

**GW - 326**

**PERMITS,  
RENEWALS,  
& MODS  
Application**

State of New Mexico  
Energy, Minerals and Natural Resources Department

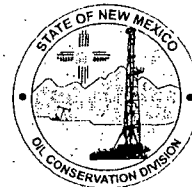
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**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



**SEPTEMBER 6, 2012**

Mr. Wayne Roberts  
Plains Pipeline, L.P.  
6 Desta Drive  
Suite 6600  
Midland, TX 79705

Dear Mr. Roberts:

Based on your responses given to the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that one of your facilities with an expired or soon to be expired permit does not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit **GW-- 326** (Plains Jal Basin Station) is hereby rescinded and you are not required to proceed with the renewal of this expired or soon to expire WQCC Discharge Permit. OCD will close this permit in its database.

Because this WQCC Discharge Permit is no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste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

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

Thank you for your cooperation.

**Jami Bailey**  
Director

JB/gvg

**ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL  
Plains Pipeline, L.P. – Jal Basin Station (GW326)  
DISCHARGE PERMIT APPROVAL CONDITIONS  
March 21, 2007**

**Please remit a check for \$1200.00 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 \$1200.00 renewal permit fee for a crude pump station.
- 2. Permit Expiration and Renewal:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on January 25, 2011** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.
- 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 January 23, 2007 discharge permit 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 20.5.12.1203 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 transferror 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:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

Wayne Roberts  
GW326  
March 21, 2007  
Page 7 of 7

**23. Certification: Plains Pipeline, L.P., (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."

PLAINS PIPELINE, L.P.

Company Name-print name above

WAYNE. E. ROBERTS

Company Representative- print name

Wayne E. Roberts

Company Representative- signature

Title DIRECTOR, ENVIRONMENTAL & REGULATORY COMPLIANCE

Date: 03-29-07



ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No.                      dated 4/2/07

or cash received on                      in the amount of \$ 1200.00

from Plains Pipeline LP

for GW-326

Submitted by: Lawrence Romero Date: 4/2/07

Submitted to ASD by: Lawrence Romero Date: 4/2/07

Received in ASD by:                      Date:                     

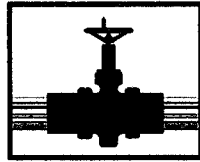
Filing Fee            New Facility            Renewal ✓

Modification            Other                     

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment



# PLAINS

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## PIPELINE, L.P.

March 29, 2007

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

RECEIVED

APR - 7 2007  
Environmental Bureau  
Oil Conservation Division

**Re: Discharge Permit (GW 326) Renewal  
Plains Pipeline, L. P. -- Jal Basin Station  
Lea County, New Mexico  
Return of signed copy with permit fees**

Dear Mr. Hansen:

In accordance with Water Quality Control Commission (WQCC) Regulations 20.6.2.3000-20.6.2.3114, Plains Pipeline, L. P. (Plains) hereby submits the signed copy and payment for the above-referenced Discharge Permit (GW 326). Enclosed please find the signed permit and a check in the amount of \$1200.00 made out to the Water Quality Management Fund.

Please contact me if you have any questions or need additional information. On behalf of Plains' environmental staff, I wish to thank you for your assistance and guidance in this discharge permit process.

Thanks and best regards,

**Wayne E. Roberts**  
Director, Environmental & Regulatory Compliance  
Southern & Southwestern Divisions  
Plains All American  
432.686.1767 Office  
432.413.2574 Mobile  
432.686.1770 fax  
E-mail: [weroberts@paalp.com](mailto:weroberts@paalp.com)

Enclosures



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joa ma Prukop

Cabin et Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 21, 2007

Wayne Roberts  
Southern Division Director of Environmental and Regulatory Compliance  
Plains Pipeline, L.P.  
P.O. Box 3119  
Midland, Texas 79702

Re: Discharge Permit GW326  
Jal Basin Station

Dear Mr. Roberts:

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 discharge permit for the Plains Pipeline, L.P. (owner/operator) Jal Basin Station (GW326) located in the SE/4, SE/4 of Section 32, Township 25 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 including permit fees.**

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

If you have any questions, please contact Edward J. Hansen of my staff at (505-476-3489) or E-mail [edwardj.hansen@state.nm.us](mailto: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,

for Wayne Price  
Environmental Bureau Chief

LWP/ejh  
Attachments-1  
xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL**  
**Plains Pipeline, L.P. – Jal Basin Station (GW326)**  
**DISCHARGE PERMIT APPROVAL CONDITIONS**  
**March 21, 2007**

**Please remit a check for \$1200.00 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 \$1200.00 renewal permit fee for a crude pump station.
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**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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**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.

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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.

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**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 transferror 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:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.



**23. Certification: Plains Pipeline, L.P., (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:\_\_\_\_\_



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

October 23, 2001

Lori Wrotenbery  
Director  
Oil Conservation Division

**CERTIFIED MAIL**

**RETURN RECEIPT NO: 5357-7980**

Mr. William K. Keenan  
Equilon Pipeline Company  
8023 East 63<sup>rd</sup> Place  
Tulsa, Oklahoma 74133

**RE: DISCHARGE PLAN (GW-326)  
JAL BASIN STATION  
JAL, NEW MEXICO**

Dear Mr. Keenan:

The New Mexico Oil Conservation Division (OCD) has completed a review of Equilon Pipeline Company's (Equilon) April 30, 2001 "DISCHARGE PLAN (GW-326) MODIFICATION, JAL BASIN STATION, SECTION 5, TOWNSHIP 26 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO, H2A JOB NO. 106.001" and March 1, 2001 "STAGE 2 ABATEMENT/DISCHARGE PLAN, JAL BASIN STATION, SECTION 5, TOWNSHIP 26 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO, H2A JOB NO. 106.001" which were submitted on behalf of Equilon by their consultant H2A Environmental, Ltd. These documents contain Equilon's proposed discharge plan modification for treatment and reinjection of contaminated ground water at Equilon's Jal Basin Station located in the SE/4, SE/4 and the SW/4, SE/4 of Section 32, Township 25 South, Range 37 East and in the NE/4, NE/4 and the NW/4, NE/4 of Section 5, Township 26 South, Range 37 East NMPM, Lea County, New Mexico.

The ground water discharge plan modification for discharge plan GW-326 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 OCD Santa Fe Office within thirty (30) days of receipt of this letter.**

The discharge plan was originally submitted on November 28, 2000 and approved on January 25, 2001. The discharge plan modification is approved pursuant to Section 3109.C. 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 OCD approval does not relieve Equilon of responsibility should their operations result in additional pollution of surface water, ground waters, or the environment. In addition, OCD approval does not relieve Equilon of responsibility for compliance with any other federal, state or local laws and regulations.

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

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

The discharge plan will expire on January 25, 2006 and Equilon should submit an application in ample time before that date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

The discharge plan modification for the Equilon Jal Basin Pump Station is subject to WQCC regulation 3114. Every facility submitting an application for discharge plan modification will be assessed a filing fee of \$100.00 dollars plus one-half of the permit fee. Since the permit was recently issued and the modification required little cost for issuance, the OCD waives the permit modification fee pursuant to Section 3114.E. The OCD has no record of receiving the filing fee for this modification. Please remit the filing fee upon receipt of this approval.

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

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

Sincerely,



Roger C. Anderson  
Environmental Bureau Chief

RCA/wco

Attachment

xc: Chris Williams OCD Hobbs District Supervisor  
Theresa Nix, H2A Environmental, Ltd.  
Don Neeper

**ATTACHMENT TO DISCHARGE PLAN MODIFICATION APPROVAL**  
**Equilon Jal Basin Station (GW-326)**  
**APPROVAL CONDITIONS**  
**October 5, 2001**

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has **not** been received by the OCD. The filing fee was payable at the time of application and is due upon receipt of this approval. Please make all checks payable to:  
  
Water Quality Management Fund  
c/o New Mexico Oil Conservation Division  
1220 South. St. Francis Dr.  
Santa Fe, NM 87505
2. Commitments: Equilon Pipeline Company (Equilon) shall abide by all commitments submitted in the discharge plan modification requests dated April 30, 2001 and March 1, 2001 and these conditions for approval.
3. Waste Disposal: All wastes shall be disposed of at an OCD approved facility. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt wastes shall be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. **Rule 712 Waste:** Pursuant to OCD Rule 712, disposal of certain non-domestic waste is permitted at solid waste facilities permitted by the New Mexico Environment Department as long as:
  1. the waste stream is identified, and authorized, as such in the discharge plan, and;
  2. existing process knowledge of such waste streams does not change without notification to the OCD.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
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 other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
9. Below Grade Tanks/Sumps: All new 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity prior to operation. Permittees may propose various methods for testing such as pressure testing to 3 psi above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD in the quarterly report.
11. Housekeeping: All systems designed for spill collection/prevention and leak detection will be inspected daily to ensure proper operation and to prevent overtopping or system failure.
12. Spill Reporting: Effluent discharges that exceed the New Mexico Water Quality Control Commission (WQCC) standards and spills shall be reported pursuant to OCD Rule 116 and WQCC Rule 1203.
13. Treatment System Monitoring: Effluent from the ground water treatment system will be sampled and analyzed for concentrations of aromatic volatile organics initially, on a weekly basis for one month, and thenceforth on a monthly basis using EPA approved methods and quality assurance/quality control (QA/QC).
14. Ground Water Monitoring: Ground water from all site monitor wells which do not contain free phase products will be sampled and analyzed for concentrations of aromatic volatile organics on a quarterly basis using EPA approved methods and QA/QC.
15. Reporting: Equilon shall file an annual report on the remediation and monitoring system. The report shall be submitted to the OCD Santa Fe Office by April 1 of each year with a copy provided to the OCD Hobbs District Office. The report shall contain:
  - a. A description of all remediation and monitoring activities which have occurred during the last calendar year.
  - b. A geologic/lithologic log and well completion diagram for any injection well and monitor well installed during the last calendar year.
  - c. A quarterly water table potentiometric map showing the location of the spill areas, monitor wells, injection wells and any other pertinent site features as well as the direction and magnitude of the hydraulic gradient.

- d. A quarterly product thickness map created using the measured free product thickness observed in each ground water monitoring well.
  - e. Isopleth maps for contaminants of concern which were observed during the investigations.
  - f. Summary tables of all past and present effluent and ground water quality sampling results including copies of all recent laboratory analytical data sheets and associated QA/QC data.
  - g. The monthly volume of product and water recovered from each recovery well and the total volume of product and water recovered to date.
  - h. The monthly volume of effluent injected in each injection well and the total volume injected in each well to date.
  - i. The disposition of all wastes generated.
16. Transfer of Discharge Plan: The OCD shall 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.
17. Closure: The OCD shall be notified when operations of the Equilon Jal Basin Pump Station are discontinued for a period in excess of six months. Prior to closure of the Jal Basin Pump Station, Equilon shall submit a closure plan for approval. Closure shall be in accordance with the statutes, rules and regulations in effect at the time of closure.
18. Conditions accepted by: Equilon, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Equilon further acknowledges that the conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Equilon Pipeline Company

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT TO DISCHARGE PLAN MODIFICATION APPROVAL**  
**Equilon Jal Basin Station (GW-326)**  
**APPROVAL CONDITIONS**  
**October 5, 2001**

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has not been received by the OCD. The filing fee was payable at the time of application and is due upon receipt of this approval. Please make all checks payable to:

Water Quality Management Fund  
c/o New Mexico Oil Conservation Division  
1220 South. St. Francis Dr.  
Santa Fe, NM 87505

2. Commitments: Equilon Pipeline Company (Equilon) shall abide by all commitments submitted in the discharge plan modification requests dated April 30, 2001 and March 1, 2001 and these conditions for approval.
3. Waste Disposal: All wastes shall be disposed of at an OCD approved facility. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt wastes shall be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. **Rule 712 Waste:** Pursuant to OCD Rule 712, disposal of certain non-domestic waste is permitted at solid waste facilities permitted by the New Mexico Environment Department as long as:
  1. the waste stream is identified, and authorized, as such in the discharge plan, and;
  2. existing process knowledge of such waste streams does not change without notification to the OCD.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
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 other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
9. Below Grade Tanks/Sumps: All new 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity prior to operation. Permittees may propose various methods for testing such as pressure testing to 3 psi above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD in the quarterly report.
11. Housekeeping: All systems designed for spill collection/prevention and leak detection will be inspected daily to ensure proper operation and to prevent overtopping or system failure.
12. Spill Reporting: Effluent discharges that exceed the New Mexico Water Quality Control Commission (WQCC) standards and spills shall be reported pursuant to OCD Rule 116 and WQCC Rule 1203.
13. Treatment System Monitoring: Effluent from the ground water treatment system will be sampled and analyzed for concentrations of aromatic volatile organics initially, on a weekly basis for one month, and thenceforth on a monthly basis using EPA approved methods and quality assurance/quality control (QA/QC).
14. Ground Water Monitoring: Ground water from all site monitor wells which do not contain free phase products will be sampled and analyzed for concentrations of aromatic volatile organics on a quarterly basis using EPA approved methods and QA/QC.
15. Reporting: Equilon shall file an annual report on the remediation and monitoring system. The report shall be submitted to the OCD Santa Fe Office by April 1 of each year with a copy provided to the OCD Hobbs District Office. The report shall contain:
  - a. A description of all remediation and monitoring activities which have occurred during the last calendar year.
  - b. A geologic/lithologic log and well completion diagram for any injection well and monitor well installed during the last calendar year.
  - c. A quarterly water table potentiometric map showing the location of the spill areas, monitor wells, injection wells and any other pertinent site features as well as the direction and magnitude of the hydraulic gradient.



- d. A quarterly product thickness map created using the measured free product thickness observed in each ground water monitoring well.
  - e. Isopleth maps for contaminants of concern which were observed during the investigations.
  - f. Summary tables of all past and present effluent and ground water quality sampling results including copies of all recent laboratory analytical data sheets and associated QA/QC data.
  - g. The monthly volume of product and water recovered from each recovery well and the total volume of product and water recovered to date.
  - h. The monthly volume of effluent injected in each injection well and the total volume injected in each well to date.
  - i. The disposition of all wastes generated.
16. Transfer of Discharge Plan: The OCD shall 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.
17. Closure: The OCD shall be notified when operations of the Equilon Jal Basin Pump Station are discontinued for a period in excess of six months. Prior to closure of the Jal Basin Pump Station, Equilon shall submit a closure plan for approval. Closure shall be in accordance with the statutes, rules and regulations in effect at the time of closure.
18. Conditions accepted by: Equilon, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Equilon further acknowledges that the conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Equilon Pipeline Company

Print Name: WILLIAM K. KEENAN

Signature: William K. Keenan

Title: ENVIRONMENTAL ENGINEER

Date: 11/28/01



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor

**Jennifer A. Salisbury**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

May 11, 2001

**CERTIFIED MAIL**

**RETURN RECEIPT NO: 5051-4362**

Mr. William K. Keenan  
Equilon Pipeline Company  
8023 East 63<sup>rd</sup> Place  
Tulsa, Oklahoma 74133

**RE: TEMPORARY DISCHARGE AUTHORIZATION  
DISCHARGE PLAN (GW-326)  
JAL BASIN STATION  
JAL, NEW MEXICO**

Dear Mr. Keenan:

The New Mexico Oil Conservation Division (OCD) has reviewed Equilon Pipeline Company's (Equilon) April 30, 2001 "DISCHARGE PLAN (GW-326) MODIFICATION, JAL BASIN STATION, SECTION 5, TOWNSHIP 26 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO, H2A JOB NO. 106.001", April 3, 2001 "TEMPORARY AUTHORIZATION FOR DISCHARGE, JAL BASIN STATION, SECTION 5, TOWNSHIP 26 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO, H2A JOB NO. 106.001" and March 1, 2001 "STAGE 2 ABATEMENT/DISCHARGE PLAN, JAL BASIN STATION, SECTION 5, TOWNSHIP 26 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO, H2A JOB NO. 106.001" which were submitted on behalf of Equilon by their consultant H2A Environmental, Ltd. These documents contain Equilon's request for temporary authorization for a period of up to 120 days for treatment and reinjection of contaminated ground water at Equilon's Jal Basin Station located in the SE/4, SE/4 and the SW/4, SE/4 of Section 32, Township 25 South, Range 37 East and in the NE/4, NE/4 and the NW/4, NE/4 of Section 5, Township 26 South, Range 37 East NMPM, Lea County, New Mexico. The temporary discharge authorization is requested to control migration of the contaminated ground water while Equilon's proposed modification to discharge plan GW-326 is pending.

Pursuant to 20 NMAC 6.2.3106.B. the temporary discharge authorization request, as contained in the above-referenced documents, is approved under the conditions contained in the enclosed attachment. This authorization will expire on September 8, 2001.

Please be advised that OCD approval does not relieve Equilon of responsibility should their operations result in additional pollution of surface water, ground waters, or the environment. In addition, OCD approval does not relieve Equilon of responsibility for compliance with any other federal, state or local laws and regulations.

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

Sincerely,




Roger C. Anderson  
Environmental Bureau Chief

RCA/wco

Attachment

xc: Chris Williams OCD Hobbs District Supervisor  
Theresa Nix, H2A Environmental, Ltd.

*Also sent copy to Don Neaper* 

**ATTACHMENT TO TEMPORARY DISCHARGE AUTHORIZATION APPROVAL**  
**Equilon Jal Basin Station (GW-326)**  
**APPROVAL CONDITIONS**  
**May 11, 2001**

1. Commitments: Equilon shall abide by all commitments submitted in the temporary discharge authorization requests dated April 30, 2001, April 3, 2001 and March 1, 2001 and these conditions for approval.
2. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
3. 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.
4. 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.
5. 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.
6. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
7. Below Grade Tanks/Sumps: All new 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.
8. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity prior to operation. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD in the quarterly report.
9. Housekeeping: All systems designed for spill collection/prevention and leak detection will be inspected daily to ensure proper operation and to prevent overtopping or system failure.
10. Spill Reporting: Effluent discharges that exceed the New Mexico Water Quality Control Commission (WQCC) standards and spills shall be reported pursuant to OCD Rule 116 and WQCC Rule 1203.

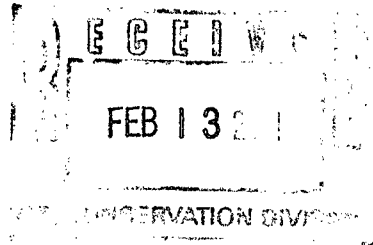
11. Waste Disposal: All wastes will be disposed of at an OCD approved facility.
12. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.
13. Treatment System Monitoring: Effluent from the ground water treatment system will be sampled and analyzed for concentrations of aromatic volatile organics initially, on a weekly basis for one month, and thenceforth on a monthly basis using EPA approved methods and quality assurance/quality control (QA/QC).
14. Ground Water Monitoring: Ground water from all site monitor wells which do not contain free phase products will be sampled and analyzed for concentrations of aromatic volatile organics on a quarterly basis using EPA approved methods and QA/QC.
15. Reporting: Equilon shall file a quarterly report on the remediation and monitoring system. The report shall contain:
  - a. A description of all remediation and monitoring activities which have occurred including conclusions and recommendations.
  - b. A geologic/lithologic log and well completion diagram for each injection well.
  - c. A water table potentiometric map showing the location of the spill areas, monitor wells, injection wells and any other pertinent site features as well as the direction and magnitude of the hydraulic gradient.
  - d. A product thickness map created using the measured free product thickness observed in each ground water monitoring well.
  - e. Isopleth maps for contaminants of concern which were observed during the investigations.
  - f. Summary tables of all past and present effluent and ground water quality sampling results including copies of all recent laboratory analytical data sheets and associated QA/QC data.
  - g. The monthly volume of product and water recovered from each recovery well and the total volume of product and water recovered to date.
  - h. The monthly volume of effluent injected in each injection well and the total volume injected in each well to date.
  - i. The disposition of all wastes generated.

# EQUILON

PIPELINE COMPANY LLC

W. K. (Bill) Keenan  
Phone: (918) 369-4094  
Fax: (918) 369-4076

13160 S. Memorial, PMB #200  
Bixby, Oklahoma 74008



February 12, 2001

Roger C. Anderson  
Chief, Environmental Bureau  
Oil Conservation Division  
New Mexico Energy, Minerals  
& Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RE: Discharge Plan GW-326  
Equilon Pipeline Company LLC  
Jal Basin Pump Station  
Lea County, New Mexico

Dear Mr. Anderson:

Attached is one signed copy of the Discharge Plan Approval Conditions for our Jal Basin Pump Station. Please accept our apologies for the delay in returning the Conditions to you.

Sincerely,

A handwritten signature in cursive script, appearing to read "William K. Keenan".

William K. Keenan

Attachment

ATTACHMENT TO THE DISCHARGE PLAN GW-326  
EQUILON PIPELINE COMPANY LLC  
JAL BASIN PUMP STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
January 25, 2001

1. Payment of Discharge Plan Fees: The \$50.00 filing fee and the required flat fee has been received by the OCD. The flat fee required for this facility is \$575.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. Please make all checks payable to:

Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

2. Commitments: Equilon Pipeline Company LLC will abide by all commitments submitted in the discharge plan application dated November 28, 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 no later than June 1, 2001 and every year from tested date thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. Test results will be submitted to OCD by July 1, 2001.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than June 1, 2001 and every five (5) years thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by July 1, 2001.
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 by June 1, 2001
16. Closure: The OCD will be notified when operations of the Jal Basin Pump Station are discontinued for a period in excess of six months. Prior to closure of the Jal Basin Pump Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: Equilon Pipeline Company LLC, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Equilon Pipeline Company LLC 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.

**Equilon Pipeline Company LLC**

Print Name: WILLIAM K. KEENAN

Signature: William K. Keenan

Title: ENVIRONMENTAL ENGINEER

Date: 2/12/01



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

January 25, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 0050**

Mr. Ernest J. Richarte  
Equilon Pipeline Company LLC  
8023 East 63rd Place  
Tulsa, Oklahoma 74133

**RE: Discharge Plan GW-326**  
Equilon Pipeline Company LLC  
Jal Basin Pump Station  
Lea County, New Mexico

Dear Mr. Richarte

The ground water discharge plan **GW-326** for the **Equilon Pipeline Company LLC Jal Basin Pump Station** located in the SE/4 SE/4 of Section 32, Township 25 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 of the Discharge Plan Approval Conditions to the New Mexico Oil Conservation Division (OCD) Santa Fe office within 10 working days of receipt of this letter.**

The discharge plan application was submitted on November 28, 2000 and approved January 25, 2001. The discharge plan application letter, dated November 28, 2000, submitted pursuant to Section 3106 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 Equilon Pipeline Company LLC 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 (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, Equilon Pipeline Company LLC is required to notify the Director of any facility expansion, production increase or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4, this plan is for a period of five years. This plan will expire on **January 25, 2006**, and Equilon Pipeline Company LLC should submit an application in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.

The discharge plan application for the Equilon Pipeline Company LLC Jal Basin Pump Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of \$50.00. There is a flat fee assessed for crude oil pump station facilities of \$575.00. The OCD has received the filing fee and the flat fee.

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

Sincerely,



Roger 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)	
E. Richards	
Street, Apt. No., or PO Box No.	
Equilon PPL	
City, State, ZIP+ 4	
Tulsa	
PS Form 3800, July 1999	
See Reverse for Instructions	

ATTACHMENT TO THE DISCHARGE PLAN GW-326  
EQUILON PIPELINE COMPANY LLC  
JAL BASIN PUMP STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
January 25, 2001

1. Payment of Discharge Plan Fees: The \$50.00 filing fee and the required flat fee has been received by the OCD. The flat fee required for this facility is \$575.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. Please make all checks payable to:  
  
Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505
2. Commitments: Equilon Pipeline Company LLC will abide by all commitments submitted in the discharge plan application dated November 28, 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 no later than June 1, 2001 and every year from tested date thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. Test results will be submitted to OCD by July 1, 2001.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than June 1, 2001 and every five (5) years thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by July 1, 2001.
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 by June 1, 2001
16. Closure: The OCD will be notified when operations of the Jal Basin Pump Station are discontinued for a period in excess of six months. Prior to closure of the Jal Basin Pump Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: Equilon Pipeline Company LLC, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Equilon Pipeline Company LLC 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.

**Equilon Pipeline Company LLC**

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_