

GW - 286

**PERMITS,
RENEWALS,
& MODS
Application**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

February 17, 2003

CERTIFIED MAIL

RETURN RECEIPT NO. 7001-1940-0004-7923-0728

Mr. Frank VanRyn
Koch Pipeline Company
4111 East 37th St. North
Wichita, Kansas 67220

**RE: KOCH CROUCH STATION
DISCHARGE PERMIT ~~GW-286~~ AND REMEDIATION CASE #1R-173
LEA COUNTY, NEW MEXICO**

Dear Mr. VanRyn:

The New Mexico Oil Conservation Division (OCD) has reviewed Koch Pipeline Company's (KOCH) August 5, 2002 "RESULTS OF CONFIRMATION SAMPLING ACTIVITIES, KOCH PIPELINE COMPANY L.P. CROUCH STATION, LEA COUNTY, NEW MEXICO" which was submitted on behalf of KOCH by their consultant Arcadis. This document contains the results of Koch's additional soil investigations as part of the closure of the Crouch Crude Pump Station located in the SW/4 of Section 17, Township 18 South, Range 36 East, Lea County, New Mexico. The document also requests final closure approval for the facility.

Based upon the information contained in the above-referenced document and OCD's February 14, 2003 inspection of the site, the OCD approves of the closure of discharge permit GW-286 and the associated soil and ground water remedial actions under remediation case 1R-173 for the Koch Crouch Station with the following conditions:

1. Koch shall plug and abandon all site monitor wells and soil vapor extraction wells by cutting the casing off below the ground surface and grouting the annulus of each well from the bottom to the surface with a cement grout containing 3-5% bentonite.
2. Koch shall remove all remaining surface equipment from the site

Mr. Frank Van Ryn
February 17, 2003
Page 2

Please be advised that OCD approval does not relieve Koch of responsibility if any remaining contamination from Koch's operations poses a future threat to ground, water, surface water, human health or the environment. In addition, OCD approval does not relieve Koch of responsibility for compliance with any other federal, state, or local laws and regulations

If you have any questions, please call Bill Olson of my staff at (505) 476-3491.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson", with a long horizontal flourish extending to the right.

Roger C. Anderson
Environmental Bureau Chief

RCA/wco

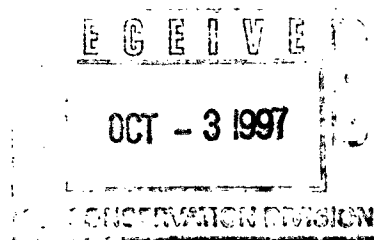
xc: Chris Williams, OCD Hobbs District Office
Eric M. Rainey, Arcadis



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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



September 24, 1997

CERTIFIED MAIL

RETURN RECEIPT NO. P-288-258-975

Mr. Paul Holland
Koch Oil Company
P.O. Box 1200
Hobbs, New Mexico 88240

**RE: Discharge Plan GW-286
Crouch Crude Pump Station
Lea County, New Mexico**

Dear Mr. Holland:

The ground water discharge plan GW-286, for the Koch Oil Company (Koch) Crouch Crude Pump Station located in Section 18, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan application dated July 18, 1997. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.

The 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 Koch of liability should operations result in pollution of surface water, ground water, or the environment.

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

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section

ENTRIX, INC.

PHONE: 800Y

1-800-338-7511

Mr. Paul Holland
September 24, 1997
Page 2

3107.C. Koch 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.

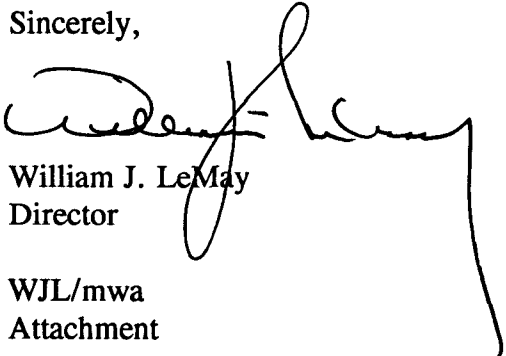
Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on September 24, 2002, and Koch should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application 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 renewal.

The discharge plan application for the Koch Oil Company Crouch Crude Pump 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 \$575 for crude pump stations. The OCD has received the filing fee. The flat fee is due upon receipt of this approval. The flat fee 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.

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

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

Sincerely,



William J. LeMay
Director

WJL/mwa
Attachment

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-286
KOCH OIL COMPANY
CROUCH CRUDE OIL PUMP STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(September 24, 1997)

1. Payment of Discharge Plan Fees: The \$575 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. Koch Commitments: Koch will abide by all commitments submitted in the discharge plan application dated July 18, 1997.
3. Waste Disposal: All wastes shall 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 by characteristics may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
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 should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Closure: The OCD will be notified when operations of the 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.

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

Accepted:

KOCH OIL COMPANY

by *David A. [Signature]* TEAM LEADER
Title



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

September 24, 1997

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Hobbs, New Mexico 88240

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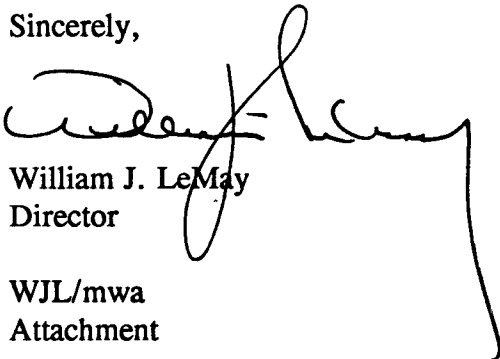
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P 288 258 985

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Postmark or Date	

PS Form 3800, April 1995

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

Accepted:

KOCH OIL COMPANY

by _____
Title

P 288 258 975

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