

GW - 324

**PERMITS,
RENEWALS,
& MODS
Application**

Affidavit of Publication

STATE OF NEW MEXICO)

) ss.

COUNTY OF LEA)

RECEIVED

2009 JAN 6 PM 1 11

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for

one (1) day, beginning with the issue of November 13, 2008 and ending with the issue of November 13, 2008.

And that the cost of publishing said notice is the sum of \$ 46.57 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 9th day of December, 2008

Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2010

LEGAL NOTICE AVISO PUBLICO

Occidental Energy Transportation LLC, a través de Christopher Broussard, Director de Transporte y Cumplimiento Regulatorio, 5 Greenway Plaza, Suite 110, Houston, TX 77046 ha presentado una solicitud de transferencia del plan de descarga previamente aprobado (GW324) de su estación de descarga de camiones, ubicada en northeast quarter of Section 16, Township 15 South, Range 37 East, N.M.P.M., Lea County, Nuevo Mexico, Denton Station Unloading Facility. Las instalaciones están ubicadas aproximadamente 10 millas al este de Lovington, NM sobre la Carretera Estatal 82. Dichas instalaciones son exclusivamente para la descarga de petróleo crudo para ser almacenado temporalmente hasta ser transferido por ductos a Texas, Oklahoma, y/o Nuevo México. Todos los fluidos generados en dicho sitio son almacenados en tanques de acero previo a ser a inyectados a un ducto. El agua del subsuelo que pudiera afectarse en el caso de una descarga accidental en la superficie está a una profundidad aproximada de 50 pies con una concentración total de sólidos disueltos de aproximadamente 408 mg/l. El plan de descarga señala como se manejarán los derrames, fugas y otras descargas accidentales a la superficie. No se produce ninguna de descarga a la superficie con la excepción de agua de lluvia. Cualquier persona interesada podrá obtener información, enviar comentarios o solicitar ser añadido a una lista de correos creada específicamente en relación con las instalaciones a efecto de recibir avisos futuros, contactando a Edward J. Hansen en las oficinas de OCD en Nuevo Mexico en 1220 South St. Francis Drive, Santa Fe, NM 87505, Teléfono (505) 476-3489. La OCD aceptará comentarios y declaraciones de interés respecto de las renovaciones y creará una lista de correos específica en relación con las instalaciones para aquellos que deseen recibir avisos futuros.

Published in the Lovington Leader November 13, 2008.

Published as display Ad.

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Monday, October 27, 2008 11:11 AM
To: 'Christopher_Broussard@oxy.com'
Subject: RE: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Chris,

Thanks for submitting your Affidavit of Publication for the public notice regarding discharge permit, GW-324 (I received it on Friday).
However, the public notice must also be published in Spanish. (Also, the TDS concentration was reported as ~40 mg/l in the public notice when it should have been ~408 mg/l. This is acceptable for the English version, since it is a lower concentration, but the Spanish version should be corrected.)
Please submit an Affidavit of Publication for the Spanish version a.s.a.p.
Thank you for your cooperation in this matter.

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

505-476-3489

From: Christopher_Broussard@oxy.com [mailto:Christopher_Broussard@oxy.com]
Sent: Thursday, September 25, 2008 10:29 AM
To: Hansen, Edward J., EMNRD
Subject: RE: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Mr. Hansen,

Here is the information you requested:

Occidental Energy Transportation LLC
5 Greenway Plaza
Suite 110
Houston, TX 77046
Contact: Christopher Broussard
Phone: (713) 215-7637
Fax: (866) 614-6591

Please let me know if you need additional information.

Thank you,

Christopher Broussard
Occidental Energy Transportation LLC / Occidental Energy Marketing, Inc.
Office: (713) 215-7637
Fax: (866) 614-6591
Mobile: (832) 623-3124

10/27/2008

From: Hansen, Edward J., EMNRD [mailto:edwardj.hansen@state.nm.us]
Sent: Tuesday, September 23, 2008 11:13 AM
To: Broussard, Christopher E.
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Chris,

This is what I sent to Darrel – please email me the appropriate company name and address (and contact person, I am assuming will be you).

Also, I have attached the approved Public Notice (you will have to make the appropriate edits prior to sending it to the Lovington newspaper – see below) – please send me a copy of the Avadavat of Publication once you have received it from the newspaper.

Let me know if you have any questions, please call me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

From: Hansen, Edward J., EMNRD
Sent: Thursday, September 11, 2008 10:11 AM
To: 'Darrel_Lester@oxy.com'
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 3:09 PM
To: 'Darrel_Lester@oxy.com'
Subject: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Darrel,

Attached is a draft of a discharge permit for the permit transfer. Please review and let me know what company and address would be appropriate for the final permit. I will then edit this draft with the appropriate company name and send two copies of the final permit for your (?) signature (I am assuming that you will be the contact person that will be receiving the permit for processing on your end).

Also, I will fax the approved draft of the public notice that is required to be published in the local newspaper (*The Lovington Daily Leader*). It must be a classified ad in both English and Spanish (be sure to ask the newspaper for an Avadavat of Publication). Then send a copy the Avadavat of Publication (with a copy of the ad attached) to me once you have received it.

Let me know if you have any questions, please call me at 505-476-3489.

Edward J. Hansen
Hydrologist

10/27/2008

Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

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

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

Affidavit of Publication

STATE OF NEW MEXICO)

) ss.

COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Public Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of October 9, 2008 and ending with the issue of October 9, 2008.

And that the cost of publishing said notice is the sum of \$ 82.10 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 9th day of October 2008

Debbie Schilling

Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2010

PUBLIC NOTICE

Occidental Energy Transportation LLC, Christopher Broussard, Director of Transportation & Regulatory Compliance, 5 Greenway Plaza, Suite 110, Houston, TX 77046 has submitted a transfer application for the previously approved discharge plan (GW324) for their truck unloading station, located in the northeast quarter of Section 16, Township 15 South, Range 37 East, N.M.P.M., Lea County, New Mexico, Denton Station Unloading Facility. The facility is located about 10 miles east of Lovington, NM on State Highway 82. This is an unloading facility only where we unload crude oil to be stored temporarily until it is transferred via pipeline into Texas, Oklahoma, and/or New Mexico. All fluids generated at this site are contained within collection steel tanks prior to injection into a pipeline. Ground water most likely to be affected in the event of an accidental discharge at the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 40 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. There is no production of any kind of discharge with the exception of natural rainwater. Any interested person may obtain information, submit comments, or request to be placed on a facility specific mailing list for future notices by contacting Edward J. Hansen at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, NM 87505. Telephone (505) 476-3489. The OCD will accept comments and statements of interest regarding the renewals and will create a facility-specific mailing list for persons who wish to receive future notices.

Published in the Lovington Leader, October 9, 2008

RECEIVED

2008 OCT 9 AM 8 24

**ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL
DENTON TRUCK UNLOADING FACILITY (GW-324)
DISCHARGE PERMIT APPROVAL CONDITIONS
September 25, 2008**

- 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 renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee and the required \$1700.00 renewal permit fee for an oil and gas service company.
- 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 August 3, 2010** 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, NMSA1978} 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 March 26, 2007 discharge plan renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C, and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 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. An unauthorized discharge is a violation of this permit.

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Occidental Energy Transportation LLC

Company Name-print name above

Christopher Broussard

Company Representative- print name

Christopher Broussard

Company Representative- signature

Title Director of HES

Date: 10/3/08



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



September 25, 2008

Christopher Broussard
Occidental Energy Transportation, LLC
5 Greenway Plaza; Suite 110
Houston, TX 77046

Re: Transfer of Discharge Permit GW-324
Denton Truck Unloading Facility

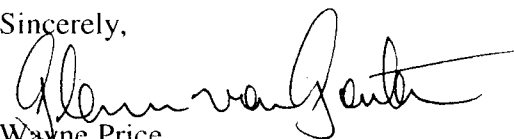
Dear Mr. Broussard:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3000 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the transfer of the discharge permit, GW-324, from Mission Petroleum Carriers, Inc. to Occidental Energy Transportation, LLC (owner/operator) for the Denton Truck Unloading Facility located in the NE/4 of Section 16, Township 15 South, Range 37 East, NMPM, Lea County, New Mexico, under 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.**

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 Edward Hansen of my staff at (505-476-3489) or E-mail edwardj.hansen@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/ejh

Attachments-1

xc: OCD District Office

Steve Russell, Mission Petroleum Carriers, Inc., P.O. Box 87788, Houston, TX 77287



**ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL
DENTON TRUCK UNLOADING FACILITY (GW-324)
DISCHARGE PERMIT APPROVAL CONDITIONS
September 25, 2008**

- 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 renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee and the required \$1700.00 renewal permit fee for an oil and gas service company.
- 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 August 3, 2010** 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, NMSA1978} 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 March 26, 2007 discharge plan renewal 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.

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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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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 20.6.2.1203 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. An unauthorized discharge is a violation of this permit.

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Company Name-print name above

Company Representative- print name

Company Representative- signature

Title _____

Date: _____

Hansen, Edward J., EMNRD

From: Christopher_Broussard@oxy.com
Sent: Thursday, September 25, 2008 10:29 AM
To: Hansen, Edward J., EMNRD
Subject: RE: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Mr. Hansen,

Here is the information you requested:

Occidental Energy Transportation LLC
5 Greenway Plaza
Suite 110
Houston, TX 77046
Contact: Christopher Broussard
Phone: (713) 215-7637
Fax: (866) 614-6591

Please let me know if you need additional information.

Thank you,

Christopher Broussard
Occidental Energy Transportation LLC / Occidental Energy Marketing, Inc.
Office: (713) 215-7637
Fax: (866) 614-6591
Mobile: (832) 623-3124

From: Hansen, Edward J., EMNRD [mailto:edwardj.hansen@state.nm.us]
Sent: Tuesday, September 23, 2008 11:13 AM
To: Broussard, Christopher E.
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Chris,

This is what I sent to Darrel – please email me the appropriate company name and address (and contact person, I am assuming will be you).

Also, I have attached the approved Public Notice (you will have to make the appropriate edits prior to sending it to the Lovington newspaper – see below) – please send me a copy of the Affidavit of Publication once you have received it from the newspaper.

Let me know if you have any questions, please call me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division

9/25/2008

EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

From: Hansen, Edward J., EMNRD
Sent: Thursday, September 11, 2008 10:11 AM
To: 'Darrel_Lester@oxy.com'
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 3:09 PM
To: 'Darrel_Lester@oxy.com'
Subject: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Darrel,

Attached is a draft of a discharge permit for the permit transfer. Please review and let me know what company and address would be appropriate for the final permit. I will then edit this draft with the appropriate company name and send two copies of the final permit for your (?) signature (I am assuming that you will be the contact person that will be receiving the permit for processing on your end).

Also, I will fax the approved draft of the public notice that is required to be published in the local newspaper (*The Lovington Daily Leader*). It must be a classified ad in both English and Spanish (be sure to ask the newspaper for an Avadavat of Publication). Then send a copy the Avadavat of Publication (with a copy of the ad attached) to me once you have received it.

Let me know if you have any questions, please call me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

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

9/25/2008

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

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Tuesday, September 23, 2008 10:13 AM
To: 'Christopher_Broussard@oxy.com'
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer
Attachments: GW324Discharge Plan renewal transfer_08_22_08.doc; GW324 Centurion PN 9-10-08.pdf

Chris,
This is what I sent to Darrel – please email me the appropriate company name and address (and contact person, I am assuming will be you).

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Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

From: Hansen, Edward J., EMNRD
Sent: Thursday, September 11, 2008 10:11 AM
To: 'Darrel_Lester@oxy.com'
Subject: FW: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 3:09 PM
To: 'Darrel_Lester@oxy.com'
Subject: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

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Let me know if you have any questions, please call me at 505-476-3489.

9/24/2008

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 5:05 PM
To: 'Darrel_Lester@oxy.com'
Subject: RE: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer
Attachments: GW324 Centurion PN 9-10-08.pdf

Darrel,

Not sure our fax machine is functioning – please see the attached approved Public Notice you are to have published.

Thanks.

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 3:09 PM
To: 'Darrel_Lester@oxy.com'
Subject: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer

Darrel,

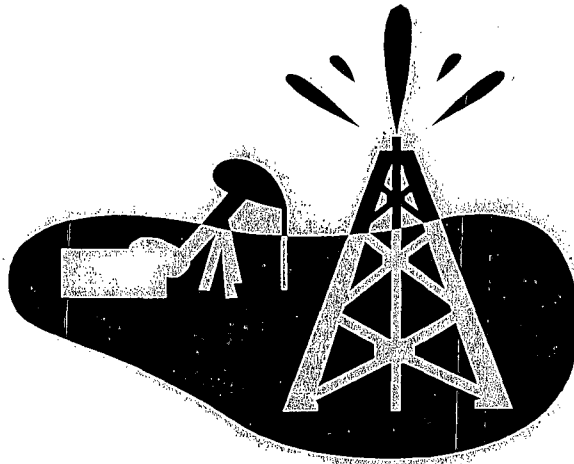
Attached is a draft of a discharge permit for the permit transfer. Please review and let me know what company and address would be appropriate for the final permit. I will then edit this draft with the appropriate company name and send two copies of the final permit for your (?) signature (I am assuming that you will be the contact person that will be receiving the permit for processing on your end).

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Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

9/10/2008



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
(505) 476-3440
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Darrel Lester, OXY FAX 432-686-1425

FROM: Edward J. Hansen 505-476-3489

DATE: 9-10-08

PAGES: 3

SUBJECT: GW 324 Discharge Permit

Transfer

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE
NUMBER ABOVE.



POST OFFICE BOX 87788

HOUSTON, TEXAS 77287

LOPY

PUBLIC NOTICE

Centurion Pipeline ?

formally permitted to
Mission Petroleum ?

~~Mission Petroleum Carriers, Inc., David Fontenot, President, 8450 Mosley Road, Houston, TX 77075~~ has submitted a renewal application for the previously approved discharge plan (GW324) for their shop and yard, located in the northeast Quarter of Section 16, Township 15 South, Range 37 East, N.M.P.M., Lea County, New Mexico, Denton Station Unloading Facility. Located about 10 miles east of Lovington, NM on State Highway 82. This is an unloading facility only where we unload crude oil to be stored until it is later piped into Texas, Oklahoma, New Mexico, etc. All fluids generated at this site are contained within collection steel tanks prior to injection into a pipeline. Ground water most likely to be affected in the event of an accidental discharge at the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 408 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed. There is no production of any kind of discharge with the exception of natural rainwater. Any interested person may obtain information; submit comments or request to be placed on a facility specific mailing list for future notices by contacting Edward J. Hansen at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, NM 87505. Telephone (505) 476-3489. The OCD will accept comments and statements of interest regarding the renewals and will create a facility-specific mailing list for persons who wish to receive future notices.

PHONE 713/943-8250

20.6.2.3108 NMAC and shall indicate, for department approval, the proposed locations and newspaper for providing notice required by Paragraphs (1) and (4) of Subsection B or Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. The department shall notify the applicant in writing when the application is deemed administratively complete. If the department determines that the application is not administratively complete, the department shall notify the applicant of the deficiencies in writing within 15 days of receipt of the application and state what additional information is necessary.

B. Within 30 days of the department deeming an application for discharge permit or discharge permit modification administratively complete, the applicant shall provide notice, in accordance with the requirements of Subsection F of 20.6.2.3 108 NMAC, to the general public in the locale of the proposed discharge in a form provided by the department by each of the methods listed below:

- (1) for each 640 contiguous acres or less of a discharge site, prominently publishing a synopsis of the public notice at least 2 feet by 3 feet in size, in English and in Spanish, at a place conspicuous to the public, approved by the department, at or near the proposed facility for 30 days; one additional notice, in a form approved by and may be provided by the department, shall be posted at a place located off the discharge site, at a place conspicuous to the public and approved by the department; the department may require a second posting location for more than 640 contiguous acres or when the discharge site is not located on contiguous properties;
- (2) providing written notice of the discharge by mail, to owners of record of all properties within a 1/3 mile distance from the boundary of the property where the discharge site is located; if there are no properties other than properties owned by the discharger within a 1/3 mile distance from the boundary of property where the discharge site is located, the applicant shall provide notice to owners of record of the next nearest adjacent properties not owned by the discharger;
- (3) providing notice by certified mail, return receipt requested, to the owner of the discharge site if the applicant is not the owner; and
- (4) publishing a synopsis of the notice in English and in Spanish, in a display at least three inches by four inches not in the classified or legal advertisements section, in a newspaper of general circulation in the location of the proposed discharge.

(C) Within 30 days of the department deeming an application for discharge permit renewal administratively complete, the applicant shall provide notice, in accordance with the requirements of Subsection F of 20-6-2.3 108 NMAC, to the general public in the locale of the proposed discharge in a form provided by the department by each of the methods listed below:

(1) providing notice by certified mail to the owner of the discharge site, if the applicant is not the owner; and

- (2) publishing a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section, in a newspaper of general circulation in the location of the discharge.

D. Within 15 days of completion of the public notice requirements in Subsections B or C of 20.6.2.3108 NMAC, the applicant shall submit to the department proof of notice, including an affidavit of mailing(s) and the list of property owner(s), proof of publication, and an affidavit of posting, as appropriate.

E. Within 30 days of determining an application for a discharge permit, modification or renewal is administratively complete, the department shall post a notice on its website and shall mail notice to any affected local, state, federal, tribal or pueblo governmental agency, political subdivisions, ditch associations and land grants, as identified by the department. The department shall also mail or e-mail notice to those persons on a general and facility-specific list maintained by the department who have requested notice of discharge permit applications. The notice shall include the information listed in Subsection F of 20.6.2.3108 NMAC.

F. The notice provided under Subsection B, C and E of 20.6.2.3108 NMAC shall include:

20:6.2 NMAC

16

G. All per-
sonnel who participated in a public hearing, participated in a mailing list and the department's mailing list, 20.6.2.3108 NMAC, and
contact the department to request a facility-specific mailing list.

H. Within required technical information of the application for a department or the reason approval or disapproval application for a discharge

- (1) postin;
(2) publis
circulation in the location
(3) mailin
(4) mailin
grants, as identified by the
(5) mailin

I. The pu

20.6.2.3 108 NMAC and

- (1) a brief determination;
- (2) a state hearing on the application;
- (3) the ad approval or disapproval.

J. In the event of a request for modification or renewal of a permit, the department may com-

K. Follow

discharge permit, modified within at least 30 days during which the permittee is requested in writing. The permittee must provide All comments will be considered and the reasons why a hearing should be held will be a public interest. The department will determine whether to hold a hearing.

L. If a he given by the department NMAC. The notice shall time and place of the he to 20.6.2.3 110 NMAC.

20.6.2 NMAC

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Wednesday, September 10, 2008 3:09 PM
To: 'Darrel_Lester@oxy.com'
Subject: GW324 (Denton Truck Unloading Facility) Discharge Permit Transfer
Attachments: GW324Discharge Plan renewal transfer_08_22_08.doc

Darrel,

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Let me know if you have any questions, please call me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau
Oil Conservation Division
EMNRD
1220 S. St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

2008 JAN 25 PM 12 01

**ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL
DENTON TRUCK UNLOADING FACILITY (GW-324)
DISCHARGE PERMIT APPROVAL CONDITIONS
September 5, 2007**

Please remit a check for \$1700.00 made payable to Water Quality Management Fund:

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

- 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 renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. However, the owner/operator still owes the required \$1700.00 renewal permit fee for an oil and gas service company.
- 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 August 3, 2010** 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, NMSA1978} 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 March 26, 2007 discharge plan renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

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

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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.

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12. Underground Process/Wastewater Lines:

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

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

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

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

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

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

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any 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. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee. Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

23. Certification: Mission Petroleum Carriers, Inc., (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.

Steve Russell
GW-324
September 5, 2007
Page 7 of 7

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

Mission Petroleum Carriers, Inc.
Company Name-print name above

Steve Russell
Company Representative- print name


Company Representative- signature

Title VP Lite Oils & Crude

Date: January 21, 2008

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No dated 1/21/08

or cash received on in the amount of \$ 1700⁰⁰

from MISSION Petroleum Carriers

for GW-324

Submitted by: Lawrence Patero Date: 1/28/08

Submitted to ASD by: Lawrence Patero Date: 1/28/08

Received in ASD by: Date:

Filing Fee New Facility Renewal ✓

Modification Other

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment

ATTACHMENT TO THE DISCHARGE PLAN GW-324
AMOCO PIPELINE COMPANY
DENTON TRUCK UNLOADING FACILITY
DISCHARGE PLAN APPROVAL CONDITIONS

(August 3, 2000)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received by the OCD. There is a flat fee assessed for crude oil pump and handling stations equal to \$575.00. 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. Amoco Pipeline Company Commitments: Amoco Pipeline Company will abide by all commitments submitted in the discharge plan application dated June 1, 2000 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

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

16. Closure: The OCD will be notified when operations of the Denton Truck Unloading Facility are discontinued for a period in excess of six months. Prior to closure of the Denton Truck Unloading 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.
17. Certification: Amoco Pipeline Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Amoco Pipeline Company 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:

AMOCO PIPELINE COMPANY

by RA Wilson MGR bp pipeline
Title Amoco Pipeline
company



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

August 3, 2000

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 5050 9825

Mr. R. A. Wilson
Amoco Pipeline Company
200 South Loraine, Suite 1220
Midland, Texas 79701

**RE: Discharge Plan Approval GW-324
Amoco Pipeline Company
Denton Truck Unloading Facility
Lea County, New Mexico**

Dear Mr. Wilson:

The ground water discharge plan application GW-324 for the Amoco Pipeline Company Denton Truck Unloading Facility located in the NE/4 NE/4 of Section 16, Township 15 South, Range 37 East, NMPM, Lea County, New Mexico, is **hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.**

The original discharge plan application was submitted on June 1, 2000 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. 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 Amoco Pipeline Company of liability should operations result in pollution of surface water, ground water, or the environment.

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

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

Mr. R. A. Wilson
GW-324 Denton Truck Unloading Facility
August 3, 2000
Page 2

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **August 3, 2005**, and Amoco Pipeline Company 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.

Amoco Pipeline Company will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Denton Truck Unloading Facility.

The discharge plan application for the Amoco Pipeline Company Denton Truck Unloading Facility 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 \$50. There is a flat fee assessed for crude oil pump and handling stations equal to \$575.00. The OCD has received the filing fee.

**Please make all checks payable to: Water Management Quality Management Fund
C/o: Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505.**

If you have any questions please contact Mr. W. Jack Ford at (505) 827-7156. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Hobbs Office

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Article Sent To:	
Postage	\$
Certified Fee	\$
Return Receipt Fee (Endorsement Required)	\$
Restricted Delivery Fee (Endorsement Required)	\$
Total Postage & Fees	\$
Name (Please Print Clearly) (To be completed by mailer) R.A. Wilson	
Street, Apt. No.; or PO Box No. Amoco Pp1	
City, State, ZIP+ 4 Midland TX 79701	
PS Form 3800, July 1999 See Reverse for Instructions	

7099 3220 0000 5050 9825

Postmark Here: JG 03 2000 PM 1135

ATTACHMENT TO THE DISCHARGE PLAN GW-324
AMOCO PIPELINE COMPANY
DENTON TRUCK UNLOADING FACILITY
DISCHARGE PLAN APPROVAL CONDITIONS
(August 3, 2000)

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Accepted:

AMOCO PIPELINE COMPANY

by _____
Title