GW - 193

GENERAL CORRESPONDENCE

YEAR(S):

2006 - 1995

TEPPCO

P.O. Box 2521
Houston, Texas 77252-2521
Office 713/759-3636
Facsimile 713/759-3783

April 28, 2006

SENT VIA FEDERAL EXPRESS
NEXT DAY DELIVERY

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

Re: TEPPCO NGL Pipelines, LLC
TEPPCO Val Verde System Discharge Permit Renewals
San Juan and Rio Arriba County, New Mexico

Dear Mr. Price:

TEPPCO NGL Pipelines, LLC ("TEPPCO") is submitting the enclosed signed groundwater discharge plans for 9 of its Val Verde Gas Gathering system compressor stations and 1 gas plant located in San Juan and Rio Arriba Counties, New Mexico. Enclosed with the discharge plan renewal is TEPPCO Check No. **0200001128** (Attachment 3) in the amount of **$19,300.00** for the permit fees. Please refer to the attached facility schedule (Attachment 2) which outlines the submittal dates and payments made for the filing fees and permit fees. Please note the application filing fees for each facility were previously paid with the submittal of the groundwater discharge plan renewal applications.

TEPPCO does not request any major changes to the permit documents as prepared by the New Mexico OCD; however, the dates referenced for the submittal of the discharge plan renewals are not correct for each facility. Each permit states that the renewal applications were submitted on October 31, 2005; however, the 10 renewals were submitted on a staggered schedule ranging from October 11, 2005 to October 31, 2005. Please refer to the attached facility schedule for the appropriate renewal submittal dates.

Notwithstanding the submittal of the enclosed permit fees and documents, TEPPCO does not waive its right to question or dispute the need and/or requirement for this permit at the referenced facilities or other Val Verde facilities.

If you have any questions or require additional information, please contact Peter Cain at (713) 284-5213 or myself at (713) 759-3553.

Sincerely,

Deodat P. Bhagwandin
Manager, Environmental Protection

Val Verde Gas Gathering System Permit Renewal Costs and Schedule

Priority	Station Name	Permit #	Expiration Date	Submittal Date	Application Fee	Permit Fees
1	Hart Canyon	GW-058	10/11/05	10/11/2005	$ 100.00	$1,700.00
2	Manzanares	GW-059	10/11/05	10/11/2005	$ 100.00	$1,700.00
3	Pump Canyon	GW-057	10/11/05	10/11/2005	$ 100.00	$1,700.00
4	Val Verde Treater	GW-051	9/27/05	10/27/2005	$ 100.00	$4,000.00
5	Arch Rock	GW-183	2/21/05	10/19/2005	$ 100.00	$1,700.00
6	Sandstone	GW-193	6/2/05	10/19/2005	$ 100.00	$1,700.00
7	Frances Mesa	GW-194	6/9/05	10/19/2005	$ 100.00	$1,700.00
8	Pump Mesa	GW-148	4/9/03	10/28/2005	$ 100.00	$1,700.00
9	Gobernador	GW-056		10/31/2005	$ 100.00	$1,700.00
10	Sims Mesa	GW-146	4/3/03	10/28/2005	$ 100.00	$1,700.00

Grand Total: **$1,000.00** (paid) **$19,300.00** (paid April 28, 2006)

Chavez, Carl J, EMNRD

From: plcain@teppco.com
Sent: Friday, April 28, 2006 2:37 PM
To: Price, Wayne, EMNRD
Cc: Chavez, Carl J, EMNRD; DPBhagwandin@TEPPCO.COM
Subject: TEPPCO Val Verde Discharge Permits

Mr. Price,

I wanted to let you know that we have signed and completed the discharge permits that you submitted to us at the beginning of April. We have sent them back to you via Federal Express Next Day. You should receive them by Monday. Also included is a check for the permit fees for all 10 facilities and a spreadsheet outlining all 10 facilities and the permit fees due. Please let me know if you do not receive the package.

While we really don't have any comments regarding the permits, I wanted to note that each discharge permit stated that the renewals were submitted on October 31, 2005, while in fact, they were submitted on a staggered schedule beginning October 11, 2005 until October 31, 2005. You may want to make note of that and perhaps change this language for each particular facility. Again, the spreadsheet outlines the dates in which we submitted the renewal applications.

Thanks for your assistance in this matter and please let us know if you have any questions. We enjoyed meeting you back in February and look forward to working with you more in the future.

Regards,

Peter L. Cain
TEPPCO, L.P.
EH&S/ Environmental Protection Group
(713) 284-5213 (phone)
(713) 759-3931 (fax)

	Description	FUND	CES	DFA ORG	DFA ACCT	ED ORG	ED ACCT	AMOUNT	
	CY Reimbursement Project ____ Tax ___	064	01						1
1	CY Reimbursement Project	064	01		2329	900000	2329134		2
5	Gross Receipt Tax	092	13	1300	1696	900000	4169134		3
3	Air Quality Title V	248	14	1400	9696	900000	4969014		4
4	PRP Prepayments	248	14	1400	9696	900000	4969016		5
2	Climax Chemical Co.	248	14	1400	9696	900000	4969246		6
6	Circle K Reimbursements	339	27	2700	1696	900000	4169027		7
7	Hazardous Waste Permits	339	27	2700	1696	900000	4169339		8
8	Hazardous Waste Annual Generator Fees	341	29		2329	900000	2329029	19,300 00	10
0	✓ Water Quality - Oil Conservation Division	341	29	2900	1696	900000	4169029		11
1	Water Quality - GW Discharge Permit	631	31	2500	1696	900000	4169031		12
2	Air Quality Permits	661	33		2919	900000	2919033		13
3	Payments under Protest	662	34		2349	900000	2349001		*14
4	Xerox Copies	662	34		2349	900000	2349002		15
5	Ground Water Penalties	662	34		2349	900000	2349003		16
6	Witness Fees	662	34		2349	900000	2349004		17
7	Air Quality Penalties	662	34		2349	900000	2349005		18
8	OSHA Penalties	662	34		2349	900000	2349006		19
9	Prior Year Reimbursement	662	34		2349	900000	2349009		20
0	Surface Water Quality Certification	662	34		2349	900000	2349012		21
1	Jury Duty	662	34		2349	900000	2349014		22
2	CY Reimbursements (I.e. telephone)	783	24	2500	9696	900000	4969201		*23
3	UST Owner's List	783	24	2500	9696	900000	4969202		*24
4	Hazardous Waste Notifiers List	783	24	2500	9696	900000	4969203		*25
5	UST Maps	783	24	2500	9696	900000	4969205		*26
6	UST Owner's Update	783	24	2500	9696	900000	4969207		*28
8	Hazardous Waste Regulations	783	24	2500	9696	900000	4969208		*29
9	Radiologic Tech. Regulations	783	24	2500	9696	900000	4969211		*30
0	Superfund CERLIS List	783	24	2500	9696	900000	4969213		31
1	Solid Waste Permit Fees	783	24	2500	9696	900000	4969214		32
2	Smoking School	783	24	2500	9696	900000	4969222		*33
	SWQB - NPS Publications	783	24	2500	9696	900000	4969228		*34
	Radiation Licensing Regulation	783	24	2500	9696	900000	4969301		*35
	Sale of Equipment	783	24	2500	9696	900000	4969302		*36
	Sale of Automobile	783	24	2500	9696	900000	4969614		**37
	Lust Recoveries	783	24	2500	9696	900000	4969615		**38
	Lust Repayments	783	24	2500	9696	900000	4969801		39
	Surface Water Publication	783	24	2500	9696	900000	4969242		40
	Exxon Reese Drive Ruidoso - CAF	957	32	9600	1696	900000	4164032		41
	Emerg. Hazardous Waste Penalties NOV	987	05	0500	1696	900000	4169005		42
	Radiologic Tech. Certification	988	20	3100	1696	900000	4169020		44
	Ust Permit Fees	989	20	3100	1696	900000	4169021		45
	UST Tank Installers Fees	991	26	2600	1696	900000	4169026		46
	Food Permit Fees								43
	Other								

TOTAL 19,300 00

oss Receipt Tax Required

** Site Name & Project Code Required

tact Person: Ed Martin Phone: 476-3492 Date: 5/3/06

eived in ASD By: _____ Date: _____ RT #: ___ ST # : _____

FSB025
Revised 07/07/00

TEPPCO PERMIT PAYMENT
April 28, 2006

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

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

TEPPCO

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

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

[redacted]

56-382
412

9600112304

April 28, 2006

PAY TO THE ORDER OF NMED Water Quality Management Fund $ 19,300.00

nineteen thousand three hundred xx/100 DOLLARS

VOID AFTER 90 DAYS

IN SERVICE

B Sandoval Peters MP

[redacted]

THE REVERSE SIDE OF THIS DOCUMENT HAS A SECURITY SCREEN.

NEW MEXICAN
Founded 1849

RECEIVED
DEC 7 - 2005
OIL CONSERVATION DIVISION

EMNRD MINING & MINERALS
ATTN: Wayne Price
1220 S St. Francis Dr
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56660
AD NUMBER: 00148693 ACCOUNT: 00002190
LEGAL NO: 78092 P.O. #: 06-199-050125

477 LINES 1 TIME(S)	267.12
AFFIDAVIT:	0.00
TAX:	20.20
TOTAL:	287.32

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, R. Lara, 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 # 78092 a copy of which is hereto attached was published in said newspaper 1 day(s) between 12/06/2005 and 12/06/2005 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 6th day of December, 2005 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

Approved
W Price

/S/ R. Lara
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 6th day of December, 2005

Notary Janet L. Montoya

Commission Expires: 12/30/07

OFFICIAL SEAL
Janet L. Montoya
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 12/30/07

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, the following discharge permit application(s) has been submitted to the Director of the Oil Conservation Division, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

Ms L. Kristine Aparicio, Manager Environmental Protection, TEPPCO NGL Pipelines, LLC., 2929 Allen Parkway, 70019 P.O. Box 2521 Houston, Texas 77252-2521, telephone 713-759-3636, has submitted renewal applications for the previously approved discharge plans operated by Duke Energy Field Services for the following facilities:

Gobernador Compressor Station GW-056 located in NW/4 NW/4 of Section 31-Township 30N-Range 7W Ro Arriba County, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 80 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Pump Mesa Compressor Station GW-148 located in SE/4 of Section 14-Township 31N-Range 8W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of greater than 20 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Sims Mesa Compressor Station GW-146 located in NE/4 of Section 22-Township 30N-Range 7W Rio Arriba Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of greater than 14 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Pu[redacted]anyon Compressor Station GW-057 located in NW/4 SW/4 of Section 24-Township 30N-Range 9W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 40-120 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Manzanares Compressor Station GW-059 located in SW/4 SE/4 of Section 4-Township 29N-Range 8W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 211 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Hart Canyon Compressor Station GW-058 located in NW/4 SE/4 of Section 20-Township 31N-Range 10W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 130 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Val Verde Treater Gas Processing Plan t Station GW-051 located in SE/4 SE/4 of Section 11-Township 29N-Range 11W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 26-55 feet with an estimated total dissolved solids concentration matching that of the San Juan River and Citizens Ditch..

Arch Rock Compressor Station GW-183 located in NW/4 SW/4 of Section 14-Township 31 -Range 10W San juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 51 feet with an estimated total dissolved solids concentration of 1300 mg/l.

Frances Mesa Compressor Station GW-194 located in SW/4 SW/4 of Section 27-Township 30N-Range 7W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 240 feet with an estimated total dissolved solids concentration of 1700 mg/l.

Sandstone Compressor Station GW-193 located in SE/4 SE/4 of Section 32-Township 31 N-Range 8W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of 80 feet with an estimated total dissolved solids concentration of 1700 mg/l.

The discharge plans addresses how best management practices will be used to properly handle, store, and dispose of oilfield materials and waste. The plan will also have contingencies for preventing and managing releases of accidental discharges of water contaminants to the surface in order to protect fresh water.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge permit application and draft discharge permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. The draft discharge permit may also be viewed at OCD's web site http://www.emnrd.state.nm.us/ocd/. Prior to ruling on any proposed discharge permit or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted and a public hearing may be requested by any interested person. 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 there is significant public interest.

[redacted] no public hearing is held, the Director will approve or disapprove the proposed permit based on information available. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 30th day of November 2005.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Legal #78092
Pub. December 6, 2005

Ad No. 526[redacted]

STATE OF NEW MEXICO
County of San Juan:

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

Sunday, December 04, 2005.

And the cost of the publication is $178.18.

Connie Pruitt

ON 12/6/05 CONNIE PRUITT appeared before me, whom I know personally to be the person who signed the above document.

Wynell Casey

My Commission Expires November 17, 2008.

COPY OF PUBLICATION

918 Legals

NOTICE OF PUBLICATION

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

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Manzanares Compressor Station GW-059 located in SW/4 SE/4 of Section 4-Township 29N-Ronge 8W San Juan Country, New Mexico. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at o depth of 211 feet with an estimated total dissolved solids concentration of 1700 mg/l.

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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge permit application and draft discharge permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. The draft discharge permit may also be viewed at OCD's web site http://www.emnrd.state.nm.us/ocd/. Prior to ruling on any proposed discharge permit or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why o hearing should be held. A hearing will be held if the Director determines there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 30th day of November 2005.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Legal No. 52636 published in The Daily Times

TEPPCO

Environmental, Health, Safety and Regulatory Compliance

2929 Allen Parkway, 70019
P.O. Box 2521
Houston, Texas 77252-2521
Office 713/759-3636
Fax 713/759-3931

October 19, 2005

CERTIFIED MAIL NO.
7004 2510 0003 2575 1640
RETURN RECEIPT REQUESTED

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

Re: TEPPCO NGL Pipelines, LLC
TEPPCO Sandstone Compressor Station
San Juan County, New Mexico
Groundwater Discharge Plan (GW-193) Renewal Application

Dear Mr. Price:

TEPPCO NGL Pipelines, LLC ("TEPPCO") is submitting the enclosed Discharge Plan Application (Attachment 1) for its TEPPCO Sandstone Compressor Station in San Juan County, New Mexico. Enclosed with the discharge plan renewal is TEPPCO Check No. **0200428491** (Attachment 4) in the amount of **$100.00** for the application filing fee. The permit fee in the amount of $1,700 will be paid once the application is approved.

As mentioned in previous permit renewal applications submitted by the former operator, Duke Energy Field Services ("DEFS"), TEPPCO does not believe that a discharge plan is required for this facility under the Water Quality Control Commission ("WQCC") regulations because there are no discharges from the TEPPCO Sandstone Compressor Station.

Notwithstanding the submittal of the enclosed permit fees and documents, TEPPCO does not waive its right to question or dispute the need and/or requirement for this permit at the referenced facility or other Val Verde facilities.

If you have any questions or require additional information, please contact Peter Cain at (713) 284-5213 or myself at (713) 759-3654.

Sincerely,

L. Kristine Aparicio
Manager, Environmental Protection

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

September 30, 2005

CERTIFIED MAIL
RETURN RECEIPT NO. 7001 1940 0004 7923 4788

Karin Kimura
Duke Energy Field Service
370 17th Street
Denver, Colorado 80202

Subject Matter: Compliance Orders

Dear Ms. Kimura:

Please find enclosed Compliance Orders for the following facilities:

NM-OCD 2006-002	Val Verde Plant	GW-051
NM-OCD 2006-003	Arch Rock Compressor St.	GW-183
NM-OCD 2006-004	Sandstone Compressor St.	GW-193
NM-OCD 2006-005	Hobbs Gas Processing Plant	GW-175
NM-OCD 2006-006	Apex Compressor St.	GW-163

Sincerely,

Mark E. Fesmire, P.E.
Director-Oil Conservation Division

NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

September 16, 2005

CERTIFIED MAIL
RETURN RECEIPT NO. 7001 1940 0004 7923 4764

Karin Kimura
Duke Energy Field Service
P.O. Box 5493
Denver, Colorado 80202

Subject Matter: Compliance Orders

Dear Ms. Kimura:

Please find enclosed Compliance Orders for the following facilities:

NM-OCD 2006-002	Val Verde Plant	GW-051
NM-OCD 2006-003	Arch Rock Compressor St.	GW-183
NM-OCD 2006-004	Sandstone Compressor St.	GW-193
NM-OCD 2006-005	Hobbs Gas Processing Plant	GW-175
NM-OCD 2006-006	Apex Compressor St.	GW-163

Sincerely,

J. Daniel Sanchez
Enforcement and Compliance Manager
Oil Conservation Division

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

September 15, 2005

This is a directive to notify that I, Mark Fesmire, will be out of the office from September 16 through 23, 2005.

During my absence, Daniel Sanchez is hereby given authority to sign all OCD documents requiring my signature.

Mark E. Fesmire, PE
Director

Duke Energy. Field Services
A New Kind of Energy™

OIL CONSERVATION DIV.
02 JUL -5 PM 1:58

Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

July 1, 2002

CERTIFIED MAIL
RETURN RECEIPT

Electronic Delivery July 1, 2002

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

Subject: Change in Ownership
Val Verde System

Dear Mr. Price:

On behalf of Val Verde Gas Gathering Company, LP, Duke Energy Field Services, LP (DEFS) is submitting notification of a change in ownership of 14 facilities in Rio Arriba and San Juan Counties, New Mexico. Effective July 1, 2002, Val Verde Gas Gathering Company, LP is the new owner of the facilities identified in the attached list. The attachment lists the facility name, discharge plan number and legal location.

DEFS will be operating the facilities identified in the attached lists. Therefore, DEFS requests the transfer of the discharge plans identified in the attached list to Duke Energy Field Services, LP.

DEFS will comply with the terms and conditions of the previously approved discharge plans submitted by Burlington Resources Gathering, Inc.

If you have any questions regarding this transfer of ownership and/or the discharge plans, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP

Karin Char
Environmental Specialist

Attachment

cc: NMOCD District 3 Office (hard copy)
1000 Rio Brazos Road
Aztec, NM 87410

Notification of Change in Ownership
Val Verde System
Effective July 1, 2002

Facility/Project	Plan Number	Location Sec-Twnshp-Range	County / State
Arch Rock Compressor Station	GW-183	14 –T31N – R10W	San Juan / New Mexico
Buena Vista Compressor Station	GW-255	13 – T30N – R9W	San Juan / New Mexico
Cedar Hill Compressor Station	GW-258	29 – T32N – R10W	San Juan / New Mexico
Frances Mesa Compressor Station	GW-194	27 – T30N – R7W	Rio Arriba / New Mexico
Gobernador Compressor Station	GW-056	31 – T30N – R7W	Rio Arriba / New Mexico
Manzanares Compressor Station	GW-059	4 – T29N – R8W	San Juan / New Mexico
Hart Canyon Compressor Station	GW-058	20 – T31N – R10W	San Juan / New Mexico
Middle Mesa Compressor Station	GW-077	10 – T31N – R7W	San Juan / New Mexico
Pump Canyon Compressor Station	GW-057	24 – T30N – R9W	San Juan / New Mexico
Pump Mesa Compressor Station	GW-148	14 – T31N – R8W	San Juan / New Mexico
Quinn Compressor Station	GW-239	16 – T31N – R8W	San Juan / New Mexico
Sandstone Compressor Station	GW-193	32 – T31N – R8W	San Juan / New Mexico
Sims Mesa Compressor Station	GW-146	22 – T30N – R7W	Rio Arriba / New Mexico
Val Verde Gas Handling Facility	GW-51	14 – T29N – R11W	San Juan / New Mexico

Duke Energy®
Field Services

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
Direct: 303-595-3331
Fax: 303-389-1957

October 24, 2002

Mr. Wayne Price
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Results of the annual sump integrity inspection program - Val Verde Facilities.

Dear Mr. Price:

The purpose of this correspondence is to provide your office with written notice that Duke Energy Field Services (DEFS) completed the annual sump integrity testing at its Val Verde Area Facilities. I have sent you multiple copies of this letter such that you can file one copy per site.

The below listed facilities have double wall sumps with leak detection between the walls. The following actions were taken at each facility sump:

1. Visually inspect for liquids between the sump walls
2. Pull the leak sensor
3. Place it in water.
4. Check the control panel for a positive indication of a leak
5. Return the leak sensor.
6. Check the control panel to assure a return to a negative reading

These procedures were implemented at each of the inspections, at the facilities below. There were no visual signs of leaks and all equipment functioned correctly.

Facility Name / inspection date	Visual inspection	Electronic Sensor	Facility Name	Visual inspect	Electronic Sensor
Arch Rock 8/20/02	PASS	PASS	Middle Mesa 8/23/02	PASS	PASS
Buena Vista 8/22/02	PASS	PASS	Pump Canyon 8/19/02	PASS	PASS
Cedar Hill 8/21/02	PASS	PASS	Pump Mesa 8/19/02	PASS	PASS
Francis Mesa 8/20/02	PASS	PASS	Sandstone 8/19/02	PASS	PASS
Gobernador 8/20/02	PASS	PASS	Sims Mesa 8/20/02	PASS	PASS
Manzanares 8/20/02	PASS	PASS	Hart 8/20/02	PASS	PASS

The sump at the Quinn Compressor Station is double walled, but there is no leak detection system. A visual inspection of the space between the two sump walls showed no liquid. Additionally, the inner tank was pressured up with nitrogen to three pounds of pressure. The pressure was observed for 30 minutes, with no reduction. It was determined that the Quinn sump was structurally sound.

There are two sumps at the Val Verde Treater. (T-5419 and T8419) These two sumps were cleaned and inspected on August 18, 2002. The sumps are double walled and the secondary containment space was inspected for leaks from the primary tank. This area was found to be dry with no indication of a leak on both sumps. The high level alarm was tested in each sump and found to be operational. The ejection pumps were tested and found to be in good working order on each unit. After inspection, the sumps were cleaned and vacuumed to prevent any solid material from plugging the pumps. The sumps were inspected and photographed. It was determined that the two Val Verde sumps were structurally sound.

This completes the 2002 Val Verde Area annual sump inspection program. Thank you for reviewing this summary letter report. Should any questions arise, please notify me at 303 605 1726.

Sincerely yours,

Jack E. Braun

Jack E. Braun
Sr. Env. Specialist

Cc: Mike Lee, DEFS Val Verde Office
Blair Armstrong. "
Rick Wade "
Denny Foust OCD District Office

BURLINGTON RESOURCES

SAN JUAN DIVISION

February 7, 2002

Certified Mail: 70993400001842165353

Wayne Price
N.M. Oil Conservation Division
1220 South Street Francis Drive
Santa Fe, NM 87505

Re: 2001 Compressor Station Sump and Line Testing Integrity Inspections

Dear Mr. Price:

The purpose of this correspondence is to provide your office with written notice that the sumps at the following compressor stations were visually tested in September 2001 (OCD Discharge Plan Special Condition # 8). In addition, five of the stations successfully completed the required underground wastewater line testing (OCD Discharge Plan Condition # 9) at the same time as sump inspections. All the stations passed the required testing. No evidence of discharges of wastewater was observed during the testing. Under the normal gravity draining operation of the drain lines, no discharge of wastewater is expected.

Arch Rock	*Buena Vista	*Middle Mesa	Manzanares
Hart Canyon	*Rattlesnake	Pump Mesa	Gobernador
*Cedar Hill	Sandstone	Sims Mesa	Frances Mesa
Pump Canyon	*Quinn		

* Underground Line Testing

For the visual sump inspection, the sumps were completely emptied, cleaned and the lids removed to allow access to each unit. The underground line testing was conducted using the process approved in the OCD's letter dated November 19, 1998. Basically, the procedure is as follows:

1. Underground lines will be plugged at the end of the sump.
2. At the entry point of the underground lines a threaded site glass column assembly will be installed.
3. After all exit points are sealed, the underground lines will be filled with water to a common mark on a glass column assembly. The site glass filling mark will be of sufficient height to be equivalent to a static head pressure of at least 3 psi on the piping system.
4. The site glass will be monitored for 30 minutes.
5. The test will be deemed successful if the level does not fluctuate from the test mark on the glass column.

Please note, BR has included a copy of this letter for each test completed to assist in the distribution of the letter in your files. If you have questions or need additional information, please contact me at (505) 326-937.

Sincerely,

Gregg Wurtz
Environmental Representative

CC: Bruce Gantner
Denny Foust, OCD District Office

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 14, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 4560

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

RE: Site Inspections

Dear Mr. Wurtz:

New Mexico Oil Conservation Division (OCD) recently conducted site inspections of several Burlington Resources (BR) compressor stations that currently have discharge plan permits. Please find enclosed a copy of these inspection reports including photos for your files. Below is a summary of action items required to be addressed by Burlington Resources:

Manzanares GW-059:

1. Discharge of oil from the compressors are being deposited on the ground. (see picture #2)
2. Oil stain found around waste water tank. (see picture #3)

Gobernador GW-056:

1. Compressor building drain line will not hold pressure.

Pump Mesa GW-148:

1. Oil stain around produced water tank. (see picture #2)
2. Oil stain around compressor sump. (see picture #3)

Quinn GW-239:

1. TEG and De-hydrator waste water tank secondary liner is torn. (see picture #2)

Sandstone GW-193:

1. Tank farm area- lube oil pump is leaking and produced water tank is wet around base.

Rattlesnake GW-093:

1. Motor oil and anti-freeze storage tanks do not have proper containment.
2. Oil and water observed in condensate underground wastewater storage tank leak detector. (see picture 2&3)

Bunea Vista GW-255:

1. Submit most recent analysis from monitoring wells.

Pump Canyon GW-057:

1. Sign needs to be changed from Meridian to Burlington Resources. (see picture #1)

Hart Canyon GW-058:

1. Main Compressor sump has lost mechanical integrity. (see picture #3)

Cedar Hill GW-258:

1. Plant main vent system has oil accumulating on stack and system is located in stormwater drain area. (see picture #2)

Middle Mesa GW-077:

1. De-hydrator steam condensate wastewater tank needs proper containment. (see picture #2)
2. Outside west compressor-oil and water being discharged to ground. (see picture #3)

Common action items for all sites:

1. Burlington shall make minor modifications to all discharge plans to include a routine check for emptying all sumps and troughs.
2. Burlington shall make minor modifications to all discharge plans up dating where all solid waste is being disposed of.

Please provide a detail report for each action item listed above showing your corrective actions taken and/or findings by January 15, 2001.

If you have any questions please do not hesitate to call me at 505-827-7155.

Sincerely;

Wayne Price- Pet. Engr. Spec.

Cc: OCD Aztec Office
Attachments-11

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Revised March 17, 1999

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

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

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

☐ New ☒ Renewal ☐ Modification GW-193

1. Type: Sandstone Compressor Station
2. Operator: Burlington Resources

   Address: P.O. Box 4289, Farmington, NM 37499

   Contact Person: Ed Hasely Phone: (505) 326-9341
3. Location: SE /4 SE /4 Section 32 Township 31N Range 08W

   Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
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: Ed Hasely Title: Sr. Staff Environmental Rep.

Signature: Ed Hasely Date: 2/3/00

BURLINGTON RESOURCES

SAN JUAN DIVISION

June 29, 2000

Certified Z 554 663 693

Mr. Roger C. Anderson
Chief, Environmental Bureau
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Discharge Plan Renewal GW-193
Sandstone Compressor Station

Dear Mr. Anderson,

Thank you for the response and approval of the ground water discharge plan renewal application GW-193 for the Burlington Resources Gathering Inc. (BR) Sandstone Compressor Station located in the SW/4, SW/4 of Section 27, Township 30 North, Range 7 West, NMPM, San Juan County, New Mexico.

As per your request, BR is providing: 1) a signed copy of the Discharge Plan Approval Conditions (Attachment 1); 2) the results of the underground pipeline test demonstrating mechanical integrity (Attachment 2); and 3) an updated discharge plan (Attachment 3). The approved discharge plan was updated to include the requested storm water run off plan information (Condition Number 15) and information demonstrating compliance with the approval conditions.

BR believes storm water is more appropriately addressed within the existing discharge plan and not a separate storm water plan. Storm water runoff issues are addressed in Sections V through XII. Additional information was added to Sections VII.D.3, VII.E, IX.B, IX.C, and X.B of the discharge plan to address compliance with the approval conditions. In addition, a clarification was made to Condition Number 10.

As per Mr. Wayne Price's request, BR is providing information that supports our decision to address storm water runoff in the existing groundwater discharge plan.

1. The Sandstone discharge plan sufficiently addresses storm water runoff.
2. Storm water does not come in contact with process waste streams at the Sandstone Compressor Station; hence the potential for a release is avoided.
3. A storm water plan is not a requirement of the U.S. EPA for the Sandstone Compressor Station (Federal Register/Vol. 55 No. 222/Friday, November 16, 1990).

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

If you have questions or need additional information regarding this issue please contact me at (505) 326-9537.

Sincerely,

Gregg Wurtz
Sr. Environmental Representative

Attachments: Sandstone Discharge Plan GW-193
Sandstone Under ground Pipeline and Below Grade Sump verification letter
Sandstone Discharge Plan GW-193 Approval Conditions

cc: Greg Kardos, BR
Bruce Gantner, BR
New Mexico Oil Conservation Division - Aztec Office
Sandstone Compressor Station: Discharge Plan
Correspondence

Attachment 1 Burlington Resources Sandstone Compressor Station Discharge Approval Conditions

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-193
BURLINGTON RESOURCES
SANDSTONE COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(MARCH 31, 2000)

1. Payment of Discharge Plan Fees: The $50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for natural gas compressor stations with horsepower rating between 1000 and 3000 horsepower. The renewal flat fee required for this facility is $345.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.

2. Commitments: Burlington Resources will abide by all commitments submitted in the discharge plan renewal application letter dated February 3, 2000 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.

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 be tested to demonstrate their mechanical integrity no later than May 30, 2000 and every year from tested date thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by June 30, 2000.

10. * Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than May 30, 2000 and every 5 years from tested date thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by June 30, 2000.

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.

* Process lines do not include, gas supply lines.

13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec 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: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Sandstone Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Sandstone Compressor Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

17. Conditions accepted by: **Burlington Resources**, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **Burlington Resources** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Burlington Resources Gathering Inc.

Print Name: John F. Zent

Signature: _____

Title: Attorney in Fact

Date: June 29, 2000

Attachment 2 Underground Pipeline and Below Grade Sump Testing Burlington Resources Frances Mesa Compressor Station

BURLINGTON RESOURCES

SAN JUAN DIVISION

June 29, 2000

Certified Z 554 663 693

Mr. Roger C. Anderson
Chief, Environmental Bureau
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Sandstone Compressor Station Discharge Plan GW-193
Condition #9 Below Grade Tanks/Sumps and Condition #10 Underground Wastewater lines

Dear Mr. Anderson,

This letter documents the successful completion of the mechanical integrity testing of the underground pipelines and the below grade sump at Burlington Resources Gathering Inc. Sandstone Compressor Station. The results of the pipeline test and sump test were determined to be satisfactory and no concerns with mechanical integrity were identified during the tests.

The OCD Aztec District Office was notified in writing 72 hours in advance of testing on January 26, 2000. The testing was successfully completed March 14, 2000. The pipeline test was performed by placing the pipelines under a hydrostatic pressure test of 3 pounds per square inch above normal operating pressure and maintaining this pressure for 30 minutes. This test methodology was approved in OCD's letter dated November 19, 1998.

The below grade sump was steam cleaned and visually inspected.

If you have questions or need additional information regarding this issue please contact me at (505) 326-5937.

Sincerely,

Gregg Wurtz
Sr. Environmental Representative

cc: Greg Kardos
Bruce Gantner
New Mexico Oil Conservation Division - Aztec Office
Sandstone Compressor Station: Discharge Plan
Correspondence

Attachment 3 Sandstone Compressor Station Discharge Plan

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

June 29, 2000

Prepared for:

Burlington Resources Oil & Gas Co.
San Juan Division
Farmington, New Mexico

Prepared by:

Gregg Wurtz
Sr. Staff Environmental Representative

TABLE OF CONTENTS

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

I. TYPE OF OPERATION

The Sandstone Compressor Station (Sandstone) is a natural gas compressor station which receives lean gas via an upstream gathering system. At this facility the gas is compressed and dehydrated to an intermediate pressure.

II. OPERATOR AND LOCAL REPRESENTATIVE

A. Operator

Name: Burlington Resources Oil & Gas Co.	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: 505-326-9700**

B. Local Representative

Name: Gregg Wurtz	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: 505-326-9537**

III. FACILITY LOCATION

Township: T 31N	**Range: R 8W**	**Section: S 32 SE 4**	**County: San Juan**

A topographic map of the area is attached as Figure 1, Facility Area Map.

IV. LANDOWNERS

Name: Burlington Resources Oil & Gas Co.	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: (505) 326 - 9700**
Name: State of New Mexico	**Address: P.O. Box 1148**
City: Santa Fe	**State: New Mexico**
Zip: 87504-1148	**Phone: (505) 827-7153**

V. FACILITY DESCRIPTION

The Sandstone Compressor Station is constructed on a pad of approximately 2.33 acres in size. It consists of two gas compression engines (1200 hp each), one dehydration unit, and the following tanks and sumps:

Container Type	Capacity	Product	Construction Material	Location
Tank	100 barrel	Lube Oil	Steel	Above ground
Tank	100 barrel	Used Oil	Steel	Above ground
Tank	100 barrel	Ethylene glycol (EG)	Steel	Above ground
Tank	100 barrel	Produced Water	Steel	Above ground
Tank	750 gallon	Triethylene glycol (TEG)	Fiberglass	Above ground
Process Sump	640 gallon	Water, TEG, EG, Oil	Steel	Below ground

The attached Figure 2 illustrates the overall facility layout and equipment components.

VI. SOURCES, QUANTITIES & QUALITY OF EFFLUENTS

A. Waste Stream Data

Source of Waste	Type of Waste	Volume/Month	Type/Volume of Additives	Collection System/Storage
Dehydration Unit	Produced Water	3 barrels	None	Piped to sump
Dehydration Unit	TEG	Intermittent	None	Drums
Dehydration Unit	Used TEG Filters	3 filters	None	Container/bin
Compressor Engines	Cooling Water	Intermittent	Ethylene Glycol (EG)	Drums
Compressor Engines	Leaks and Precipitation	Intermittent	EG, Oil, Water	Sump
Compressor Engines	Used Oil	160 gallons	None	Aboveground steel tank
Compressor Engines	Oil Filters	4 filters	None	Container/bin
Inlet Filter Separator	Inlet Filters	4 filters	None	Container/bin
Discharge Filter Coalescer	Coalescer Filters	4 filters	None	Container/bin
36" Slug Catcher Inlet Separator	Produced Water	93 barrels	Corrosion Inhibitors	Aboveground steel tank
Trash	Solid Waste	1-2 Containers	None	Container/bin

B. Quality Characteristics

1. Note that there are no process waste stream discharges from Sandstone to the ground surface. Waste streams are contained and their disposition is described in Section VIII.

2. Chemical analysis has not been performed on any of the waste streams because they are not disposed of on-site as an "effluent." Produced water from the inlet filter separator, discharge filter coalescer, and the dehydration unit may contain the BETX hydrocarbon compounds listed in WQCC 1-101.ZZ. Similarly, used oil collected in the sumps will contain the WQCC 1-101.ZZ hydrocarbon compounds.

C. Commingled Waste Streams

1. Produced water from the sump, slug catcher, and dehydration units are commingled prior to being hauled for disposal. In addition, wash water (fresh water) may be introduced into the sump during maintenance operations.

VII. TRANSFER & STORAGE OF PROCESS FLUIDS & EFFLUENTS

A. Storage

Information on the waste stream collection and storage containers is summarized in the tables in Sections V and VI.

B. Flow Schematics

The individual "treatment" units are shown on Figure 2. Produced water may be generated during the compression and dehydration of the gas with the water being diverted to an open top tank. Produced water can also be removed at the dehydration units and stored in the open top tanks. The equipment at Sandstone are self-contained units, such that they do not constitute a "process flow" appropriate for a flow schematic.

C. Surface and Subsurface Discharge Potential

1. The table in section V provides a listing of all above ground tanks and below grade sumps. Pressurized pipelines carry the compressed gas through the dehydration unit and outlet meter to the downstream line.

2. Used compressor lube oil and engine crankcase oil is pumped into the 100 barrel used oil tank. Drips and minor leaks (de minimus quantities) from the compressors, compressor engines and elevated lube oil tank may drain into the sump. Fluids collected in the sump are periodically transferred to the 100 bbl above ground storage tank for disposal (see section VIII).

3. The size and construction material of the collection units, including lining material, is described in the table in section V.

D. NMOCD Design Criteria

1. The 100 bbl tanks (used oil tank, EG tank, produced water tank, and lube oil tank) are located in a 22' x 57.5' x 2' bermed area. Capacity of the bermed area meets the general engineering practice of one and one third times the capacity of the largest tank. Each of the four tanks are independent and are not connected together by a common manifold.

2. The TEG regeneration skid is a self-contained unit equipped with containment curbs to capture any leaks that may occur during the TEG regeneration process.

3. The below ground sump complies with OCD specifications. The sump is equipped with double walls and a leak detection system.

4. The installation of the 100 bbl storage tanks has been designed such that any leaks in the tanks will remain on the surface and not seep into the ground below the tanks. The design calls for a continuous mat of 40-mil HDPE liner placed on the grade below the storage tanks. The tanks are then supported above the liner on a 6" gravel pack contained in a steel ring. Any leak in the tanks will seep through the gravel to the mat and be identified in the area outside of the steel ring.

5. An impermeable bermed containment will be installed if a major modification to the existing tank battery occurs and the potential for a release to the environment exists. BR will consider the replacement of a single tank within a multiple tank battery a minor modification. A major modification may include but is not limited to replacing the entire tank battery or increasing tank volume substantially.

E. Underground Pipelines

The mechanical integrity testing of the underground wastewater pipelines is performed prior to start-up and once every five years from the date of permit renewal approval. NMOCD will be notified 72 hours prior to testing.

F. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. All plant processes are closed pipes, contained in tanks, or otherwise controlled to prevent leakage. No additional modifications are proposed at this time.

VIII. EFFLUENT DISPOSAL

A. On-Site Disposal

This facility does not conduct any on-site waste disposal. All waste streams are taken off-site for recycling or disposal.

B. Off-Site Disposal

The following table provides information about off-site waste disposal:

Waste Stream	Shipment Method	Shipping Agent	Final Disposition	Receiving Facility
Produced Water	Truck	*See Note 1*	Class II Well	*See Note 2*
TEG Filters Oil Filters	Truck	Waste Management County Rd 3100 Aztec, NM	Filters are landfilled	Waste Management County Rd 3100 Aztec, NM
Antifreeze Spent Glycol	Truck	Contractor Varies	Recycled or stabilization / land farm or landfill	*See Note 3*
Used Oil	Truck	*See Note 1*	Recycled	Safety Kleen Corp. 4210 Hawkins Rd. Farmington, NM
Impacted Soil	Truck	Contractor Varies	Landfarmed	See Note 3
Solid Waste *(Trash/Refuse)*	Truck	Waste Management / Cooper Energy Services	Landfill	Waste Management County Rd 3100 Aztec, NM

Note 1: The trucking agent contracted to ship effluents off-site will be one of the following:

Dawn Trucking Co.
318 Hwy. 64
Farmington, New Mexico.

Key Trucking
708 S. Tucker Ave.
Farmington, New Mexico

Safety-Kleen
4210 A Hawkins Rd
Farmington, NM

Note 2: The off-site Disposal Facility will be one of the following:

McGrath SWD #4
Sec. 34, T-30-N, R-12-W
San Juan County
New Mexico

Basin Disposal
Sec. 3, T-29-N, R-11-W
6 County Rd 5046
Bloomfield, New Mexico

Key Disposal
Sec. 2, T-29-N, R-12-W
323 County Rd. 3500
Farmington, New Mexico

Note 3: Off-site receiving facility for these materials will be one of the following:

Envirotech
5796 US Hwy. 64
Farmington, New Mexico

Waste Management
Road 3100
Aztec, New Mexico

Tierra Environmental
Sec 2, T29N, R12W
San Juan Co., NM

Coastal Chemical Co.
10 Road 5911
Farmington, NM

C. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. No additional modifications are proposed at this time.

IX. INSPECTION, MAINTENANCE AND REPORTING

A. Leak Detection/Site Visits

The below ground sump is equipped with double walls and a leak detection system. As described in section VII. D. 1 the 100-bbl storage tanks are placed on a liner within a berm to aid in detecting any leaks from the storage tanks.

Routine visual inspection of facility equipment and continuous monitoring of process instrumentation are performed to identify possible leaks.

Should a release of materials occur, BR will comply in accordance with provisions described in NMOCD Rule and Regulation #116 and WQCC section 1-203.

B. Precipitation/Storm Water Runoff

Storm water run-off does not come in contact with process waste streams. Precipitation that contacts the process equipment is collected in the process sump or contained within containment skids and allowed to evaporate. The facility pad is maintained and where necessary armored with gravel to minimize erosion and prevent surface accumulations of storm water. Containment areas and open top tanks are inspected periodically to monitor fluid levels.

A storm water plan is not a requirement of the EPA (Federal; Register/Vol. 55 No. 22, Friday, November 16, 1990). A storm water permit is necessary only if a facility has had a release of a reportable quanty of oil or a hazardous substance in storm water in the last three years. The Arch Rock Compressor Station has not had a release of a reportable quantity to date.

C. General Maintenance

A log documenting spill collection/prevention is maintained as part of a daily log of the station operator's activities and maintenance work. The log specifically addresses compressor maintenance, however the operator does inspect the general facility and the station's systems for spill collection /prevention on a routine basis. Maintenance findings are noted in a logbook and corrective action is documented.

X. SPILL/LEAK PREVENTION & REPORTING

A. Spill/Leak Potential

Potential sources of spills or leaks at this facility include the following:

1. Tank overflow or rupture;
2. Overflow or cracking of concrete sumps;
3. Rupture of process pipelines;
4. Pigging operations.

Prevention of accidental releases from these sources is a high priority of Burlington Resources (BR). Spill prevention is achieved primarily through proper execution of operating procedures and secondly, by an active equipment inspection and maintenance program. Spill detection is accomplished by routine visual inspection of facility equipment and continuous monitoring of process instrumentation.

To reduce the risk of spilled process fluids from contacting the ground surface, BR has installed self contained skids for process equipment with a higher probability of a spill/leak. Each of the containment basins either has a small open top collection area or a drain to the process sump to aid in fluid disposal.

B. Spill/Leak Control

General spill cleanup procedures may involve minor earthwork to prevent migration, and recovery of as much free liquid as possible. Recovered fluids would then be transported off-site for recycling or disposal. Clean-up procedures by BR will follow OCD Guidelines for Remediation of Leaks, Spills, and Releases.
Process and maintenance areas are paved and curbed or have spill collection controls implemented if a reoccurring long term pattern of significant spills or leaks is identified that can not be remediated by general clean up procedures. Incidental leaks or process/maintenance spills that are adequately remediated are not considered significant.

C. Spill/Leak Reporting

Should a release of materials occur, BR will comply in accordance with provisions described in NMOCD Rule and Regulation #116 and WQCC section 1-203.

XI. SITE CHARACTERISTICS

A geotechnical report was generated to document physical characteristics of soils in the area of Sandstone for the purposes of construction. Documentation of the soils involved drilling three boreholes (ranging from 16.5' to 26' in depth), classifying and logging each soil type as it was encountered. The geotechnical survey is not included with this discharge plan.

A. Hydrologic Features

1. There are no known domestic water supplies or surface water bodies within one mile of Sandstone. There is one drainage wash/arroyo which runs along the north edge of the site.

2. Cathodic well data in the area indicates the depth to ground water to be approximately 80 feet. No ground water was encountered during test borings for the geotechnical survey. Total Dissolved Solids (TDS) of water from this formation is estimated to be greater than 1700 mg/l on an avg. (New MexicoBureau of Mines and Mineral Resources, 1983).

3. Ground water flow direction is likely to be southwest, based on a review of topographic features at the site. This would be consistent with an existing wash/arroyo which runs along the north edge of the site.

B. Geologic Description of Discharge Site

1. The site is underlain predominately by stratified clay, overlaying sand soils with varying amount of silt and clay, overlaying formational shale and/or sandstone. Auger refusal was encountered at about 26 feet on one of the borings. Groundwater was not encountered in any of the borings.

2. The aquifer most likely to be affected by a discharge in this area is the San Jose Formation.

3. This formation is characterized by interbedded sandstone and mudstones. The thickness of the formation ranges up to nearly 2,700 feet, in the basin between Cuba and Gobernador. (New Mexico Bureau of Mines and Mineral Resources, 1983).

C. Flood Protection

Sandstone lies approximately 700 feet above the San Juan River to the north. One small wash/arroyo lies to the northeast of the location. This area is not typically subject to flooding therefore special flood protection measures are not needed.

XII. ADDITIONAL INFORMATION

As stated previously, this facility does not intentionally discharge or dispose of any waste on-site. Containment devices are installed and regularly inspected to insure proper operation. As a result, BR has demonstrated that approval of this plan will not result in concentrations in excess of the standards of Section 3-103 or the presence of any toxic pollutant at any place of withdrawal of water for present or reasonably foreseeable future use.

XIII. AFFIRMATION

"I hereby certify that I am familiar with the information contained in and submitted with this discharge plan, and that such information is true, accurate, and complete to the best of my knowledge and belief."

Name: John Zent Title: General Manager, Compliance

Signature: John Zent Date: 6.29.00.

Name: Greg Kardos Title: Sr. Plant Supervisor

Signature: Greg Kardos Date: 6/27/2000

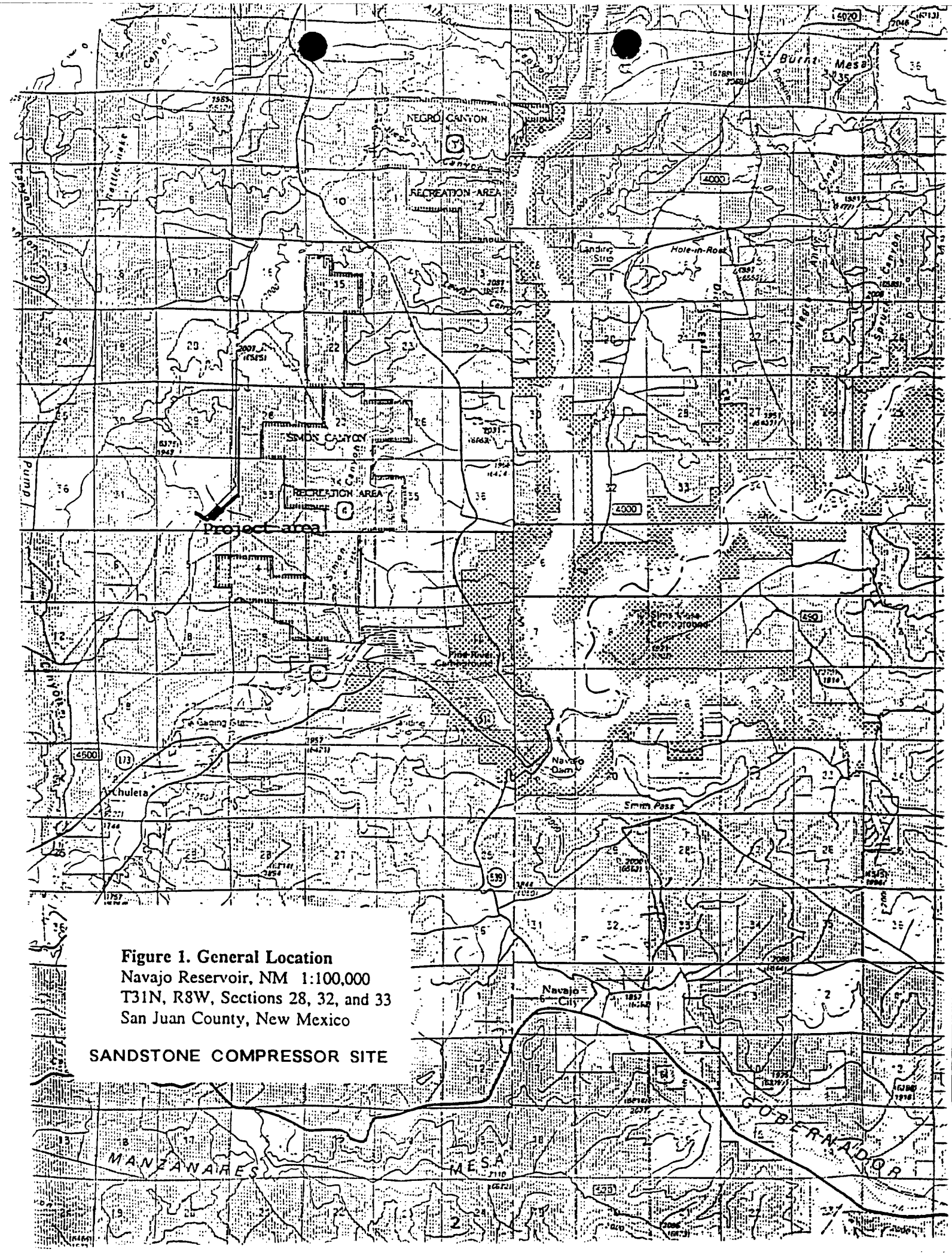

Figure 1. General Location
Navajo Reservoir, NM 1:100,000
T31N, R8W, Sections 28, 32, and 33
San Juan County, New Mexico

SANDSTONE COMPRESSOR SITE

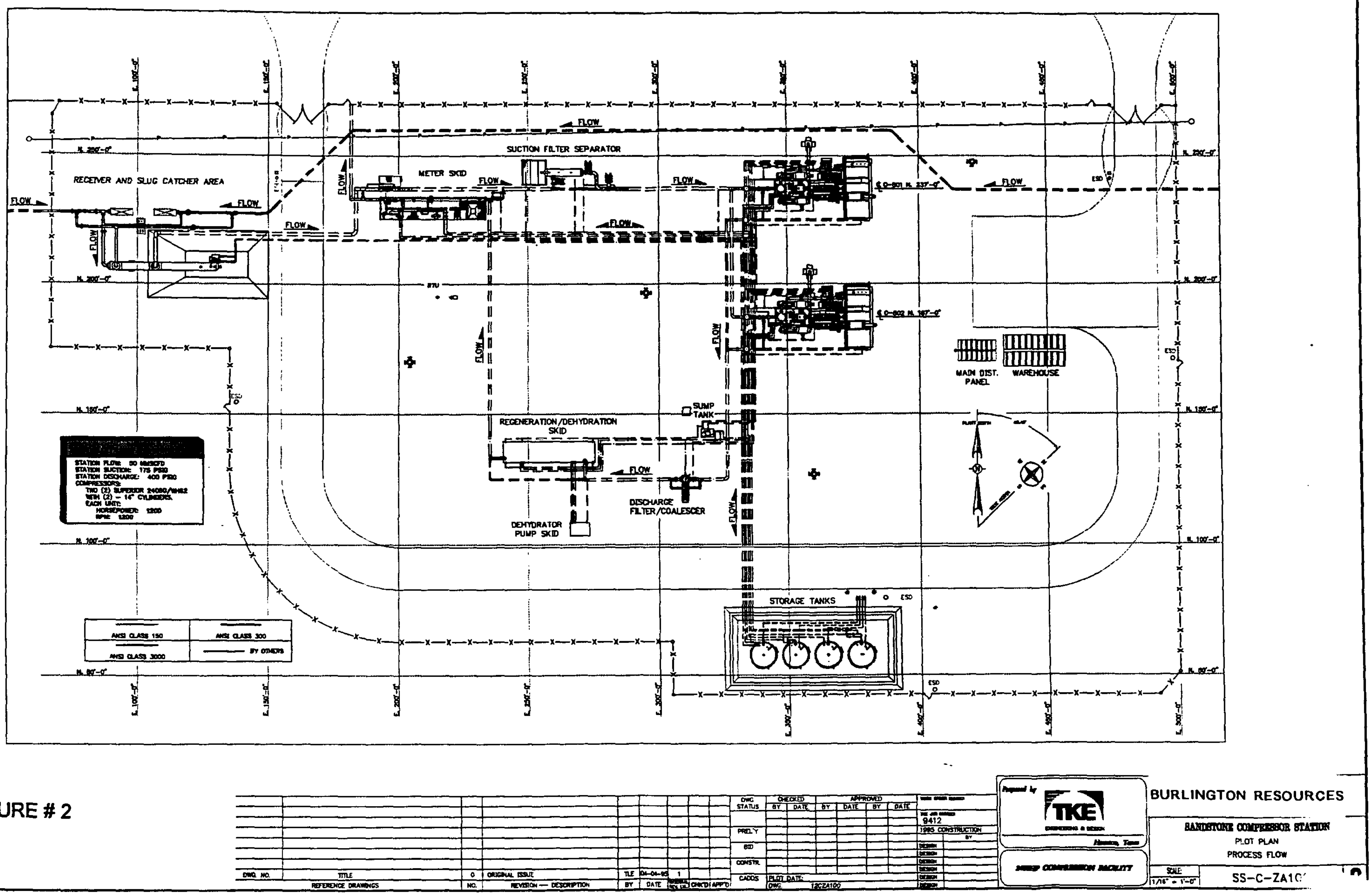
RECEIVER AND SLUG CATCHER AREA
METER SKID
SUCTION FILTER SEPARATOR
FLOW
REGENERATION/DEHYDRATION SKID
DEHYDRATOR PUMP SKID
DISCHARGE FILTER/COALESCER
SUMP TANK
STORAGE TANKS
MAIN DIST. PANEL
WAREHOUSE
ESD
N. 250'-0"
N. 200'-0"
N. 150'-0"
N. 100'-0"
N. 50'-0"
E. 100'-0"
E. 150'-0"
E. 200'-0"
E. 250'-0"
E. 300'-0"
E. 350'-0"
E. 400'-0"
E. 450'-0"
E. 500'-0"
STATION FLOW: 50 MMSCFD
STATION SUCTION: 175 PSIG
STATION DISCHARGE: 400 PSIG
COMPRESSORS:
TWO (2) SUPERIOR 2408G/WH62
WITH (2) - 14" CYLINDERS.
EACH UNIT:
HORSEPOWER: 1200
RPM: 1200
ANSI CLASS 150
ANSI CLASS 300
ANSI CLASS 3000
BY OTHERS
REFERENCE DRAWINGS
DWG. NO.
TITLE
0
ORIGINAL ISSUE
NO.
REVISION — DESCRIPTION
BY
DATE
CHK'D
APP'D
DWG STATUS
CHECKED
APPROVED
PRELY
BID
CONSTR.
CADDS
PLOT DATE:
DWG.
12CZA100
9412
1995 CONSTRUCTION
DESIGN
TKE
ENGINEERING & DESIGN
BURLINGTON RESOURCES
SANDSTONE COMPRESSOR STATION
PLOT PLAN
PROCESS FLOW
SCALE:
1/16" = 1'-0"
SS-C-ZA10

FIGURE # 2

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/20/2000

or cash received on _____ in the amount of $ 345.00

from BURLINGTON RESOURCES

for SANDSTONE COMP. ST GW-193.

(Facility Name) (DP No.)

Submitted by: WAYNE PRICE Date: 5/2/00

Submitted to ASD by: [signature] Date: "

Received in ASD by: _____ Date: _____

Filing Fee ___ New Facility ___ Renewal ✓

Modification ___ Other _____

(specify)

Organization Code 521.07 Applicable FY 2000

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

BURLINGTON RESOURCES
801 Cherry Street Suite 200
Ft. Worth TX 76102-6842

CITIBANK (Delaware)
A Subsidiary of Citicorp
One Penn's Way
New Castle DE 19720
62-20/311

[redacted]

Vendor No. 55707200

Date 04/20/2000 **Pay Amount** $345.00

Void If Not Presented for Payment Within 60 Days

To The Order Of **NEW MEXICO ENVIRONMENTAL DEPARTMENT**
WATER QUALITY MGT
1190 ST FRANCES DR
SANTA FE NM 87503-

[signature]

GW-193

[redacted]

BURLINGTON RESOURCES

SAN JUAN DIVISION

April 24, 2000

Certified P 358 636 055

Mr. Roger C. Anderson
Chief, Environmental Bureau
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Ground Water Discharge Plan Renewal GW-193
Sandstone Compressor Station

Dear Mr. Anderson,

Thank you for the timely response and approval of the ground water discharge plan renewal application GW-193 for the Burlington Resources Sandstone Compressor Station located in the SE/4 SE/4 of Section 32, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico (OCD March 31, 2000).

As per your request, Burlington Resources (BR) is providing a renewal flat fee for the Sandstone compressor stations facility. The fee is based on a horsepower rating between 1000 and 3000 horsepower rating and equal to one-half of the original fee or $345.00

If you have questions or need additional information regarding this issue please contact me at (505) 326-9537.

Sincerely,

Gregg Wurtz
Sr. Environmental Representative

Attachment: Check Number 0000550421

cc: Greg Kardos
Bruce Gantner
New Mexico Oil Conservation Division - Aztec Office
Sandstone Compressor Station: Discharge Plan
Correspondence

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

AFFIDAVIT OF PUBLICATION

Ad No. 42411

STATE OF NEW MEXICO
County of San Juan:

ALETHIA ROTHLISBERGER, being duly sworn says: That she is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meeting of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

Monday, February 21, 2000.

And the cost of the publication is $77.00.

Alethia Rothlisberger

On 2/28/00 ALETHIA ROTHLISBERGER appeared before me, whom I know personally to be the person who signed the above document.

Christine L Duran

My Commission Expires May 3, 2003

OK Wayne Price

COPY OF PUBLICATION

918 Legals

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, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-193) - Burlington Resources, Ed Hasley, Sr. Staff Environmental Representative, P.O. Box 4289, Farmington, New Mexico 87499-4289, has submitted a discharge application for their Sandstone Compressor Station located in the SE/4 SE/4 of Section 32, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground. All waste streams will be stored onsite in above ground tanks and then transported to an NMOCD approved disposal facility. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 1700 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 from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil and Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 11th day of February, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

/s/Roger C. Anderson
for LORI WROTENBERRY, Director

SEAL

Legal No. 42411, published in The Daily Times, Farmington, New Mexico, Monday, February 21, 2000.

The Santa Fe New Mexican

Since 1849. We Read You.

NM OCD

AD NUMBER: 133425 ACCOUNT: 56689
LEGAL NO: 66897 P.O.#: 00199000278
179 LINES 1 time(s) at $ 78.91
AFFIDAVITS: 5.25
TAX: 5.26
TOTAL: 89.42

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE
I, B Perner 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 #66897 a copy of which is hereto attached was published in said newspaper 1 day(s) between 02/18/2000 and 02/18/2000 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 18 day of February, 2000 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ Betsy Perner
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 16 day of February A.D., 2000

Notary Candace R. Gurston

Commission Expires 11/16/2003

NOTICE OF PUBLICATION

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

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If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 11th day of February, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
LORI WROTENBERY, Director

Legal #66897
Pub. February 18, 2000

OK FOR PAYMENT
Wayne Price
2/23/00

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, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

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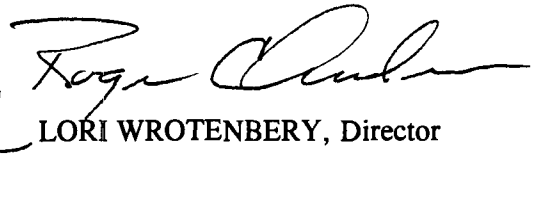
GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 11 th day of February, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



for LORI WROTENBERY, Director

S E A L

BURLINGTON RESOURCES

SAN JUAN DIVISION

February 3, 2000

Certified -Z 186 732 870

Mr. Wayne Price
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Ground Water Discharge Plan Renewal GW-193
Sandstone Compressor Station

Dear Mr. Price:

Burlington Resources (BR) is providing your department with a discharge plan renewal request for the referenced facility. The original plan expires on June 7, 2000. No onsite disposal of fluids or solids occurs at this facility. All above ground storage tanks are bermed and certain process equipment has been equipped with lined containment basins to catch unintentional discharges of process fluids.

Please note that minor changes were made to the currently approved Sandstone Compressor Station discharge plan to update names and trucking/disposal contractors. Also included is the $50 filing fee.

If you have any questions concerning this proposed discharge plan, please contact me at 326-9841.

Sincerely,

Ed Hasely
Sr. Staff Environmental Representative

Attachment: Discharge Plan (2 Copies)
$50 Filing Fee

cc: Greg Kardos
Bruce Gantner
New Mexico Oil Conservation Division - Aztec Office
File: Sandstone Compressor Station: Discharge Plan
Correspondence

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

February 2, 2000

Prepared for:

Burlington Resources Oil & Gas Co.
San Juan Division
Farmington, New Mexico

Prepared by:

Ed Hasely
Sr. Staff Environmental Representative

TABLE OF CONTENTS

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

I. TYPE OF OPERATION

The Sandstone Compressor Station (Sandstone) is a natural gas compressor station which receives lean gas via an upstream gathering system. At this facility the gas is compressed and dehydrated to an intermediate pressure.

II. OPERATOR AND LOCAL REPRESENTATIVE

A. Operator

Name: Burlington Resources Oil & Gas Co.	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: 505-326-9700**

B. Local Representative

Name: Ed Hasely	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: 505-326-9841**

III. FACILITY LOCATION

Township: T 31N	**Range: R 8W**	**Section: S 32 SE 4**	**County: San Juan**

A topographic map of the area is attached as Figure 1, Facility Area Map.

IV. LANDOWNERS

Name: Burlington Resources Oil & Gas Co.	**Address: P.O. Box 4289**
City: Farmington	**State: New Mexico**
Zip: 87499-4289	**Phone: (505) 326 - 9700**
Name: State of New Mexico	**Address: P.O. Box 1148**
City: Santa Fe	**State: New Mexico**
Zip: 87504-1148	**Phone: (505) 827-7153**

V. FACILITY DESCRIPTION

The Sandstone is constructed on a pad of approximately 2.33 acres in size. It consists of two gas compression engines (1200 hp each), one dehydration unit, and the following tanks and sumps:

Container Type	Capacity	Product	Construction Material	Location
Tank	100 barrel	Lube Oil	Steel	Above ground
Tank	100 barrel	Used Oil	Steel	Above ground
Tank	100 barrel	Ethylene glycol (EG)	Steel	Above ground
Tank	100 barrel	Produced Water	Steel	Above ground
Tank	750 gallon	Triethylene glycol (TEG)	Fiberglass	Above ground
Process Sump	640 gallon	Water, TEG, EG, Oil	Steel	Below ground

The attached Figure 2 illustrates the overall facility lay-out and equipment components.

VI. SOURCES, QUANTITIES & QUALITY OF EFFLUENTS

A. Waste Stream Data

Source of Waste	Type of Waste	Volume/Month	Type/Volume of Additives	Collection System/Storage
Dehydration Unit	Produced Water	3 barrels	None	Piped to sump
Dehydration Unit	TEG	Intermittent	None	Drums
Dehydration Unit	Used TEG Filters	3 filters	None	Container/bin
Compressor Engines	Cooling Water	Intermittent	Ethylene Glycol (EG)	Drums
Compressor Engines	Leaks and Precipitation	Intermittent	EG, Oil, Water	Sump
Compressor Engines	Used Oil	160 gallons	None	Aboveground steel tank
Compressor Engines	Oil Filters	4 filters	None	Container/bin
Inlet Filter Separator	Inlet Filters	4 filters	None	Container/bin
Discharge Filter Coalescer	Coalescer Filters	4 filters	None	Container/bin
36" Slug Catcher Inlet Separator	Produced Water	93 barrels	Corrosion Inhibitors	Aboveground steel tank
Trash	Solid Waste	1-2 Containers	None	Container/bin

B. Quality Characteristics

1. Note that there are no process waste stream discharges from Sandstone to the ground surface. All waste streams are contained and their disposition is described in section VIII.

2. Chemical analysis has not been performed on any of the waste streams because they are not disposed of on-site as an "effluent." Produced water from the inlet filter separator, discharge filter coalescer, and the dehydration unit may contain the BETX hydrocarbon compounds listed in WQCC 1-101.ZZ. Similarly, used oil collected in the sumps will contain the WQCC 1-101.ZZ hydrocarbon compounds.

C. Commingled Waste Streams

1. Produced water from the sump, slug catcher, and dehydration units are commingled prior to being hauled for disposal. In addition, wash water (fresh water) may be introduced into the sump during maintenance operations.

VII. TRANSFER & STORAGE OF PROCESS FLUIDS & EFFLUENTS

A. Fluid Storage

Information on the waste stream collection and storage containers is summarized in the tables in sections V and VI.

B. Flow Schematics

The individual "treatment" units are shown on Figure 2. Produced water may be generated during the compression of gas with water being diverted to an above ground tank. Produced water may also be generated during dehydration of the gas with water being diverted to an underground sump.

C. Surface and Subsurface Discharge Potential

1. The table in section V provides a listing of all above ground tanks and below grade sumps. Pressurized pipelines carry the compressed gas through the dehydration unit and outlet meter to the downstream line.

2. Used compressor lube oil and engine crankcase oil is pumped into the 100 barrel used oil tank. Drips and minor leaks (de minimus quantities) from the compressors, compressor engines and elevated lube oil tank may drain into the sump. Fluids collected in the sump are periodically transferred to the 100 bbl above ground storage tank for disposal (see section VIII).

3. The size and construction material of the collection units, including lining material, is described inthe table in section V.

D. NMOCD Design Criteria

1. The 100 bbl tanks (used oil tank, EG tank, produced water tank, and lube oil tank) are located in a 22' x 57.5' x 2' bermed area. Capacity of the bermed area meets the general engineering practice of one and one third times the capacity of the largest tank. Each of the four tanks are independent and are not connected together by a common manifold.

2. The TEG regeneration skid is a self contained unit equipped with containment curbs to capture any leaks that may occur during the TEG regeneration process.

3. The below ground sump complies with OCD specifications. The sump is equipped with double walls and a leak detection system.

4. The installation of the 100 bbl storage tanks has been designed such that any leaks in the tanks will remain on the surface and not seep into the ground below the tanks. The design calls for a continuous mat of 40 mil HDPE liner placed on the grade below the storage tanks. The tanks are then supported above the linner on a 6" gravel pack contained in a steel ring. Any leak in the tanks will seep through the gravel to the mat and be identified in the area outside of the steel ring.

E. Underground Pipelines

Mechanical integrity testing of the underground process pipelines is performed prior to start-up and on an "as needed" basis (modification or repairs).

F. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. All plant processes are closed pipe, contained in tanks, or otherwise controlled to prevent leakage. No additional modifications are proposed at this time.

VIII. EFFLUENT DISPOSAL

A. On-Site Disposal

This facility does not conduct any on-site waste disposal. All waste streams are taken off-site for recycling or disposal.

B. Off-Site Disposal

The following table provides information about off-site waste disposal:

Waste Stream	Shipment Method	Shipping Agent	Final Disposition	Receiving Facility
Produced Water	Truck	*See Note 1*	Class II Well	*See Note 2*
TEG Filters Oil Filters	Truck	Waste Management County Rd 3100 Aztec, NM	Filters are landfilled	Waste Management County Rd 3100 Aztec, NM
Antifreeze Spent Glycol	Truck	Contractor Varies	Recycled or stabilization / land farm or landfill	*See Note 3*
Used Oil	Truck	*See Note 1*	Recycled	Safety Kleen Corp. 4210 Hawkins Rd. Farmington, NM
Impacted Soil	Truck	Contractor Varies	Landfarmed	See Note 3
Solid Waste *(Trash/Refuse)*	Truck	Waste Management / Cooper Energy Services	Landfill	Waste Management County Rd 3100 Aztec, NM

Note 1: The trucking agent contracted to ship effluents off-site will be one of the following:

Dawn Trucking Co.
16 Rd 5860
Farmington, New Mexico.

Safety Kleen Corp.
4210 Hawkins Rd.
Farmington, New Mexico

Key Trucking
708 S. Tucker Ave.
Farmington, New Mexico

Note 2: The off-site Disposal Facility will be one of the following:

San Juan 30-6 #112Y SWD
Sec. 26, T30N, R6W
Rio Arriba County, NM

San Juan 30-6 #2 SWD
Sec. 26, T30N, R6W
Rio Arriba County, NM

McGrath #4 SWD
Sec. 34, T30N, R12W
San Juan County, NM

Basin Disposal
6 County Rd 5046
Bloomfield, NM

Key Disposal
323 County Rd 3500
Farmington, NM

Safety Kleen Corp.
4210 Hawkins Rd.
Farmington, NM

Note 3: The shipping agent for this material will be one of the following companies:

Coastal Chemical Co.
10 Rd 5911
Farmington, NM

Envirotech
5796 US Hwy. 64
Farmington, NM

Tierra Environmental
420 Rd 3100
Aztec, NM

Waste Management
County Rd 3100
Aztec, New Mexico

C. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. No additional modifications are proposed at this time.

IX. INSPECTION, MAINTENANCE AND REPORTING

A. Leak Detection/Site Visits

The below ground sump is equipped with double walls and a leak detection system. As described in section VII. D. 1 the 100 bbl storage tanks are placed on a liner within a berm to aid in detecting any leaks from the storage tanks.

Routine visual inspection of facility equipment and continuous monitoring of process instrumentation are performed to identify possible leaks.

Should a release of materials occur, BR will comply in accordance with provisions described in NMOCD Rule and Regulation #116 and WQCC section 1-203.

B. Precipitation/Runoff

Storm water run-off does not come in contact with process waste streams. Any precipitation that contacts the process equipment is collected in the process sump or contained within containment skids and allowed to evaporate. The facility pad is maintained to prevent surface accumulations of storm water. Containment areas and open top tanks are inspected periodically to monitor fluid levels.

X. SPILL/LEAK PREVENTION & REPORTING

A. Spill/Leak Potential

Potential sources of spills or leaks at this facility include the following:

1. tank overflow or rupture;
2. overflow or cracking of concrete sumps;
3. rupture of process pipelines;
4. pigging operations.

Prevention of accidental releases from these sources is a high priority of Burlington Resources (BR). Spill prevention is achieved primarily through proper execution of operating procedures and secondly, by an active equipment inspection and maintenance program. Spill detection is accomplished by routine visual inspection of facility equipment and continuous monitoring of process instrumentation.

To reduce the risk of spilled process fluids from contacting the ground surface, BR has installed self contained skids for process equipment with a higher probability of a spill/leak. Each of the containment basins either has a small open top collection area or a drain to the process sump to aid in fluid disposal.

B. Spill/Leak Control

General spill cleanup procedures may involve minor earthwork to prevent migration, and recovery of as much free liquid as possible. Recovered fluids would then be transported off-site for recycling or disposal. Clean-up procedures by BR will follow OCD Guidelines For Remediation of Leaks, Spills, and Releases dated August 13, 1993.

C. Spill/Leak Reporting

Should a release of materials occur, BR will comply in accordance with provisions described in NMOCD Rule and Regulation #116 and WQCC section 1-203.

XI. SITE CHARACTERISTICS

A geotechnical report was generated to document physical characteristics of soils in the area of Sandstone for the purposes of construction. Documentation of the soils involved drilling three boreholes (ranging from 16.5' to 26' in depth), classifying and logging each soil type as it was encountered. The geotechnical survey is not included with this discharge plan.

A. Hydrologic Features

1. There are no known domestic water supplies or surface water bodies within one mile of Sandstone. There is one drainage wash/arroyo which runs along the north edge of the site.

2. Cathodic well data in the area indicates the depth to ground water to be approximately 80 feet. No ground water was encountered during test borings for the geotechnical survey. Total Dissolved Solids (TDS) of water from this formation is estimated to be greater than 1700 mg/l on an avg. (New MexicoBureau of Mines and Mineral Resources, 1983).

3. Ground water flow direction is likely to be southwest, based on a review of topographic features at the site. This would be consistent with an existing wash/arroyo which runs along the north edge of the site.

B. Geologic Description of Discharge Site

1. The site is underlain predominately by stratified clay, overlaying sand soils with varying amount of silt and clay, overlaying formational shale and/or sandstone. Auger refusal was encountered at about 26 feet on one of the borings. Groundwater was not encountered in any of the borings.

2. The aquifer most likely to be affected by a discharge in this area is the San Jose Formation.

3. This formation is characterized by interbedded sandstone and mudstones. The thickness of the formation ranges up to nearly 2,700 feet, in the basin between Cuba and Gobernador. (New Mexico Bureau of Mines and Mineral Resources, 1983).

C. Flood Protection

Sandstone lies approximately 700 feet above the San Juan River to the north. One small wash/arroyo lies to the northeast of the location. This area is not typically subject to flooding therefore special flood protection measures are not needed.

XII. ADDITIONAL INFORMATION

As stated previously, this facility does not intentionally discharge or dispose of any waste on-site. Containment devices are installed and regularly inspected to insure proper operation. As a result, BR has demonstrated that approval of this plan will not result in concentrations in excess of the standards of Section 3-103 or the presence of any toxic pollutant at any place of withdrawal of water for present or reasonably foreseeable future use.

XIII. AFFIRMATION

"I hereby certify that I am familiar with the information contained in and submitted with this discharge plan, and that such information is true, accurate, and complete to the best of my knowledge and belief."

Name: Bruce A. Gantner Title: Environmental, Health & Safety Manager

Signature: Bruce A. Gantner Date: 2/3/2000

Name: Greg Kardos Title: Sr. Plant Supervisor

Signature: Greg Kardos Date: 2/3/2000

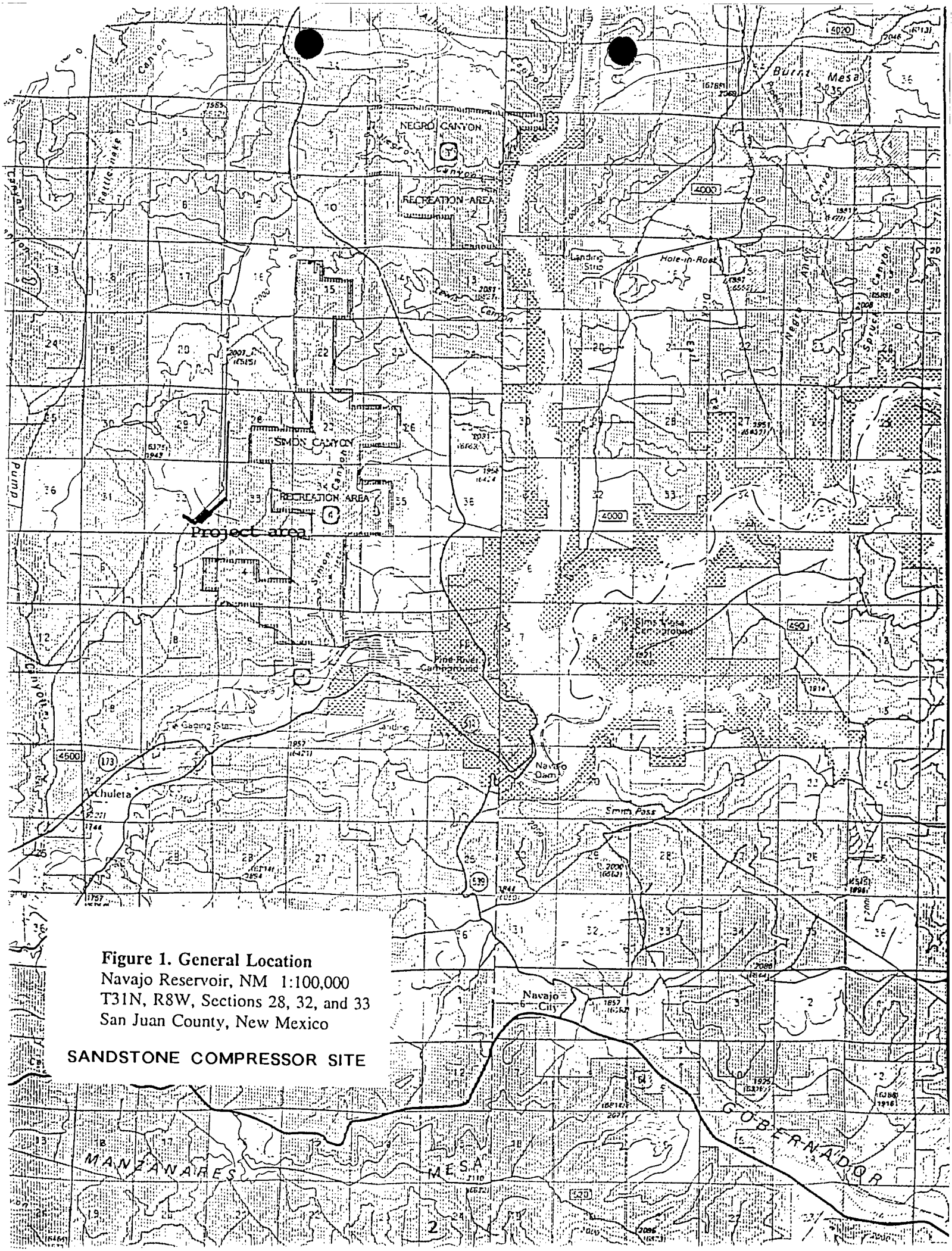


Figure 1. General Location
Navajo Reservoir, NM 1:100,000
T31N, R8W, Sections 28, 32, and 33
San Juan County, New Mexico

SANDSTONE COMPRESSOR SITE

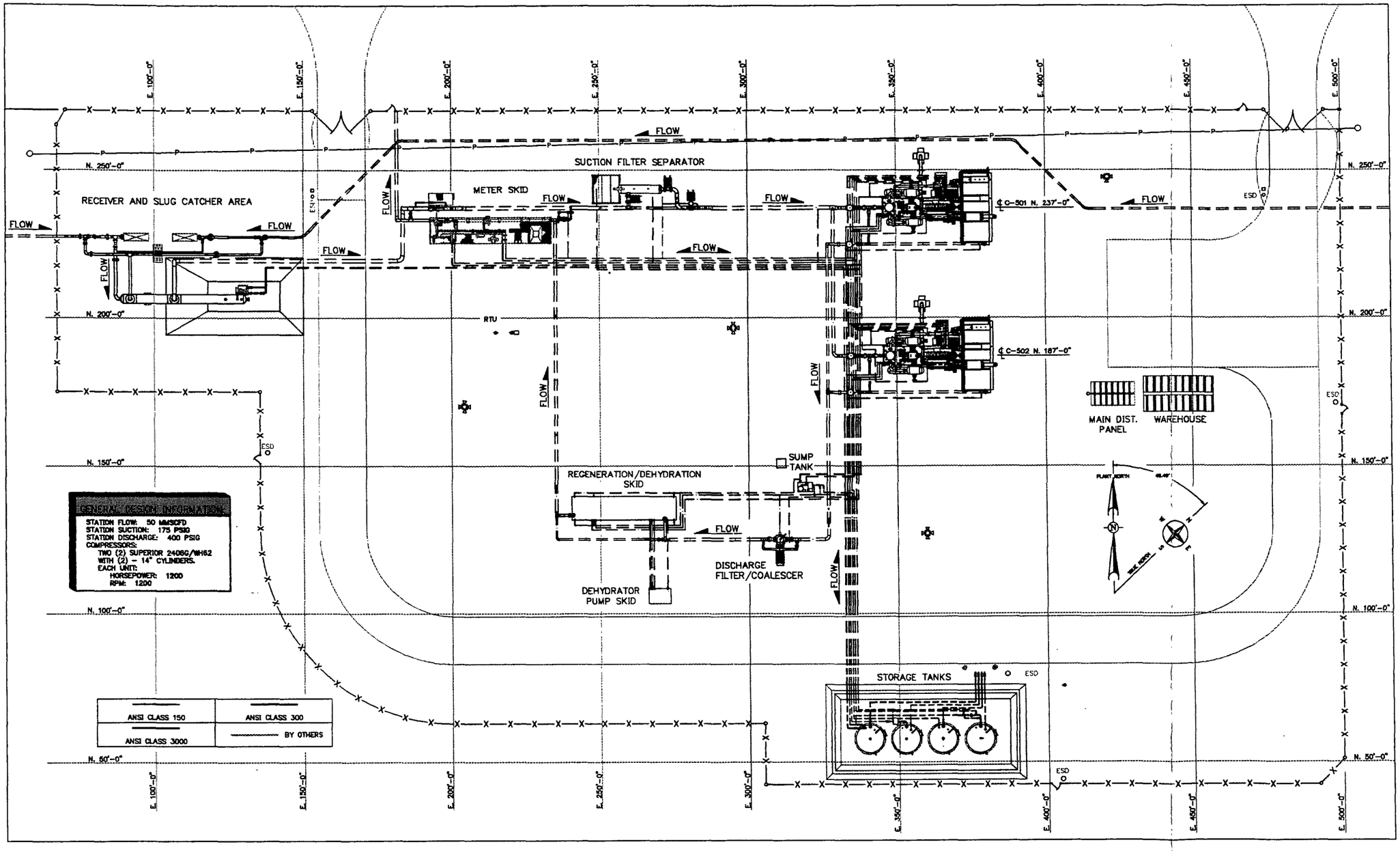


FIGURE # 2

DWG. NO.	TITLE / REFERENCE DRAWINGS	NO.	REVISION — DESCRIPTION	BY	DATE	INTERNAL REV. LVL	CHK'D	APP'D
		0	ORIGINAL ISSUE	TLE	04-04-95	1		

DWG. STATUS	CHECKED BY	CHECKED DATE	APPROVED BY	APPROVED DATE	BY	DATE
PRELY						
BID						
CONSTR.						
CADDS	PLOT DATE:					
	DWG. 12CZA100					

WORK ORDER NUMBER

TKE JOB NUMBER 9412

1995 CONSTRUCTION

	BY
DESIGN	
DESIGN	
DESIGN	
DESIGN	
DESIGN	
DESIGN	

Prepared by TKE ENGINEERING & DESIGN Houston, Texas

MIEP COMPRESSION FACILITY

BURLINGTON RESOURCES

SANDSTONE COMPRESSOR STATION

PLOT PLAN

PROCESS FLOW

SCALE: 1/16" = 1'-0"

SS-C-ZA1[illegible]

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

Jennifer A. Salisbury
CABINET SECRETARY

Oil Conservation Div.
Environmental Bureau
2040 S. Pacheco
Santa Fe, NM 87505

Memorandum of Meeting or Conversation

COPY

Telephone __X___
Personal _____
Time: 11:30am
Date: January 6, 2000

Originating Party: Wayne Price-OCD

Other Parties: Ed Hasely- Burlington Resources- 505-326-9841 320-1803 cell
Fax 505-326-9725

Subject: Discharge Plan Renewal Notice for the following Burlington Facilities:
GW-183 expires 2/21/2000 ARCH ROCK
GW-194 expires 6/9/2000 FRANCES
GW-193 expires 6/9/2000 SANDSTONE
GW-058 expires 10/11/2000 HART CANYON
GW-059 expires 10/11/2000 MANZANARES
GW-056 expires 11/11/2000 GOBERNADOR

WQCC 3106.F. If the holder of an approved discharge plan submits an application for discharge plan renewal at least 120 days before the discharge plan expires, and the discharger is not in violation of the approved discharge plan on the date of its expiration, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. A discharge plan continued under this provision remains fully effective and enforceable. An application for discharge plan renewal must include and adequately address all of the information necessary for evaluation of a new discharge plan. Previously submitted materials may be included by reference provided they are current, readily available to the secretary and sufficiently identified to be retrieved. [12-1-95]

Discussion:
Discussed WQCC 3106F and gave Burlington Notice to submit Discharge Plan renewal application with $50.00 filing fee for the above listed facilities.

Conclusions or Agreements:

Signed: Wayne Price

CC: fax to Burlington

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 18, 1999

Certified Mail: Z 186 732 837

New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

Attention: Wayne Price

Re: Compressor Station Sump Integrity Inspections

Dear Mr. Price:

The purpose of this correspondence is to provide your office with written notice that the following compressor stations are to be visually tested during a three-day time frame starting May 25th, 1999:

May 25th	**May 26th**	**May 27th**
Pump Canyon	Hart	Manzanares
Buena Vista	Arch Rock	Gobernador
Sandstone	Rattlesnake	Frances Mesa
Quinn	Cedar Hill	Sims Mesa
Pump Mesa		
Middle Mesa		

As required under OCD Discharge Plan Special Condition # 8:

"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".

As a result, to comply with this condition the above dates have been scheduled for cleaning out the sumps and visually inspecting each unit. Before the inspection commences, the sumps will be completely emptied and the lids removed to allow access to each unit. To complete the tests within a three-day time frame, the facilities have been logistically organized by area and the test will start each day at 7:30 a.m. at the first facility.

By providing written notice to OCD regarding these tests, it is Burlington Resources intentions to comply with the "72 hours prior to all testing" notification requirement contained in Condition #8. I thank you for your time and consideration and should you have any questions regarding this correspondence please feel free to contact me at 505-326-9537.

Sincerely,

Jeffery T. Schoenbacher
Environmental Representative

CC: Bruce Gantner
Ed Hasely
Ken Johnson
Kevin Johnson
Denny Foust, OCD District Office
Correspondence

JTS:

BURLINGTON RESOURCES

SAN JUAN DIVISION

August 12, 1996

Certified Mail No. Z-382-118-155

Energy, Minerals and Natural Resources Department
Oil Conservation Division
Attn: Mr. William LeMay
2040 S. Pacheco
Santa Fe, NM 87505

Re: **Name Change Notification**

Dear Mr. LeMay:

This letter is provided to inform you that Meridian Oil Inc. recently had a business name change to Burlington Resources Oil and Gas Company effective July 11, 1996. Please note that UIC permits and discharge plans have not been transferred and no change of ownership has occurred. All UIC permits and discharge plans issued to and currently under review for Meridian Oil Inc. will now be associated with the Burlington Resources Oil and Gas Company name. Attached is a list of UIC permits and discharge plans issued to Meridian Oil Inc. and applications under review.

If you have any questions regarding this notice, please feel free to contact me at (505) 326-9841.

Sincerely,

Keith M. Boedecker

Keith M. Boedecker
Sr. Staff Environmental Representative

cc: OCD - Aztec Office
Keith Baker - BR/File 6.07

3535 East 30th St., 87402-8891, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

OCD ISSUED UIC PERMITS and DISCHARGE PLANS

UNDERGROUND INJECTION CONTROL PERMITS

No.	Injection Well	OCD UIC Permit No.
1.	Ute No. 1	Order SWD-176
2.	San Juan 30-6 No. 112Y	Order SWD-305
3.	Cedar Hill SWD No. 1	Order SWD-337
4.	Pump Canyon	Order SWD-344
5.	Middle Mesa No. 1	Order SWD-350
6.	San Juan 30-6 No. 2	Order SWD-351
7.	San Juan 32-9 No. 5	Order SWD-432
8.	McGrath No. 4	OCD R-7370
9.	Jillson Federal No. 1	OCD R-10168

OCD DISCHARGE PLANS

No.	Facility	OCD Discharge Plan No.
1.	Gobernador Compressor Station	GW-56
2.	Pump Canyon Compressor Station	GW-57
3.	Hart Canyon Compressor Station	GW-58
4.	Manzanares Compressor Station	GW-59
5.	Middle Mesa Compressor Station	GW-77
6.	Rattlesnake Compressor Station	GW-93
7.	Sims Mesa Compressor Station	GW-146
8	Pump Mesa Compressor Station	GW-148
9	Val Verde Gas Plant	GW-169
10	Arch Rock Compressor Station	GW-183
11.	Sandstone Compressor Station	GW-193
12.	Frances Mesa Compressor Station	GW-194

OCD DISCHARGE PLANS UNDER REVIEW

No.	Facility	OCD Discharge Plan No.
1.	Buena Vista Compressor Station	Not Assigned
2.	Cedar Hill Compressor Station	Not Assigned
3.	Quinn Compressor Station	GW-239

mark Ashley

Certified Mail - P 895 114 219

Meridian Oil

Release Incident Report

X Preliminary ___ Final

Report No. ___

Location Of Release/Incident Field Name: PLANTS AND PIPELINES **Lease Name/No.:** ___

Date Of Release/Incident: 6/24/95 **Date Of Cleanup:** 6/24/95 **Date Of Containment:** 6/24/95

Time Of Release/Incident: 1:00am **Time Of Cleanup:** ___ **Time Of Containment:** 9:00pm

Person Reporting Release/Incident to Agencies: Mike Lee

Contacts

Agency	Type	Contact	Date	Time	Notes
	Internal	Doug Thomas	6/27/95	9:00am	Written report
BLM - FARMINGTON	External	Shirley Davenport	6/27/95	9:55am	Phone Call
BLM - FARMINGTON	External	Shirley Davenport	7/ 5/95	12:00pm	Written Report
NMOCD - FARMINGTON	External	Denny Foust	7/ 5/95	12:00pm	Written Report

Facility Name: SANDSTONE COMPRESSOR STATION **County/Parish:** SAN JUAN

Well Number: ___ **Section:** SE 1/4 32 **T** 31 N **R** 8 W

Directions To Site:

Weather Conditions Wind Dir.: ___ **Speed:** ___ **Temperature:** 0

Other (Describe):

Substance(s) Released

Substance	Released Amt	Recovered Amt	Lost Amt	Units
METHANE GAS	13.00	0.00	13.00	mmcf
None	0.00	0.00	0.00	

Did Release Impact GroundWater/Surface Water/Drainage Area: NO **Name:** None

Description Of Water Impact: ___

Were There Any Injuries: NO **Desc:** ___

Describe Release Incident: Station suction valve malfunctioned and did not close, releasing gas through the station vent valve.

Describe Impact To Surrounding Environment (i.e. size, livestock, wildlife): ___

RECEIVED
JUL 10 1995
Environmental Bureau
Oil Conservation Division

Describe Containment And Cleanup: Reset suction ESD valve. No cleanup required.

How Were Wastes Handled: ___

How Can Release Be Prevented In Future: Make sure ESD valves are properly set.

Estimated Cost: 0.00 **Actual Cost:** 0.00

Itemized Costs: ___

Supervisor: Bruce Voiles

SF 7/7/95

RECEIVED
JUN 29 1995
OIL CON. DIV.
DIST. 3

OIL CONSERVATION DIVISION
RECEIVED
'95 JUL 11 AM 8 52

MERIDIAN OIL

CONSERVATION DIVISION
RECEIVED
'95 JU 3 AM 8 52

June 22, 1995

Certified - P 895 114 212

William J. LeMay
Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87502

Re: Ground Water Discharge Plan (GW-193) Fee
Sandstone Compressor Station

Dear Mr. LeMay:

Meridian Oil Inc. is submitting the ground water discharge plan fee for the referenced facility. Attached is a check for the amount of $690.00.

If you have any questions concerning this submittal, please contact me at 326-9561.

Sincerely,

Doug Thomas
Environmental and SafetyRepresentative

Attachment: (1) Discharge Plan Fee ($690.00)

cc: Loren Fothergill, MOI
New Mexico Oil Conservation Division - Aztec Office
Sandstone Compressor Station: Discharge Plan\Correspondence

s:\dthomas\gw\sansofee.doc

P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833
3535 East 30th St., 87402-8891

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 6/26/95,

or cash received on 7/3/95 in the amount of $ 690.00

from Meridian Oil

for Sandstone C.S (Facility Name) GW-193 (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Roger Anderson Date: 7/10/95

Received in ASD by: [illegible] Date: 7-11-95

Filing Fee ___ New Facility ✓ Renewal ___

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

MERIDIAN OIL
801 CHERRY STREET - SUITE 200
FORT WORTH, TEXAS 76102-6842

Citibank (Delaware)
A subsidiary of Citicorp
ONE PENN'S WAY
NEW CASTLE, DE 19720

62-20
3

[redacted]
CHECK NO.

VENDOR NO.
400384

DATE	AMOUNT
06/26/95	*********$690.00

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 80 DAYS

PAY TO THE ORDER OF
NEW MEXICO ENVIRONMENT
DEPT WATER QUALITY MNGT
2040 SOUTH PACHECO
SANTA FE, NM 87505

Everett D DeBois

[redacted]

MERIDIAN OIL
801 CHERRY ST. - SUITE 200 * FORT WOR[redacted] TX 76102-6842

For Questions Please Call
(505) 326-9519

CONTROL NO.	REFERENCE		PAID ON BEHALF OF	DUE VENDOR
	INVOICE	DATE		
420593460	RFC	950614	EPX WQCC REGULATION 3/114 DISCHARGE PLAN FEE	690.00

VENDOR NO. 400384 CHECK NO. [redacted]

TOTAL 690.00

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, the following discharge plan applications and modification application have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-032) - GIANT REFINING Company, Route 3, Box 7, Gallup, New Mexico, 87301 has submitted a modification application for the previously approved discharge plan for their Ciniza Refinery located in Section 28 and Section 33, Township 15 North, Range 15 West, NMPM, Mckinley County, near Gallup, New Mexico. The modification will consist of the addition of a landfarm for the treatment of non-hazardous oily wastes. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface varies in depth from 70 feet to 140 feet with an approximate total dissolved solids concentration of 950 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-192) - ENVIRO-CHEM, P.O. BOX 668, Hobbs, New Mexico, 88240 has submitted a discharge plan application for their Enviro-Chem facility located in NE/4 NE/4, Section 4, Township 19 South, Range 38 East, NMPM, Lea County, in the city of Hobbs, New Mexico. The facility is an oil field chemical service company with no wastewater discharges from the facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-193) - Meridian Oil Inc., P.O. BOX 4289, Farmington, New Mexico, 87499-4289 has submitted a discharge plan application for their Sandstone Compressor Station located in SE/4, Section 32, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground; all waste streams will be stored onsite in closed top tanks and then transported to an NMOCD approved disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 1700 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-194) - Meridian Oil Inc., P.O. BOX 4289, Farmington, New Mexico, 87499-4289 has submitted a discharge plan application for their Frances Mesa Compressor Station located in SW/4, Section 27, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground; all waste streams will be stored onsite in closed top tanks and then transported to an NMOCD approved disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 240 feet with a total dissolved solids concentration of approximately 1700 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 from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 2nd day of May, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

WILLIAM J. LEMAY, Director

NO EFFECT FINDING

The described action will have no effect on listed species.

Date May 15, 1995

Consultation # GW95OCD2

Approved by

U.S. FISH and WILDLIFE SERVICE
NEW MEXICO ECOLOGICAL SERVICES FIELD OFFICE
ALBUQUERQUE, NEW MEXICO

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, the following discharge plan applications and modification application have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-032)-GIANT REFINING Company, Route 3, Box 7, Gallup, New Mexico, 87031 has submitted a modification application for the previously approved discharge plan for their Ciniza Refinery located in Section 28 and Section 33, Township 15 North, Range 15 West, NMPM, McKinley County, near Gallup, New Mexico. The modification will consist of the addition of a landfarm for the treatment of non-hazardous oily wastes. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface varies in depth from 70 feet to 140 feet with an approximate total dissolved solids concentration of 950 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-192)-ENVIRO-CHEM, P.O. BOX 676, Hobbs, New Mexico, 88240 has submitted a discharge plan application for their Enviro-Chem facility located in NE/4 NE/4, Section 4, Township 19 South, Range 38 East, NMPM, Lea County, in the City of Hobbs, New Mexico. The facility is an oil field chemical service company with no wastewater discharges from the facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-193)-Meridian Oil Inc., P.O. BOX 4289, Farmington, New Mexico, 87499-4289 has submitted a discharge plan application for their Gallegos Compressor Station located in SE/4, Section 32, Township 31 North, Range 14 West, NMPM, San Juan County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground; all waste streams will be stored onsite in closed top tanks and then transported to an NMOCD approved disposal facility. Groundwater most likely to be affected by a spill, leak or accidental discharge to the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 1700 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 from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. This discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 2nd day of May, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
s/WILLIAM J. LEMAY, Director

Journal: May 12, 1995.

RECEIVED
JUL 13 1995
Environmental Bureau
Oil Conservation Division

NOTARY PUBLIC
OF NEW MEXICO
5-20-98

STATE OF NEW MEXICO
County of Bernalillo SS

Bill Tafoya being duly sworn declares and says that he is Classified Advertising manager of **The Albuquerque Journal**, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for ____ times, the first publication being of the 12 day of May, 1995, and the subsequent consecutive publications on ____, 1995

Bill Tafoya

Sworn and subscribed to before me, a notary Public in and for the County of Bernalillo and State of New Mexico, this 15 day of May, 1995

PRICE 33.71

Statement to come at end of month.

CLA-22-A (R-1/93) ACCOUNT NUMBER 130932

MERIDIAN OIL

May 22, 1995

Certified - P-895-114-197

Patricio W. Sanchez
Petroleum Engineer
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505-5472

Re: Discharge Plan GW-193
Sandstone Compressor Station
San Juan County, New Mexico

Dear Mr. Sanchez:

This is to provide you with MOI response to questions from your letter on May 12, 1995, of referenced application. Our specific changes on the replacement pages are Bold and Italic.

If you have any questions concerning this proposed discharge plan, please contact me at 326-9561.

Sincerely,

Doug Thomas
Environmental/Safety Representative

cc: Loren Fothergill, MOI
New Mexico Oil Conservation Division - Denny Foust -Aztec Office
Sandstone Compressor Station: Discharge Plan\Correspondence

s;/dthomaS/gw/gwstonrs

P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833
3535 East 30th St., 87402-8891

Re: Discharge Plan GW-193 May 22, 1995
Sandstone Compressor Station
San Juan County, New Mexico

1. **Under VI. Source,..... Effluents**

A. Item B. 2: Changed to reference section to WQCC 1-101.ZZ.

B. Item C. Commingled Waste Streams:
MOI is in agreement that exempt and non-exempt waste are being commingled in the sump. MOI has addressed similar concerns at our Val Verde Plant and propose that similar guidelines which have been approved be followed. A one time test for the life of the plan will be conducted to evaluate for hazardous waste potential by taking a sample of the non-exempt waste and having it analyzed for TCLP constituents. MOI believes that the results will be similar to past results (non-hazardous) and will be representative for the process and materials involved with the sump.

Non-hazardous fluids from the sump will typically be co-mingled with other process wastewater fluids from the station and disposed of in MOI's Class II injection well at the McGrath SWD #4.

2. **Under section VII. Transfer..... Effluents**

A. Item D. NMOCD Design Criteria: The EG and Lube oil are both 100 barrel tanks.

B. Item E. Underground Pipelines: Pipelines are hyrdo-tested prior to start-up. "As needed " is defined as after modifications or repairs. (Mechanical integrity test is only required on lines over twenty-five years of age.)

C. Item F. Proposed Modifications: "Closed pipe" Meaning that piping is welded with no threaded fittings and tanks or vessels with closed tops are used. The second sentence in this paragraph referring to closed piping has been removed.

3. **Under section VIII. Effluent Disposal**

A. Item B. Off-Site Disposal: "Solid Waste" is considered general trash or refuse.

4. **Under section IX. Inspection.....Reporting**

A. Item A. Leak Detection/site Visits: Reference to Section 1-203 of WQCC was added.

B. Item B. MOI proposed that precipitation from the compressor skids and wash water be treated the same as described in Section B Under VI. Source Effluents. Annual rainfall for this area is 8" per year and MOI believes this will have a minimal impact in the co-mingling process.
"Spill/Leak Control" statement changed to reflect that MOI will follow OCD Guidelines for Remediation of Leaks, Spills, & Releases dated August 13, 1993.

s;/dthomaS/gw/gwstonrs

B. Quality Characteristics

1. Note that there are no process waste stream discharges from Sandstone to the ground surface. All waste streams are contained and their disposition is described in section VIII.

2. Chemical analysis has not been performed on any of the waste streams because they are not disposed of on-site as an "effluent." Produced water from the inlet filter separator, discharge filter coalesser, and the dehydration unit may contain the BETX hydrocarbon compounds listed in ***WQCC 1-101.ZZ***. Similarly, used oil collected in the sumps will contain the ***WQCC 1-101.ZZ*** hydrocarbon compounds.

C. Commingled Waste Streams

1. Produced water from the sump, slug catcher, and dehydration units are commingled prior to being hauled for disposal. In addition, wash water (fresh water) may be introduced into the sump during maintenance operations.

VII. TRANSFER & STORAGE OF PROCESS FLUIDS & EFFLUENTS

A. Storage

Information on the waste stream collection and storage containers is summarized in the tables in sections V and VI.

B. Flow Schematics

The individual "treatment" units are shown on Figure 2. Produced water may be generated during the compression of gas with water being diverted to an above ground tank. Produced water may also be generated during dehydration of the gas with water being diverted to an underground sump.

C. Surface and Subsurface Discharge Potential

1. The table in section V provides a listing of all above ground tanks and below grade sumps. Pressurized pipelines carry the compressed gas through the dehydration unit and outlet meter to the sales line.

2. Used compressor lube oil and engine crankcase oil is pumped into the 100 barrel used oil tank. ***Drips*** and ***minor*** leaks ***(de minimus quantities)*** from the compressors, compressor engines and elevated lube oil tank ***may*** drain into the sump. Fluids collected in the sump are periodically transferred to the 100 bbl above ground storage tank for disposal (see section VIII).

3. The size and construction material of the collection units, including lining material, is described in the table in section V.

D. NMOCD Design Criteria

1. ***The 100 bbl tanks (used oil tank, EG tank, and lube oil tank)*** are located in a 22' x 57.5' x 2' bermed area. Capacity of the bermed area meets the general engineering practice of one and one third times the capacity of the largest tank. Each of the four tanks are independent and are not connected together by a common manifold.

2. The TEG regeneration skid is a self contained unit equipped with containment curbs to capture any leaks that may occur during the TEG regeneration process.

3. The below ground sump complies with OCD specifications. Sump is equipped with double walls and a leak detection system that provides a discrete alarm which can be viewed through the stations telemetry system.

4. The installation of the 100 bbl storage tanks has been designed such that any leaks in the tanks will remain on the surface and not seep into the ground below the tanks. The design calls for a continuous mat of 40 mil HDPE liner placed on the grade below the storage tanks. The tanks are then supported above the linner on a 6" gravel pack contained in a steel ring. Any leak in the tanks will seep through the gravel to the mat and be identified in the area outside of the steel ring.

E. Underground Pipelines

Mechanical integrity testing of the underground process pipelines is ***performed prior to start-up and on an "as needed" basis (modification or repairs).***

F. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. All plant processes are closed pipe, contained in tanks, or otherwise controlled to prevent leakage. No additional modifications are proposed at this time.

VIII. EFFLUENT DISPOSAL

A. On-Site Disposal

This facility does not conduct any on-site waste disposal. All waste streams are taken off-site for recycling or disposal.

B. Off-Site Disposal

The following table provides information about off-site waste disposal:

Waste Stream	Shipment Method	Shipping Agent	Final Disposition	Receiving Facility
Produced Water	**Truck**	***See Note 1***	***Class II Well***	***See Note 2***
Coalescer, Inlet Separator, Used Oil, TEG and Fuel Gas Filters	**Truck**	***See Note 3***	**Filters are landfilled**	**Waste Management C/R 3100 Aztec, NM** ***See Note 4 for approved profile #***
Engine coolant	**Truck**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**	**Recycled**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**
Used Oil	**Truck**	***See Note 1***	**Recycled**	**Storage 1 Facility Meridian Oil, Inc. 3535 E. 30th Farmington, NM**
TEG	**Truck**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**	**Recycled**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**
Solid Waste ***(Trash/Refuse)***	**Truck**	**Waste Management C/R 3100 Aztec, NM**	**Landfill**	**Waste Management C/R 3100 Aztec, NM**

Note 1: The trucking agent contracted to ship effluents off-site will be one of the following:

Dawn Trucking Co.
318 Hwy. 64
Farmington, New Mexico.

Chief Transport
604 W. Pinon
Farmington, New Mexico

Meridian Oil Trucking
6001 Hwy. 64
Bloomfield, NM 87413

Sunco Trucking
708 S. Tucker Ave.
Farmington, New Mexico

Note 2: The off-site Disposal Facility will be one of the following:

McGrath SWD #4
Sec. 34, T-30-N, R-12-W
San Juan County
New Mexico

Basin Disposal
Sec. 3, T-29-N, R-11-W
6 County Rd 5046
Bloomfield, New Mexico

Sunco Disposal
Sec. 2, T-29-N, R-12-W
323 County Rd. 3500
Farmington, New Mexico

Note 3: The shipping agent for this material will be one of the following companies:

Waste Management
Road 3100
Aztec, New Mexico

Cooper/Cameron Incorp.
3900 Bloomfield Hwy.
Farmington, New Mexico

Overland Dehy
5895 US Hwy. 64
Bloomfield, New Mexico

Note 4: Operator approval for disposal of the shipped wastes to landfill:

Waste Managerment
C/R 3100 Aztec, NM

Profile # 025149, 025150,
0215149, 266263

C. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. No additional modifications are proposed at this time.

IX. INSPECTION, MAINTENANCE AND REPORTING

A. Leak Detection/Site Visits

The below ground sump is equipped with double walls and a leak detection system that provides a local discrete alarm. As described in section VII. D. 1 the 100 bbl storage tanks are placed on a liner within a berm to aid in detecting any leaks from the storage tanks.

Daily log sheets are filled out along with routine visual inspection of facility equipment and continuous monitoring of process instrumentation are performed to identify possible leaks.

Should a release of materials occur, MOI will comply in accordance with provisions described in NMOCD Rule and Regulation #116 ***and WQCC section 1-203.***

B. Precipitation/Runoff

Storm water run-off does not come in contact with process waste streams. Any precipitation that contacts the process equipment is collected in the process sump or contained within containment skids and allowed to evaporate. The facility pad is maintained to prevent surface accumulations of storm water.

X. SPILL/LEAK PREVENTION & REPORTING

A. Spill/Leak Potential

Potential sources of spills or leaks at this facility include the following:

1. tank overflow or rupture;
2. overflow or cracking of concrete sumps;
3. rupture of process pipelines.
4. pigging operations

Prevention of accidental releases from these sources is a high priority of Meridian Oil Inc. (MOI) personnel. Spill prevention is achieved primarily through proper execution of operating procedures and secondly, by an active equipment inspection and maintenance program. Spill detection is accomplished by routine visual inspection of facility equipment and continuous monitoring of process instrumentation.

To reduce the risk of spilled process fluids from contacting the ground surface, MOI has purchased self contained skids on process equipment with a higher probability of a spill/leak with . Each of the containment basins either has a small open top collection area or a drain to the process sump to aid in fluid disposal.

B. Spill/Leak Control

General spill cleanup procedures may involve minor earthwork to prevent migration, and recovery of as much free liquid as possible. Recovered fluids would then be transported off-site for recycling or disposal. ***Clean-up procedures by MOI will follow OCD Guidelines For Remediation of Leaks, Spills, and Releases dated August 13, 1993.***

C. Spill/Leak Reporting

Should a release of materials occur, MOI will comply in accordance with provisions described in NMOCD Rule and Regulation #116 ***and WQCC section 1-203.***

XI. SITE CHARACTERISTICS

A geotechnical report was generated to document physical characteristics of soils in the area of Sandstone for the purposes of construction. Documentation of the soils involved drilling three boreholes (ranging from 16.5' to 26' in depth), classifying and logging each soil type as it was encountered. The geotechnical survey is not included with this discharge plan.

A. Hydrologic Features

1. There are no known domestic water supplies or surface water bodies within one mile of Sandstone. There is one drainage wash/arroyo which runs along the north edge of the site.

2. Cathodic well data in the area indicates the depth to ground water to be approximately 80 feet. No ground water was encountered during test borings for the geotechnical survey. Total Dissolved Solids (TDS) of water from this formation is estimated to be greater than 1700 mg/l on an avg. (New Mexico Bureau of Mines and Mineral Resources, 1983).

3. Ground water flow direction is likely to be southwest, based on a review of topographic features at the site. This would be consistent with an existing wash/arroyo which runs along the north edge of the site.

B. Geologic Description of Discharge Site

1. The site is underlain predominately by stratified clay, overlaying sand soils with varying amount of silt and clay, overlaying formational shale and/or sandstone. Auger refusal was encountered at about 26 feet on one of the borings. Ground water was not encountered in any of the borings.

2. The aquifer most likely to be affected by a discharge in this area is the San Jose Formation.

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 12, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-678

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

RE: Discharge Plan GW-193
Sandstone Compressor Station
San Juan County, New Mexico

Dear Mr. Thomas:

The NMOCD has received the proposed Sandstone Compressor Station discharge plan application for the facility located in SE/4, Section 32, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. The application filing fee in the amount of $50 was received by the NMOCD along with the discharge plan application. The NMOCD has prepared and sent out the public notice for the Sandstone Compressor Station facility as stated in WQCC section 3-108. NMOCD has conducted a preliminary review of the proposed discharge plan as received from Meridian Oil Inc. on May 1, 1995.

The following comments and request for additional information are based on the review of the Meridian Oil Inc. Sandstone Compressor Station application. **Please note that unless otherwise stated, Meridian Oil Inc. response to all comments shall be received and reviewed by the OCD prior to approval of the discharge plan application.**

1. Under VI. Sources,.....Effluents

A. Item B. 2. "Produced water from the inlet filter separator....listed in WQCC 1-101.UU. Similarly, used oil collected in sumps will contain WQCC 1-101.UU hydrocarbon compounds.

Note: The actual section in WQCC is 1-101.ZZ. (WQCC Effective November 11, 1995)

B. **Item C. Commingled Waste Streams**

It appears that exempt and non-exempt streams are being commingled - i.e. wash water that may contain lube oil from the compressor skid with produced water from the dehydrator. Please clarify this point; Is Meridian Oil Inc. contention that wash water containing lube oil is an exempt stream? Also provide regulatory citation supporting this contention if in fact this is Meridian Oil Inc. belief.

2. Under section VII. Transfer.....Effluents

A. **Item D. NMOCD Design Criteria**

What are the volumes of the EG tank and the Lube oil tank in barrels?

B. **Item E. Underground Pipelines**

Please define what Meridian Oil Considers as on an "as needed" basis for Mechanical integrity testing?

C. **Item F. Proposed Modifications**

What does Meridian Oil mean by "closed pipe"-does this mean that all piping is bull plugged at both ends?

3. Under section VIII. Effluent Disposal

A. **Item B. Off-Site Disposal**

In the table under Solid Waste; Does Meridian Oil Inc. consider "solid waste" items such as trash or refuse? Please clarify this point.

4. Under section IX. Inspection.....Reporting

A. **Item A. Leak Detection/Site Visits**

Meridian Oil Inc. shall also comply with section 1-203 in the WQCC under spill reporting-this needs to be included with the statement about NMOCD rule 116.

B. **Item B. Precipitation/Runoff**

Does the compressor skid connect with the sumps, and if so how does precipitation that falls in this area drain-does it drain to the same sump that will collect wash water which may contain lube oil? Please provide further clarification on this matter.

Further under "**B. Spill/Leak Control**" the statement "..any contaminated soil will be left in place... Please address what will happen to this soil, does Meridian Oil Inc. believe that this soil will take care of itself over time? Please provide technical basis for this type of reasoning if this is in fact the case.

Submittal of the requested information and commitments in a timely fashion will expedite the final review of the application and approval of the discharge plan.

If you have any questions, please feel free to call me at (505)-827-7156.

Sincerely,

Patricio W. Sanchez
Petroleum Engineer

xc: denny foust

AFFIDAVIT OF PUBLICATION

No. 34755

STATE OF NEW MEXICO
County of San Juan:

ROBERT LOVETT being duly sworn says: That he is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

Wednesday, May 10, 1995

and the cost of publication was: $97.25

Robert Lovett

On 5-10-95 ROBERT LOVETT appeared before me, whom I know personally to be the person who signed the above document.

Deanna Beck

My Commission Expires

April 2, 1996

COPY OF PUBLICATION

Legals

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulatic the following discharge plan applications and modification application have been submitted to Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, T ephone (505) 827-7131:

(GW-032) - GIANT REFINING Company, Route 3, Box 7, Gallup, New Mexico, 87301 has submitted a modification application for the previously approved discharge plan for their Ciniza Refinery located in Section 28 and Section 33, Township 15 North, Range 15 West, NMPM, Mckinley County, near Gallup, New Mexico. The modification will consist of the addition of a landfarm for the treatment of non-hazardous oily wastes. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface varies in depth from 70 feet to 140 feet with an approximate total dissolved solids concentration of 950 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-192) - ENVIRO-CHEM, P.O. BOX 668, Hobbs, New Mexico, 88240 has submitted a discharge plan application for their Enviro-Chem facility located in NE/4 NE/4, Section 4, Township 19 South, Range 38 East, NMPM, Lea County, in the city of Hobbs, New Mexico. The facility is an oil field chemical service company with no wastewater discharges from the facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-193) - Meridian Oil Inc., P.O. BOX 4289, Farmington, New Mexico, 87499-4289 has submitted a discharge plan application for their Sandstone Compressor Station located in SE/4, Section 32, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground; all waste streams will be stored onsite in closed top tanks and then transported to an NMOCD approved disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 1700 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-194) - Meridian Oil Inc., P.O. BOX 4289, Farmington, New Mexico, 87499-4289 has submitted a discharge plan application for their Frances Mesa Compressor Station located in SW/4, Section 27, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. The station will compress natural gas with no process waste stream discharges to the ground; all waste streams will be stored onsite in closed top tanks and then transported to an NMOCD approved disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 240 feet with a total dissolved solids concentration of approximately 1700 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 from the Oil Conservation Division and m submit written comments to the Director of the Oil Conservation Division at the address gi above. The discharge plan application may be viewed at the above address between 8:00 a. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its mo cation, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the d of publication of this notice during which comments may be submitted to him and public hear may be requested by any interested person. Requests for public hearing shall set forth the reas why a hearing should be held. A hearing will be held if the Director determines there is signific public interest.

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 2nd day of May, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

WILLIAM J. LEMAY, Director

MERIDIAN OIL

April 10, 1995

Certified - P 338 002 986

Chris E. Eustice
Environmental Geologist
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87502

GW-193

Re: Ground Water Discharge Plan
Sandstone Compressor Station

Dear Mr. Eustice:

Meridian Oil Inc. is providing your department with a proposed discharge plan for the referenced facility. No onsite disposal of fluids or solids will occur at this facility. All above ground storage tanks are bermed and certain process equipment has been equipped with lined containment basins to catch unintentional discharges of process fluids.

If you have any questions concerning this proposed discharge plan, please contact me at 326-9561.

Sincerely,

Doug Thomas

Doug Thomas
Environmental/Safety Representative

Attachment: (1) Discharge Plan (2 Copies)
(1) $50 Filing Fee

cc: Loren Fothergill, MOI
New Mexico Oil Conservation Division - Aztec Office (without attachments)
Sandstone Compressor Station: Discharge Plan

62-20
311

MERIDIAN OIL
801 CHERRY STREET - SUITE 200
FORT WORTH, TEXAS 76102-6842

Citibank (Delaware)
A subsidiary of Citicorp
ONE PENN'S WAY
NEW CASTLE, DE 19720

[redacted]
CHECK NO.

VENDOR NO.
500329

DATE	AMOUNT
04/20/95	**********$50.00

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 60 DAYS

PAY TO THE ORDER OF
NEW MEXICO ENVIRONMENT DEPARTMENT
PO BOX 26110
SANTA FE, NM 87502

Everett D DeBois

[redacted]

MERIDIAN OIL
801 CHERRY ST. - SUITE 200 * FORT WORTH, TX 76102-6842

For Questions Please Call
(505) 326-9519

CONTROL NO.	REFERENCE INVOICE	REFERENCE DATE	PAID ON BEHALF OF	DUE VENDOR
420578348	RFC	950417	EPX SANDSTONE C. S. FILING FEE FOR DISCHARGE PLAN APPLICATION	50.00
			TOTAL	50.00

VENDOR NO. 500329 CHECK NO. [redacted]

GW-193

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

April 10, 1995

Prepared for:

Meridian Oil, Inc.
Farmington, New Mexico

Prepared by:

Doug Thomas

TABLE OF CONTENTS

SANDSTONE COMPRESSOR STATION
GROUND WATER DISCHARGE PLAN

I. TYPE OF OPERATION

The Sandstone Compressor Station (Sandstone) is a natural gas compressor station which receives lean gas via an upstream gathering system. At this facility the gas is compressed and dehydrated to an intermediate pressure.

II. OPERATOR AND LOCAL REPRESENTATIVE

A. Operator

Name: Meridian Oil, Inc.	Address: P.O. Box 4289
City: Farmington	State: New Mexico
Zip: 87499-4289	Phone: 505-326-9700

B. Local Representative

Name: Doug Thomas	Address: P.O. Box 4289
City: Farmington	State: New Mexico
Zip: 87499-4289	Phone: 505-326-9561

III. FACILITY LOCATION

Township: T 31N	Range: R 8W	Section: S 32 SE 4	County: San Juan

A topographic map of the area is attached as Figure 1, Facility Area Map.

IV. LANDOWNERS

Name: Meridian Oil, Inc.	Address: P.O. Box 4289
City: Farmington	State: New Mexico
Zip: 87499-4289	Phone: (505) 326 - 9700
Name: State of New Mexico	Address: P.O. Box 1148
City: Santa Fe	State: New Mexico
Zip: 87504-1148	Phone: (505) 827-7153

V. FACILITY DESCRIPTION

The Sandstone is constructed on a pad of approximately 2.33 acres in size. It consists of two gas compression engines (1200 hp each), one dehydration unit, and the following tanks and sumps:

Container Type	Capacity	Product	Construction Material	Location
Tank	100 barrel	Lube Oil	Steel	Above ground
Tank	100 barrel	Used Oil	Steel	Above ground
Tank	100 barrel	Ethylene glycol (EG)	Steel	Above ground
Tank	100 barrel	Condensate	Steel	Above ground
Tank	750 gallon	Triethylene glycol (TEG)	Fiberglass	Above ground
Process Sump	640 gallon	Water, TEG, EG, Oil	Steel	Below ground

The attached Figure 2 illustrates the overall facility lay-out and equipment components.

VI. SOURCES, QUANTITIES & QUALITY OF EFFLUENTS

A. Waste Stream Data

Source of Waste	Type of Waste	Volume/Month	Type/Volume of Additives	Collection System/Storage
Dehydration Unit	Produced Water	3 barrels	None	Piped to sump
Dehydration Unit	TEG	Intermittent	None	Drums
Dehydration Unit	Used TEG Filters	3	None	Container/bin
Compressor Engines	Cooling Water	Intermittent	Ethylene Glycol (EG)	Drums
Compressor Engines	Leaks and Precipitation	Intermittent	EG, Oil, Water	Sump
Compressor Engines	Used Oil	160 gallons	None	Aboveground steel tank
Compressor Engines	Oil Filters	4	None	Container/bin
Inlet Filter Separator	Inlet Filters	46/per year	None	Container/bin
Discharge Filter Coalescer	Coalescer Filters	39/per year	None	Container/bin
36" Slug Catcher Inlet Separator	Produced Water	93 barrels	Corrosion Inhibitors	Aboveground steel tank
Trash	Solid Waste	1-2 Containers	None	Container/bin

B. Quality Characteristics

1. Note that there are no process waste stream discharges from Sandstone to the ground surface. All waste streams are contained and their disposition is described in section VIII.

2. Chemical analysis has not been performed on any of the waste streams because they are not disposed of on-site as an "effluent." Produced water from the inlet filter separator, discharge filter coalescer, and the dehydration unit may contain the BETX hydrocarbon compounds listed in WQCC 1-101.UU. Similarly, used oil collected in the sumps will contain the WQCC 1-101.UU hydrocarbon compounds.

C. Commingled Waste Streams

1. Produced water from the sump, slug catcher, and dehydration units are commingled prior to being hauled for disposal. In addition, wash water (fresh water) may be introduced into the sump during maintenance operations.

VII. TRANSFER & STORAGE OF PROCESS FLUIDS & EFFLUENTS

A. Fluid Storage

Information on the waste stream collection and storage containers is summarized in the tables in sections V and VI.

B. Flow Schematics

The individual "treatment" units are shown on Figure 2. Produced water may be generated during the compression of gas with water being diverted to an above ground tank. Produced water may also be generated during dehydration of the gas with water being diverted to an underground sump.

C. Surface and Subsurface Discharge Potential

1. The table in section V provides a listing of all above ground tanks and below grade sumps. Pressurized pipelines carry the compressed gas through the dehydration unit and outlet meter to the sales line.

2. Used compressor lube oil and engine crankcase oil is pumped into the 100 barrel used oil tank. Overflow and leaks from the compressors, compressor engines and elevated lube oil tank drain into the sump. Fluids collected in the sump are periodically transferred to the 100 bbl above ground storage tank for disposal (see section VIII).

3. The size and construction material of the collection units, including lining material, is described in the table in section V.

D. NMOCD Design Criteria

1. The 100 bbl used oil tank, EG tank, and lube oil tank are located in a 22' x 57.5' x 2' bermed area. Capacity of the bermed area meets the general engineering practice of one and one third times the capacity of the largest tank. Each of the four tanks are independent and are not connected together by a common manifold.

2. The TEG regeneration skid is a self contained unit equipped with containment curbs to capture any leaks that may occur during the TEG regeneration process.

3. The below ground sump complies with OCD specifications. Sump is equipped with double walls and a leak detection system that provides a discrete alarm which can be viewed through the stations telemetry system.

4. The installation of the 100 bbl storage tanks has been designed such that any leaks in the tanks will remain on the surface and not seep into the ground below the tanks. The design calls for a continuous mat of 40 mil HDPE liner placed on the grade below the storage tanks. The tanks are then supported above the linner on a 6" gravel pack contained in a steel ring. Any leak in the tanks will seep through the gravel to the mat and be identified in the area outside of the steel ring.

E. Underground Pipelines

Mechanical integrity testing of the underground process pipelines is performed on an "as needed" basis.

F. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. All plant processes are closed pipe, contained in tanks, or otherwise controlled to prevent leakage. No additional modifications are proposed at this time.

VIII. EFFLUENT DISPOSAL

A. On-Site Disposal

This facility does not conduct any on-site waste disposal. All waste streams are taken off-site for recycling or disposal.

B. Off-Site Disposal

The following table provides information about off-site waste disposal:

Waste Stream	Shipment Method	Shipping Agent	Final Disposition	Receiving Facility
Produced Water	**Truck**	***See Note 1***	**Class II Well**	***See Note 2***
Coalescer, Inlet Separator, Used Oil, TEG and Fuel Gas Filters	**Truck**	***See Note 3***	**Filters are landfilled**	**Waste Management C/R 3100 Aztec, NM** ***See Note 4 for approved profile #***
Engine coolant	**Truck**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**	**Recycled**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**
Used Oil	**Truck**	***See Note 1***	**Recycled**	**Storage 1 Facility Meridian Oil, Inc. 3535 E. 30th Farmington, NM**
TEG	**Truck**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**	**Recycled**	**Overland Dehy 5895 US Hwy. 64 Bloomfield, NM**
Solid Waste	**Truck**	**Waste Management C/R 3100 Aztec, NM**	**Landfill**	**Waste Management C/R 3100 Aztec, NM**

Note 1: The trucking agent contracted to ship effluents off-site will be one of the following:

Dawn Trucking Co. 318 Hwy. 64 Farmington, New Mexico.	Chief Transport 604 W. Pinon Farmington, New Mexico	Meridian Oil Trucking 6001 Hwy. 64 Bloomfield, NM 87413	Sunco Trucking 708 S. Tucker Ave. Farmington, New Mexico

Note 2: The off-site Disposal Facility will be one of the following:

McGrath SWD #4 Sec. 34, T-30-N, R-12-W San Juan County New Mexico	Basin Disposal Sec. 3, T-29-N, R-11-W 6 County Rd 5046 Bloomfield, New Mexico	Sunco Disposal Sec. 2, T-29-N, R-12-W 323 County Rd. 3500 Farmington, New Mexico

Note 3: The shipping agent for this material will be one of the following companies:

Waste Management Road 3100 Aztec, New Mexico	Cooper/Cameron Incorp. 3900 Bloomfield Hwy. Farmington, New Mexico	Overland Dehy 5895 US Hwy. 64 Bloomfield, New Mexico

Note 4: Operator approval for disposal of the shipped wastes to landfill:

Waste Management C/R 3100 Aztec, NM	Profile # 025149, 025150, 0215149, 266263

C. Proposed Modifications

The existing site conditions at Sandstone provide protection from present or future ground water contamination. All plant processes are closed pipe, contained in tanks, or otherwise controlled to prevent leakage. No additional modifications are proposed at this time.

IX. INSPECTION, MAINTENANCE AND REPORTING

A. Leak Detection/Site Visits

The below ground sump is equipped with double walls and a leak detection system that provides a discrete alarm which can be viewed through the stations telemetry system. As described in section VII. D. 1 the 100 bbl storage tanks are placed on a liner within a berm to aid in detecting any leaks from the storage tanks.

Daily log sheets are filled out along with routine visual inspection of facility equipment and continuous monitoring of process instrumentation are performed to identify possible leaks.

Should a release of materials occur, MOI will comply in accordance with provisions described in NMOCD Rule and Regulation #116.

B. Precipitation/Runoff

Storm water run-off does not come in contact with process waste streams. Any precipitation that contacts the process equipment is collected in the process sump or contained within containment skids and allowed to evaporate. The facility pad is maintained to prevent surface accumulations of storm water.

X. SPILL/LEAK PREVENTION & REPORTING

A. Spill/Leak Potential

Potential sources of spills or leaks at this facility include the following:

1. tank overflow or rupture;
2. overflow or cracking of concrete sumps;
3. rupture of process pipelines.
4. pigging operations

Prevention of accidental releases from these sources is a high priority of Meridian Oil Inc. (MOI). Spill prevention is achieved primarily through proper execution of operating procedures and secondly, by an active equipment inspection and maintenance program. Spill detection is accomplished by routine visual inspection of facility equipment and continuous monitoring of process instrumentation.

To reduce the risk of spilled process fluids from contacting the ground surface, MOI has purchased self contained skids for process equipment with a higher probability of a spill/leak. Each of the containment basins either has a small open top collection area or a drain to the process sump to aid in fluid disposal.

B. Spill/Leak Control

General spill cleanup procedures may involve minor earthwork to prevent migration, and recovery of as much free liquid as possible. Recovered fluids would then be transported off-site for recycling or disposal. Based on existing literature, analysis and regulatory guidelines, any contaminated soil will either be left in place, transferred to other existing waste-management areas, or transported off-site for proper disposal.

C. Spill/Leak Reporting

Should a release of materials occur, MOI will comply in accordance with provisions described in NMOCD Rule and Regulation #116.

XI. SITE CHARACTERISTICS

A geotechnical report was generated to document physical characteristics of soils in the area of Sandstone for the purposes of construction. Documentation of the soils involved drilling three boreholes (ranging from 16.5' to 26' in depth), classifying and logging each soil type as it was encountered. The geotechnical survey is not included with this discharge plan.

A. Hydrologic Features

1. There are no known domestic water supplies or surface water bodies within one mile of Sandstone. There is one drainage wash/arroyo which runs along the north edge of the site.

2. Cathodic well data in the area indicates the depth to ground water to be approximately 80 feet. No ground water was encountered during test borings for the geotechnical survey. Total Dissolved Solids (TDS) of water from this formation is estimated to be greater than 1700 mg/l on an avg. (New Mexico Bureau of Mines and Mineral Resources, 1983).

3. Ground water flow direction is likely to be southwest, based on a review of topographic features at the site. This would be consistent with an existing wash/arroyo which runs along the north edge of the site.

B. Geologic Description of Discharge Site

1. The site is underlain predominately by stratified clay, overlaying sand soils with varying amount of silt and clay, overlaying formational shale and/or sandstone. Auger refusal was encountered at about 26 feet on one of the borings. Ground water was not encountered in any of the borings.

2. The aquifer most likely to be affected by a discharge in this area is the San Jose Formation.

3. This formation is characterized by interbedded sandstone and mudstones. The thickness of the formation ranges up to nearly 2,700 feet, in the basin between Cuba and Gobernador. (New Mexico Bureau of Mines and Mineral Resources, 1983).

C. Flood Protection

Sandstone lies approximately 700 feet above the San Juan River to the north. One small wash/arroyo lies to the northeast of the location. This area is not typically subject to flooding therefore special flood protection measures are not needed.

XII. ADDITIONAL INFORMATION

As stated previously, this facility does not intentionally discharge or dispose of any waste on-site. Containment devices are installed and regularly inspected to insure proper operation. As a result, MOI has demonstrated that approval of this plan will not result in concentrations in excess of the standards of Section 3-103 or the presence of any toxic pollutant at any place of withdrawal of water for present or reasonably foreseeable future use.

XIII. AFFIRMATION

"I hereby certify that I am familiar with the information contained in and submitted with this discharge plan, and that such information is true, accurate, and complete to the best of my knowledge and belief."

Name: Matthew J McEneny Title: Regional Environmental and Safety Manager

Signature: Matthew J McEneny Date: 18 April, 1995

Name: James B. Fraser Title: Production Manager

Signature: James B Fraser Date: April 20, 1995

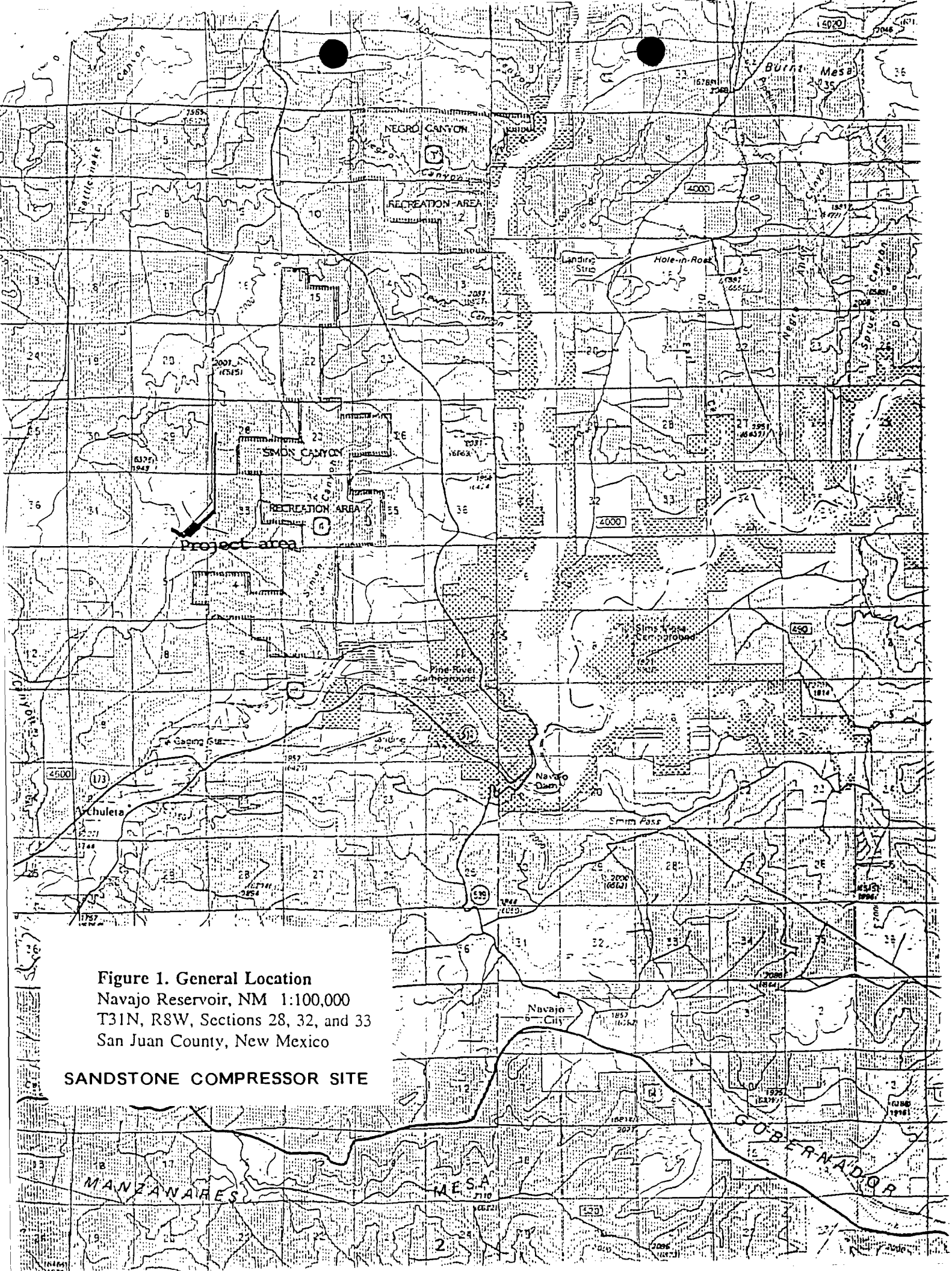

Figure 1. General Location
Navajo Reservoir, NM 1:100,000
T31N, R8W, Sections 28, 32, and 33
San Juan County, New Mexico

SANDSTONE COMPRESSOR SITE

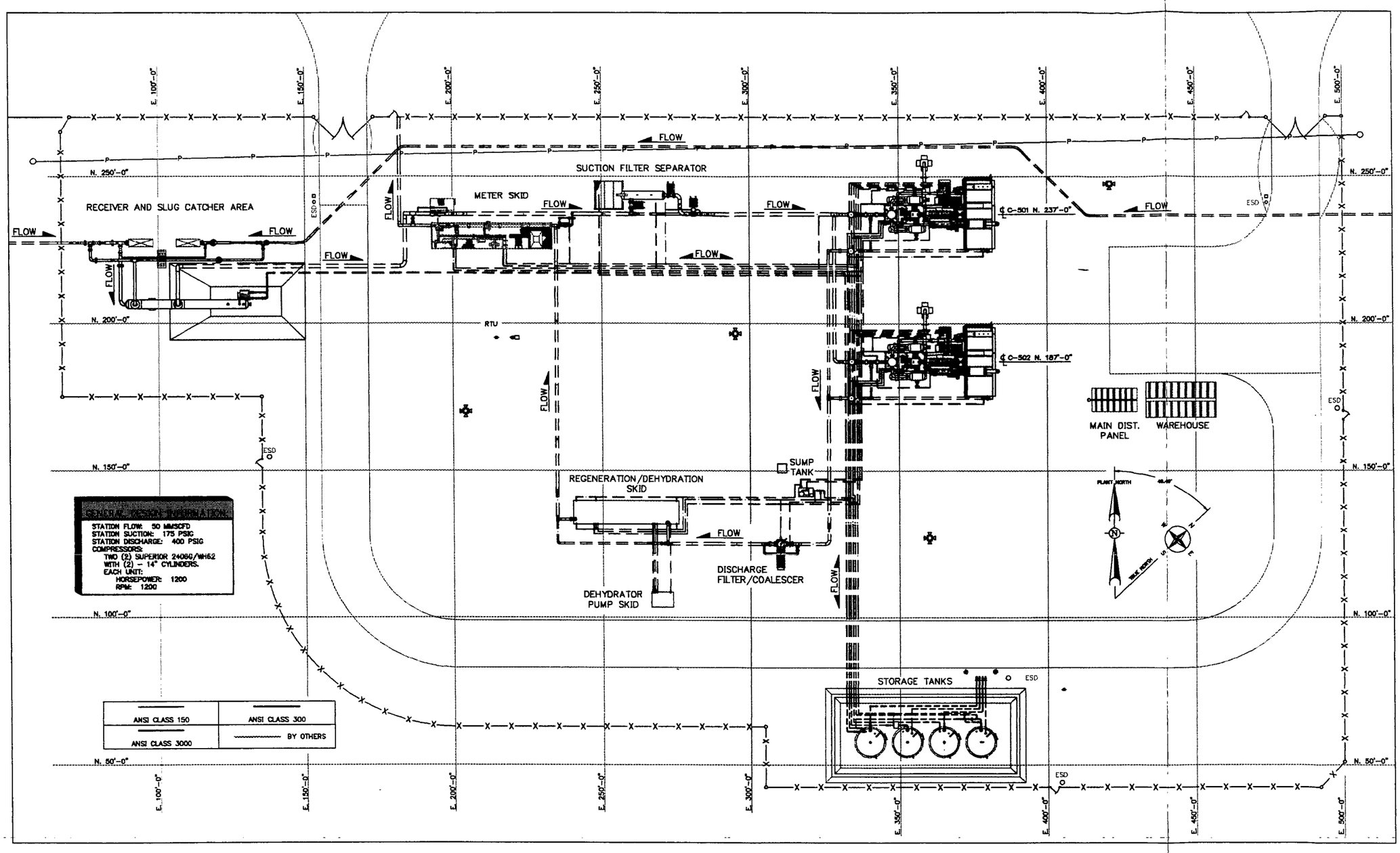

FIGURE # 2

DWG. NO.	TITLE	NO.	REVISION — DESCRIPTION	BY	DATE	INTERNAL REV. LTR	CHK'D	APP'D
REFERENCE DRAWINGS		0	ORIGINAL ISSUE	TLE	04-04-95	1		

DWG. STATUS	CHECKED BY	CHECKED DATE	APPROVED BY	APPROVED DATE	BY	DATE
PREL'Y						
BID						
CONSTR.						
CADDS	PLOT DATE: DWG. 12CZA100					

WORK ORDER NUMBER

TKE JOB NUMBER 9412

1995 CONSTRUCTION

	BY
DESIGN	
DESIGN	
DESIGN	
DESIGN	
DESIGN	

Prepared by TKE ENGINEERING & DESIGN Houston, Texas

24MMSCF COMPRESSION FACILITY

MERIDIAN OIL

SANDSTONE COMPRESSOR STATION

PLOT PLAN

PROCESS FLOW

SCALE: 1/16" = 1'-0"

SS-C-ZA100 | 0