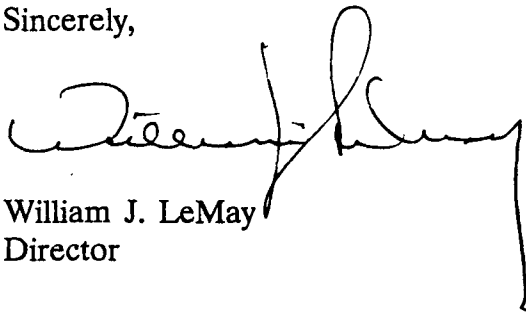
Mr. C. R. Owen
Page -2-
October 10, 1990

Please note that Section 3-104 of the regulations requires that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3-107.C. you are required to notify the director of the facility expansion production increase, or process modification that would result in any significant modification in the discharge of water contaminants.

Pursuant to Subsection 3-109.G.4., this plan approval is for a period of five years. This approval will expire October 11, 1990, and you should submit an application for new approval in ample time before that date.

On behalf of the Oil Conservation Division, I wish to thank you and your staff and/or consultants for your cooperation during this discharge plan review.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/RCA/sl

cc: OCD Aztec Office