



New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

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

**Jami Bailey**  
Division Director  
Oil Conservation Division



**FEBRUARY 9, 2012**

Ms. Stacey Schweigert  
Champion Technologies  
3200 Southwest Freeway  
Suite 2700  
Houston, TX 77042

Dear Ms. Schweigert:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that one of your facilities with an expired or soon to be expired permit is not required to operate under a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit for GW-199 (Hobbs Facility) is hereby rescinded and you are not required to proceed with the renewal of this expired WQCC Discharge Permit. OCD will close this discharge permit in its database.

Previously, Champion has conducted abatement of ground water contamination at this facility under the authority of its WQCC Discharge Permits, pursuant to 20.6.2.4000 NMAC (PREVENTION AND ABATEMENT OF WATER POLLUTION). OCD has determined that Champion does not intentionally discharge at this facility; therefore, no WQCC Discharge Permit is required. However, because of existing ground water contamination at this facility, OCD is requiring Champion to continue to abate pollution of ground water pursuant to 19.15.30 NMAC (REMEDIATION). The new Abatement Plan case number for the former GW-199 site is **AP-108**. Please use this Abatement Plan case number in all future correspondence. Please contact Glenn von Gonten at 505-476-3488 to discuss how Champion may complete its abatement of the remaining ground water contamination at this facility.

Because this WQCC Discharge Permit will now longer be in effect, you may be required to obtain separate OCD 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 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.

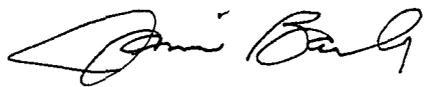
Ms. Stacey Schweigert

Page 2

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.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is stylized and cursive.

**Jami Bailey**  
Director

JB/gvg