

**GW - 263**

**PERMITS,  
RENEWALS,  
& MODS  
Application**

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. \_\_\_\_\_ dated 2/28/11

or cash received on \_\_\_\_\_ in the amount of \$ 100.00

from Gas Company of New Mexico

for Gal-263

Submitted by: Lawrence Rencio Date: 2/28/11

Submitted to ASD by: Yamun Rencio Date: 2/28/11

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee ☒ New Facility \_\_\_\_\_ Renewal ☒

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 2010

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_



# New Mexico GAS COMPANY

RECEIVED OCD  
2011 FEB 25 P 12:44

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

February 24, 2011

Oil Conservation Division  
Attn: Leonard Lowe  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: NMGC Discharge Plans GW-065, -066, and -263  
Discharge Plan Approvals for Redonda, Espejo, and Star Lake Compressor Stations

Dear Mr. Lowe:

Attached please find signed original copies of the discharge plan renewal applications for the above-referenced compressor stations. New Mexico Gas Company is submitting a check in the amount of \$300 to cover the application fees for the three compressor stations (\$100/facility).

Thank you for your assistance regarding this matter. Please call me at (505) 697-3516 if you have any questions.

Sincerely,

Marcelle Fiedler  
Senior Environmental Scientist

cc: Arlington Kennedy, NMGC Gas Operations (cover letter only)  
Curtis Winner, NMGC Land Services Manager  
OCD District III, Aztec office (one copy of Star Lake Discharge Plan renewal application)

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

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

Revised June 10, 2003

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

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

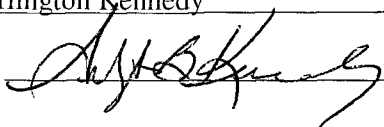
(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal ☐ Modification

1. Type: Star Lake Compressor Station **GW-2634: 2.25.11**
2. Operator: New Mexico Gas Company
- Address: 7120 Wyoming Blvd., NE, Ste 20
- Contact Person: Arlington Kennedy Phone: (505) 697-3447
3. Location: NW/4 /4 Section 34 Township 20N Range 6W  
Submit large-scale topographic map showing exact location. (see attached map)
4. Attach the name, telephone number and address of the landowner of the facility site. (no change)
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.  
(see revised attached Item 5 and revised facility diagram)
6. Attach a description of all materials stored or used at the facility. (see revised attached Item 6)
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. (see revised attached Item 7)
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.  
(see revised attached Item 8)
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. (no change)
10. Attach a routine inspection and maintenance plan to ensure permit compliance. (see revised attached Item 10)
11. Attach a contingency plan for reporting and clean-up of spills or releases. (no change)
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.  
(see revised attached Item 12)
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. (no change)
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Arlington Kennedy

Title: Gas Compression Operations Supervisor II

Signature: 

Date: 2-8-11

E-mail

Address: Arlington.kennedy@nmgco.com

**General Information**

This document follows the format presented in the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations (Revised 12-95)".

A. Name of Discharger or Legally Responsible Party:

New Mexico Gas Company (NMGC)  
7120 Wyoming Blvd., NE Ste 20  
Albuquerque, New Mexico 87109

B. Name of Local Representative or Contact Person:

Facility Contact: Arlington Kennedy  
New Mexico Gas Company (NMGC)  
7120 Wyoming Blvd., NE Ste 20  
Albuquerque, New Mexico 87109  
(505) 697-3447

Permit Application Contact: Mark Sikelianos  
New Mexico Gas Company (NMGC)  
7120 Wyoming Blvd., NE Ste 20  
Albuquerque, New Mexico 87109  
(505) 697-3508

C. Location of Discharge:

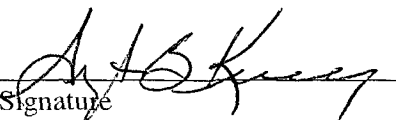
NW ¼, Section 34, Township 20 North, Range 6 West, NMPM  
McKinley County, New Mexico

D. Copies:

Three (3) copies of Discharge Plan Renewal Application are submitted to OCD as required (two to Santa Fe and one to Aztec).

E. Affirmation:

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

  
Signature

2-8-11  
Date

Arlington Kennedy  
Printed Name

Compressor Operations Supervisor  
Title

**Item 5: Revised**

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

Star Lake is a compressor station located on NMGC's natural gas transmission system, which connects the northwest area of New Mexico with the Albuquerque/Santa Fe natural gas distribution system. Gas entering the station passes through two filter separators. The dried gas is then routed through the compressors and then returned to the transmission pipeline. There is a liquid knockout on the fuel gas system.

Four natural-gas fired turbines are at the facility for a total rated site horsepower (hp) of 7,230 hp. Electricity for the facility is provided by one of three natural gas-fired generators. Two of the generators are standby units, which operate in the event that the 285-kw generator, which operates continuously, shuts down. An equipment list is given below. A revised facility map that shows the entire compressor plant layout is attached.

<b>Equipment</b>	<b>ID No.</b>	<b>Equipment Description</b>
Turbine	8	Saturn T1001S (1100)
Turbine	9	Saturn T1001S (1100)
Turbine	10	Saturn T1200 (1200)
Turbine	11	Centaur T4000 (3830)
Generator	12	Waukesha H-24GL (285-kw)
Generator (standby)	13	Caterpillar G342 SI-TA-SC LCR
Generator (emergency)	14	Caterpillar G343 SI-TA-SC LCR
Fuel gas heater	17	-
Drip liquid heater	18	-
Filter separator	-	-
Filter separator	-	-
Recycle filter separator	-	-
Fuel liquid knockout	-	-

**Item 6: Revised**

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

Container	ID No.	Material Stored	Volume (gallons)	Location	Containment
AGT	TK-7 (25)	Raw water	4200	NE of water plant	None necessary
AGT	TK-8 (26)	Treated water	4200	NE of water plant	None necessary
AGT	TK-21 (38)	Ambitrol	95	In generator building	Generator building sump
AGT	TK-22 (39)	Turbine oil	60	In turbine building	Turbine skid
AGT	TK-23 (40)	Turbine oil	60	In turbine building	Turbine skid
AGT	TK-24 (41)	Turbine oil	60	In turbine building	Turbine skid
AGT	TK-25 (42)	Turbine oil	221	In turbine building	Turbine skid
AGT	TK-27 (47)	Pipeline liquids (condensate)	1000	Southeast of office	Secondary containment, galvanized steel
AGT	TK-28 (48)	Pipeline liquids (condensate)	1000	West of water plant	Secondary containment, galvanized steel
Drums	--	Miscellaneous oils (Motor, Engine, Turbine, Gear, Lube) (17-23) 55-gallon	935-1265	Shop, turbine, and generator buildings, tank berms	Building or in galvanized steel/cement secondary containment
Drums	--	Hydraulic fluid (1) 55-gallon	55	Tank berm	Secondary containment, galvanized steel/cement
Drum	--	Antifreeze (1) 55-gallon	55	Tank berm	Secondary containment, galvanized steel/cement
Drums	--	Ambitrol (1) 55-gallon	110	Tank berm	Secondary containment, galvanized steel/cement

TK: tank

AGT: above ground tank

AGT-EI: above ground tank, which is elevated  
or on a saddle rack

OTT: open top tank

**Item 6: Revised (cont.)**

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

Drums stored at the facility are stored on concrete pads in buildings or on outdoor concrete pads with secondary containment.



**Item 7: Revised**

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

<b>Source</b>	<b>Type of Waste</b>	<b>Volume/Month</b>	<b>Quality</b>
Filter separators	Pipeline liquids (condensate)	Varies	No additives
Engines	Used oil Oil filters	50 gallons/month 2/year	Used motor oil
Filters and rag drain	Used oil	Varies	No additives
Wash down	Wash down – waste water	100 gallons/month	Water with degreasers, lube oil, and coolant
Parts washer	Wash down – waste water	Varies	Water, trace solvent, and lube oil
Solid waste	Office & residential	Varies	Non-hazardous
Special waste	Drained filters and rags	Varies	No additives
Sewage	Sewage (no commingling)	Varies	Sewage wastewater

**Item 8: Revised**

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

<b><i>Type of Waste</i></b>	<b><i>Collection</i></b>	<b><i>Storage</i></b>	<b><i>Hauled by</i></b>	<b><i>Disposal</i></b>
Condensate/pipeline liquids	Piped to TK-27 & TK-28	TK-27 & TK-28	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Used oil	Drained into 55-gallon drums	TK-1	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Waste water	Above ground pipe-manual transport	TK-26	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Solid Waste	None on-site	Trash receptacle	Checker Board Refuse	Eastern Navajo Landfill Crownpoint, NM
Used filters	Drained into barrels	Secondary containment area	Solid Waste	Solid Waste
Sewage	Septic system	Two septic tanks and leach fields	N/A	N/A

Thermo Fluids - Albuquerque, NM 87105 (505) 247-9699

Mesa Oil – 20 Lucero Rd., Belen, NM 87002 (800) 873-3645

Checker Board Refuse – Crownpoint, NM

NMGC performed pressure testing on the underground wastewater and condensate lines on August 21, 2009 and submitted to results to the Oil Conservation Division. NMGC will perform these tests every five years as specified in the Discharge Permit.

**Item 10: Revised**

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

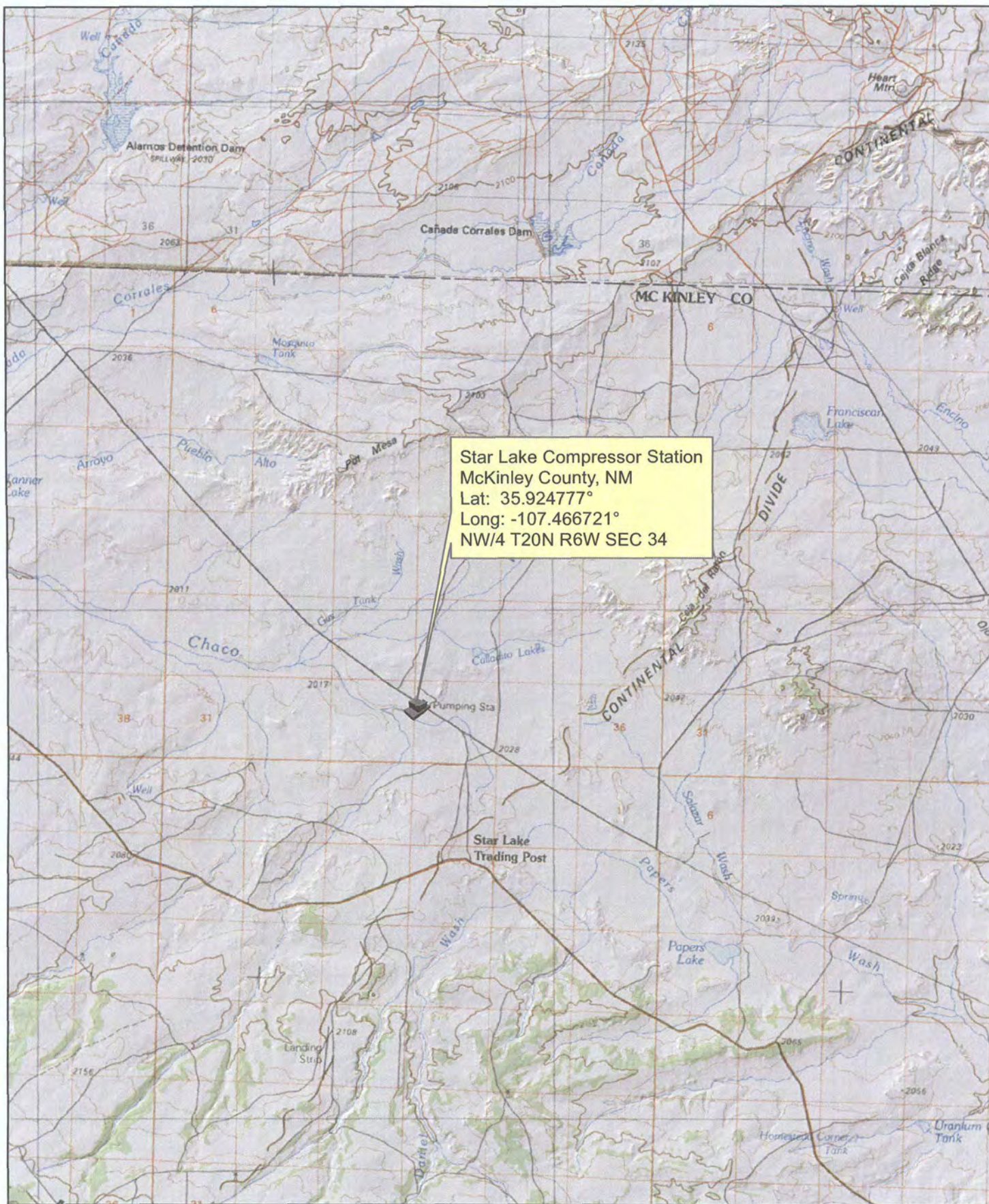
Star Lake is continuously operated and is manned **10.5** hours per day. The station is equipped with automated alarms that notify gas control in the event of an emergency. Upon notification, a gas compression technician will be dispatched to investigate the alarm. The site is inspected daily by facility personnel. Inspection and maintenance are performed and documented according to the guidelines set forth in the Star Lake Prevention, Control, and Countermeasure (SPCC) Plan.

**Item 12: Revised**

*Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.*

The depth to water in Well #1 is approximately 493 feet below ground surface (BGS) with total depth at 1080 BGS. The depth to water in Well #2 is approximately 100 feet BGS with total depth at 180 feet BGS. American Environmental Network of New Mexico, Inc. measured TDS in Well #1 at 3380 mg/l and Well #2 at 2000 mg/l. The gradient is interpreted to be to the south following the natural topography.





Map Name: DRG100K Chaco Canyon  
Map Scale: 1:100,000  
Map Type: Topographic  
Contour Interval: 20 Meter  
Year Created: 1976

Site Location Map  
Star Lake Compressor Station  
NW/4 Section 34 Township 20N Range 6W

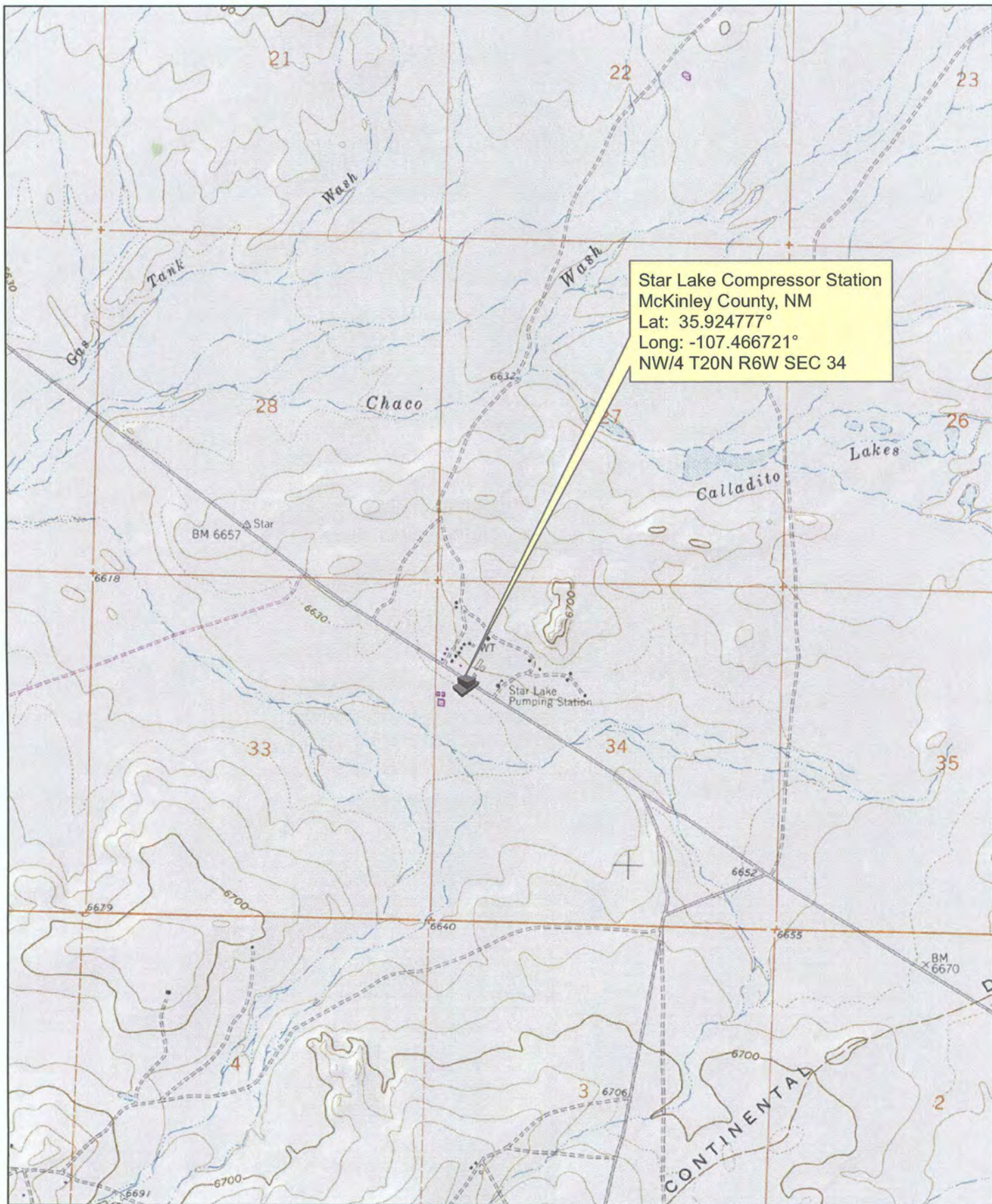
0 2 4 Miles



New Mexico  
GAS COMPANY

7120 Wyoming Blvd., NE Ste. 20  
Albuquerque, NM 87109





Map Name: Star Lake - 35107H4  
Map Scale: 1:24,000  
Map Type: Topographic  
Contour Interval: 20 Feet  
Year Created: 1963

Site Topographic Map  
Star Lake Compressor Station  
NW/4 Section 34 Township 20N Range 6W

0 1,000 2,000 4,000  
Feet



7120 Wyoming Blvd., NE Ste. 20  
Albuquerque, NM 87109

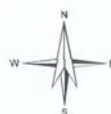




Map Name: Star Lake  
Map Scale: 1:1,200  
Map Type: Aerial  
Year Created: 2009  
1 in = 100 ft

Site Map/Aerial Photograph  
Star Lake Compressor Station  
NW/4 Section 34 Township 20N Range 6W

0 100 200 Feet



New Mexico  
GAS COMPANY

7120 Wyoming Blvd., NE Ste. 20  
Albuquerque, NM 87109



# New Mexico GAS COMPANY

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DRIVE  
SANTA FE, NEW MEXICO 87505

RECEIVED

2009 JAN 30 PM 12 04

HAND DELIVERED

January 30, 2009

Mr. Carl Chavez  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

SUBJECT: Discharge Plans GW-066, GW-263, and GW-065  
Transfer of Espejo, Star Lake, and Redonda Compressor Station Discharge Plans

Dear Mr. Chavez:

Effective January 30, 2009 the Public Service Company of New Mexico sold their gas operations to the New Mexico Gas Company (NMGC). Included in the sale are three facilities that have Oil Conservation Division Discharge Plans for the Espejo (GW-066), Star Lake (GW-263) and Redonda (GW-065) Compressor Stations. The NMGC will be the new operators of the compressor stations and their discharge plans. The NMGC understands the terms and conditions of the discharge plan and agrees to comply with them (see attached certification). The NMGC contact will be Curtis Winner. His contact information is:

New Mexico Gas Company Business Center Office  
7120 Wyoming Blvd. NE Suite 20  
Albuquerque, New Mexico 87109  
505-697-3639

If you have any questions, please contact Curtis Winner at 505-697-3639.

Sincerely,

Marcelle Fiedler  
Senior Environmental Scientist

Cc: OCD Aztec District III Office, 1000 Rio Brazos Road, Aztec, NM 87410  
Curtis Winner, Manager Environmental Construction and Maintenance  
Debbie Brunt, Director Gas Engineering  
Kevin Lawrence, Operations Supervisor



### OCD CERTIFICATION

New Mexico Gas Company (NMGC), through its undersigned representative, hereby acknowledges receipt of the foregoing notice letter and further acknowledges all terms and conditions of the attached Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065) discharge plan permits, and agrees to comply with all such terms and conditions. NMGC further acknowledges that the Oil Conservation Division (OCD) may change the terms and conditions for good cause shown as necessary to protect fresh water, human health, and the environment. The undersigned also attests to the fact that he or she understands the requirements under 19.15.1.41 NMAC which provides that "Any person who conducts any activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of such permit, administrative order, authorization or approval."

Date: January 29, 2009

New Mexico Gas Company

By: Mulle Muller  
Its: Senior Environmental Scientist  
P.O. Box 97500  
Albuquerque, New Mexico 87199-7500

PNM  
Alvarado Square  
Albuquerque, NM 87158-2104  
505 241-2031  
Fax 505 241-2376  
www.pnm.com

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DRIVE  
SANTA FE, NEW MEXICO 87505

RECEIVED

2009 JAN 30 PM 12:04 January 30, 2009

HAND-DELIVERED

Carl Chavez  
New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



**SUBJECT: Documentation of Notification to the New Mexico Gas Company of  
Discharge Permits for the Espejo (GW-066), Star Lake (GW-263), and  
Redonda (GW-065) Compressor Stations**

Dear Mr. Chavez,

Public Service Company of New Mexico ("PNM") is selling its gas utility assets to New Mexico Gas Company ("NMGC"). The anticipated closing date is January 30, 2009. As part of this transaction, NMGC will acquire the Espejo Compressor Station, the Star Lake Compressor Station and the Redonda Compressor Station. All of these stations have individual groundwater discharge permits issued by the New Mexico Oil Conservation Division ("OCD"). The discharge permits were assigned by PNM to NMGC upon closing. The discharge permits are more specifically identified as follows:

- Espejo – GW-066
- Star Lake - GW-263
- Redonda - GW-065

This letter is submitted to the OCD pursuant to 20.6.2.3111 NMAC which requires written confirmation that PNM has provided written notice to NMGC of these discharge permits. Enclosed is a copy of PNM's letter to NMGC dated January 28, 2009 providing written notice to NMGC of the subject discharge permits. The enclosed letter includes written confirmation of receipt by NMGC.

Should you have any questions concerning this matter, please don't hesitate to contact me at (505) 241-2019. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Claudette Horn".

Claudette Horn  
Environmental Manager  
PNM Environmental and Land Services Department

Attachment

cc: Debbie Brunt, NMGC  
Kevin Lawrence, NMGC  
DDC Files

PNM  
Alvarado Square  
Albuquerque, NM 87158-2104  
505 241-2031  
Fax 505 241-2376  
www.pnm.com

January 28 , 2009



*A personal commitment  
to New Mexico*

**HAND-DELIVERED**

Annette Gardiner, President  
New Mexico Gas Company, Inc.  
P.O. Box 97500  
Albuquerque, New Mexico 87199-7500

**SUBJECT: Notification of Oil Conservation Division Discharge Permits for the  
Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065)  
Compressor Stations**

Dear Ms. Gardiner:

As you know, as part of the acquisition by New Mexico Gas Company ("NMGC") of the gas utility assets of Public Service Company of New Mexico, NMGC will acquire the Espejo Compressor Station, the Star Lake Compressor Station and the Redonda Compressor Station. All of these stations have individual groundwater discharge permits issued by the New Mexico Oil Conservation Commission ("OCC"). The discharge permits will be assigned by PNM to NMGC upon closing.

This letter is submitted to NMGC pursuant to 20.6.2.3111 NMAC which requires written notice of these discharge permits prior to transfer of ownership. The pertinent discharge permits are identified as follows:

- Espejo - GW-066
- Star Lake - GW-263
- Redonda - GW-065

Pursuant to 20.6.2.3111.B NMAC, NMGC has a duty to inquire into all of the provisions of and requirements contained in these permits and is charged with notice of all provisions and requirements of these permits as they appear of record in the ODC's files.

This letter is provided in duplicate so that NMGC can acknowledge its receipt in writing. Pursuant to 20.6.2.3111.E. NMAC, PNM is required to send a copy of this notice letter and confirmation of the receipt of the letter by NMGC. Therefore, please sign the certification below and return an executed copy to me.

Should you have any questions concerning this matter, please don't hesitate to contact me at (505) 241-2019.

Sincerely,

  
Claudette Horn

Environmental Manager  
PNM Environmental and Land Services Department

Attachments

cc: Debbie Brunt, NMGC  
Kevin Lawrence, NMGC  
DDC Files

### **OCD CERTIFICATION**

New Mexico Gas Company (NMGC), through its undersigned representative, hereby acknowledges receipt of the foregoing notice letter and further acknowledges all terms and conditions of the attached Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065) discharge plan permits, and agrees to comply with all such terms and conditions. NMGC further acknowledges that the Oil Conservation Division (OCD) may change the terms and conditions for good cause shown as necessary to protect fresh water, human health, and the environment. The undersigned also attests to the fact that he or she understands the requirements under 19.15.1.41 NMAC which provides that "Any person who conducts any activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of such permit, administrative order, authorization or approval."

Date: January 28, 2009

New Mexico Gas Company

By: 

Its: Senior Environmental Scientist

P.O. Box 97500

Albuquerque, New Mexico 87199-7500

PUBLIC SERVICE COMPANY OF NEW MEXICO  
Environmental Services Department  
2401 Aztec Road, NE, MS-Z110  
Albuquerque, NM 87107



A personal commitment  
to New Mexico

**Fax**

DATE: 10/27/06

To: Leonard Lowe

Fax #: (505) 476-3462

From: ROBIN Delapp

Office #: (505) 241-2016

Fax #: (505) 241-4306

Number of Pages Including Cover Sheet: 9

● **Comments:**

Here's a copy of what was sent to the  
OLD on July 17.

- Cover letter
- Proof OF Receipt
- Copy of check
- Signed Discharge plan

The information contained in this facsimile message is confidential and solely for the use of the individual entity named above. If the recipient of this message is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution, copying or unauthorized use of this communication is strictly prohibited. If you have received this facsimile in error, please notify the sender immediately by telephone.

PNM  
Alvarado Square  
Albuquerque, NM 87158-2104  
505 241-2031  
Fax 505 241-2376  
www.pnm.com

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

July 17, 2006

Oil Conservation Division  
Attn: Ben Stone  
1120 South St. Francis Drive  
Santa Fe, NM 87505

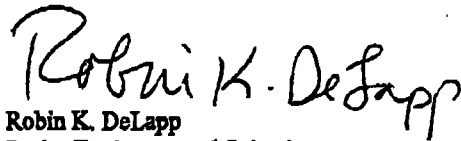
RE: PNM Discharge Plans GW-065, -066, and -263  
Discharge Plan Approvals for Redonda, Espejo, and Star Lake Compressor Stations

Dear Mr. Stone:

Attached please find signed original copies of the discharge plan renewal approvals for the above-referenced compressor stations. Public Service Company of New Mexico is submitting check number 108761 in the amount of \$5100.00. This check pays the flat fee of \$1700 assessed for each of the three compressor stations and covers the five (5) year period of the discharge plans that end April 3, 2011.

Thank you for your assistance regarding this matter. Please call me at (505) 241-2016 if you have any questions.

Sincerely,



Robin K. DeLapp  
Senior Environmental Scientist

cc: Kevin Lawrence, PNM Gas Operations (cover letter only)  
DCC  
ESD File



A personal commitment  
to New Mexico

## SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Oil Conservation Division  
 Attention: Ben Stone  
 1120 South St. Francis Drive  
 Santa Fe, NM 87505

2. Article Number

(Transfer from service label)

7004 2510 0006 5228 0226

PS Form 3811, February 2004

Domestic Return Receipt

102695-02-M-1540

## COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

7-20

D. Is delivery address different from Item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☒ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our web site at [www.usps.com](http://www.usps.com)

OFFICIAL USE

Postage

Certified Fee

Return Receipt Fee  
(Endorsement Required)Restricted Delivery Fee  
(Endorsement Required)

Total Postage &amp; Fees

Postmark  
Here

Oil Conservation Division  
 Attention: Ben Stone  
 1120 South St. Francis Drive  
 Santa Fe, NM 87505

PS Instructions





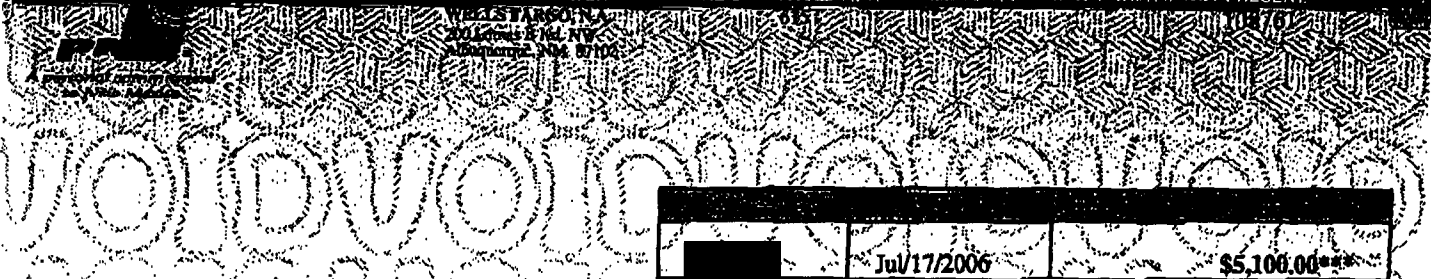
If you have any questions about this payment please contact:

PNM UTILITY  
Accounts Payable, MS 0720  
Alvaredo Square  
Albuquerque, NM 87158

615	Jul/17/2006	0000011449	
050806	May/08/2006	5,100.00	0.00
		5,100.00	00016481

Total Gross Amount	Total Discounts	Total Paid Amount
\$5,100.00	\$0.00	\$5,100.00

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.



PAY \*\*\*\*FIVE THOUSAND ONE HUNDRED AND XX / 100 DOLLAR\*\*\*\*

TO THE NEW MEXICO ENVIRONMENT DEPTMEN  
ORDER WATER MGMT QUALITY MGMT FUND  
OF C/O OIL CONSERVATION DIVISION  
1220 NORTH ST FRANCIS DRIVE  
SANTA FE, NM 87505

Authorized Signature



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

April 3, 2006

Ms. Robin K. DeLapp  
Public Service Company of New Mexico  
Alvarado Square  
Albuquerque, New Mexico 87158

**RE: Discharge Plan Renewal Approval GW-263  
Public Service Company of New Mexico  
Star Lake Compressor Station  
McKinley County, New Mexico**

Dear Ms. DeLapp:

The ground water discharge renewal plan GW-263 for the Public Service Company of New Mexico Star Lake Compressor Station located in the NW/4 of Section 34, Township 20 North, Range 6 West, NMPM, McKinley County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.

The original discharge plan application was submitted on July 31, 1996 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan renewal application was submitted February 16, 2006 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Public Service Company of New Mexico of liability should operations result in pollution of surface water, ground water, or the environment.

Please be advised that all exposed pits, including lined pits and open tanks (tanks exceeding 16 feet in diameter), shall be screened, netted, or otherwise rendered non-hazardous 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., Public Service Company of New Mexico is required to notify the Director of any

*Administrative Order GW-263  
Public Service Company of New Mexico  
May 8, 2006  
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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 discharge plan is for a period of five years. This plan will expire on April 3, 2011, and Public Service Company of New Mexico should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.


The discharge plan application for the Public Service Company of New Mexico Star Lake Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of \$100. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The OCD has received the filing fee.

**Please make all checks payable to:**

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

If you have any questions please contact Mr. Ben Stone at (505) 476-3474. 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,

  
Wayne Price  
Chief, Environmental Bureau  
Oil Conservation Division  
LWP/BES

Attachment

xc:   OCD Aztec District Office

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Public Service Company of New Mexico  
May 8, 2006  
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ATTACHMENT TO THE DISCHARGE RENEWAL PLAN GW-263  
PUBLIC SERVICE COMPANY OF NEW MEXICO  
STAR LAKE COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(April 3, 2006)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. Public Service Company of New Mexico Commitments: Public Service Company of New Mexico will abide by all commitments submitted in the discharge plan renewal application dated February 16, 2006 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

Administrative Order GW-263  
Public Service Company of New Mexico  
May 8, 2006  
Page 4 of 5

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9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: The facility will have an approved storm water run-off plan.
16. Closure: The OCD will be notified when operations of the Star Lake Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Star Lake Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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*Public Service Company of New Mexico*  
*May 8, 2006*  
*Page 5 of 5*

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17. Certification: Public Service Company of New Mexico, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Public Service Company of New Mexico further acknowledges that the conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

PUBLIC SERVICE COMPANY OF NEW MEXICO

A handwritten signature in black ink, appearing to be "A. O. /", is written over the printed name of the Public Service Company of New Mexico.

TRANSACTION REPORT

P. 01

OCT-27-2006 FRI 08:12 AM

FOR:

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ATTACHMENT TO THE DISCHARGE RENEWAL PLAN GW-263  
PUBLIC SERVICE COMPANY OF NEW MEXICO  
STAR LAKE COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(January 23, 2002)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. Public Service Company of New Mexico Commitments: Public Service Company of New Mexico will abide by all commitments submitted in the discharge plan renewal application dated August 20, 2001 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.




8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Star Lake Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Star Lake Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Public Service Company of New Mexico, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Public Service Company of New Mexico further acknowledges that the conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

PUBLIC SERVICE COMPANY OF NEW MEXICO

by   
Title  
VP, Operations & Eng

## NOTICE OF PUBLICATION

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

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

**(GW-263) – Public Service Company of New Mexico, Wilford B. Nez, Senior Engineering Tech, Alvarado Square MS 2104, Albuquerque, New Mexico 87158, has submitted a discharge plan renewal application for their Star Lake Compressor Station located in the NW/4, Section 34, Township 20 North, Range 6 West, NMPM, McKinley County, New Mexico. Any potential discharge at the facility will be collected and stored in a covered above ground tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 58 feet with a total dissolved solids concentrations of approximately 1,750 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.**


Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above.

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

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 8th day of March, 2001.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
for LORI WROTENBERY, Director

SEAL

Mr. Jessie D. Evans  
PNMGS GW-263  
Page 3  
September 18, 1996

**RECEIVED**

SEP 30 1996

Environmental Bureau  
Oil Conservation Division

**ATTACHMENT TO DISCHARGE PLAN GW-263  
PNMGS - Starlake Compressor Station  
DISCHARGE PLAN REQUIREMENTS  
(September 18, 1996)**

1. **Payment of Discharge Plan Fees:** The \$50 filing fee has been received by the OCD. The \$1,380 has not been received by the OCD and is due upon receipt of this approval. The flat fee check must be made payable to NMED-Water Quality Management and submitted to the OCD Santa Fe office. The flat fee may be paid in one lump sum or equal annual installments of \$276 per year.

2. **PNMGS Commitments:** PNMGS will abide by all commitments submitted in the Application dated July 31, 1996 from PNMGS, and this approval letter with conditions of approval from OCD dated September 18, 1996.

3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. 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 and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

4. **Process Areas:** All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

5. **Above Ground Tanks:** All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad.

6. **Above Ground Saddle Tanks:** Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

7. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

Mr. Jessie D. Evans

PNMGS GW-263

Page 4

September 18, 1996

8. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks that do not have secondary containment and leak detection 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.

9. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies 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 so that an OCD representative may witness the testing.

10. **Housekeeping:** All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.

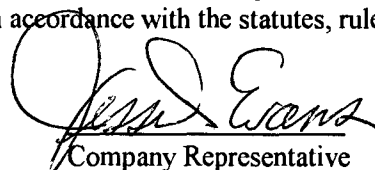
11. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the Aztec OCD District Office at (505)-334-6178.

12. **Transfer of Discharge Plan:** The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

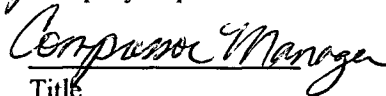
13. **New Mexico Oil Conservation Division Inspections:** Additional requirements may be placed on the facility based upon results from New Mexico Oil Conservation Division inspections.

14. **Closure:** The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

15. Conditions accepted by:

  
Company Representative

9/26/96  
Date

  
Title

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SEP 30 1996

Environmental Bureau  
Oil Conservation Division