

**GW - 128**

**PERMITS,  
RENEWALS,  
& MODS  
Application**

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

Susana Martinez  
Governor

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



AUGUST 14, 2012

Mr. Matt Findley  
DCP Midstream  
370 17th Street  
Suite 2500  
Denver, CO 80202

Dear Mr. Findley:

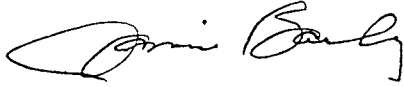
Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that six of your facilities with an expired or soon to be expired permit do not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permits ~~GW - 002~~ (DCP - Former Lee GP), ~~GW - 044~~ (DCP - Hobbs CS), ~~GW - 175~~ (DCP - Hobbs FGP), ~~GW - 288~~ (DCP - Pardue CS), ~~GW - 128~~ (DCP - South Hat CS), and ~~GW - 150~~ (DCP - Pure Gold 28 CS) are either hereby rescinded or will be allowed to expire and you are not required to proceed with the renewal of these expired or soon to expire WQCC Discharge Permits. OCD will close these permits in its database.

Previously, DCP has conducted abatement of ground water contamination at three of its facilities under the authority of its WQCC Discharge Permits, pursuant to 20.6.2.4000 through 20.6.2.4115 NMAC (PREVENTION AND ABATEMENT OF WATER POLLUTION). OCD has determined that DCP does not intentionally discharge at these three facilities; therefore, no WQCC Discharge Permits are required. However, because of existing ground water contamination at these three facilities, OCD is requiring DCP to continue to abate pollution of ground water pursuant to 19.15.30 NMAC (REMEDIATION). The new Abatement Plan case number for the former ~~GW - 002~~ facility is **AP - 109**, the new Abatement Plan case number for the former ~~GW - 044~~ facility is **AP - 114**, and the new Abatement Plan case number for the former ~~GW - 175~~ facility is **AP - 122**. Please use these Abatement Plan case numbers in all future correspondence. Please contact Glenn von Gonten at 505-476-3488 to discuss how DCP may complete abatement of the remaining ground water contamination at these facilities.

Because this WQCC Discharge Permit is no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfarms and landfills. OCD will make an inspection of your facility to determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required.

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit. If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

**Jami Bailey**  
Director

JB/gvg



RECEIVED  
2008 AUG 28 PM 12 01

August 25, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F 46 915 22 1006 309 9)

Mr. Wayne Price  
Environmental Bureau Chief  
Oil Conservation Division  
New Mexico Energy, Minerals  
& Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Subject: South Hat Mesa Compressor Station  
Certification Signature and Permit Fee for Discharge Permit Renewal GW-128

Dear Mr. Price:

Enclosed is a signed copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal for the South Hat Mesa Compressor Station and a check in the amount of \$1,700.00 for the permit fee.

If you have any questions concerning this permit renewal, please contact Diane Kocis at (303) 605-2176. All correspondence regarding this renewal should be directed to her at 370 17<sup>th</sup> Street, Suite 2500, Denver, CO 80202.

Sincerely,  
DCP Midstream, LP

Ronnie Gilchrist *RONNIE GILCHRIST*  
Supervisor of Operations

Enclosures

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No \_\_\_\_\_ dated 8/21/08

or cash received on \_\_\_\_\_ in the amount of \$ 1700<sup>00</sup>

from DCP Midstream

for GW-128

Submitted by: Laura R. Romero Date: 8/29/08

Submitted to ASD by: Laura R. Romero Date: 8/29/08

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 \_\_\_\_\_



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**

Governor  
**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



**RECEIVED**

August 1, 2008

AUG 05 2008

Ms. Elisabeth Klein  
Principal Environmental Specialist  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

**DCP Midstream**  
**Environment Health & Safety**

Re: Discharge Permit Renewal  
DCP Midstream LP. (GW-128)  
**South Hat Mesa Compressor Station**  
SW/4 SE/4 Section 4, Township 21 South, Range 32 East, NMPM,  
Lea County, New Mexico

Dear Ms. Klein:

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 **DCP Midstream, L.P.**, (owner/operator) for the above referenced site contingent upon 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 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

Attachments-1  
xc: OCD District Office



## ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 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 flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.**
- 2. Permit Expiration, Renewal Conditions and Penalties:** 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 November 20, 2012** 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. **Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.**
- 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 February 2008 discharge plan 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 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. 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. 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 storm water 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 (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new

owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

**22. Closure Plan and Financial Assurance:** Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

**23. Certification: (Owner/Operator),** by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** 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: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

DCP Midstream, LP  
Company Name-print name above

Ronnie Gilchrist / RONNIE GILCHRIST  
Company Representative- print name

Elisabeth Klein  
Company Representative- Signature

Title FIELD SUPERVISOR

Date: 8-27-2008



## Discharge Plan Transmittal Memo

**To:** Ronnie Gilchrist, Bob St. John and Tony Lee  
**From:** Diane Kocis  
**CC:** Gary Minatra  
Corp. Env. File 2.2.3.2  
**Date:** August 22, 2008  
**Re:** South Hat Mesa Discharge Plan (GW-128) Approval

---

The purpose of this memo is to send you a copy of the NMOCD approval for the discharge plan for the South Hat Mesa Discharge Plan. Please note the following information:

Agency:	New Mexico Oil Conservation Division
Discharge Plan No.:	GW- 128
Date of Issue:	August 1, 2008
Date Approval Received:	August 5, 2008
Date of Expiration:	November 20, 2012
Date Next Renewal Application Due:	July 23, 2012
Description:	This discharge plan allows the facility to manage discharges as specified in the approved plan and attached Discharge Plan Approval Conditions.

Some of the language from the previous discharge permit conditions remains unchanged; however, **some permit conditions have been expanded and/or changed** in this renewed permit. Changes to the terms, conditions and requirements are listed below. It is your responsibility to read, understand and comply with *each* term, condition and requirement.

- **Permit expiration** date is November 20, 2012 (renewal application due by July 23, 2012);
- **DCP Commitments**  
**Condition 4:** DCP shall abide by all commitments submitted in its February 2008 discharge plan application.
- **Modifications**  
**Condition 5:** DCP shall notify OCD of any facility expansion, production increase or process modification.
- **Waste Disposal and Storage**  
**Condition 6A:**  
Disposal of non-domestic waste without notification to the OCD is allowed at NMED-permitted solid waste facilities if the waste stream was identified in the discharge permit and existing process knowledge does not change.

**Condition 6B:** DCP 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. DCP shall not store oil field waste on-site for more than 180 days.

- **Above Ground Tanks**

**Condition 9:** All aboveground tanks shall have impermeable secondary containment (liners, berms). Existing tanks must be retrofitted before discharge permit renewal.

- **Below-Grade Tanks/Sumps and Pits/Ponds**

**Condition 11A:** All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually. 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 if fluids are removed within 72 hours.

**Condition 11B:** All pits and ponds shall be designed by a certified registered professional engineer. All pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. Existing systems without secondary containment and leak detection shall be retrofitted before discharge permit renewal.

**Condition 11C:** All exposed pits and open top tanks shall be fenced, screened, netted or rendered non-hazardous to wildlife.

**Condition 11D:** DCP shall maintain the results of tests and inspections covered by this permit and report the discovery of any system that is leaking or which has lost integrity within 15 days.

- **Underground process wastewater lines**

**Condition 12A:** Pressure-rated pipe shall be tested to 3 lbs per square inch greater than normal operating pressure shall be held for 30 minutes with no more than a 1% loss/gain in pressure.

**Condition 12B:** DCP shall maintain underground process and wastewater pipeline schematic diagrams showing all drains, vents, risers, valves, underground piping, pipe type, rating, size and approximate location. All new underground piping shall be approved by OCD prior to installation. Leaks or loss of integrity shall be reported within 15 days. Results of all facility tests shall be maintained.

- **Housekeeping,**

**Condition 14:** DCP shall inspect all systems designed for spill collection/prevention and leak detection at least monthly. All spill collection and/or secondary containment devices shall be emptied within 72 hours of discovery. DCP shall maintain all records at the facility.

- **Spill Reporting,**

**Condition 15:** DCP shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

- **Stormwater,**

**Condition 17:** DCP shall implement and maintain run-on and runoff plans and controls.

Please note that the permit approval conditions apply to the entire facility. If you have any questions, please call me at (303) 605-2176.

AFFIDAVIT OF PUBLICATION

State of New Mexico,  
County of Lea.

I, KATHI BEARDEN

PUBLISHER

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published in the regular and entire issue of said paper, and not a supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated

JULY 10, 2008

and ending with the issue dated

JULY 10, 2008

*Kathi Bearden*  
PUBLISHER

Sworn and subscribed to before  
me this 10<sup>TH</sup> day of  
JULY, 2008

*Una [Signature]*  
Notary Public.

My Commission expires  
February 07, 2009  
(Seal)



OFFICIAL SEAL  
DORA MONTZ  
NOTARY PUBLIC  
STATE OF NEW MEXICO

My Commission Expires: \_\_\_\_\_

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

03101363-000 49698095  
ELISABETH KLEIN  
DCP MIDSTREAM, LP  
3370 17TH STREET, SUITE 2500  
DENVER, CO 80202

DCP Midstream, 370 17<sup>th</sup> Street, Suite 2500, Denver, Colorado 80202 has submitted a discharge plan renewal application for its South Hat Mesa Compressor Station (GW-128) to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. The South Hat Mesa Compressor Station is located in the SW/4 SE/4, Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico approximately 1.6 miles east of intersection of Hwy 62 and Hwy 176 on Hwy 176; turn right or south on dirt road 2.2 miles; turn right or west into the facility. DCP Midstream does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of 50 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

AFFIDAVIT OF PUBLICATION

State of New Mexico,  
County of Lea.

I, KATHI BEARDEN

PUBLISHER

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published in the regular and entire issue of said paper, and not a supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated

JULY 10, 2008

and ending with the issue dated

JULY 10, 2008

  
PUBLISHER

Sworn and subscribed to before  
me this 10 TH day of  
JULY, 2008

  
Notary Public.

My Commission expires  
February 07, 2009  
(Seal)



OFFICIAL SEAL  
DORA MONTZ  
NOTARY PUBLIC  
STATE OF NEW MEXICO

My Commission Expires: \_\_\_\_\_

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

03101363-000 49698093  
ELISABETH KLEIN  
DCP MIDSTREAM, LP  
3370 17TH STREET, SUITE 2500  
DENVER, CO 80202

DCP Midstream, 370 17<sup>th</sup> Street, Suite 2500, Denver, Colorado 80202 se han sometido una aplicación de la renovación del plan de la descarga para su Estación del sur de Compresor de Sombrero Mesa (GW-128) a la Conservación del Petróleo División, 1220 S. del sur. Francis Conduce, Santa Fe, Nuevo México, 87505, el Teléfono (505) 476-3440. La Estación del sur del Compresor del Sombrero Mesa es situada en el SW/4 SE/4, la Sección 4, Municipio 21 al sur, la Gama 32 al este, NMPM, Condado de Lea, Nuevo México aproximadamente 1,6 millas al este de cruce de Autopista 62 y la Autopista 176 en la Autopista 176; gire a la derecha o al sur en camino de tierra 2,2 millas; gire a la derecha o al oeste en la facilidad. Medio de la corriente de DCP no propone descargar effluente ni los sólidos del desecho en el sitio; todo effluente y los sólidos del desecho engendrados en la facilidad son quitados de la facilidad para de la disposición del sitio de acuerdo con Conservación aplicable del Petróleo de Nuevo México División, del Departamento del Ambiente de Nuevo México, y de las regulaciones de EPA. Molió agua más probable de ser afectada en un acontecimiento de una descarga accidental en la superficie está en una profundidad de 50 pies con un suma la concentración disuelta de sólidos de aproximadamente 1500 mg/L. Las direcciones del plan de la descarga cómo rocían, las filtraciones, y otras descargas accidentales a la superficie serán manejados. Alguna persona interesada puede obtener información adicional, se somete los comentarios, y petición para ser colocada en una dirección de envío facilidad-especifico para recibir futuras notas a la Conservación del Petróleo División en la dirección o el número de teléfono dados arriba. La Conservación del Petróleo División aceptará que los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creará una lista de envío facilidad-especifico para personas que desea recibir futuras notas.

**Chavez, Carl J, EMNRD**

---

**From:** Lang, Ruth M [RMLang@dcpmidstream.com]  
**Sent:** Friday, August 01, 2008 11:16 AM  
**To:** Chavez, Carl J, EMNRD  
**Cc:** Klein, Elisabeth Anne; Kocis, Diane E  
**Subject:** Public Notice Affidavits - GW-145 and GW-128  
**Attachments:** GW145\_GW128\_News Affidavits.pdf

Mr. Carl Chavez:

Good morning. Liz Klein was completing this task as part of her transition out of supporting our New Mexico area; however she is out of the office today. So far I have located the affidavits for GW-145 Zia and GW-128 S Hat Mesa, which are attached. We are continuing to try and find or re-obtain the affidavits for the other three that you requested.

Please contact me if you need anything else or have any questions regarding these affidavits.

Thank you,

**Ruth M. Lang, P.G.**

**DCP Midstream, LP**

Manager of Water Waste and Remediation  
EHS - Environmental Protection Department  
303-605-1713 office  
303-619-4995 cell  
303-605-1957 fax

---

**From:** Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]  
**Sent:** Friday, August 01, 2008 9:00 AM  
**To:** Klein, Elisabeth Anne  
**Cc:** Price, Wayne, EMNRD; Lang, Ruth M  
**Subject:** RE: DCP Midstream LP. Closure of Facilities

Ms. Ruth Lang, et. al:

I am in the process of finalizing discharge permits today for DCP Midstream, LP. (DCP) GWs #128, 142, 143, 145 and 296; however, I do not see proof of affidavits with public notice from DCP. Could you please check your files and fax/send them to me electronically today? 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](mailto:CarlJ.Chavez@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>  
(Pollution Prevention Guidance is under "Publications")

---

**From:** Klein, Elisabeth Anne [mailto:EAKlein@dcpmidstream.com]  
**Sent:** Monday, July 14, 2008 3:14 PM  
**To:** Chavez, Carl J, EMNRD  
**Cc:** Price, Wayne, EMNRD; Lowe, Leonard, EMNRD; Lang, Ruth M  
**Subject:** Re: DCP Midstream LP. Closure of Facilities

8/1/2008



I just received your phone messages from last week. I apologize for not returning the calls I was in an area with no coverage.

I forwarded your email to Ruth Lang 3036051713. I have taken a new position at the company and no longer cover this area so Ruth will be your new contact person.

Thanks  
Liz Klein

----- Original Message -----

From: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>

To: Klein, Elisabeth Anne

Cc: Price, Wayne, EMNRD <wayne.price@state.nm.us>; Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>

Sent: Fri Jul 11 10:56:07 2008

Subject: DCP Midstream LP. Closure of Facilities

Elisabeth:

The OCD requests to visit the discharge permit facilities listed below that DCP Midstream, LP. has are inactive or expressed an interest in closing. The OCD would like to schedule a date for the facility visits in August of 2008. The OCD would prefer to meet with a company representative and then visit the facilities.

GW-24 Avalon Gas Plant

OCD Status: Rambo CS. (formerly Avalon Gas Plant) (GW-24): The permit expired on 9/18/2005 and is listed as inactive.

According to your letter the OCD received the pit closure reports and analytical results required by the OCD's

April 7, 2004 approval letter and were provided in your letter. The OCD requests to know the status of operations

at the facility? Does DCP Midstream, LP wish to close the facility? If so, the OCD needs a closure plan. The

OCD requires inactive facilities to submit a closure plan, unless it plans to continue operations, which will require a discharge plan renewal.

DCP Status: Avalon Gas Plant (Rambo Compressor) (GW-24) - DCP MIDSTREAM LP previously renewed the permit for this facility. An approval letter, dated April 7, 2004, from the OCD was received by the company.

DCP MIDSTREAM LP was required, as a condition of the approval, to submit pit closure reports and analytical results. The report and results were submitted to the OCD on April 23, 2004.

8/1/2008

GW-42 Indian Hills Gas Plant (last permit 6/18/1997 Stage 1)

OCD Status: Indian Hills Gas Plant (GW-42): OCO records indicate that the facility is inactive. The OCD requests the status of the facility and if it is inactive, we request a closure plan. The GOD will be conducting an inspection of this facility.

DCP Status: Indian Hills Gas Plant (GW-42) - This facility was dismantled and only a meter facility and pig launcher exist on the site. A copy of the company's notification, dated December 10, 2001, to the OCD regarding the status of this site and OCD's receipt of this letter is in Attachment 5.

GW-44 Hobbs Booster Station (OCD has processed the DP 3/7/2008 Stage 4, but DCP appears to want to close it instead?)

OCD Status: Hobbs Booster Station (GW -44): OCD records indicate that the facility is active with an expiration date of 12/27/2007. A \$100 filing fee was received and determined to be administratively complete and OCO will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. The facility is closed and only remediation activities are ongoing at present.

DCP Status:

Discharge Plan GW-044: Summary of First Quarter 2008 Groundwater  
Monitoring Results and Additional Site Characterization Activities at the  
Hobbs Booster Station: Hobbs, New Mexico  
Units C and D Section 4, T 19 S, R 38 E, NMPM

GW-288 Pardue Compressor Station (OCD has process the DP 3/7/2008 Stage 4, but DCP appears to want to close it instead?)

OCD Status: Pardue CS. (GW-288): OCD records indicate that the facility is active with an expiration date of 11/24/2007. A \$100 filing fee was received and determined to be administratively complete and OCD will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. DCP Midstream, LP is in the

8/1/2008

process of completing a closure plan and will submit it prior to completion of closure.

DCP Status: Pardue CS. (GW-288): OCD records indicate that the facility is active with an expiration date of 11/24/2007.

A \$100 filing fee was received and determined to be administratively complete and OCD will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. DCP Midstream, LP is in the process of completing a closure plan and will submit it prior to completion of closure.

Please contact me. 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](mailto:CarlJ.Chavez@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/index.htm>

(Pollution Prevention Guidance is under "Publications")

*Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.*

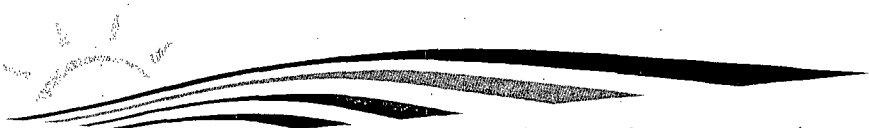
---

This inbound email has been scanned by the MessageLabs Email Security System.

---

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

8/1/2008



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**

Governor  
Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



August 1, 2008

Ms. Elisabeth Klein  
Principal Environmental Specialist  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

Re: Discharge Permit Renewal  
DCP Midstream LP. (GW-128)  
**South Hat Mesa Compressor Station**  
SW/4 SE/4 Section 4, Township 21 South, Range 32 East, NMPM,  
Lea County, New Mexico

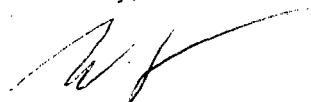
Dear Ms. Klein:

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 **DCP Midstream, L.P.**, (owner/operator) for the above referenced site contingent upon 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 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

Attachments-1  
xc: OCD District Office



## ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 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 flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.**
- 2. Permit Expiration, Renewal Conditions and Penalties:** 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 November 20, 2012** 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. **Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.**
- 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 February 2008 discharge plan 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 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. 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. 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 storm water 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 (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new



owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

**22. Closure Plan and Financial Assurance:** Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

**23. Certification: (Owner/Operator),** by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** 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: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

\_\_\_\_\_  
Company Name-print name above

\_\_\_\_\_  
Company Representative- print name

\_\_\_\_\_  
Company Representative- Signature

Title\_\_\_\_\_

Date:\_\_\_\_\_

# Advertising Receipt

**Hobbs Daily News-Sun**

201 N Thorp  
P O Box 936  
Hobbs, NM 88241-0850  
Phone: (575) 393-2123  
Fax: (575) 397-0610

SALLY MARTINEZ  
NEW MEXICO ENERGY, MINERALS &  
NATURAL RESOURCES DEPARTMENT  
SANTA FE, NM 87505

**Cust#:** 01102697-000  
**Ad#:** 02601151  
**Phone:** (505)827-7131  
**Date:** 06/20/08

**Ad taker:** C2

**Salesperson:** 08

**Classification:** 673

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
07 07 Daily News-Sun	06/25/08	06/25/08	1	165.22		165.23
Bold						1.00
Affidavit for legals						3.00

**Payment Reference:**

LEGAL  
June 25, 2008

**NOTICE OF PUBLICATION**

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

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

DCP Midstream, LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202 (303-605-1778), has submitted renewal applications for the previously

**Total:** 169.23

**Tax:** 0.00

**Net:** 169.23

**Prepaid:** 0.00

**Total Due** 169.23

OK TO  
PAY  
JUN 25 2008

# AFFIDAVIT OF PUBLICATION

State of New Mexico,  
County of Lea.

I, KATHI BEARDEN

PUBLISHER

of the Hobbs News-Sun, a  
newspaper published at  
Hobbs, New Mexico, do solemnly  
swear that the clipping attached  
hereto was published once a  
week in the regular and entire  
issue of said paper, and not a  
supplement thereof for a period.

1

of \_\_\_\_\_ weeks.  
Beginning with the issue dated

June 25 2008

and ending with the issue dated

June 25 2008

*Kathi Bearden*  
PUBLISHER

Sworn and subscribed to before

me this 25th day of

June 2008

*Dora Montz*  
Notary Public.

My Commission expires  
February 07, 2009  
(Seal)



OFFICIAL SEAL  
DORA MONTZ  
NOTARY PUBLIC  
STATE OF NEW MEXICO

My Commission Expires: \_\_\_\_\_

This newspaper is duly qualified  
to publish legal notices or adver-  
tisements within the meaning of  
Section 3, Chapter 167, Laws of  
1937, and payment of fees for  
said publication has been made.

LEGAL  
June 25, 2008

## NOTICE OF PUBLICATION

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

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

DCP Midstream, LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202 (303-605-1778), has submitted renewal applications for the previously approved discharge permits listed below.

(GW-128) The South Hat Mesa Compressor Station is located in the SW/4 SE/4 of Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico, approximately 1.6 miles east of the intersection of Hwy. 62 and Hwy. 176 on Hwy. 176; turn right or south on dirt road 2.2 miles; turn right or west into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-145) The Zia Gas Plant & Booster Station is located in the NE/4 NE/4 of Section 19, and SE/4 SE/4 of Section 18, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. Approximately 5,900 gallons per month of process wastewater will be collected, and stored in above ground steel tanks prior to disposal at an OCD approved offsite commercial disposal facility. Current operations at the facility are limited to gas processing and compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 280 feet, with a total dissolved solids concentration of approximately 2,400 mg/l. The discharge plan addresses remediation of soil and ground water, and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of June 2008.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

Mark Fesmire, Director

SEAL

#24160

THE SANTA FE  
**NEW MEXICAN**  
Founded 1849

NM EMNRD OIL CONSERV  
1220 S ST FRANCIS DR  
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689  
AD NUMBER: 00259406 ACCOUNT: 00002212  
LEGAL NO: 85555 P.O. #: 52100-00000075  
373 LINES 1 TIME(S) 324.80  
AFFIDAVIT: 7.00  
TAX: 26.34  
TOTAL: 358.14

*ok to pay  
C. O. Chavez  
7/1/08*

**NOTICE OF  
PUBLICATION**

STATE OF NEW MEXICO  
COUNTY OF SANTA FE  
CO. MINERALS  
ENERGY, AND NATURAL RE-  
SOURCES DEPART-  
MENT  
OIL CONSERVATION  
DIVISION

Notice is hereby given  
that pursuant to New  
Mexico Water Quality  
Control Commission  
Regulations  
(20.6.2.3106 NMAC),  
the following dis-  
charge permit appli-  
cation(s) has been  
submitted to the Di-  
rector of the New  
Mexico Oil Conserva-  
tion Division  
("NMOCD"), 1220 S.  
Saint Francis Drive,  
Santa Fe, New Mexico  
87505. Telephone  
(505) 476-3440.

DCP, Midstream, LP,  
Elisabeth Klein, Envi-  
ronmental Specialist,  
370 17th Street, Suite  
2500, Denver, Colo-  
rado 80202  
(303-605-1778), has  
submitted renewal  
applications for the  
previously approved  
discharge permits  
listed below.

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, L. Paquin, 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 # 85555 a copy of which is hereto attached was published in said newspaper 1 day(s) between 06/26/2008 and 06/26/2008 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 26th day of June, 2008 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/

*L. Paquin*

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 26th day of June, 2008

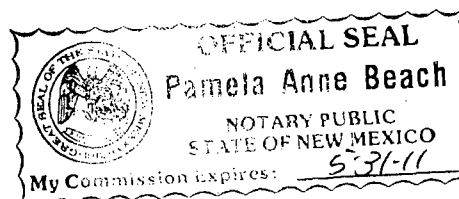
Notary

*Pamela Anne Beach*

Commission Expires:

*May 31, 2011*

RECEIVED  
2008 JUN 30 PM 2 15



Hat Mesa Compressor Station is located in the SW/4 SE/4 of Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico, approximately 1.6 miles east of the intersection of Hwy. 62 and Hwy. 176 on Hwy. 176; turn right or south on dirt road 2.2 miles; turn right or west into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Section 23, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. It is located 13.9 mi. east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 to where CR-238 turns west and continue 2.9 mi. to road on right and turn north and drive 2 miles to the facility access road on the right; turn east and drive 0.6 miles into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 220 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-143) The Cal-Mon Compressor Station, is located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New

(north) 0.5 miles and turn left (west) into the facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-145) The Zia Gas Plant & Booster Station is located in the NE/4 NE/4 of Section 19, and SE/4 SE/4 of Section 18, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. Approximately 5,900 gallons per month of process wastewater will be collected, and stored in above ground steel tanks prior to disposal at an OCD approved offsite commercial disposal facility. Current operations at the facility are limited to gas processing and compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 280 feet, with a total dissolved solids concentration of approximately 2,400 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,000 mg/l.

and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta solicitud en español, comunicarse con el

Minerals y Recursos Naturales de Nuevo México). Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of June 2008.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
SEAL  
Mark Fesmire,  
Director  
Legal No. 85555  
Pub June 26, 2008

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**

Governor  
Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



June 19, 2008

Ms. Elisabeth Klein  
Principal Environmental Specialist  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

**Re: Discharge Plan Renewal Permit GW-128  
DCP Midstream, L.P.  
South Hat Mesa Compressor Station  
Lea County, New Mexico**

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream, L.P.'s request and initial fee, dated December 20, 2007, to renew GW-128 for the DCP Midstream, L.P. **South Hat Mesa Compressor Station** located in the SW/4 SE/4 of Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

Therefore, the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the NMOCD. NMOCD will provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3491 or [carlj.chavez@state.nm.us](mailto:carlj.chavez@state.nm.us). On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carl Chavez".

Carl Chávez  
Environmental Engineer

CC/cc

xc: OCD District Office





RECEIVED

2008 FEB 29 PM 12 28

February 5, 2008

**UPS NEXT DAY AIR** (Tracking Number 1ZF469152310035475)

Mr. Wayne Price, Chief  
Environmental Bureau  
Oil Conservation Division  
New Mexico Energy, Minerals  
& Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Subject: South Hat Mesa Compressor Station  
Discharge Permit Renewal (GW-128)  
Eddy County, New Mexico

Dear Mr. Price:

Enclosed are the original and one copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal application for the South Hat Mesa Compressor Station. Also enclosed is a check in the amount of \$100 for the discharge plan renewal application filing fee.

Upon receipt of confirmation from the OCD that the renewal application is complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Hobbs News for the South Hat Mesa Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Hobbs News. DCP MIDSTREAM is the owner of the property to no landowner notification will be required.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The South Hat Mesa Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-128.

Please be advised that DCP MIDSTREAM's submittal of the renewal application and application filing fee does not waive DCP MIDSTREAM's objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DCP MIDSTREAM's position or the renewal application, please contact me at (303) 605-1778. Please send all correspondence regarding this renewal to me at 370 17<sup>th</sup> Street, Suite 2500, Denver, CO 80202.

Sincerely,  
DCP Midstream, LP

Elisabeth Klein  
Principal Environmental Specialist

Enclosures

cc: NMOCD District 1 Office (via UPS Next Day Tracking No. 1ZF469152310035484)  
1625 N. French Dr.  
Hobbs, New Mexico 88240

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Revised June 10, 2003

Submit Original  
Plus 1 Copy  
to Santa Fe  
1 Copy to Appropriate  
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,  
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES  
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal ☐ Modification

1. Type: South Hat Mesa Compressor Station (GW-128)
2. Operator: DCP Midstream, LP  
Address: 10 Desta Drive, Suite 400 W, Midland, TX 79705  
Contact Person: Tony Lee - Asset Manager Phone: 505-397-5520
3. Location: SW /4 SE /4 Section 4 Township 21S Range 32E  
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.  
See attached discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.  
See attached discharge plan.
6. Attach a description of all materials stored or used at the facility.  
See attached discharge plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.  
See attached discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.  
See attached discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.  
See attached discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.  
See attached discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.  
See attached discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.  
See attached discharge plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.  
See attached discharge plan.
14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Tony Lee

Title: Asset Manager

Signature: 

Date: 12-20-07

E-mail Address: tlee@dcpmidstream.com



DCP Midstream, LP  
370 17th Street, Suite 2500  
Denver, Colorado 80202  
APCustomerService@dcpmidstream.com  
303.605.2219

PAYEE NUMBER

0000078217

PAYEE NAME

NEW MEXICO-

CHECK NUMBER

CHECK DATE

12/21/07

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1207-S HAT MESA DISC	12/20/07	100.00	S. HAT MESA BOOSTER STATI
TOTAL PAID			\$100.00

PLEASE RETAIN FOR YOUR RECORDS

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

DCP Midstream, LP  
370 17th Street, Suite 2500  
Denver, Colorado 80202  
APCustomerService@dcpmidstream.com  
303.605.2219

JPMorgan Chase Bank, N.A.  
Syracuse, New York

50-937/213

TO THE ORDER OF

NEW MEXICO-  
WATER QUALITY MANAGEMENT FUND  
C/O NEW MEXICO OIL CONSERVATION DIV  
1220 S ST FRANCIS DRIVE  
Santa Fe, NM 87505

PAYEE NO.

0000078217

CHECK DATE

12/21/07

CHECK NO.

DDDDDDDD PAY ONLY ONE ZERO ZERO CTSCTS

NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT

\*\*\*\*\*\$100.00

*[Signature]*

AUTHORIZED SIGNATURE

☑ One hundred and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

GW-128

**South Hat Mesa Compressor Station**  
**SW ¼ SE ¼ Section 4, T21S, R32E**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-128) for the South Hat Mesa Compressor Station as previously approved NMOCD on July 31, 1998. This Discharge Permit application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106.C NMAC.

**1 Type of Operation**

The South Hat Mesa Compressor Station compresses natural gas. The facility does not intend or have any discharges that may move directly or indirectly into groundwater.

**2 Operator / Legally Responsible Party**

**Operator**

DCP Midstream, LP (formerly Duke Energy Field Services LP)  
10 Desta Drive, Suite 400W  
Midland, TX 79705  
(505) 397-5520  
Contact Person: Mr. Tony Lee – Asset Manager

**Legally Responsible Party**

DCP Midstream, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location Facility**

SW ¼ SE¼ Section 4, Township 21 South, Range 32 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

**4 Landowner**

DCP Midstream, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

## 5 Facility Description

The facility provides separation of liquid hydrocarbons from the natural gas stream and compression for the Eunice Gathering System.

## 6 Materials Stored or Used

There are no materials stored on-site or used that are discharged so that they may move directly or indirectly into groundwater.

Material Stored/Used	Method of Storage
Condensate/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage – (equipment wash down water and stormwater)	Double walled sump with a high level alarm

## 7 Sources and Quantities of Effluent and Waste Solids

All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater.

### Separators/Scrubbers

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site to the Eunice Heater Treater.

### Boilers and Cooling Towers/Fans

There are no boilers or cooling towers/fans at the facility.

### Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site to the Eunice Heater Treater.

### Solvents/Degreasers

Solvents or degreasers are not used at the facility.

### **Spent Acids/Caustics**

Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in aboveground storage containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Used Engine Coolants**

Used engine coolants are not generated at the facility. The engine coolant is consumed by the engines so no waste coolant is generated. Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

### **Waste Lubrication and Motor Oils**

The used engine lubricants are handled by the compressor vendor, Hanover Compression. Hanover Compression owns the compressor and performs monthly maintenance on the unit. Hanover Compression removes any used waste lubrication oil, that is generated from their maintenance activities, off site for disposal.

### **Used Oil Filters**

The used oil filters are handled by the compressor vendor, Hanover Compression. Hanover Compression owns the compressor and performs monthly maintenance on the unit. Hanover Compression removes any used filter or used oil, that is generated from their maintenance activities, off site for disposal and/or recycling.

### **Solids and Sludges**

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

### **Painting Wastes**

Painting wastes are not discharged on site. All paint wastes generated on site are managed in aboveground containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Sewage**

Sewage is not generated at the facility.

### **Lab Wastes**

Lab wastes are not generated at the facility.

### **Other Liquids and Solid Wastes**

There are no other liquids or solid wastes generated at the facility.

## 8 Liquid and Solid Waste Collection / Storage / Disposal

### Collection/Storage

All liquid and solid waste are collected and stored in containers for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### On-site Disposal

There is no on-site disposal at the facility. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### Off-site Disposal

All liquid and solid wastes are disposed off site in accordance with applicable NMOCD, NMED, and EPA regulations.

The following table provides information regarding wastes collected and stored for off site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Slop Oil	Aboveground storage tank within secondary containment	~ 500 bbls per month	Off-site recycling	Eunice Treater
Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 10 bbls per month	Off-site recycling	Eunice Treater
Used Oil Filters	Aboveground storage tank within secondary containment	~ 500 lbs per year	Off-site recycling	Thermofluids
Used Oil	Aboveground storage tank within secondary containment	~ 2000 gal per year	Off-site recycling	Thermofluids

## 9 Proposed Modifications

No modifications are proposed at the facility.

## 10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed monthly to ensure proper collection, storage, and off site disposal of all wastes generated at the facility.

## **11 Spill / Leak Prevention and Reporting (Contingency Plans)**

DCP Midstream will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

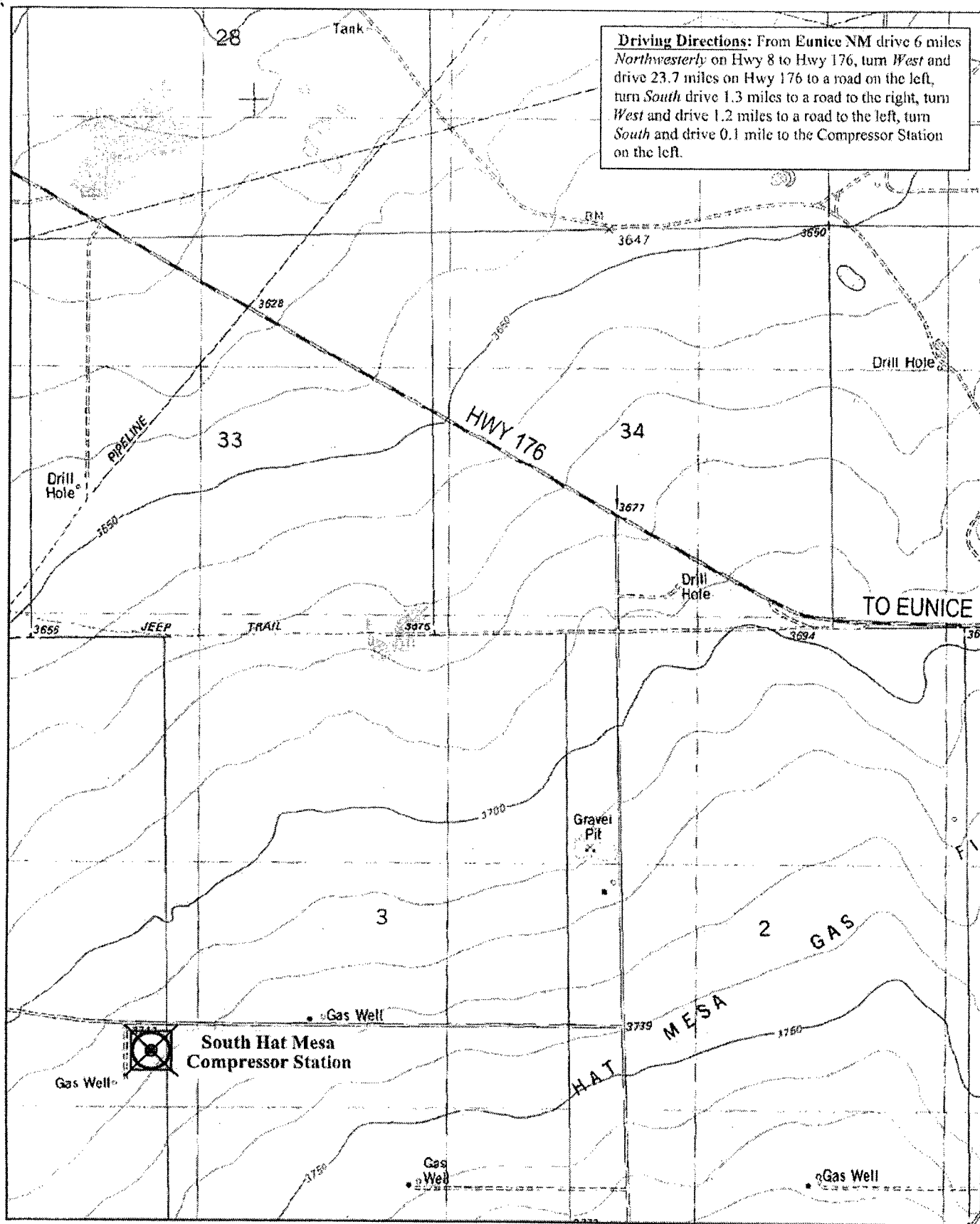
## **12 Site Characteristics**

No changes are proposed.

## **13 Additional Information**

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

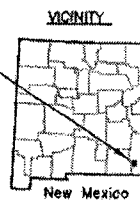
## **FIGURES**



**Driving Directions:** From Eunice NM drive 6 miles *Northwesterly* on Hwy 8 to Hwy 176, turn *West* and drive 23.7 miles on Hwy 176 to a road on the left, turn *South* drive 1.3 miles to a road to the right, turn *West* and drive 1.2 miles to a road to the left, turn *South* and drive 0.1 mile to the Compressor Station on the left.

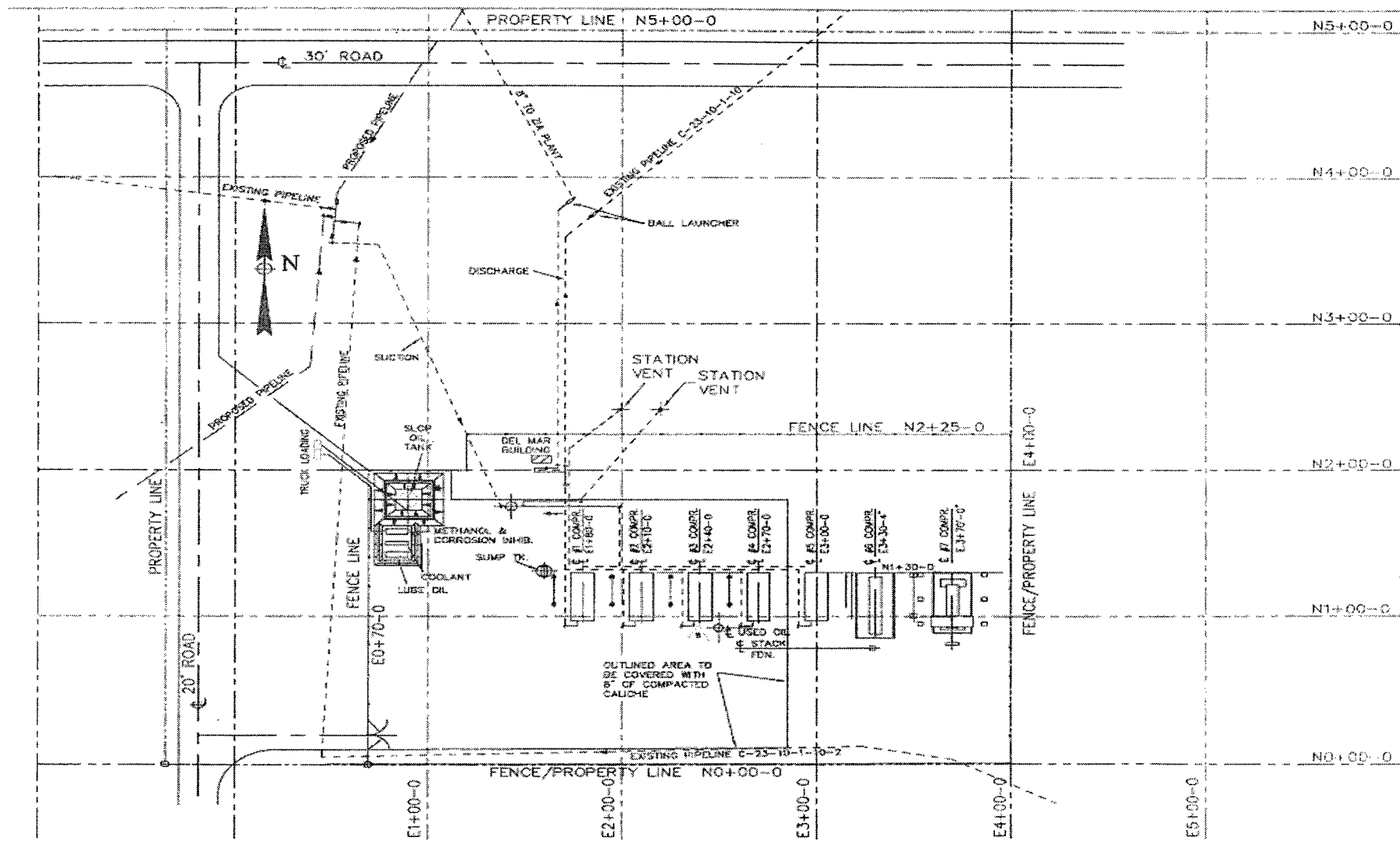


**South Hat Mesa Compressor Station**  
 Lea County, New Mexico  
 Zone 13 UTMH 624789m UTMV 3597327m



32103 E6 Laguna Grutuna  
 Source: USGS 1:24,000 scale  
 Drawn by: JRE  
 Revised by:  
 Date 11-7-02  
 ENVIRONMENTAL  
 AFFAIRS DEPARTMENT








REV	DATE	BY	CHKD	DATE	REVISION	BY	CHKD	DATE	NOTES
1	12/17/01				COMBINED DRAWINGS, CHANGED TITLE BLOCK				




HAT MESA 800S  
PLOT P

[Home](#) | [About UPS](#) | [Contact UPS](#) | [Getting Started @ UPS.com](#) | [Site Guide](#) 

UPS United States

[Shipping](#) [Tracking](#) [Freight](#) [Locations](#) [Support](#) [Business Solutions](#)**Tracking**Log-In User ID:  Password:   | [Forgot Password](#)**Track Shipments**[Track by Reference](#)  
[Track by E-mail](#)  
[Signature Tracking](#)  
[Import Tracking Numbers](#)  
[Wireless Tracking](#)  
[Track with Quantum View](#)  
[Access Flex Global View](#)  
[Integrate Tracking Tools](#)  
[Void a Shipment](#)   
[Help](#)**Track Shipments**[Track Packages & Freight](#) [Quantum View](#) [Flex Global View](#)**Tracking Summary**[Printer Friendly](#)  | [Help](#) **Tracking Number:** 1Z F46 915 23 1003 547 5[→ View package progress](#)**Type:** Package**Status:** **Delivered****Delivered On:** 02/11/2008  
9:53 A.M.**Delivered To:** SANTA FE, NM, US**Signed By:** MILLER**Service:** NEXT DAY AIR SAVER

Tracking results provided by UPS: 02/28/2008 10:50 A.M. ET

[Printer Friendly](#) **NOTICE:** UPS authorizes you to use UPS tracking systems solely to track shipments tendered by or for you to UPS for delivery and for no other purpose. Any other use of UPS tracking systems and information is strictly prohibited.**UPS Air Freight**  
A new level  
of convenience  
and predictability[Learn more](#) **Find Answers to Your Tracking Questions**[→ Go to Tracking FAQ](#)[Home](#) | [Shipping](#) | [Tracking](#) | [Freight](#) | [Locations](#) | [Support](#) | [Business Solutions](#) | [About UPS](#) | [Contact UPS](#) | [Register](#) | [Getting Started](#) | [Site Guide](#) | [Advanced Search](#) | [UPS Global](#) | [UPS Corporate](#)Copyright © 1994-2008 United Parcel Service of America, Inc. All rights reserved.  
[Web Site Terms of Use](#) | [Privacy Policy](#) | [Trademarks](#) | [UPS Tariff/Terms and Conditions](#)

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No.                      dated 12/21/07

or cash received on                      in the amount of \$ 100<sup>00</sup>

from DCP Midstream LP

for GW-128

Submitted by: Lawrence Romero Date: 2/12/08

Submitted to ASD by: Lawrence Romero Date: 2/12/08

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



RECEIVED  
2008 FEB 11 PM 1 30

February 5, 2008

**UPS NEXT DAY AIR** (Tracking Number 1ZF469152310035475)

Mr. Wayne Price, Chief  
Environmental Bureau  
Oil Conservation Division  
New Mexico Energy, Minerals  
& Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Subject: South Hat Mesa Compressor Station  
Discharge Permit Renewal (GW-128)  
Eddy County, New Mexico

Dear Mr. Price:

Enclosed are the original and one copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal application for the South Hat Mesa Compressor Station. Also enclosed is a check in the amount of \$100 for the discharge plan renewal application filing fee.

Upon receipt of confirmation from the OCD that the renewal application is complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Hobbs News for the South Hat Mesa Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Hobbs News. DCP MIDSTREAM is the owner of the property to no landowner notification will be required.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The South Hat Mesa Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-128.

Please be advised that DCP MIDSTREAM's submittal of the renewal application and application filing fee does not waive DCP MIDSTREAM's objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DCP MIDSTREAM's position or the renewal application, please contact me at (303) 605-1778. Please send all correspondence regarding this renewal to me at 370 17<sup>th</sup> Street, Suite 2500, Denver, CO 80202.

Sincerely,  
**DCP Midstream, LP**

Elisabeth Klein  
Principal Environmental Specialist

Enclosures

cc: NMOCD District 1 Office (via UPS Next Day Tracking No. 1ZF469152310035484)  
1625 N. French Dr.  
Hobbs, New Mexico 88240

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Revised June 10, 2003

Submit Original  
Plus 1 Copy  
to Santa Fe  
1 Copy to Appropriate  
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,  
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES  
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal ☐ Modification

1. Type: South Hat Mesa Compressor Station (GW-128)

2. Operator: DCP Midstream, LP

Address: 10 Desta Drive, Suite 400 W, Midland, TX 79705

Contact Person: Tony Lee - Asset Manager

Phone: 505-397-5520

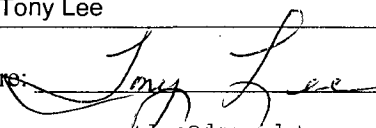
3. Location: SW /4 SE /4 Section 4 Township 21S Range 32E

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.  
See attached discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.  
See attached discharge plan.
6. Attach a description of all materials stored or used at the facility.  
See attached discharge plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.  
See attached discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.  
See attached discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.  
See attached discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.  
See attached discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.  
See attached discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.  
See attached discharge plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.  
See attached discharge plan.
14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Tony Lee

Title: Asset Manager

Signature: 

Date: 12-20-07

E-mail Address: tonylee@dcpmidstream.com

370 17th Street, Suite 2500  
Denver, Colorado 80202  
APCustomerService@dcpmidstream.com  
303.605.2219

NEW MEXICO-

12/21/07

PLEASE RETAIN FOR YOUR RECORDS

**South Hat Mesa Compressor Station**  
**SW ¼ SE ¼ Section 4, T21S, R32E**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-128) for the South Hat Mesa Compressor Station as previously approved NMOCD on July 31, 1998. This Discharge Permit application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106.C NMAC.

**1 Type of Operation**

The South Hat Mesa Compressor Station compresses natural gas. The facility does not intend or have any discharges that may move directly or indirectly into groundwater.

**2 Operator / Legally Responsible Party**

**Operator**

DCP Midstream, LP (formerly Duke Energy Field Services LP)  
10 Desta Drive, Suite 400W  
Midland, TX 79705  
(505) 397-5520  
Contact Person: Mr. Tony Lee – Asset Manager

**Legally Responsible Party**

DCP Midstream, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location Facility**

SW ¼ SE¼ Section 4, Township 21 South, Range 32 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

**4 Landowner**

DCP Midstream, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

## 5 Facility Description

The facility provides separation of liquid hydrocarbons from the natural gas stream and compression for the Eunice Gathering System.

## 6 Materials Stored or Used

There are no materials stored on-site or used that are discharged so that they may move directly or indirectly into groundwater.

Material Stored/Used	Method of Storage
Condensate/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage – (equipment wash down water and stormwater)	Double walled sump with a high level alarm

## 7 Sources and Quantities of Effluent and Waste Solids

All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater.

### Separators/Scrubbers

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site to the Eunice Heater Treater.

### Boilers and Cooling Towers/Fans

There are no boilers or cooling towers/fans at the facility.

### Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site to the Eunice Heater Treater.

### Solvents/Degreasers

Solvents or degreasers are not used at the facility.



### **Spent Acids/Caustics**

Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in aboveground storage containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Used Engine Coolants**

Used engine coolants are not generated at the facility. The engine coolant is consumed by the engines so no waste coolant is generated. Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

### **Waste Lubrication and Motor Oils**

The used engine lubricants are handled by the compressor vendor, Hanover Compression. Hanover Compression owns the compressor and performs monthly maintenance on the unit. Hanover Compression removes any used waste lubrication oil, that is generated from their maintenance activities, off site for disposal.

### **Used Oil Filters**

The used oil filters are handled by the compressor vendor, Hanover Compression. Hanover Compression owns the compressor and performs monthly maintenance on the unit. Hanover Compression removes any used filter or used oil, that is generated from their maintenance activities, off site for disposal and/or recycling.

### **Solids and Sludges**

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

### **Painting Wastes**

Painting wastes are not discharged on site. All paint wastes generated on site are managed in aboveground containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Sewage**

Sewage is not generated at the facility.

### **Lab Wastes**

Lab wastes are not generated at the facility.

### **Other Liquids and Solid Wastes**

There are no other liquids or solid wastes generated at the facility.

## 8 Liquid and Solid Waste Collection / Storage / Disposal

### Collection/Storage

All liquid and solid waste are collected and stored in containers for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### On-site Disposal

There is no on-site disposal at the facility. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### Off-site Disposal

All liquid and solid wastes are disposed off site in accordance with applicable NMOCD, NMED, and EPA regulations.

The following table provides information regarding wastes collected and stored for off site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Slop Oil	Aboveground storage tank within secondary containment	~ 500 bbls per month	Off-site recycling	Eunice Treater
Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 10 bbls per month	Off-site recycling	Eunice Treater
Used Oil Filters	Aboveground storage tank within secondary containment	~ 500 lbs per year	Off-site recycling	Thermofluids
Used Oil	Aboveground storage tank within secondary containment	~ 2000 gal per year	Off-site recycling	Thermofluids

## 9 Proposed Modifications

No modifications are proposed at the facility.

## 10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed monthly to ensure proper collection, storage, and off site disposal of all wastes generated at the facility.

## **11 Spill / Leak Prevention and Reporting (Contingency Plans)**

DCP Midstream will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

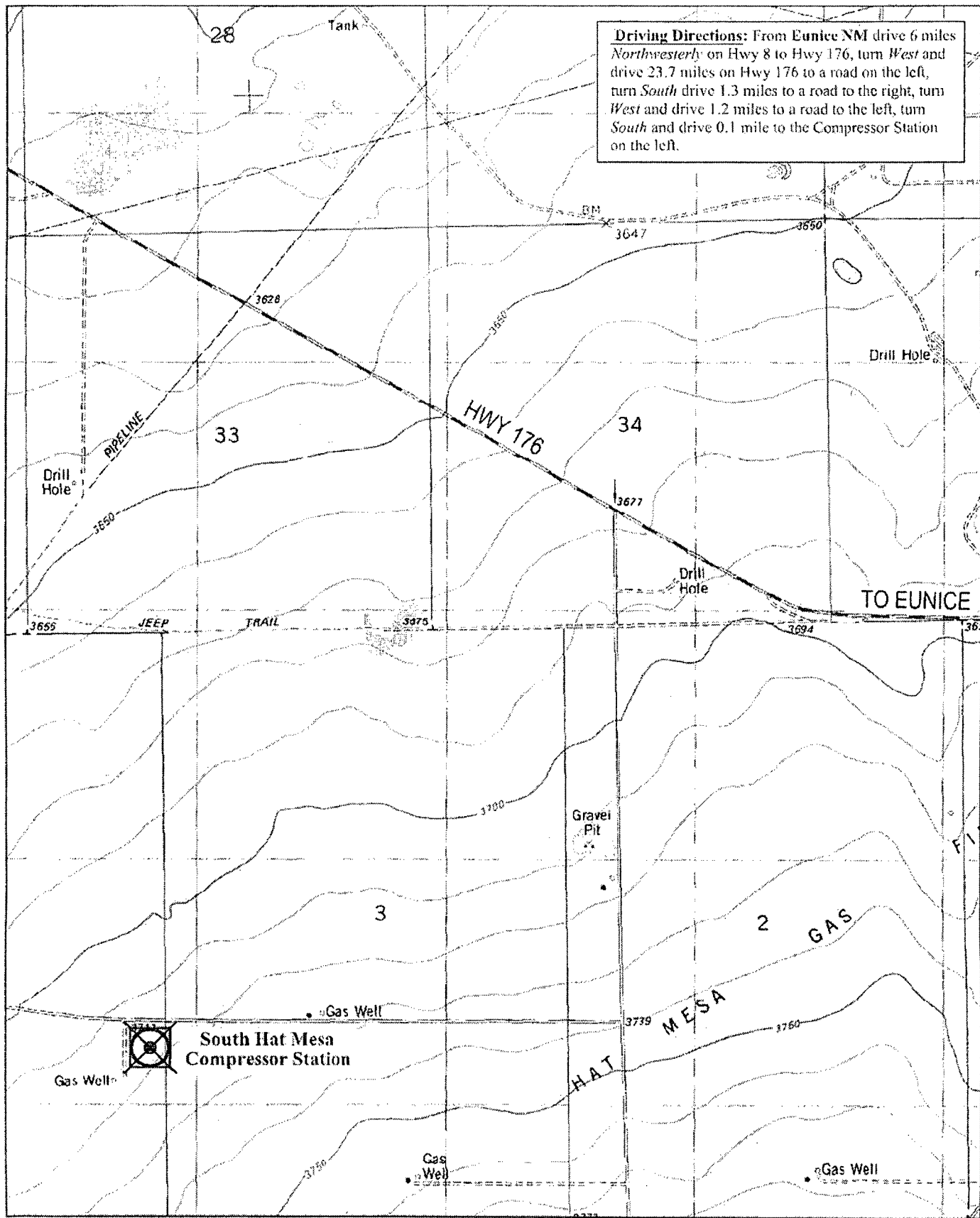
## **12 Site Characteristics**

No changes are proposed.

## **13 Additional Information**

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

## **FIGURES**



**Driving Directions:** From Eunice NM drive 6 miles *Northwesterly* on Hwy 8 to Hwy 176, turn *West* and drive 23.7 miles on Hwy 176 to a road on the left, turn *South* drive 1.3 miles to a road to the right, turn *West* and drive 1.2 miles to a road to the left, turn *South* and drive 0.1 mile to the Compressor Station on the left.



**South Hat Mesa Compressor Station**  
 Lea County, New Mexico  
 Zone 13 UTMH 624789m UTMV 3597327m



32103 E6 Laguna Ciatuna  
 Source: USGS 1:24,000 scale  
 Drawn by: JRE  
 Revised by:  
 Date 11-7-02  
 ENVIRONMENTAL  
 AFFAIRS DEPARTMENT



## Chavez, Carl J, EMNRD

---

**From:** Chavez, Carl J, EMNRD  
**Sent:** Tuesday, February 19, 2008 2:47 PM  
**To:** 'Klein, Elisabeth A'  
**Cc:** Price, Wayne, EMNRD  
**Subject:** Permit Expiration Notification

Dear Ms. Klein:

**Re: DCP Midstream LP GWs# 128, 142, 143, 144, 145 and 296**

**Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permits will expire on 11/20/07 (GW-128: Duke Paige CS), 5/14/08 (GW-143: Duke Cal-Mon CS), 5/17/08 (GW-142: Duke Sand Dunes CS), 7/6/08 (GW-145: Duke Zia Gas Plant & Zia Booster Station), 7/15/08 (GW-296: Duke Cedar Canyon CS), and 8/19/08 (GW-144: Duke North (Westall) CS)** and applications 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. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***

If today's date exceeds your discharge permit expiration date, please submit your application for renewal with \$100 filing fee to me within 30 days of the date of this message. Otherwise, please submit your renewal application within 120 days of your expiration date for the above referenced discharge permits.

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: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>  
(Pollution Prevention Guidance is under "Publications")

2/19/2008



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

January 21, 2003

Mr. Mark Nault  
Duke Energy Field Services, LP  
P.O. Box 5493  
Denver, Colorado 80217

**RE: Discharge Plan Renewal Approval GW-128  
Duke Energy Field Services, LP  
South Hat Mesa Compressor Station  
Lea County, New Mexico**

Dear Mr. Nault:

The ground water discharge plan renewal GW-128 for the Duke Energy Field Services, LP South Hat Mesa Compressor Station located in the SW/4 SE/4 of Section 4, Township 21 South, Range 32 East, NMPM, Lea 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 30 days of receipt of this letter.**

The original discharge plan application was submitted on August 6, 1992 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan renewal application was submitted November 20, 2002 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. 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 Duke Energy Field Services, LP of liability should operations 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 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Duke Energy Field Services, LP 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.



Mr. Mark Nault  
GW-128 South Hat Mesa Compressor Station  
January 21, 2003  
Page 2

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **November 20, 2007**, and Duke Energy Field Services, LP should submit an application in ample time before this date. Note that under 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 the results of an underground drainage testing program as a requirement for discharge plan. Duke Energy Field Services, LP will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the South Hat Mesa Compressor Station if such plan has not been submitted.

The discharge plan application for the Duke Energy Field Services, LP South Hat Mesa Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of \$100.00. There is a flat fee assessed for compressor stations with greater than 1001 horsepower rating equal to \$1,700.00. The OCD has received the filing fee.

**Please make all checks payable to: Water Management Quality Management Fund**  
**C/o: Oil Conservation Division**  
**1220 South St. Francis Drive**  
**Santa Fe, New Mexico 87505.**

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. 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  
Chief, Environmental Bureau  
Oil Conservation Division

RCA/wjf  
Attachment

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-128  
DUKE ENERGY FIELD SERVICES, LP  
SOUTH HAT MESA COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(January 21, 2003)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for compressor stations with greater than 1001 horsepower rating equal to \$1,700.00. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge plan renewal application dated November 20, 2002 and these conditions for approval.
3. 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.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. 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.

8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. 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 demonstrate integrity on an annual basis. Integrity tests include 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. The permittee 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.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
14. 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.
15. Storm Water Plan: Duke Energy Field Services shall maintain storm water runoff controls. As a result of Duke Energy Field Services's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Duke Energy Field Services shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Duke Energy Field Services shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the South Hat Mesa Compressor Station are discontinued for a period in excess of six months. Prior to closure of the South Hat Mesa Compressor Station 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.
17. Certification: Duke Energy Field Services, LP, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Duke Energy Field Services, LP 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.

Accepted:

DUKE ENERGY FIELD SERVICES, LP

by \_\_\_\_\_  
Title

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Revised January 24, 2001

Submit Original  
Plus 1 Copy  
to Santa Fe  
1 Copy to Appropriate  
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,  
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES  
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal ☐ Modification

1. Type: South Hat Mesa Compressor Station
2. Operator: *See enclosed discharge plan.*
3. Location: *See enclosed discharge plan.*
4. Attach the name, telephone number and address of the landowner of the facility site. *See enclosed discharge plan.*
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. *See enclosed discharge plan.*
6. Attach a description of all materials stored or used at the facility. *See enclosed discharge plan.*
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. *See enclosed discharge plan.*
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. *See enclosed discharge plan.*
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. *See enclosed discharge plan.*
10. Attach a routine inspection and maintenance plan to ensure permit compliance. *See enclosed discharge plan.*
11. Attach a contingency plan for reporting and clean-up of spills or releases. *See enclosed discharge plan.*
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included. *See enclosed discharge plan.*
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. *See enclosed discharge plan.*
14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Mark Nault

Title: Asset Manager

Signature: Mark Nault

Date: 11-20-02

**South Hat Mesa Compressor Station  
SW/4 SE/4 T 21S, R 32E, Section 4**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Plan for the South Hat Mesa Compressor Station as previously approved NMOCD on July 31, 1998. This Discharge Plan application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3-104 and 3-106 NMAC.

**1 Type of Operation**

The facility does not intend or have a discharge or discharges that may move directly or indirectly into groundwater.

**2 Operator / Legally Responsible Party**

**Operator**

Duke Energy Field Services, LP  
3300 N. A Street, Building 7  
Midland, TX 79705  
(505) 397-5701  
Contact Person: Mark Nault – Asset Manager

**Legally Responsible Party**

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 900  
Denver, CO 8020  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location Facility**

SW/4 SE/4 Section 4, Township 21S, Range 32E

See Figure 1 – Site Location Map.

**4 Landowner**

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 900  
Denver, CO 80202  
(303) 595-3331

## **5 Facility Description**

The facility provides compression for the Eunice gathering system.

## **6 Materials Stored or Used**

There are no materials stored on-site or used that are discharged on site so that they may move directly or indirectly into groundwater.

## **7 Sources and Quantities of Effluent and Waste Solids**

There are no effluent or waste solids that are discharged on site so that may move directly or indirectly into groundwater. All effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### **Separators/Scrubbers**

Effluent or waste solids generated from separators or scrubbers are not discharged on site so that they may move directly or indirectly into groundwater.

### **Boilers and Cooling Towers/Fans**

There are no boilers or cooling towers/fans at the facility.

### **Process and Storage Equipment Wash Down**

Effluent or waste solids generated from process and storage equipment wash down are not discharged on site so that they may move directly or indirectly into groundwater.

### **Solvents/Degreasers**

Solvent or degreasers are not discharged on site so that they may move directly or indirectly into groundwater.

### **Spent Acids/Caustics**

Spent acids or caustics are not discharged on site so that they may move directly or indirectly into groundwater.

### **Used Engine Coolants**

Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

### **Waste Lubrication and Motor Oils**

Lubrication and motor oils are not discharged on site so that they may move directly or indirectly into groundwater.

### **Used Oil Filters**

Used oil filters are not discharged on site so that they may move directly or indirectly into groundwater.

**Solids and Sludges**

Solids and sludges are not discharged on site so that they may move directly or indirectly into groundwater.

**Painting Wastes**

Painting wastes that are not discharged on site so that they may move directly or indirectly into groundwater.

**Sewage**

Sewage is not generated at the facility.

**Lab Wastes**

Lab wastes are not generated at the facility.

**Other Liquids and Solid Wastes**

Other liquids or solid wastes are not discharged on site so that they may move directly or indirectly into groundwater.

**8 Liquid and Solid Waste Collection / Storage / Disposal****Collection/Storage**

All liquid and solid wastes are collected and stored in containers for off site disposal.

**On-site Disposal**

There are no on site disposal activities at the facility.

**Off-site Disposal**

All liquid and solid wastes are disposed off site.

**9 Proposed Modifications**

An additional compressor will be installed at the facility. All effluent and waste solids generated from the installation and operation of the future additional compressor will be removed from the facility for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

**10 Inspection, Maintenance, and Reporting**

Routine inspections and maintenance are performed to ensure proper collection, storage, and off site disposal of all wastes generated at the facility.

**11 Spill / Leak Prevention and Reporting (Contingency Plans)**

DEFS will respond to and report spills as outlined in the DEFS Environmental Compliance Manual and in accordance with the requirements of NMOCD Rule 116 [19.15.C.116 NMAC] and WQCC regulation [20.6.2.1203 NMAC].



## **12 Site Characteristics**

No Changes.

## **13 Additional Information**

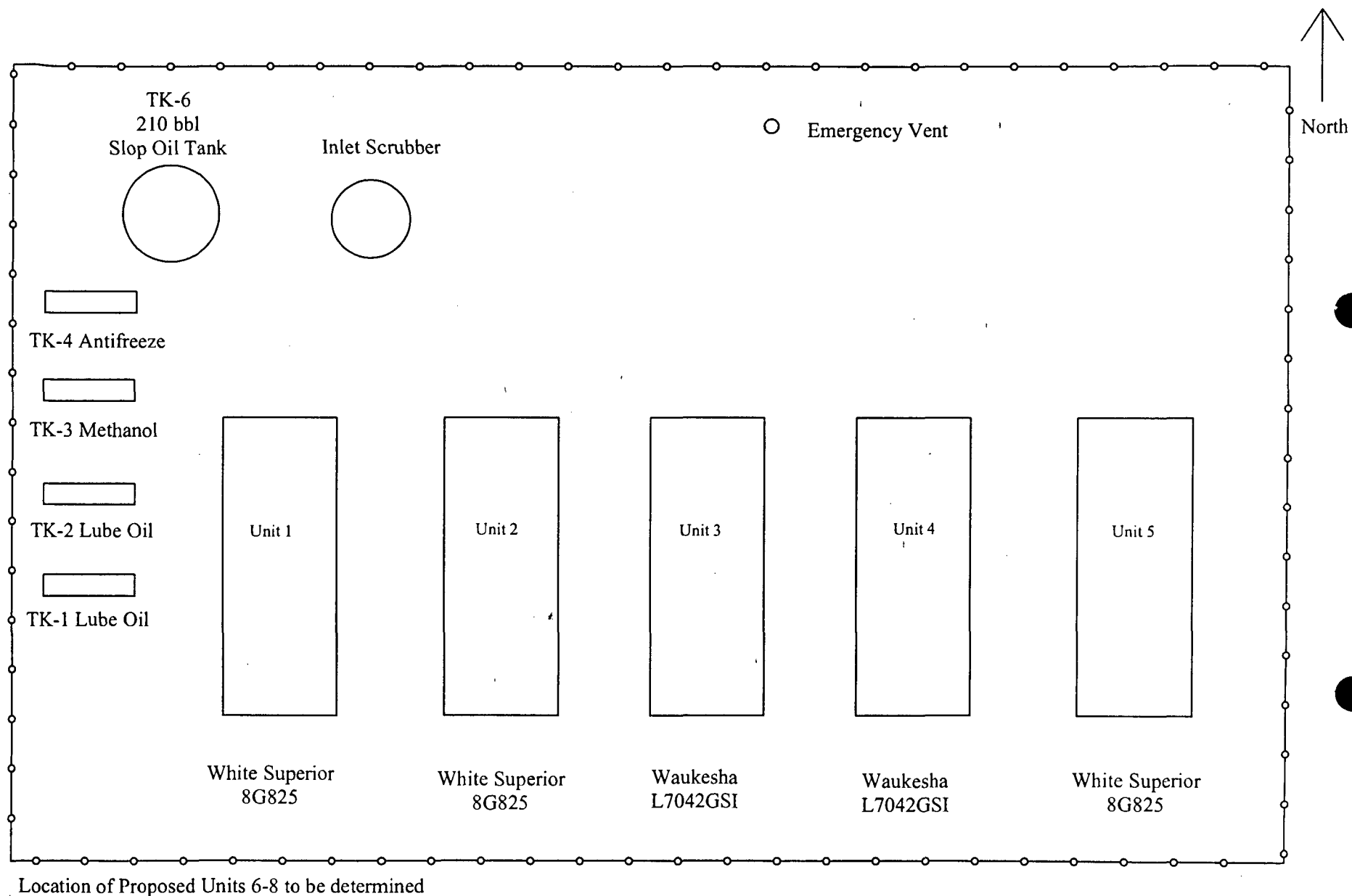
All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

## **FIGURES**

FIGURE 1. Site Location Map – South Hat Mesa Compressor Station.



**FIGURE 2. Facility Plot Plan – South Hat Mesa Compressor Station.**



Details: Schematic Only

Date: November 7, 2001

## SOUTH HAT MESA BOOSTER STATION

Lea County, New Mexico

FACILITY PLOT PLAN

**Duke Energy**  
**Field Services.**  
*A Duke Energy Company*

ATTACHMENT TO THE DISCHARGE PLAN GW-128  
GPM GAS CORPORATION  
HAT MESA COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(July 31, 1998)

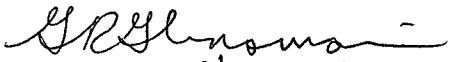
1. Payment of Discharge Plan Fees: The \$50.00 filing fee must be submitted immediately. The \$345.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. GPM Gas Corporation Commitments: GPM Gas Corporation will abide by all commitments submitted in the discharge plan application dated August 31, 1992 and these stipulations for renewal.
3. 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 characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. 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. GPM stipulated a commitment to retro-fit on site saddle tanks in the letter dated June 12, 1998.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. 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 demonstrate integrity on an annual basis. Integrity tests include 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. 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. A certification of mechanical integrity tests, as proposed in the letter dated June 12, 1998, of all underground lines must be submitted to the OCD by November 1, 1998.
11. Class V Wells: 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. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years. Hydrocarbon stained soils will be tested and characterized and treated as proposed in letter dated June 12, 1998. A report of results will be submitted to the OCD annually.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
14. 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.

15. Closure: The OCD will be notified when operations of the Hat Mesa Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Hat Mesa Compressor Station 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.
16. Certification: GPM Gas Corporation, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. GPM Gas Corporation 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.

Accepted:

GPM GAS CORPORATION

  
by V. P. New Mexico Region  
Title





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



BRUCE KING  
GOVERNOR

November 20, 1992

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

ANITA LOCKWOOD  
CABINET SECRETARY

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-667-241-879**

Mr. Vincent Bernard  
Safety & Environmental Supervisor  
GPM Gas Corporation  
4044 Penbrook  
Odessa, Texas 79762

**Re: Discharge Plan GW-128  
Hat Mesa Compressor Station  
Lea County, New Mexico**

Dear Mr. Bernard:

The groundwater discharge plan GW-128 for the GPM Hat Mesa Compressor Station located in the SW/4 SE/4, Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated August 6, 1992 and materials dated August 31, 1992 submitted as supplements to the application.

The discharge plan was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations and is approved pursuant to Section 3-109.A.. Please note Section 3-109.F. provides for possible future amendments or modifications of the plan. Please note that Section 3-104 of the regulations require 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 any facility expansion, production increase, or process modifications that would result in any change in the discharge of water quality or volume. Pursuant to Section 3-109.G.4., this plan approval is for a period of five (5) years. This approval will expire November 19, 1997 and you should submit an application for renewal in ample time before that date.

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

Mr. Vincent Bernard  
November 20, 1992  
Page 2

Please note that approval of this plan does not relieve you of liability should your operation result in pollution of surface water, ground water, or the environment which may be actionable under other laws and/or regulations.

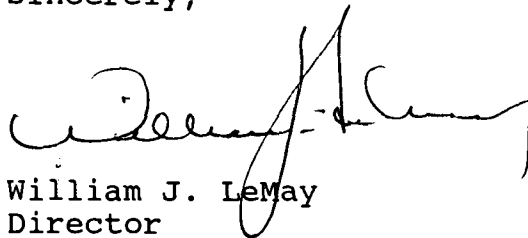
The discharge plan application for the GPM Hat Mesa Compressor Station is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus a flat rate based on the type of facility.

The OCD has received your \$50 filing fee. The flat fee for a discharge plan for a compressor station of between 1000 & 3000 hp is \$690.00 and may be paid in a single payment or in equal installments over the duration of the plan. The flat fee (either total payment or first installment) is due upon receipt of this approval.

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

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

Sincerely,



William J. LeMay  
Director

WJL/cee

xc: Mike Williams, OCD Artesia District

Mr. Vincent Bernard  
November 20, 1992  
Page 3

ATTACHMENT TO THE DISCHARGE PLAN GW-128 APPROVAL  
GPM GAS CORPORATION HAT MESA COMPRESSOR STATION  
DISCHARGE PLAN REQUIREMENTS  
(November 20, 1992)

1. Payment of discharge plan fees: The \$690.00 flat fee or first 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: All pre-existing sumps at this facility will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade tanks will be approved by the OCD prior to installation and 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.