

PERMITS, RENEWALS, & MODS Application

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



AUGUST 14, 2012

Mr. Richard Duarte El Paso Natural Gas Company 8725 Alameda Park Drive Albuquerque, NM 87113

Dear Mr. Richard Duarte:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that two of your facilities with an expired or soon to be expired permit do not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permits $GW=092^{-1}$ (Rio Vista CS) and $GW=231^{-1}$ (Lincoln "B" CS) are hereby rescinded and you are not required to proceed with the renewal of these expired or soon to expire WQCC Discharge Permits. OCD will close these permits in its database.

Because this WQCC Discharge Permit is no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste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

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

Thank you for your cooperation.

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Jami Bailey Director

JB/gvg

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21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

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

<u>Conditions accepted by</u>: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

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Title	Prin	cipal	Ev	IV.	Rep.	
Date:		612	24/0	28		

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



May 19, 2008

Mr. Richard Duarte El Paso Natural Gas Company 3801 Atrisco Blvd., NW Albuquerque, N.M. 87120

Re: Discharge Permit Renewal Lincoln "B" Compressor Station (GW-231)
E/2 SE/4 Section 22, Township 2 South, Range 12 East, NMPM, Lincoln County, New Mexico,

Dear Mr. Duarte:

Pursuant to the Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **El Paso Natural Gas Company** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

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

If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price Environmental Bureau Chief

Attachments-1 xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. The flat fee for a compressor station with a horsepower rating greater than 1001 horsepower is \$1700.00. Please submit this amount to the OCD. Checks should be made out to the New Mexico Water Quality Management Fund.

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. The permit will expire on January 9, 2011 and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

5. Modifications: WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCDapproved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCDapproved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. **Drum Storage:** The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. **Process, Maintenance and Yard Areas:** The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

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

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

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

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

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

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

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

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

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

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that

inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

16. OCD Inspections: The OCD inspected the facility on May 16, 2008 and has determined this facility to be in good standing condition, adhering to all conditions within its Discharge Permit. The OCD could not find any record of EPNG's last hydrostatic pressure testing results conducted in October, 2002. The OCD shall be notified within 72 hours of EPNG's testing for this facility. EPNG has **60 days** to perform testing and submit the results to the OCD. See attachment with photos taken from inspection. The OCD has only determined sensitive areas within this facility. EPNG shall reduce their overall waste stream by reducing the time frame of standing fluids within their secondary containments. A copy of this permit shall be on location at all times. Note: This discharge plan application was submitted past its renewal date. El Paso Natural Gas will be served penalties if this occurs during its next renewal process.

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

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

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

20. Additional Site Specific Conditions: N/A

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

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

<u>Conditions accepted by</u>: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title

Date:

OCD Inspection: EPNG Lincoln C.S. GW - 231 Inspector(s): Leonard Lowe Company Rep: Mr. Charles Lueras, Donld Campbell and facility rep. Time: 11:00 - 12:10

Date: 05.16.08

Page 1



Photo 1: Used oil secondary with liquids in containment.

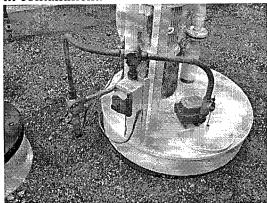


Photo 2: BGT near used oil containment.

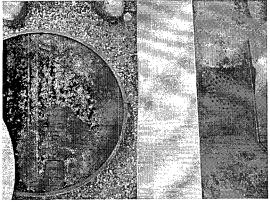


Photo 3: Closed valve near drain of used oil secondary.

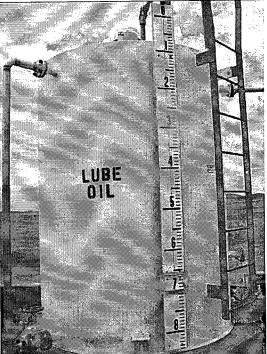


Photo 4: Lube oil tank.

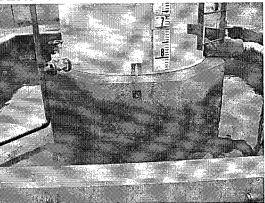


Photo 5: Liquids in lube oil secondary area.



Photo 6: Oil sheen on liquids in secondary of lube oil tank.

Lowe, Leonard, EMNRD

From:	Lowe, Leonard, EMNRD
Sent:	Thursday, March 06, 2008 2:58 PM
То:	Lowe, Leonard, EMNRD; 'Ricardo.Duarte@ElPaso.com'
Cc:	'Marco Wikstrom'; 'Craig Corey'
Subject:	GW-231, Lincoln "B" Compressor Station Administratively Complete DP application
Attachments	: GW-231, Admin Complete Letter.pdf; GW-231, Draft Permit.pdf; GW-231 OCD PN.pdf

Mr Richard Duarte,

The submitted Discharge Plan renewal application for the El Paso Natural Gas Company, <u>Lincoln "B" Compressor</u> <u>Station</u> has been determined to be **Administratively Complete**.

Attached are the **Administratively Complete Letter**, **Draft Permit** and **OCD version of the public notice** for your records.

Mr. Marco Wikstrom: Please submit to the NMOCD a revised version of the public notice. Here are my findings:

- 1. Missing the GW-231 reference in text of PN. Please place.
- 2. Number 4 of the WQCC requirement, "A brief description of the expected quality and volume of the discharge"
- 3. Change my contact information phone number to 476-3492.

If you have any questions please feel free to contact me.

llowe

Leonard Lowe

Environmental Engineer Oil Conservation Division/EMNRD 1220 S. St. Francis Drive Santa Fe, N.M. 87505 Office: 505-476-3492 Fax: 505-476-3462 E-mail: <u>leonard.lowe@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u> "If there is no such thing as a stupid question, what kind of questions do stupid people ask?" New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



March, 6th, 2008

Mr. Richard Duarte

Re: Discharge Plan Renewal Permit GW-231 El Paso Natural Gas Company Lincoln "B" Compressor Station San Juan County, New Mexico

Dear Mr. Richard Duarte:

The New Mexico Oil Conservation Division (NMOCD) has received El Paso Natural Gas Company's request and initial fee, dated February 15, 2008, to renew GW-231 for the El Paso Natural Gas Company's Lincoln "B" Compressor Station located in the E/2 SE/4 of Section 22, Township 2 South, Range 12 East, NMPM, Lincoln County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

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

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or <u>leonard.lowe@state.nm.us</u>. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Leonard Lowe Environmental Engineer

LRL/lrl

xc: OCD District III Office, Aztec

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



March 6th, 2008

Mr. Richard Duarte El Paso Natural Gas Company 3801 Atrisco Blvd., NW Albuquerque, N.M. 87120

 Re: DRAFT Discharge Permit Renewal Lincoln "B" Compressor Station (GW-231)
 E/2 SE/4 Section 22, Township 2 South, Range 12 East, NMPM, Lincoln County, New Mexico,

Dear Mr. Duarte:

Pursuant to the Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **El Paso Natural Gas Company** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

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

If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price Environmental Bureau Chief

LWP/lrl

Attachments-1 xc: OCD District Office



Mr. Richard Duarte El Paso Natural Gas Company GW -231 <u>DRAFT</u> March 6th, 2008 Page 2

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. <u>The flat fee for a compressor station with a horsepower rating greater than 1001 horsepower is \$1700.00.</u> <u>Please submit this amount along with the signed certification item 23 of this document after the final permit is issued in approximately 45 days. Checks should be made out to the New Mexico Water Quality Management Fund.</u>

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. The permit will expire on January 9, 2011 and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

5. Modifications: WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCDapproved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD- Mr. Richard Duarte El Paso Natural Gas Company GW-231 <u>DRAFT</u> March 6th, 2008 Page 3

approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

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Mr. Richard Duarte El Paso Natural Gas Company GW -231 <u>DRAFT</u> March 6th, 2008 Page 4

secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

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

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

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

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

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

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking

Mr. Richard Duarte El Paso Natural Gas Company GW -231 <u>DRAFT</u> March 6th, 2008 Page 5

water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

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

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

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

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

20. Additional Site Specific Conditions: <u>N/A</u>

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Mr. Richard Duarte El Paso Natural Gas Company GW-231 <u>DRAFT</u> March 6th, 2008 Page 6

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

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

<u>Conditions accepted by</u>: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title

Date:_____

NOTICE OF PUBLICATION

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

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

(GW-231) El Paso Natural Gas Company's Richard Duarte, Senior Environmental Engineer,3801 Atrisco Blvd. NW, Albuquerque, NM 87120 has submitted a renewal discharge plan application for their Lincoln "B" compressor station, located in the E/2 SE/4 of Section 22, Township 2 South, Range 12 East, NMPM, Lincoln County, New Mexico. The facility is located 1 mile east of US 54 on county road A32. The facility provides compression of pipeline quality natural gas via the San Juan crossover pipeline. Approximately 1700 gallons of lube oil and 1000 gallons of oil/waste will be stored in above storage tanks (AST). These containers shall be placed upon cemented, bermed areas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 30 feet, with a total dissolved solids concentration of approximately 1,200 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta solicitud en espanôl, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservacio'n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461) GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 6th day of March 2008.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL

Mark Fesmire, Director

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No	dated _ 5/3/07
or cash received on in the amount of \$	00
from EL PASO Natural GAS (γ 28 ·
for $GW-231$	
Submitted by: LAWrence Forrero Date:	2/19/08
Submitted to ASD by: Revenue Forcas Date:	
Received in ASD by: Date:	
Filing Fee New Facility Renewa	
Modification Other	
Organization Code521.07 Applicable FY	2004
To be deposited in the Water Quality Management Fund.	
Full Payment or Annual Increment	

KLEINFELDER

February 15, 2008 File No. 83253.2 – ALB08RP002

Mr. Leonard Lowe Engineer Oil Conservation Division New Mexico Energy, Minerals, and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Discharge Application and Discharge Plan for Permit Renewal; El Paso Natural Gas Company; Lincoln "B" Compressor Station in Lincoln County (GW # 231)

Dear Mr. Lowe:

Kleinfelder West, Inc. (Kleinfelder) is pleased to submit for your review the attached discharge plan for discharge permit renewal. The attached information is being submitted on behalf of the El Paso Natural Gas Company (EPNG).

Kleinfelder has included the required information for the discharge plan as outlined in Title 20, Chapter 6, Part 2, NMAC, and "Guidelines for The Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and crude Oil Pump Stations".

The following is attached:

- Discharge Plan Application;
- Discharge Plan;
- Public Notice text in both Spanish and English; and
- Check for \$1,800.00 (check number 7552521) made out to the New Mexico Oil Conservation Division to cover the filing fee and discharge permit.

Should you have any questions, please feel free to contact Marco Wikstrom or Craig Corey at (505) 344-7373.

Sincerely, KLEINFELDER WEST, INC.

Marco Wikstrom Staff Geologist

Reviewed by: Barbara Everett, P.G Program Manager

District I 1625 N. French Dr., Hobbs, NM 8824 District II 1301 W. Grand Avenue, Artesia, NM District III 1000 Rio Brazos Road, Aztec, NM 87 District IV 1220 S. St. Francis Dr., Santa Fe, NM	Energy M 88210 6410 Oil 1220	tate of New Mexico inerals and Natural Re Conservation Divisio O South St. Francis I anta Fe, NM 87505	on	Revised June 10, 2003 Submit Original Plus 1 Copy to Santa Fe 1 Copy to Appropriate District Office
REFIN	AN APPLICATION ERIES, COMPRES AND CRUDE er to the OCD Guidelines f	SOR, GEOTHE OIL PUMP STA	RMAL FACIL TIONS	ITES
			odification	_
1. Type: <u>Compressor Sta</u>	ation Lincoln P	3 Compressor	Station G	W-231
2. Operator: <u>El Paso Na</u>	tural Gas			
Address: <u>3801 Atrisco B</u>	vd. NW, Albuquerque, N	M 87120		
Contact Person: <u>Richa</u>	ard Duarte		Phone:(505)	831-7763
3. Location: <u>$E/2$</u> of the	SE/4 Section2 Submit large scale top			<u>12 East</u>
4. Attach the name, telepho Attached	one number and address of	the landowner of the	facility site.	
	f the facility with a diagrar	n indicating location of	of fences, pits, dikes	and tanks on the facility.
6. Attach a description of a Attached	Ill materials stored or used	at the facility.		
	present sources of effluent	and waste solids. Ave	erage quality and dai	ly volume of waste water
8. Attach a description of c Attached	urrent liquid and solid was	ste collection/treatmen	nt/disposal procedure	?S.
9. Attach a description of p Attached	proposed modifications to	existing collection/trea	atment/disposal syste	sms.
10. Attach a routine inspect Attached	ion and maintenance plan	to ensure permit comp	oliance.	
11. Attach a contingency pl Attached	an for reporting and clean-	-up of spills or release	S.	
12. Attach geological/hydro Attached	logical information for the	e facility. Depth to an	d quality of ground v	water must be included.
 13. Attach a facility closure rules, regulations and/o Attached 14. CERTIFICATIONI he best of my knowledge and 	r orders. ereby certify that the inform		•	·
Name: Richard Di	uarte	Title:	Senior Environn	<u>nental Enginee</u> r
Signature: Rull	nd mat		2/15/08	
	ardo.Duarte@ElPaso.co	om		

ltem 1

Indicate the major operational purpose of the facility. If the facility is a compressor station include the total combined site rated horsepower.

The El Paso Natural Gas Company (EPNG) Lincoln "B" Compressor Station (Lincoln Station) is utilized for the compression of pipeline quality natural gas, and is part of the EPNG Number 1300 pipeline (Figure 1). The EPNG Number 1300 pipeline, also known as the San Juan Cross-over pipeline, is part of a network that transports an amount of natural gas that varies according to customer demand. Compression is required to move natural gas through the pipeline for delivery to EPNG customers. This is an automated Station which is inspected by EPNG personnel a minimum of once per week while in operation.

The Lincoln Station facility consists of one natural gas-fueled General Electric, Frame 3, Model J, regenerative cycle gas-turbine compressor rated at 9,610 International Standards Organization (ISO) horsepower (hp), and its associated equipment.

The station also contains a 250 kilowatt (kW) generator for auxiliary electrical power which is driven by a Caterpillar Model 3412, 400 hp natural gas fueled reciprocating engine. The station's primary power is generated when the turbine is operating via a turbine-powered generator and purchased auxiliary power is used otherwise. The auxiliary generator is used only in the event of regional power failures.

Total site compressor rated horsepower is 9,610 hp. Combined with the auxiliary generator it is 10,010 hp.

Item 2 Name of operator or legally responsible party and local representative.

Legally Responsible Party	Thomas P. Morgan, Vice President El Paso Natural Gas Company 2 North Nevada Ave. Colorado Springs, CO 80903
Local Representative	Richard Duarte El Paso Natural Gas Company 3801 Atrisco Blvd. NW Albuquerque, NM 87120 (505) 831-7763
Or Local Representative (Alt.)	Sandra D. Miller El Paso Natural Gas Company 2 North Nevada Ave. Colorado Springs, CO 80903
	(719) 520-4350

Operator	El Paso Natural Gas Company Roswell Operating Complex (Lincoln Station) Approximately 10 miles south of Corona, NM 1 mile east of US 54 on County Road A32
Physical Address	El Paso Natural Gas Company Roswell Operating Complex (Lincoln Station) Approximately 10 miles South of Corona, NM 1 mile East of US 54 on County Road A32
Mailing Address	El Paso Natural Gas Company Roswell Operating Complex 6 Petro Drive Roswell, NM 88201 (505) 627-5624, Don Campbell, Manager 1-800-334-8047 (24 hour emergency notification)

Item 3×

Give a legal description of the location and county. Attach a large-scale topographic map.

Lincoln County, New Mexico E/2 of the SE/4, Section 22, Township 2 South, Range 12 East

Latitude: 34 Degrees 7 Minutes and 0 Seconds North Longitude: 105 Degrees 40 Minutes and 5 Seconds West

An aerial photograph and large-scale topographic site map are attached in Appendix A (Figures 1 & 2).

ltem 4

Attach the name, telephone number and address of the landowner of the facility site.

El Paso Natural Gas Company 2 North Nevada Ave. Colorado Springs, CO 80903 (505) 831-7763 R. Duarte or alternate contact (719) 520-4350 S. D. Miller

ltem 5

Attach a description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

To accomplish natural gas compression, Lincoln Station utilizes the following:

- One GE Frame-3 gas turbine compressor unit rated at 9,610 hp (ISO);
- One inlet filter for the natural gas stream (scrubber);
- One fuel gas filter;
- One auxiliary generator driven by a Caterpillar Model 3412, 400 hp natural gas fueled reciprocating engine;
- One 1,680-gallon above ground storage tank (AST) (Tank V-9105B);
- One 1,000-gallon welded steel AST (Tank V-9109B); and
- One 200-gallon AST day tank.

Gas Compressor

The building that houses the turbine has been installed in such as manner as to ensure containment of leaks, spills and wash down water. Any spill or wash down water from cleaning operations are contained and discharged into the 1,000-gallon AST (Tank V-9109B) via the building sumps. The AST is located within a concrete-lined secondary containment that is designed to contain one and one-third times (133%) of the volume of the tank.

Natural gas that is compressed using gas turbine centrifugal compressors does not produce wastewater. The compressor turbine and ancillary equipment are washed on an as-needed basis. The wash down water is discharged into the 1,000-gallon AST mentioned above and non-toxic, biodegradable detergents such as Tide or dish soap are used to clean the equipment. No solvents are used or stored at the station.

Used oil is generated from the turbine and auxiliary generator at a rate of approximately 25 gallons or less per 8,000 hours of operation (0.075 gallons per day). This oil is drained into the 1,000-gallon AST and removed as needed by an oil recycler. EPNG currently has oil recycling contracts with Mesa Oil (Albuquerque Service Office) and Safety-Kleen (Lubbock Service Office), either of which may be called upon to recycle the wash down water/oil mixtures.

Natural Gas Scrubbers (inlet and fuel)

All inlet gas is passed through a suction scrubber on the upstream side of the main compressor. Also, a fuel gas filter removes minimal liquids and other foreign matter from the natural gas before entering the gas turbine or auxiliary generator. Any waste materials generated by the suction scrubber and fuel gas filter are discharged into the 1,000-gallon AST.

Filters from this operation are replaced as needed. The filters are characterized as prescribed by 20 New Mexico Administrative Code (NMAC) 3.1, Subpart 14, Naturally Occurring Radioactive Materials (NORM) in the Oil and Gas industry.

If any filter is characterized as NORM-regulated, it would be stored in properly labeled, UN/DOT-approved 55-gallon metal drums for disposal at an approved facility. To date, no filters have been characterized as NORM regulated at the Lincoln Station.

Scrubber and fuel gas filters are placed in plastic bags and disposed of as solid waste in the onsite dumpster which is emptied by Waste Management on a weekly basis.

Auxiliary Generator

Lincoln Station contains a 250 kilowatt (kW) generator for auxiliary electrical power which is driven by a Caterpillar Model 3412, 400 hp natural gas fueled reciprocating engine. This generator is only used when electrical power is not available from both the compressor generator and utility power. Oil consumption for this generator is very low and is limited to periodic oil changes. Oil for the generator is not stored onsite and is manually serviced. Waste oil from the generator is placed into the 1,000-gallon waste oil tank.

1,680-Gallon Lube Oil Above Ground Storage Tank (AST)

A 1,680-gallon lube oil AST (V-9105B) is located onsite to supply oil to the gas turbine. This tank is filled by lube oil contractors using tank trucks. When tank filling is accomplished, drip pans are placed under all connection points between the tank truck and lube oil tank. EPNG also requires that the tank truck operator be in direct radio or telephone contact with the station operator. A concrete-lined berm underneath the tank measuring 16.5 feet square and 2.5 feet in height is capable of containing three times the volume of the tank.

1,000-Gallon Waste Oil Above Ground Storage Tank (AST)

The 1,000-gallon AST (V-9109B) receives wash down water, used oil, and biodegradable detergents from the compressor building drains, suction scrubber, and the fuel gas filter. When tank emptying is accomplished by the waste oil contractor, drip pans are placed under all connection points between the tank truck and tank. EPNG also requires that the tank truck operator be in direct radio or telephone contact with the station operator. A concrete-lined berm underneath this tank, measuring ten feet square and two feet in height is designed to contain one and one-third times the volume of the tank.

200-Gallon Day Tank

A 200-gallon lube oil AST is used to automatically replenish the gas turbine compressor as it consumes oil with use. The day tank is contained within the compressor building which houses a floor sump that drains into the 1,000-gallon waste oil tank (V-9109B). Secondary containment is provided by the building sump.

Underground Drain Lines

All underground piping and drain lines are hydrostatically tested every five years during the annual station shutdown. Duration of hydrostatic testing is at least 30 minutes and piping is subjected to at least three pounds per square inch (PSI) above operating pressure during the test. The last hydrostatic test was accomplished at Lincoln Station during the week of October 26th, 2002. A new hydrostatic test will be accomplished during the annual station shutdown upon issuance of a renewed discharge permit. EPNG will provide the New Mexico Oil Conservation Division (NMOCD) with a notice and results of the test findings.

Storm Water and Other Precipitation

Located in an alluvial region, Lincoln Station has good natural drainage. Storm water is collected via concrete-lined and gravel-lined ditches that drain into a holding area on EPNG property. The holding area is an on-site natural depression and captures any storm water leaving the compressor station area. Process fluids do not intermingle with storm water that is drained onto the adjacent EPNG-owned rangeland.

Wash Down Water

As necessary, Lincoln Station utilizes high-pressure water-jets or high-pressure steam to remove solid particulate matter (dust, dirt, weeds, etc.) from fin fans, process vessels, or piping (not contained within a building). No detergents or cleaning solutions are used for this procedure and no process fluids intermingle with this water. This wash water is not contained.

Additional Information

A diagram of the facility (Figure 3) shows the location of fences, property boundaries, pits, berms, dikes, tanks, and disposal facilities.

No significant changes have been made to the facility's effluent sources or process fluids since the last discharge permit was submitted.

Item 6 Attach a description of all materials stored or used at the facility.

Container	ID	Material	Form	Volume	Location	Containment
Steel AST	V- 9105B	Lube Oil	Liquid	1,680 gallons	South of Control Room.	Concrete containment with berm
Steel AST	V-9109B	Used Oil & Water	Liquid	1,000 gallons	East of inlet Air Filter	Concrete containment with berm
Steel AST	V-9111B Day tank	Lube Oil	Liquid	200 gallons	Inside compres- sor Bldg.	Building sump that is drained to the used oil and water tank
Steel paint locker	None	Very small quantities of paints, lubricants, detergents, and cleaning supplies	Liquids	Less than five gallons	Inside compres- sor Bldg.	Paint locker

ltem 7

Attach a description of present sources of effluent and waste solid. Average quality and daily volume of waste water must be included.

Source	Type of Effluent	Volume	Quality
Compressor building sumps, scrubber blowdown, and engine drains	Used engine oil, wash down water, detergents	3 barrels per year (approximately 126 gallons per year or 0.35 gallons per day)	Used lube oil, water, and water with detergents
Oil and scrubber filters, fuel gas filters, domestic trash	Solid waste	0.15 cubic feet per day.	Metal and paper filters, domestic trash such as paper, plastic wrappers, food waste, etc.

ltem 8

Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

Type of Effluent	Collection	Storage	Hauler	Disposition
Used oil	Drained to the building sump, and/or immediately to the 1,000 gallon AST	1,000 gallon AST (V-9109B)	Removed as needed by Mesa Oil or Safety-Kleen.	Hydrocarbon Recovery Facility
Wash down water	Drained to the building sump, then immediately to the 1,000 gallon AST	Steel 1,000 gallon AST (V- 9109B)	Removed as needed by Mesa Oil or Safety-Kleen.	Hydrocarbon Recovery Facility
Wash down water with detergents	Drained to the building sump, then immediately to the 1,000 gallon AST	Steel 1,000 gallon AST (V- 9109B)	Removed as needed by Mesa Oil or Safety-Kleen.	Hydrocarbon Recovery Facility
Oil and scrubber filters, fuel gas filters, domestic trash	Oil filters hot- drained for 12 hours and bagged, scrubber filters bagged, trash collected in waste can	Dumpster	Removed once per week by Waste Management	Approved Landfill
Batteries	Maintained and disposed of by contractor	No storage onsite, batteries are immediately replaced by contractor	NGH Power Systems	Battery cores recycled by NGH

Non-Exempt, Non-Hazardous Waste

Used oil is collected as needed from the used oil storage tank and removed from the site by Mesa Oil or Safety-Kleen. When tank emptying is accomplished, drip pans are placed under all connection points between the tank truck and tank. EPNG also requires that the tank truck operator be in direct radio or telephone contact with the station operator. Disposal records are maintained at the EPNG Roswell Operating Complex (see address under Item 2).

New lube oil is brought to the site by vendors as needed and stored in the 1,680-gallon lube oil storage tank (V- 9105B). When lube oil tank filling is accomplished EPNG requires the same procedures as when emptying the waste oil tank (outlined in the above paragraph).

Any wash down water from the turbine or compressor inside the building is collected within the building sumps and discharged into the 1,000-gallon used oil tank (V-9109B).

Hazardous Waste

No RCRA-listed hazardous wastes are expected to be generated at the Station other than lead-acid wet cell batteries. When the auxiliary generator starting batteries require replacement the old battery cores are exchanged at a local auto parts retailer. Inverter batteries used for the uninterrupted power system (UPS) are maintained, replaced, and recycled as needed by NGH Power Systems. No batteries are stored onsite that are not in use.

Other Solid Waste

Solid waste is disposed of via a dumpster that is emptied by Waste Management once per week. Used oil filters are hot-drained to the 1,000-gallon used oil tank (9109B) for 12 hours and placed into plastic bags before disposal in the dumpster. Used scrubber filters are placed into plastic bags before disposal in the dumpster. These non-regulated solid wastes are disposed by Waste Management.

Names, Addresses, and Phone Numbers of NMED-Approved Transporters/Disposal Facilities

Mesa Oil, Inc. (waste oil recycling) 20 Lucero Rd. Belen, NM 87002-7053 Phone: 505-861-2691

Safety Kleen (waste oil recycling) 2720 Girard NE Albuquerque, NM 87107 Phone Number: 505-884-2277 Waste Management (solid waste) 402 Industrial Park Loop Rio Rancho, NM 87124 Phone Number: 505-892-1200

NGH Power Systems (lead-acid batteries) 3500 Richmond Dr, NE, Suite B Albuquerque, NM 87107 Phone Number: 505-345-0523

ltem 9

Attach a description of proposed modifications to existing collection/treatment/disposal system.

No modifications to the Lincoln Station are necessary to meet NMOCD requirements. EPNG will notify NMOCD of any planned facility expansion, process modification, or production increase that could result in a significant modification in discharges from this facility.

ltem 10

Attach a routine inspection and maintenance plan to ensure permit compliance.

The Lincoln Station has fully automated equipment and controls and is designed to minimize on-site chemicals. Liquids stored on-site are placed within secondary containment that will prevent or mitigate any unplanned releases into the environment. When in operation, this site is visually inspected by EPNG personnel a minimum of once per week and underground piping is hydrostatically tested every five years during the annual station shutdown. If the station is not in operation the visual inspection is accomplished as necessary.

Verbal and written notifications of leaks or spills are made to the NMOCD according to NMOCD Rule 116. Any release of a chemical with a reportable quantity regulated by Title 40 Code of Federal Regulations (CFR) Part 300 through 372 are reported to the National Response Center, and when applicable, to the New Mexico Environment Department (NMED).

ltem 11

Attach a contingency plan for reporting and clean-up of spills or releases.

EPNG will handle all spills and leaks immediately as required by EPNG procedures (Appendix B) and will report all spills and leaks according to the requirements of the

State of New Mexico as found in NMOCD Rule 116 and Water Quality Control Commission (WQCC) regulations, WQCC section 1203.

The facility has a contingency plan in-place and posted onsite (Appendix B). The plan provides guidance for, and identifies locations where leaks and spills may occur. Visual monitoring is conducted on a regular basis (at least weekly when operating) of above ground components, including all sumps, containment berms, and ASTs. As stated above, hydrostatic testing of buried components is conducted every five years.

Spills, if they occur, are addressed by trained personnel using source removal techniques such as sorbents, excavation, collection, and proper disposal. Spill response contractors are available if additional resources are needed.

Commercial absorbent pads or rags will be used to absorb small spills. Any oil-bearing soil is disposed of in New Mexico at an NMOCD approved facility or other solid waste facility that approves the waste profile. Spill containment kits are located at the facility.

Large spills are contained within the secondary containment system consisting of berms, sumps, and the waste oil tank. Where applicable, liquids and solid waste are segregated, characterized and managed accordingly.

Procedures for spill response and reporting are detailed in appendix B, titled, "Spill and Release Control, Cleanup, and Reporting" in EPNG's Environmental Handbook. In the event of a spill, personnel are trained to notify EPNG's Environmental Department. The EPNG Environmental Department in turn will make the necessary notifications to regulatory agencies. A copy of the EPNG Environmental Handbook is readily available to site personnel.

The EPNG Environmental Compliance Manual is located on the EPNG Environmental web page. It contains spill reporting thresholds for fluids typically found at EPNG compressor stations. The manual also contains a decision tree to aid in proper reporting procedures, including notification guidelines for reporting to the NMOCD District Field Office, and if appropriate, procedures for reporting to the NMOCD Director.

EPNG contingency plans provide verbal and written notification of reportable leaks or spills to be made in accordance with OCD Rule 116 and New Mexico Water Quality Control Commission (NMWQCC) Section 1203 guidelines within the time limits set by NMOCD. Reportable releases regulated by the Code of Federal Regulations, Title 40, Parts 300 through 372 will be reported to the National Response Center, and where appropriate the NMED.

Any waste generated will be characterized and profiled in accordance with NMAC 20.9.8.11 Approved landfill requirements or solid-waste facility requirements as outlined in NMAC 20.9.8.15 and Waste Management disposal requirements.

ltem 12.

Attach geological/hydrological information for the facility, Depth to and quality of groundwater must be included.

Geomorphology and Soils

The Lincoln Station is located at the foot of the Gallinas Mountains less than five miles southeast of the Cibola National Forest in central New Mexico. Topographic relief in the vicinity of the station is approximately 90 feet per mile with approximately a one degree slope, dipping southeast. The site elevation is 6,640 feet above sea level. Average annual precipitation is between 16 and 20 inches. Vegetation is mainly short and mid-level grasses, with high desert cacti and pinon.

Located in the central highlands of New Mexico, Lincoln Station is situated in a broad valley bordered by the Gallinas Mountains on the east and a high mesa to the West. The valley is characterized by thick sandstone deposits draped by approximately ten feet of topsoil. Major soil associations in the area of the station include the Tortugas-Witt-Stroupe Association. These soils are shallow to deep, well drained, and occur in valleys and on hills, mesas, mountainsides and breaks. Witt soils, formed in alluvium, are also found at the site.

Regional Geologic Setting

Lincoln Station is located in the Sacramento Section of the Basin and Range Province. The area is characterized by Permian sandstones that are covered by approximately ten feet of soil. Three sandstone formations overlie Precambrian granite. Yeso and Glorieta Formation outcrops are present in the immediate vicinity of the station site.

Local Geology

The Lincoln Station is situated in a broad north-south trending graben. Drill logs from the now abandoned water wells installed by EPNG in the 1950s show inter-bedded sandstone, shale, siltstone and gypsum of the Yeso and Glorieta Formations. One of the former station water wells (donated to the City of Corona), is located in Red Cloud Canyon five miles northwest of the station in the Gallinas Mountains. This area contains several exposures of the Glorieta Sandstone beds which gently dip eastward. There is also evidence of faulting, probably associated with the tectonic structure of the basin and range province.

Regional Hydrogeology and Groundwater Quality

The station is located within the boundaries of the Tularosa underground water basin. Groundwater is found in the Permian sedimentary deposits and in the Precambrian crystalline rocks of this area. Recharge of these units is dependent upon outcrop distribution, elevation, climate of the outcrop areas, and both the lithologic and structural characteristics of the units. Fresh water is more often associated with the Precambrian crystalline rocks.

Groundwater found in the sedimentary units is most likely derived from local precipitation and mountain runoff by way of tributary streams and arroyos which drain into the valley. Limited quantities of water are present where rocks are fractured or weathered, and in sand and gravel deposits of major stream valleys. Wells in the region typically have variable yields of less than 25 gallons per minute (gpm).

According to the New Mexico State Engineers Office Water Administrator Technical Engineering Resource System (WATERS) Database there are no domestic water wells located within a one-mile radius of Lincoln Station. It appears that water from the on-site production wells (now abandoned) produced water from the Glorieta Formation and from the inter-bedded limestone/sandstone units at the top of the Yeso Formation.

This water is highly mineralized with total dissolved solids (TDS) often exceeding 1,200 milligrams per liter (mg/L). According to USGS Water Quality Samples for the Nation Database, the TDS values within a few miles of the Station ranged from 782 mg/L to 2,137 mg/L in the 1950s (this is the most current water quality data available for this site; samples were from wells located at N 33° 22' 42" W 105° 56' 24" and N 33° 42' 41" W 105° 34' 11" respectively). It is believed that no readily definable water table exists beneath the Lincoln Station and any water obtained comes from isolated perched lenses of variable quality and quantity. Therefore, given the data available, elevation of the water table below the site cannot be accurately determined, but it is generally encountered at approximately 30 feet below the ground surface. Water from the Red Cloud Canyon (now belonging to the Town of Corona), is considered poor because of high levels of total dissolved solids and mineralization.

The potable aquifer most likely to be affected is in the Glorieta Formation sandstones. Regional groundwater flow direction in the Glorieta Formation sandstone appears to be in an easterly to southeasterly direction.

Surface Water Hydrology and Flooding Potential

The local drainage is an ephemeral stream located 1/8-mile northeast of the station's eastern property boundary. Lincoln Station is located within the general Pecos River drainage basin. The potential for flooding from severe thunderstorms in the area of the station is minimal. The Lincoln Station is not located on or near any current or ancient floodplain and no flooding has ever been recorded at the Station.

According to the National Oceanic and Atmospheric Administration (NOAA) Hydrometeorological Design Studies Center Precipitation Frequency Data Server, the 10-year, 25-year, 50-year, and 100-year, 24-hour storm precipitation levels in this region have been 2.6 inches, 3.14 inches, 3.58 inches, and 4.04 inches respectively.

Additional Information

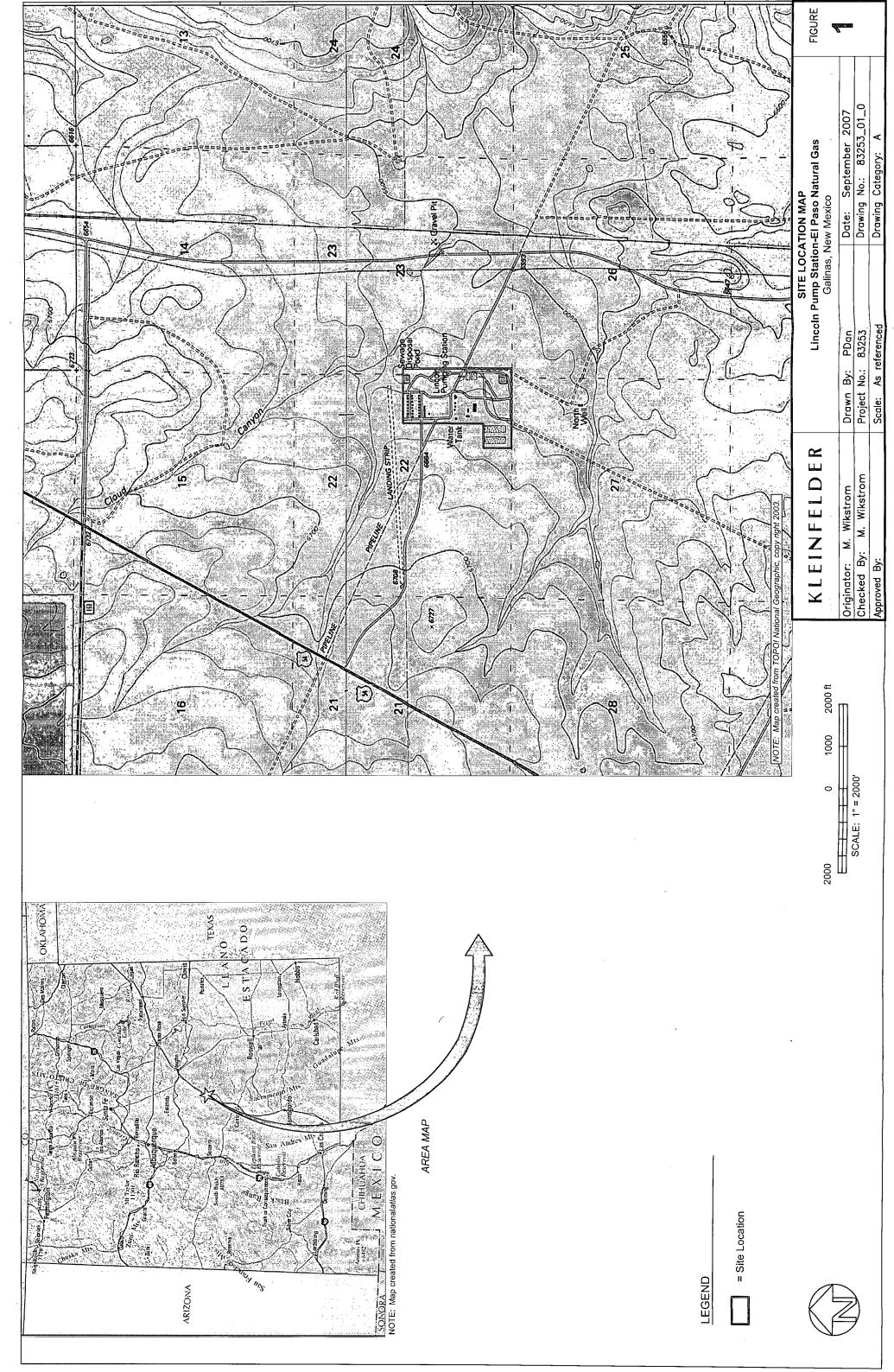
The Lincoln Station does not contain any active unlined surface impoundments, pits, leach fields, injection wells, drying beds, solids disposal, or land farms.

ltem 13

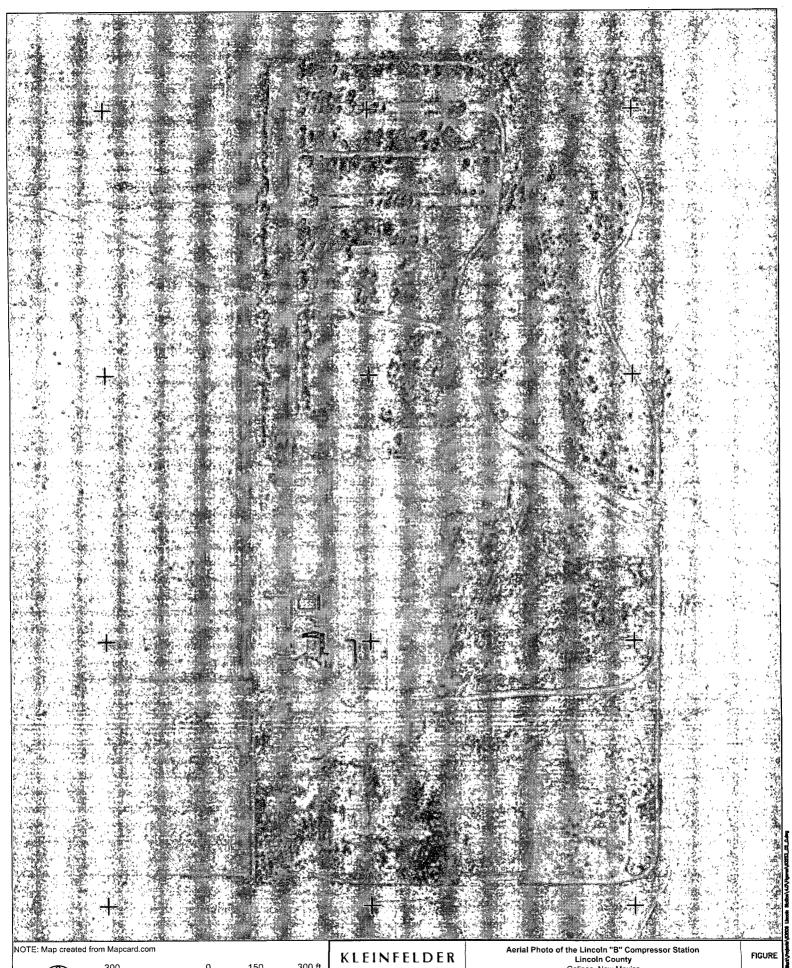
Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

All reasonable and necessary measures will be taken to comply with 20 NMAC 6.2.3103, Water Quality Standards. Should EPNG choose to permanently close the facility or close the facility for a period exceeding six months, closure measures will include removal, or closure in place, of all underground piping and equipment. All tanks will be emptied and removed from the site. All potential sources of toxic pollutants will be inspected and no potentially toxic materials or effluents will remain on site. Should contaminated soil be discovered, any necessary reporting under NMOCD Rule 116 and 20 NMAC 6.2.1203 will occur, and clean-up activities will commence. Post closure maintenance and monitoring plans are not anticipated unless contamination is encountered.

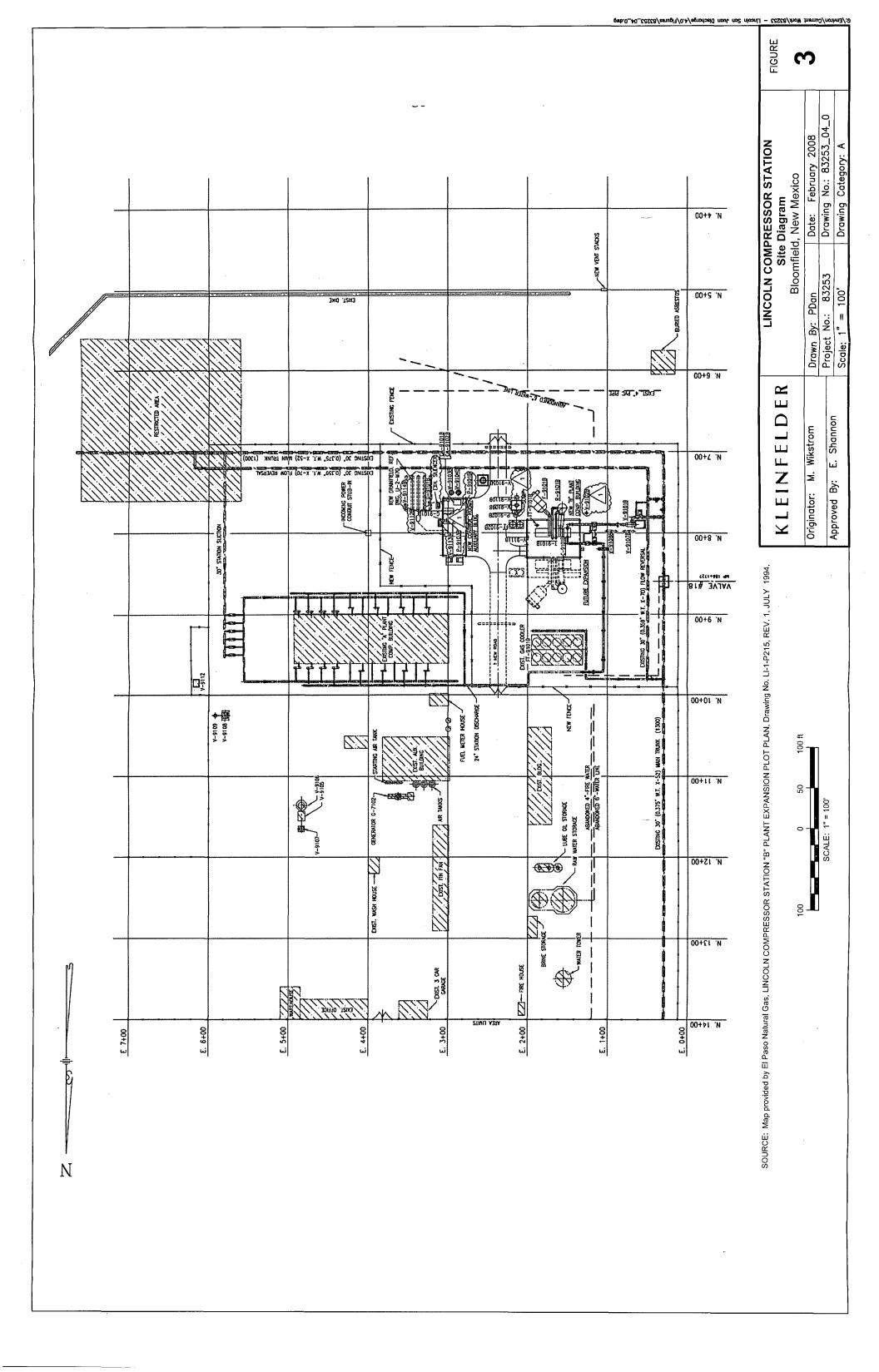
Appendix A Map, Aerial Photograph, and Site Drawing



G:/Geotech/Environment/83253/4.0/Figures/83253_01_0.dwg



300	Q	150	300 ft		NILLDLK		alinas, New Mexico	
					M. Wilkstrom	Drawn By: PDan	Date: October 2007	2
	SCALE: 1" = 30	00'		Checked By:	M. Wilkstrom	Project No.: 83253	Drawing No.: 83253_02_0	
				Approved By:	C. Corey	Scale: 1" = 300'	Drawing Category: A	



Appendix B Spill and Release Control, Cleanup, and Reporting

EPNG Spill and Release Control, Cleanup and Reporting

What is a Spill or Release?

A spill is an unauthorized release of product, raw materials, chemicals or waste outside any secondary containment and into the environment. Spills can occur as a result of leaks, accidents or third party incidents. Spills that occur inside of secondary containment are not considered spills to the environment and are not subject to agency notification. These spills should still be reported to the Environmental Department and the procedures listed below should be followed.

Spill or Release Reporting Procedures

- 1. Begin spill response and reporting activities upon finding a spill or release to the environment. Notify Facility Management and the Environmental Department as soon as practicable.
- 2. Report any spill or release of the following materials regardless of location (on property or off-property) to the Environmental Department:
 - oil or petroleum products
 - hazardous substances or hazardous wastes
 - chemicals
 - unplanned natural gas (flaring or venting) if required by permit or State regulation
 - asbestos-containing materials
 - smoke or excessive opacity
- 3. Be prepared to give the following information to the Environmental Department:
 - the identity of the material released;
 - estimate of the quantity released;
 - the location, time, and date the release occurred or was discovered;
 - description of how the release occurred (e.g., equipment failure);
 - the extent of injuries, if any;
 - possible hazards to human health, or the environment outside the facility;
 - immediate action taken in response to the release;

- names and numbers of the persons to be contacted for further information.
- 4. If applicable, follow any additional spill notification procedures in your facility Spill Prevention, Control and Countermeasures (SPCC) Plan, Blowout Contingency Plan or Emergency Operations Procedure.
- 5. The following releases require immediate (within 1 hour of discovery) notification to the National Response Center (NRC):
 - any petroleum product released into streams, rivers, lakes or dry washes.
 - a release that exceeds the reportable quantity (RQ) of any CERCLA hazardous substances in any 24-hour period which is not fully contained
 - a release of a hazardous substance or hazardous waste which occurs during transportation
 - a release of hazardous waste which contains a reportable quantity of a hazardous substance
- 6. The Environmental Department is responsible for making initial notifications of RQ releases to applicable regulatory agencies and for handling any follow-up reporting requirements. The Environmental Department will input RQ spill events into the Company's Comprehensive Incident Report Tracking System (CIRTS).

Initial Spill or Release Response

- 1. Be sure that Company personnel responding to a release have the appropriate level of training and the proper Personal Protection Equipment (PPE).
- 2. Eliminate or control the spill or release by closing valves, blowing down, or other means.
- 3. Initiate Emergency Operating Procedures (EOP) as appropriate.
- 4. Identify media (soil, water, etc.) affected by the spill and the exact location, e.g., legal description.
- 5. Identify the material spilled or released. The MSDS may provide information about the material spilled and the proper safety precautions to use.
- 6. Alert personnel of danger and evacuate personnel and/or public from the areas where there may be an immediate danger to life or health. Emergency responders may need to be used to evacuate public areas where conditions warrant.

7. Barricade or isolate the spill area as needed to keep unauthorized personnel out.

Spill or Release Control and Clean-up

- 1. Control and clean up the spill or release using procedures outlined in your facility's Spill Prevention, Control and Countermeasures (SPCC) Plan, Blowout Contingency Plan or Emergency Operations Procedure, if applicable. The minimum response activities include:
 - Contact the Safety Department or refer to the MSDS for help in the selection and use of PPE.
 - Assemble the required response equipment including protective clothing and gear, heavy equipment (e.g., backhoe), absorbent material (e.g., pads, oil absorbent, sand, cement), and empty DOT- approved containers (e.g., drums).
 - • Contain the spill area using booms, soil berms, ditches, or similar means.
 - Remove all absorbed material or liquid contained by diking and place in DOT approved containers. Use pumps as needed.
 - Use rags and cleansing agents as needed to clean spill response equipment.
 - Decontaminate all reusable equipment and place decontamination wastes in containers.
 - Label all containers with the type of waste and start date of accumulation.
 - Transfer all containers to a temporary and secure storage area or the facility designated waste storage area.
 - Arrange with the Environmental Department for help in sampling spill wastes and their proper disposal.
 - Replace used spill kit response equipment with new equipment.
- 2. Keep a copy of any required report and all other documents associated with a spill or release including federal, state and local forms in the facility SPCC or Spills & Releases files.

For Further Information Refer to the following procedures in this Handbook:

- Air Permits
- Asbestos
- Waste Characterization

- Emergency Operations Procedure (EOP) (outside this handbook)
- Facility Spill Prevention, Control and Countermeasures (SPCC) plan (outside this handbook)

Notes:

Public notices to be published in the Roswell Daily Record

- 1

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Aviso Público

Uso para la renovación para la estación del compresor de Lincoln "B", condado de Lincoln, New México del permiso de la descarga

El gas natural de El Paso (EPNG) da por este medio el aviso que el uso siguiente de la renovación del permiso de la descarga se ha sometido de acuerdo con la subdivisión B, C, y E del código administrativo de 20.6.2.31 08 New México.

El Paso Natural Gas Company (EPNG), 3801 Atrisco Blvd. NW, Albuquerque NM 87102 ha sometido un uso de la renovación para el plan previamente aprobado de la descarga para la estación situada en el 1/2 del este, sureste 1/4, sección 22, municipio 2 del compresor de Lincoln "B" del sur, se extiende 12 del este, NMPM, en el condado de Lincoln, New México. La facilidad está situada 1 milla al este de los E.E.U.U. 54 en el camino A32 del condado. La dirección del correo para la estación del compresor de Lincoln "B" es gas natural de El Paso Natural Gas (Lincoln Station), 6 Petro Drive, Roswell, NM 88201.

La estación del compresor de Lincoln "B" se utiliza para la compresión del gas natural de la calidad de la tubería, y es parte de la tubería del número 1300 de EPNG. La tubería del número 1300 de EPNG también se conoce como la tubería del cruce del San Juan. No se sabe ningunas descargas intencionales o inadvertidas que podrían afectar la superficie o la agua subterránea en la facilidad. Las descargas potenciales en la estación se limitan a aproximadamente 27.4 galones de aceite usado por 8.760 horas de la operación (0.075 galones por el día de la operación). Los líquidos de proceso tales como agua y aceite usado se asociaron a operaciones diarias son contenidos por un sistema del dren de la facilidad, transferidos a un tanque de almacenaje de tierra antedicho, después reciclados o dispuestos por una facilidad aprobada NMOCD.

La primera agua subterránea probablemente que se afectará por un escape, una descarga accidental, o un derramamiento existe en una profundidad de 30 pies debajo de la superficie de tierra. Este sistema bajo del acuífero tiene una concentración disuelta total de los sólidos de aproximadamente 1.200 mg/l.

El plan de la descarga sometió contornos cómo la agua y la basura producidas serán manejadas correctamente, incluyendo la dirección, almacenaje, y la disposición final. El plan incluye los procedimientos para la gerencia apropiada de escapes, de descargas accidentales, y de derramamientos para proteger las aguas del estado de New México.

Para la información adicional, sera colocado en una lista que envía facilidad-específica para los avisos futuros, o someter los comentarios satisfacen el contacto:

Leonard Lowe, Engineer New Mexico Energy, Minerals and Natural Resources Department Oil and Conservation Division 1220 South St. Francis Drive Santa Fe NM 87505

Teléfono: (505) 476-3487

La energía de New México, los minerales y el departamento de los recursos naturales aceptarán comentarios y declaraciones del interés con respecto a este uso y proporcionarán los avisos futuros para la facilidad del compresor de Lincoln "B" a petición.

Public Notice

Application for Discharge Permit Renewal for the Lincoln "B" Compressor Station, Lincoln County, New Mexico

El Paso Natural Gas (EPNG) hereby gives notice that the following discharge permit renewal application has been submitted in accordance with Subsection B, C, and E of 20.6.2.3108 New Mexico Administrative Code.

El Paso Natural Gas Company (EPNG), 3801 Atrisco Blvd. NW, Albuquerque NM 87102 has submitted a renewal application for the previously approved discharge plan for the Lincoln "B" compressor station located at the East 1/2, Southeast 1/4, Section 22, Township 2 South, Range 12 East, NMPM, in Lincoln County, New Mexico. The facility is located 1 mile east of US 54 on county road A32. The mailing address for the Lincoln "B" compressor station is El Paso Natural Gas, Roswell Operating Complex (Lincoln Station), 6 Petro Drive, Roswell, NM 88201.

The Lincoln "B" compressor station is utilized for the compression of pipeline quality natural gas, and is part of the EPNG Number 1300 pipeline. The EPNG Number 1300 pipeline is also known as the San Juan Cross-over pipeline. This pipeline transports natural gas from northwestern New Mexico to southeastern New Mexico. No intentional or inadvertent discharges that could affect surface or groundwater are known at the facility. Potential discharges at the station are limited to approximately 27.4 gallons of used oil per 8,760 hours of operation (0.075 gallons per day of operation). Process fluids such as water and used oil associated with daily operations are contained by a facility drain system, transferred to an above ground storage tank, then recycled or disposed of by a NMOCD approved facility.

The first groundwater likely to be affected by a leak, accidental discharge, or spill exists at a depth of approximately 30 feet below the ground surface. This shallow aquifer system has a total dissolved solids concentration of approximately 1,200 mg/L.

The discharge plan submitted outlines how produced water and waste will be properly managed, including handling, storage, and final disposition. The plan includes procedures for the proper management of leaks, accidental discharges, and spills to protect the waters of the State of New Mexico.

For additional information, to be placed on a facility-specific mailing list for future notices, or to submit comments please contact:

Leonard Lowe, Engineer New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Drive Santa Fe NM 87505

Phone: (505) 476-3487

The New Mexico Energy, Minerals and Natural Resources Department will accept comments and statements of interest regarding this application and will provide future notices for the Lincoln "B" compressor facility upon request.



NEW EXICO ENERGY, MERALS and NATURAL RESOURCES DEPARTMENT

July 5, 2001

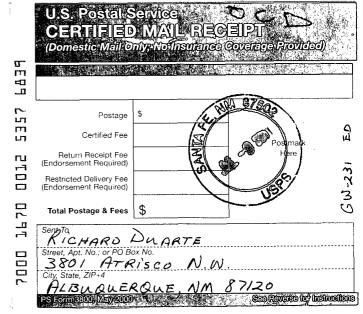
GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

CERTIFIED MAIL RETURN RECEIPT NO. 5357-6839

Mr. Richard Duarte El Paso Natural Gas Co. 3801 Atrisco Blvd. NW Albuquerque, NM 87120

RE: Discharge Plan Renewal GW-231 El Paso Natural Gas Co. Lincoln B Compressor Station Lincoln County, New Mexico

Dear Mr. Duarte



The ground water discharge plan renewal GW-231 for the El Paso Natural Gas Co. Lincoln B Compressor Station located in the E/2 SE/2 of Section 22, Township 2 South, Range 12 East, NMPM, Lincoln County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe office within thirty (30) days of receipt of this letter. Please note new mailing address below.

The discharge plan renewal application letter, dated January 24, 2001, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations includes all earlier applications and approvals and all conditions later placed on those approvals. The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G, which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve El Paso Natural Gas Co. of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve El Paso Natural Gas Co. of its responsibility to comply with any other governmental authority's rules and regulations.

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

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

Pursuant to Section 3109.H.4, this renewal plan is for a period of five years. This renewal will expire on January 9, 2006, and El Paso Natural Gas Co. should submit an application in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved

The discharge plan renewal application for the El Paso Natural Gas Co. Lincoln B Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a filing fee of \$50.00. There is a renewal flat fee assessed for gas compressor station facilities with horsepower rating in excess of 3,000 horsepower equal to one-half of the original flat fee or \$1,380. The OCD has received the filing fee.

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

Sincerely,

Roger^CC. Anderson Chief, Environmental Bureau Oil Conservation Division

RCA/eem Attachment

Xc: OCD Santa Fe Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-231 EL PASO NATURAL GAS CO. LINCOLN B COMPRESSOR STATION DISCHARGE PLAN APPROVAL CONDITIONS July 5, 2001

- 1. <u>Payment of Discharge Plan Fees:</u> The \$100.00 filing fee has been received by the OCD. There is a required flat fee for natural gas compressor stations with horsepower rating in excess of 3,000 horsepower. The renewal flat fee required for this facility is \$1,380 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. All checks are to be made payable to Water Quality Management Fund and forwarded to the OCD Santa Fe Office. Please note new mailing address on letterhead.
- 2. <u>Commitments:</u> El Paso Natural Gas Co. will abide by all commitments submitted in the discharge plan renewal application letter dated January 24, 2001 and these conditions for approval.
- 3. <u>Waste Disposal</u>: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
- 4. <u>Drum Storage:</u> 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. <u>Process Areas:</u> 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. <u>Above Ground Tanks</u>: 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. <u>Above Ground Saddle Tanks</u>: 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. <u>Labeling:</u> All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
- 9. <u>Below Grade Tanks/Sumps:</u> 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 preexisting sumps and below-grade tanks must demonstrate integrity annually. 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.
- 10. <u>Underground Process/Wastewater Lines:</u> All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every five (5) years. 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.
- 11. <u>Class V Wells</u>: 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. <u>Housekeeping:</u> All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
- 13. <u>Spill Reporting:</u> All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Santa Fe District Office.

- 14. <u>Transfer of Discharge Plan:</u> 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. <u>Storm Water Plan:</u> The facility will have an approved storm water run-off plan.
- 16. <u>Closure</u>: The OCD will be notified when operations of the Lincoln B Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Lincoln B 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. <u>Conditions accepted by:</u> El Paso Natural Gas Co., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. El Paso Natural Gas Co. 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.

El Paso Natural Gas Co.

Print Name:

Signature:

Title: _____

Date: _____

STATE OF NEW MEXICO.



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

January 9, 1996

CERTIFIED MAIL RETURN RECEIPT NO. Z-765-962-911

Mr. Robert G. McCubbin Transmission Operations Vice President El Paso Natural Gas Company P.O. Box 1492 El Paso, Texas 79978

RE: Discharge Plan GW-231 Approval Lincoln "B" Compressor Station Lincoln County, New Mexico

Dear Mr. McCubbin:

The discharge plan GW-231 for the El Paso Natural Gas Company Lincoln "B" Compressor Station located in the E/2 SE/4 of Section 22, Township 2 North, Range 12 East, NMPM, Lincoln County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the original application received on November 16, 1995.

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve you of liability should your operation result in pollution of surface water, ground water, or the environment.

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

Mr. Robert G. McCubbin January 9, 1996 Page 2

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

Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on January 9, 2001, and you should submit an application in ample time before this date. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan renewal application for the El Paso Natural Gas Company Lincoln "B" Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$1,380 for compressor stations with a combined horsepower of greater than 3,000. The \$50 filing fee was received by the New Mexico Oil Conservation Division (OCD) on November 2, 1995. The OCD has not received your flat fee, which may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

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

Sincerely,

William J. I *E*Mav Director

WJL/mwa Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-230 APPROVAL EL PASO NATURAL GAS COMPANY LINCOLN "B" COMPRESSOR STATION DISCHARGE PLAN REQUIREMENTS (January 9, 1996)

- 1. <u>Payment of Discharge Plan Fees:</u> The \$1,380 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
- 2. <u>EPNG Commitments:</u> EPNG will abide by all commitments submitted in the application letter dated November 3, 1995.
- 3. <u>Drum Storage:</u> All drums containing materials other than fresh water must be stored on an impermeable pad (i.e. concrete, asphalt, or other suitable containment) with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad with curbing.
- 4. <u>Below Grade Tanks/Sump:</u> All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks or sumps.
- 5. <u>Above Ground Tanks</u>: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad.
- 6. <u>Above Ground Saddle Tanks</u>: Above ground saddle tanks must have impermeable type pad and curb containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure. No berms are required for saddle tanks.
- 7. <u>Spills:</u> All spills and/or leaks will be reported to the OCD Santa Fe and Artesia District Offices pursuant to WQCC Rule 1203 and OCD Rule 116.
- 8. <u>Housekeeping</u>: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

- 9. <u>Transfer of Discharge Plan:</u> Prior to any transfer of ownership, control, or possession of your facility, the OCD will be notified. A written request must be submitted and approved by the OCD prior to the transaction.
- 10. <u>Closure:</u> The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

Please submit to the OCD a closure plan for the closure of the old Lincoln Compressor Station located adjacent to the Lincoln "B" Compressor Station by February 12,1996.

Z 765 962 911



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	Street and No. P.O., State and ZIP Code								
	Postage	\$							
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1 33	Return Receipt Showing to Whom & Date Delivered								
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