

GW - 45

**GENERAL
CORRESPONDENCE**

YEAR(S):

1996 - 1988



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131**

December 12, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-698

Ms. Leigh E. Gooding
Williams Field Services
P.O. Box 58900, M.S. 2G1
Salt Lake City, Utah 84158-0900

**RE: Minor Modification
One Time Soil Remediation
Williams Gas Processing-Blanco
GW-045, Kutz Plant
San Juan County, NM**

Dear Ms. Gooding:

The New Mexico Oil Conservation Division (OCD) has received the WFS letter dated November 26, 1996 for the **Kutz Gas Plant** located in **SW/4 of Section 12, NW/4 of Section 13, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico**. The WFS request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. The minor modification will consist of the following as proposed by Williams Gas Processing-Blanco with the Revision dated November 26, 1996, and discussed with the OCD on December 10, 1996:

1. A one time approval to remediate 200 cubic yards of RCRA Subtitle C exempt contaminated soil as certified by WFS in the letter dated November 26, 1996.
2. Upon completion of the soil remedial activities WFS will submit a "Closure Report" to the OCD Santa Fe office for approval, with a copy sent to the Aztec OCD District Office. The "Closure Report" will include the following information:
 - A. A composite soil sample analysis using the appropriate EPA SW-846 method(s) for the following:
 - (1.) Benzene - mg/Kg (Not to exceed 10 mg/Kg)
 - (2.) Total BTEX - mg/Kg (Not to exceed 50 mg/Kg)
 - (3.) TPH - mg/Kg (Not to exceed 100 mg/Kg)

Ms. Leigh E. Gooding
 WFS-Soil Rem.
 Kutz Plant GW-045
 December 12, 1996
 Page No. 2

- B. The treatment zone soil at a depth of 3 feet below the remediated soil for WQCC constituents of concern as outlined in WQCC 3103 using the appropriate EPA SW-846 methods.
- C. The background soil condition at 3 feet below ground, outside and up gradient from the remediation area for the same constituents and method(s) as the treatment zone soil.
- D. WFS must show based on 2 (B.) and 2 (C.) , and other appropriate technical reasoning that groundwater will not be impacted by the use of the cell.

Based on the information submitted in the November 26, 1996 letter from WFS and the requirements of this letter, **the requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Please note that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C WFS is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

Note, that OCD approval does not relieve WFS of liability should WFS operation's result in contamination of surface waters, ground waters or the environment. OCD approval also does not relieve WFS from responsibility to comply/report with other federal, state, and local rules and regulations that may apply.

Sincerely,



Roger C. Anderson
 Bureau Chief
 Environmental Bureau - OCD

RCA/pws

xc: Mr. Denny Foust - Aztec OCD
 Mr. Don Ellsworth - USBLM

P 288 258 98

US Postal Service	
Receipt for Certified Mail	
No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	WFS - Gooding
Street & Number	Plant 2 - Soil Rem.
Post Office, State, & ZIP Code	Soil Rem. - GW-045
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

P.O. Box 58900 Salt Lake City, Utah 84158-0900

RECEIVED
NOV 26 1996
OIL CONSERVATION DIVISION

November 26, 1996

Mr. Patricio Sanchez
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RECEIVED

DEC 03 1996

Environmental Bureau
Oil Conservation Division

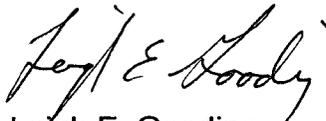
RE: Discharge Plan Revision Kutz Plant GW-45

Dear Mr. Sanchez:

Enclosed, please find the Discharge Plan Revision for Williams Gas Processing-Blanco's Kutz Plant located in Bloomfield, New Mexico.

If you have any questions or need additional information, please do not hesitate to contact me at (801) 584-6543.

Sincerely,



Leigh E. Gooding
Sr. Environmental Specialist

cc: Mr. Denny Foust

**WILLIAMS GAS PROCESSING-BLANCO
KUTZ GAS PROCESSING PLANT
DISCHARGE PLAN REVISION
November 1996**

I. BACKGROUND INFORMATION

On April 14, 1993, Sunterra Gas Processing Company submitted an application for the renewal of the plant's discharge plan (GW-45) to the New Mexico Oil Conservation Division (OCD). The Kutz Plant is located at 190 County Road 4980 in Bloomfield, San Juan County, New Mexico. The plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. The plan (GW-45) was subsequently approved by OCD. Williams Field Services Company purchased the facility in June 1995 and agreed to abide by the provisions of the Discharge Plan. The operating company which actually owns and operates the facility is Williams Gas Processing-Blanco (WGP-Blanco). According to the terms of the Discharge Plan, WGP-Blanco is required to notify the Director of the OCD of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume. This revision addresses the addition of a landfarm for contaminated soils at the Kutz Plant.

II PROPOSED MODIFICATIONS

WGP-Blanco has utilized a soil shredder at the Kutz Plant to segregate sand and silt from approximately 600 tons of gravel. The gravel pile accumulated over the last few years as a result of spills and releases of amine and condensate, and deminimus quantities of glycol and lube oil. Facility personnel routinely removed the impacted gravel and stockpiled the material in the boneyard area. The shredding process resulted in the separation of approximately 200 cubic yards of soil and 200 cubic yards of gravel.

The plant intends to reuse the gravel around the newly installed flare. The soil has been placed in "wind rows" to effectively landfarm the material and facilitate contaminant degradation. WGP-Blanco has collected baseline soil samples from the landfarm and will measure the effectiveness of the landfarm by periodic monitoring. An earthen berm has been placed around the land-farmed material to ensure offsite migration does not occur. WGP-Blanco maintains that the material is oil and gas exempt waste as the term is defined in Section 3001(b)(2)(A) of the Resource Conservation and Recovery Act (RCRA).

III SUMMARY

No new liquid wastes will be generated by the proposed modification at this facility. All liquid wastes will be handled in accordance with the OCD-approved Discharge Plan (GW-45) and this revision.

IV AFFIRMATION

I hereby certify that I am familiar with the information contained in and submitted with this revision and that such information is true, accurate, and complete to the best of my knowledge and belief.



Signature

Leigh E. Gooding

11/26/96
Date

Senior Environmental Specialist

Pat Sanchez

From: Denny Foust
Sent: Friday, November 22, 1996 3:48 PM
To: Pat Sanchez
Subject: WFS KUTZ PLANT LANDFARMING CONTAMINATED SOIL
Importance: High

NOVEMBER 22, 1996

MET WITH DAVE SANDERS PLANT MANAGER TO VIEW THE CONTAMINATED MATERIALS. THE MATERIALS ARE THE RESULT OF ABOUT SIX YEARS WORTH OF MINOR SPILLS, MAINTENANCE AND CONSTRUCTION WITHIN THE PLANT. THE MATERIAL WAS STOCKPILED SOUTH OF THE PLANT AND WEST OF THE EVAPORATION POND. THE MATERIAL HAS RECENTLY BEEN SCREENED WITH THE GRAVEL TO BE RE-USED AS ROAD BASE ON THE PERMITTED FACILITY. ABOUT 200 YARDS OF MINIMALLY CONTAMINATED SOILS REMAIN TO BE REMEDIATED. WFS IS ALSO CONTINUING A LONG STANDING PRACTICE OF THIN SPREADING WASHED IRON SPONGE IN THIS AREA. THE IRON SPONGE IS QUICKLY SPREAD AND COVERED WITH DIRT TO PREVENT COMBUSTION.

DENNY FOUST

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Personal	Time 10:00 AM	Date 11-25-96
---------------------------------------------------------------------------------	---------------	---------------

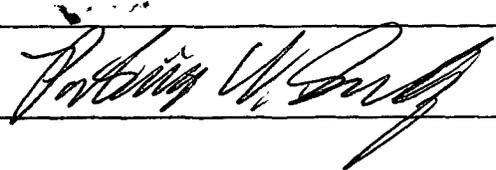
<u>Originating Party</u>	<u>Other Parties</u>
Mr. Mark Harvey - WFS (Returned my call from last week)	Pat Sanchez - OCD

Subject Contaminated Soil Rem. project "Letter Dated Nov. 1, 1996 sent by WFS to BLM - CC'd OCD." AT KUTZ PLANT GW-045

Discussion Explained to Mr. Harvey that Kutz plant has a discharge plan permit through the OCD GW-045 and that the Soil Rem. proposal needs to be submitted as a modification to the discharge plan. I let Mr. Harvey know about the OCD website and also mailed him hard copies of the discharge plan application form and Guidelines as well as OCD Land Farm Guidelines - I recommended that he use the guidelines to submit his modification:

Conclusions or Agreements
Mr. Harvey will review the above material & get w/ Leigh Gooding. They will then submit a Modification to the discharge plan.

Distribution File, Denny Faust

Signed 

Roger Anderson
Pat Sanchez

WILLIAMS FIELD SERVICES
ONE OF THE WILLIAMS COMPANIES

CONSERVATION DIVISION
RECEIVED

REG NO 17 APR 8 52

P.O. Box 58900
Salt Lake City, UT 84158-0900
(801) 584-7033
FAX: (801) 584-6483

RECEIVED

NOV 13 1996

November 1, 1996

Environmental Bureau
Oil Conservation Division

RECEIVED
NOV - 7 1996

OIL CON. DIV.
DIST. 3

Mr. Don Ellsworth
US Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

RE: REMEDIATION OF SOILS AT THE KUTZ PLANT

Dear Mr. Ellsworth:

Pursuant to our telephone conversation on the subject, Williams Field Services (WFS) hereby requests authorization to remediate soils removed from the WFS Kutz Plant near Bloomfield, NM.

The soil is derived from the segregation of gravel rock and gravel "fines". Approximately 600 tons of gravel was recently screened to physically separate rock from the sand and silt associated with it. The result was the separation of approximately 200 cubic yards of soil and approximately 200 cubic yards of gravel.

WFS intends to reuse the gravel within the plant as needed and place the "soil" in wind rows to effectively landfarm the material and facilitate contaminant degradation. The contamination consists of low concentrations of condensate and amine, and diminimus amounts of glycol and lube oil.

WFS maintains the material is oil and gas "exempt" waste as the term is defined in section 3001 (b)(2)(A) of the Resource Conservation and Recovery Act (RCRA). For your reference, I have included a copy of the USEPA's clarification on the subject as found in the Federal Register.

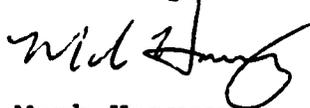
WFS plans to document baseline concentrations of contaminants and measure land farm effectiveness by periodic monitoring (as necessary) to determine when the soil is below threshold levels and effectively "clean".

November 1, 1996 / D. Ellsworth, USBLM
page 2

The material placed in the land farm shall be surrounded by a clean earthen berm to ensure offsite migration does not occur.

If you have any questions or need further explanation on this topic please call me at 801-584-6361.

Sincerely,



Mark Harvey
Environmental Services

enc

pc: Leigh Gooding - WFS / SLC
Dave Sanders - WFS / Kutz
Denny Foust - NMOCD / Aztec



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 19, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-594-835-302

Ms. Leigh E. Gooding
Williams Field Services
P.O. Box 58900, M.S. 2G1
Salt Lake City, Utah 84158-0900

RE: Minor Modification
Williams Gas Processing-Blanco
GW-045, Kutz Plant
San Juan County, NM

Dear Ms. Gooding:

The New Mexico Oil Conservation Division (OCD) has received the WFS letter dated July 1, 1996 and Revision dated August 1, 1996 for the Kutz Gas Plant located in SW/4 of Section 12, NW/4 of Section 13, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico. The WFS request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. The minor modification will consist of the following as outlined by Williams Gas Processing-Blanco with the Revision dated August 1, 1996:

1. The addition of a three phase separator to recover vapors prior to discharge of waste effluent to the API separator.
2. The replacement of the water bath flare with a self-supporting standard flare stack.

Based on the information outlined above, the requested minor modification is hereby approved.

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Please note that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C WFS is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

P 594 835 302

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided. *GW-045*
Do not use for International Mail (See reverse)

Sent to	<i>Ms. Leigh Gooding</i>	
Street & Number	<i>WFS (Modification)</i>	
Post Office, State, & ZIP Code	<i>Salt Lake City, UT</i>	
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	
Postmark or Date		

PS Form 3800, April 1995

Ms. Leigh E. Gooding
WFS
Kutz Plant GW-045
August 19, 1996
Page No. 2

Note, that OCD approval does not relieve WFS of liability should WFS operation's result in contamination of surface waters, ground waters or the environment.

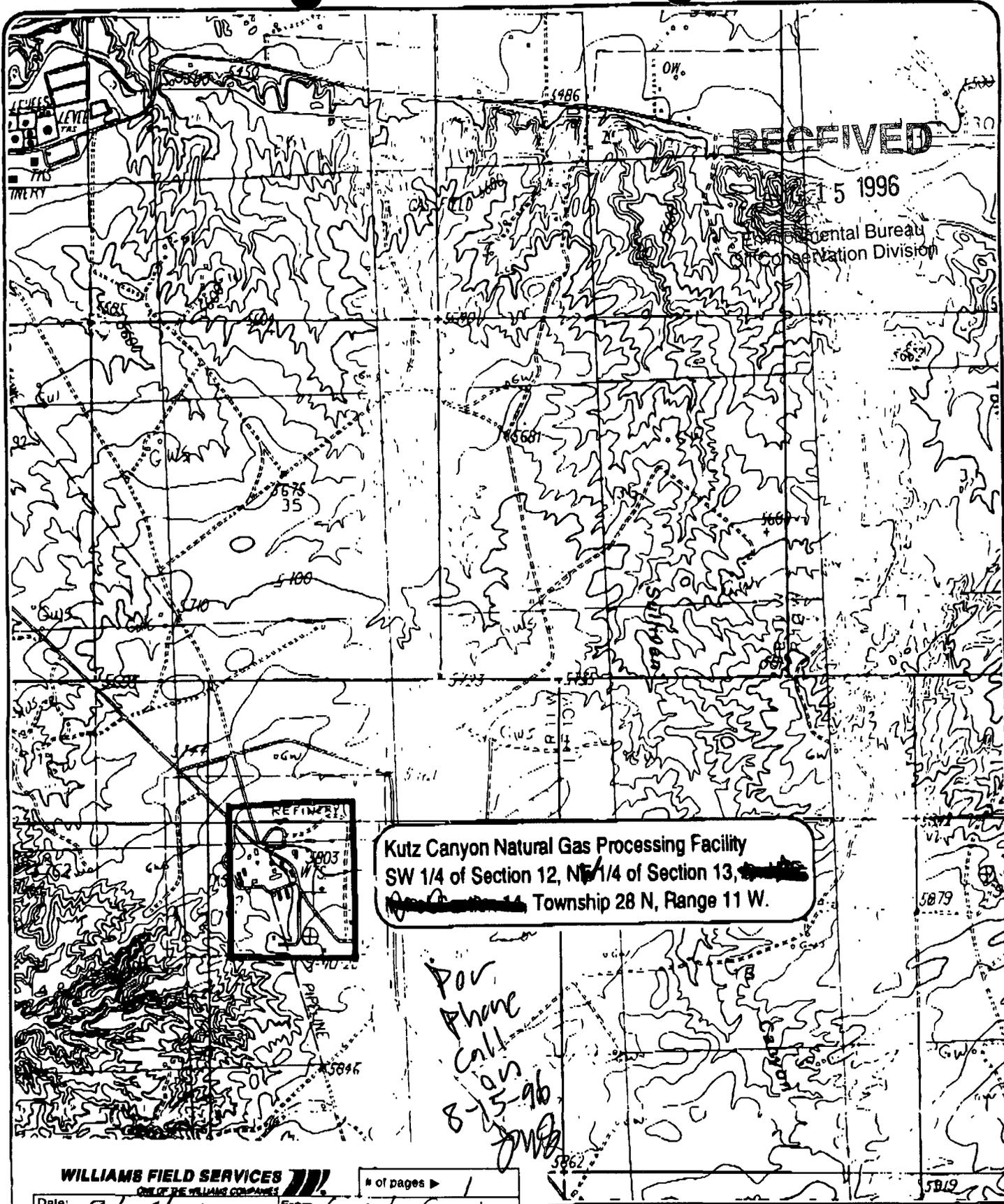
Sincerely,

A handwritten signature in cursive script, appearing to read "Roger C. Anderson".

Roger C. Anderson
Environmental Bureau Chief

RCA/pws

XC: Mr. Denny Foust - Environmental Geologist



RECEIVED

AUG 15 1996

Environmental Bureau
Wildlife Conservation Division



Kutz Canyon Natural Gas Processing Facility
 SW 1/4 of Section 12, NW 1/4 of Section 13,
 Township 28 N, Range 11 W.

For
Phone
Call
8-15-96
JMB

WILLIAMS FIELD SERVICES
ONE OF THE WILLIAMS COMPANIES

of pages ▶ 1

Date: 8/15/96	From: Leigh Gooding
To: Pat Sanchez	Co. Williams Field Services
Co. NMUG 1	Phone # (801) 584-6543
Fax # (505) 827-8177	Fax #

Figure 1
Bloomfield, NM 7.5 Minute Map

ACTUAL LOCATION: SW 1/4 Section 12, NW 1/4 Section 13,
 T28N, R11W, NMPM, San Juan Co.



Called Ms. Leigh Gooding on 8-14-86 - to Clarify Location. *mg*

SUNTERRA GAS PROCESSING COMPANY

KUTZ PLANT

WASTE FLOW DIAGRAM BEFORE PROPOSED PROCESS CHANGES



DEC 28 1987

OIL CONSERVATION DIVISION - SANTA FE

- FLARES
- CONTACT WA
- NON CONTACT
- GENERATOR,
- KUTZ 2 OPEN
- SANITARY W
- DIRECTION OF

DWG. NO.

EXHIBIT 3

APPROX. SCALE: 1"-50'	REV. DATE	12/4/87
DATE: August 25, 1987	11/12/87	12/9/87
PREPARED BY:	LOCATION: A portion of the NW1/4 of Sec. 13 & a portion of the NE1/4 of Sec. 14, T. 28 N., R. 11 W.	
MODIFIED BY: Rose Alcazar	DATE OF PHOTOGRAPHY: 6/10/1982	

*This Included former impoundments No longer there. *mg* 8-15-86*

WILLIAMS FIELD SERVICES
ONE OF THE WILLIAMS COMPANIES 

P.O. Box 58900
Salt Lake City, UT 84158-0900
(801) 584-7033
FAX: (801) 584-6483

July 1 1996

Mr. Roger Anderson
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

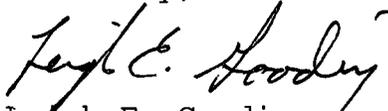
**Re: Discharge Plan Revision for Kutz Gas Processing Plant Located
in San Juan County, New Mexico (GW-45).**

Dear Mr. Anderson:

Attached, please find two copies of the Discharge Plan Revision for Williams Gas Processing-Blanco's Kutz Plant located in Bloomfield, New Mexico. This revision addresses the modification of the flare and wastewater system at the plant.

If you have any questions or require additional information, please do not hesitate to contact me at (801) 584-6543.

Sincerely,



Leigh E. Gooding
Sr. Environmental Specialist

attachment

cc: Mr. Denny Foust, NMOCD District III Office (letter and attachment)

RECEIVED

AUG 05 1996

Environmental Bureau
Oil Conservation Division

RECEIVED

AUG 05 1996

Environmental Bureau
Oil Conservation Division

**WILLIAMS GAS PROCESSING-BLANCO
KUTZ GAS PROCESSING PLANT
DISCHARGE PLAN REVISION
August 1996**

I. BACKGROUND INFORMATION

On April 14, 1993, Sunterra Gas Processing Company submitted an application for the renewal of the plant's discharge plan (GW-45) to the New Mexico Oil Conservation Division (OCD). The Kutz Plant is located at 190 County Road 4980 in Bloomfield, San Juan County, New Mexico. The plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. The plan (GW-45) was subsequently approved by OCD. Williams Field Services Company purchased the facility in June 1995 and agreed to abide by the provisions of the Discharge Plan. The operating company which actually owns and operates the facility is Williams Gas Processing-Blanco (WGP-Blanco). According to the terms of the Discharge Plan, WGP-Blanco is required to notify the Director of the OCD of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume. This revision addresses proposed modifications at the Kutz Plant.

II PROPOSED MODIFICATIONS

WGP-Blanco proposes to install a three-phase separator which will recover hydrocarbon vapors and liquids prior to entering the API separator. The recovered vapors will be recycled back to the plant inlet. The liquids will be pumped to the existing 20,000-gallon above-ground condensate tank. In addition, an oil/water filter will be installed after the API separator to further remove oil from water prior to discharge to the wastewater evaporation pond. Recovered oil will be pumped to the existing used oil above-ground storage tank.

The existing water bath flare will be replaced with a 50' tall, self-supporting standard flare stack. The existing 2,000-gal above-ground storage tank which holds liquids from the flare separator will be replaced with a 210-barrel (8,820-gal) tank. No new liquid wastes are expected to be generated by the proposed modifications.

III SUMMARY

No new liquid wastes will be generated by the proposed modification at this facility. All liquid wastes will be handled in accordance with the OCD-approved Discharge Plan (GW-45) and this revision.

IV AFFIRMATION

I hereby certify that I am familiar with the information contained in and submitted with this revision and that such information is true, accurate, and complete to the best of my knowledge and belief.



Signature

8-1-96
Date

Terry G. Spradlin

Manager, Environment, Health & Safety

P.O. Box 58900
Salt Lake City, UT 84158-0900
(801) 584-7033
FAX: (801) 584-6483

'95 JUN 6 AM 8 52

May 31, 1995

Mr. Roger Anderson
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

Dear Mr. Anderson:

This letter is to notify you that the ownership of the following Sunterra Gas Processing Co. and Gas Company of New Mexico Facilities will be transferred to Williams Field Services (WFS) on or before July 1, 1995:

1. Avalon Natural Gasoline Plant (GW-24);
2. Five Points Compressor Station (GW-78);
3. Wild Horse Compressor Station (GW-79);
4. Indian Hills Purification Plant GW-42);
5. Crouch Mesa Compressor Station GW-129);
6. Kutz Canyon Processing Plant (GW-45); and
7. Lybrook Processing Plant (GW-47).

WFS has received copies of the discharge plans for the above referenced facilities. WFS has reviewed the plans and agrees to abide by the provisions and requirements of each plan.

The following changes apply to all seven (7) discharge plans.

Legally Responsible Party:

Williams Field Services
P.O. Box 58900, M.S. 2G1
Salt Lake City, Utah 84158-0900
(801) 584-6543

Contact Person:

Ms. Leigh E. Gooding, Environmental Specialist
Phone and Address, Same as Above

If you have any questions or require additional information, please do not hesitate to contact me at (801) 584-6543.

Sincerely,



Rob M. Hawsworth
Director, Shared Services

cc: Denny Foust, OCD District III Office

State of New Mexico
Energy and Minerals Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504

RECEIVED
OIL CONSERVATION DIVISION

NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

'93 DE 2 AM 9 1

Name of Operator Sunterra Gas Processing Company				Address P.O. Box 1969, Bloomfield, NM 87413			
Report of	Fire	Break	Spill <input checked="" type="checkbox"/>	Leak	Blowout	Other*	
Type of Facility	Drig Well	Prod Well	Tank Btty	Pipe Line	Gaso Plnt <input checked="" type="checkbox"/>	Oil Rfy	Other*
Name of Facility Kutz Plant #1							
Location of Facility (Quarter/Quarter Section or Footage Description) D				Sec. S13	Twp 28N	Rge 11W	County SJ
Distance and Direction From Nearest Town or Prominent Landmark 3 Miles South of Bloomfield							
Date and Hour of Occurrence 11-22-93 2:30 pm				Date and Hour of Discovery 11-22-93 2:30 pm			
Was Immediate Notice Given?	Yes <input checked="" type="checkbox"/>	No	Not Required	If Yes, To Whom Mike Smith			
By Whom Russell Cresto				Date and Hour 11-22-93 2:40 pm			
Type of Fluid Lost Water/Gasoline mix				Quantity of Loss 1008 gals	BO BW	Volume Recovered	BO BW
Did Any Fluids Reach a Watercourse?	Yes	No <input checked="" type="checkbox"/>	Quantity				
If Yes, Describe Fully**							
Describe Cause of Problem and Remedial Action Taken** See Attachment							
Describe Area Affected and Cleanup Action Taken** The area affected is in a concrete bermed area approximately 20x20*. Area directly beneath tank #3 gravel and soil will be removed.							
Description of Area	Farming	Grazing	Urban	Other* Plant			
Surface Conditions Gravel	Sandy <input checked="" type="checkbox"/>	Sandy Loam <input checked="" type="checkbox"/>	Clay <input checked="" type="checkbox"/>	Rocky	Wet	Dry	Snow
Describe General Conditions Prevailing (Temperature, Precipitation, Etc.)** Dry and Cool							
I Hereby Certify That the Information Above is True and Complete to the Best of My Knowledge and Belief							

Signed *Russell Cresto* Title *Administrator* Date *11-30-93*

*Specify **Attach Additional Sheets if Necessary

Describe Cause of Problem and Remedial Action Taken

Operator was instructed to drain water from tank #3. The drain valve is a 1" gate valve with a hose attached and goes into a drain. The valve was plugged and would not drain. Operator removed valve, to install a new valve. The plug came free allowing a free flow of water and gasoline into a drain and concrete bermed area containing gravel and sand. All of the contaminated soil will be removed and disposed of in an approved landfill. All Federal, State and Local Regulations will be met.

Sunterra GAS PROCESSING COMPANY

P.O. BOX 1869 • BLOOMFIELD, NM 87413

OIL CONSERVATION DIVISION
RECEIVED

'93 AUG 13 AM 8 44

July 30, 1993

Energy, Minerals and
Natural Resources Dept.
Oil Conservation Div.
PO Box 2088
Santa Fe, NM 87504

Re: Discharge Plan GW-45
Kutz Canyon Gas Plant
San Juan County, NM

Discharge Plan Renewal GW-45 as per letter of approval,
dated, June 28, 1993. Filing Fee \$50.00 and flat fee of
\$1,667.50 a total of \$1,717.50 for Sunterra Gas Processing
Co., Kutz Canyon Gas Plant located in the SW/4 of Section
12, NE/4 Section 13, and SW/4 of Section 14, Township 28
North, Range 11 West, NMPM, San Juan County, New Mexico

Sincerely,



David W. Sanders
Plant Manager

RECEIVED

AUG 06 1993

Accounts Payable Dept.

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of check No. 211496 dated 8/9/93,
or cash received on 8/23/93 in the amount of \$ 1717.50
from Sunterra Gas Processing Company
for Kutz Canyon Gas Plant GW-45

Submitted by: _____ Date: _____
(Facility Name) (OP No.)

Submitted to ASD by: Kathy Brown Date: 8/23/93

Received in ASD by: Rosel Alencato Date: 8/23/92

Filing Fee New Facility _____ Renewal

Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 94

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

$\frac{1}{2}$ flat fee 1667.50
filing 50.00

500

SUNTERRA GAS PROCESSING CO.
GENERAL FUND ACCOUNT
P.O. BOX 1889
BLOOMFIELD, NM 87413



211496

No. 211496

93-477

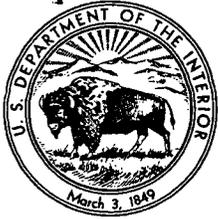
929

CHECK NO.	DATE	AMOUNT
211496	08/09/93	*****1,717.50

NOT VALID AFTER SIXTY DAYS

PAY TO THE ORDER OF
ENERGY, MINERAL & NATURAL
RESOURCES DEPT./OCD DIVISION
P.O. BOX 2088
SANTA FE NM 87504-

J.T. Anderson



UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Ecological Services
Suite D, 3530 Pan American Highway, NE
Albuquerque, New Mexico 87107

OIL CONSERVATION DIVISION
RECEIVED

'93 JUN 17 AM 9 01

June 16, 1993

Mr. William J. LeMay, Director
New Mexico Energy, Minerals, and
Natural Resources Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Dear Mr. LeMay:

This responds to the notice of publication received by the U.S. Fish and Wildlife Service (Service) on May 17, 1993, regarding effects of Oil Conservation Division discharge permit No. 1552 on fish, shellfish, and wildlife resources in New Mexico.

The Sunterra Gas Processing Company has submitted a discharge plan renewal application for the Kutz Canyon Gas Plant located in SW/4 Section 12, NE/4 Section 13, SE/4 Section 14, T28N, R11W, NMPM, San Juan County, New Mexico. The renewal application requests that 4,200 gallons of process waste water be permitted for disposal in a double lined evaporation pond equipped for leak detection. The Service is concerned that open ponds could prove an attractive nuisance to migratory birds. The Service recommends that Sunterra Company take the necessary steps to ensure that migratory birds can not gain access to process waste water in the evaporation pond. Such steps could include screening or netting the pond to physically exclude migratory birds from the pond.

The Sunterra Company should also be advised that if toxic substances in their process waste water evaporation pond adversely affect migratory birds, they may be held liable under the enforcement provisions of the Migratory Bird Treaty Act (MBTA). The MBTA makes it unlawful for anyone at anytime or in any manner to pursue, hunt, take, capture, kill, transport or possess any migratory birds unless authorized by a permit issued by the Department of the Interior. Illegal take has been interpreted by the courts to include, among other things, accidental poisoning or accumulation of harmful levels of contaminants by migratory birds, even if the contamination event was accidental or the perpetrator was unaware of the fact that his/her actions (or failure to take action) could ultimately prove harmful to migratory birds. The strict liability enforcement provisions of the MBTA precludes the necessity of proving intent and permits criminal prosecution of persons, associations, partnerships, or corporations which inadvertently or intentionally "kill or illegally take" one or more migratory birds.

Mr. William J. LeMay, Director

2

In regards to the Transwestern Pipeline Company modification of a previously approved discharge plan for its Eunice Compressor Station in Lea County, New Mexico, the Service has determined there are no wetlands or other environmentally sensitive habitats, plants, or animals that will be adversely affected by the proposed permit modification. The modification consists of the addition of a soils landfarm for remediation of "non-hazardous oil contaminated soils." The Service advises that management practices be implemented on the soils landfarm that will avoid spills, leaks and other accidental discharges to the surface. The Service further recommends that the landfarm be managed to discourage plant growth that may prove an attractive nuisance to migratory birds and/or other wildlife.

If you have any questions concerning our comments, please contact Joy Winckel or Mary Orms at (505) 883-7877.

Sincerely,



Jennifer Fowler-Propst
Field Supervisor

cc:

Director, New Mexico Department of Game and Fish, Santa Fe, New Mexico
Regional Administrator, U.S. Environmental Protection Agency, Dallas, Texas

AFFIDAVIT OF PUBLICATION

COPY OF PUBLICATI

No. 31739

STATE OF NEW MEXICO,
County of San Juan:

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURC
OIL CONSERVATION DIVISION

KIT OWENS being duly sworn, says: "That he is the ADVERTISING DIRECTOR of The Farmington Daily Times, a daily newspaper of general circulation published in English in Farmington, said county and state, and that the hereto attached LEGAL NOTICE

was published in a regular and entire issue of the said Farmington Daily Times, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for ONE consecutive (days) (/////) on the same day as follows:

First Publication FRIDAY, MAY 21, 1993

Second Publication _____

Third Publication _____

Fourth Publication _____

and the cost of publication was \$ 49.65


On May 25, 1993 Kit Owens personally appeared before me, whom I know personally to be the person who signed the above document.

Henry Beck
Notary Public, San Juan County,
New Mexico

My Comm expires: April 2, 1996

Notice is hereby given that pursuant to the New Mexico Commission Regulations, the following discharge plan submitted to the Director of the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Teleph (GW-4S) - Sunterra Gas Processing Company Environmental Engineer, P.O. Box 26400, Albuquerque 87125, has submitted a discharge plan renewal for the Kutz Canyon Gas Plant located in SW/4 Section SE/4 Section 14, Township 28 North, Range 1 East, Sandoval County, New Mexico. Approximately 4,200 gallons of waste water will be disposed of in an OCD approved evaporation pond with leak detection. The total concentrations of the waste water is approximately 100 mg/liter (mg/l). Groundwater most likely to be affected by discharge at the surface is shallow perched aquifers with concentrations 8,000 to 18,000 mg/l. Deeper aquifers at a depth of about 200 feet with estimated TDS concentrations of 2,000 and 4,000 mg/l.

(GW-113) - Transwestern Pipeline Co., Larry Environmentalist, P.O. Box 1717, Roswell, New Mexico has submitted an application for modification of an approved discharge plan for its Eunice Compressor Station NW/4 Section 27, Township 22 South, Range 1 East, Sandoval County, New Mexico. The modification consists of a landfarm for remediation of non-hazardous soils. The landfarm will be underlain by impervious material to prevent runoff of contaminants. The landfarm will be affected by any accidental spill in a depth of 1 to 2 feet with a total dissolved solids concentration of 100 mg/l. The modification addresses how spills, leak discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan is available at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. A ruling on any proposed discharge plan or its modification by the Oil Conservation Division shall allow at least thirty (30) days of this notice during which comments may be submitted. Request for a hearing shall be held. A hearing shall be held if the Director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the discharge plan based on the information in the plan and information presented. This notice is GIVEN under the Seal of New Mexico Oil Conservation Division, New Mexico, on this 10th day of May, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
WILLIAM J. LEMAY, Director
Legal No. 31739 published in the Farmington Daily Times on Friday, May 21, 1993.

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that he is Adv. Director of THE LOVINGTON DAILY 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
Notice Of Publication

and numbered in the
..... Court of Lea
County, New Mexico, was published in a regular and
entire issue of THE LOVINGTON DAILY LEADER and
not in any supplement thereof, once each week on the
same day of the week, for (1) day

..... consecutive weeks, beginning with the issue of
May 19 93

and ending with the issue of
May 19 93

And that the cost of publishing said notice is the
sum of \$ 36.99

which sum has been (Paid) (Assessed) as Court Costs

Joyce Clemens
Subscribed and sworn to before me this 25th

day of May 19 93

Ms. Jean Serier
Notary Public, Lea County, New Mexico

My Commission Expires Sept. 28 94

**LEGAL NOTICE
NOTICE OF
PUBLICATION
STATE OF
NEW MEXICO
ENERGY, MINERALS
AND NATURAL
RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION**

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800: (GW-45) - Sunterra Gas Processing Company, Erick Seelinger, Environmental Engineer, P.O. Box 26400, Albuquerque, New Mexico 87125, has submitted a discharge plan renewal application for their Kutz Canyon Gas Plant located in SW/4 Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico. Approximately 4,200 gallons of process waste water will be disposed of in an OCD approved double lined evaporation pond with leak detection. The total dissolved solids (TDS) concentrations of the waste water is approximately 1,500 milligrams per liter (mg/l).

Groundwater most likely to be affected by any discharge at the surface is shallow perched water with TDS concentrations 8,000 to 18,000 mg/l. Deeper groundwater is at a depth of about 200 feet with estimated TDS concentrations between 2,000 and 4,000 mg/l.

(GW-113) - Transwestern Pipeline Co., Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted an application for modification of its previously approved discharge plan for its Eunice Compressor Station located in NW/4 Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The modification consists of the addition of a soils landfarm for remediation of non-hazardous oil contaminated soils. The landfarm will be underlain by impermeable plastic and bermed to prevent runoff of contaminants. Groundwater most likely to be affected by an accidental spill is at a depth of approximately 50 feet with a total dissolved solids concentration of about 1,500 mg/l. The modification addresses how spills, leaks, and other accidental discharges to the surface will be managed.

ments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 10th day of May, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
WILLIAM J. LEMAY,
Director
(SEAL)
Published in the Lovington
Daily Leader May 19, 1993.

Any interested person may obtain further information from the Oil Conservation Division and may submit written com-

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS & NATURAL
RESOURCES DEPARTMENT OF
CONSERVATION DIVISION

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, PO Box 2088, Santa Fe, New Mexico 87504-2088, telephone (505) 827-5800:

(GW-46) - Sunterra Gas Processing Company, Erick Seelinger, Environmental Engineer, P.O. Box 28400, Albuquerque, New Mexico 87128, has submitted a discharge plan renewal application for their Kutz Canyon Gas Plant located in SW/4 Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, N14PM, San Juan County, New Mexico. Approximately 4,200 gallons of process waste water will be disposed of in an OCD approved double lined evaporation pond with leak detection. The total dissolved solids (TDS) concentrations of the waste water is approximately 1,500 milligrams per liter (mg/l). Groundwater most likely to be affected by any discharge at the surface is shallow perched water with TDS concentrations 8,000 to 18,000 mg/l. Deeper ground water is at a depth of about 200 feet with estimated TDS concentrations between 2,000 and 4,000 mg/l.

(GW-113) - Transwestern Pipeline Co., Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted an application for modification of its previously approved discharge plan for its Eunice Compressor Station located in NW/4 Section 27, Township 22, Range 37 East, N14PM, Lea County, New Mexico. The modification consists of the addition of a soils landform for remediation of non-hazardous oil contaminated soils. The landform will be underlain by impermeable plastic and cemented to prevent runoff of contaminants. Ground most likely to be affected by any accidental spills is at depth of approximately 50 feet with a total dissolved solids concentration of about 1,500 mg/l. The modification addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge application may be viewed at the address between 8:00 a.m. and 5:00 p.m., Monday thru Friday, to ruling on any proposed discharge plan of its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

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

Witness my hand and the Seal of the New Mexico Conservation Commission at Santa Fe, New Mexico, on this 10th day of May, 1993.

STATE OF NEW MEXICO
CONSERVATION DIVISION
William J. LeMay
Director

May 22, 1993

Dianne Berglund being duly sworn declares and says that she is National Advertising Sales Supervisor of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition,

for 1 times, the first publication being on the 22 day of May, 1993, and the subsequent consecutive publications on _____, 1993

Dianne Berglund

Sworn and subscribed to before me, a notary Public in and for the County of Bernalillo and State of New Mexico, this 22 day of May, 1993.

PRICE \$ 30.57

Statement to come at end of month.



OFFICIAL SEAL
Bernadette Ortiz
BERNADETTE ORTIZ

NOTARY PUBLIC - NEW MEXICO

NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission expires 12-18-93

CLA-22-A (R-1/93) ACCOUNT NUMBER C 81184

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-45) - Sunterra Gas Processing Company, Erick Seelinger, Environmental Engineer, P.O. Box 26400, Albuquerque, New Mexico 87125, has submitted a discharge plan renewal application for their Kutz Canyon Gas Plant located in SW/4 Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico. Approximately 4,200 gallons of process waste water will be disposed of in an OCD approved double lined evaporation pond with leak detection. The total dissolved solids (TDS) concentrations of the waste water is approximately 1,500 milligrams per liter (mg/l). Groundwater most likely to be affected by any discharge at the surface is shallow perched water with TDS concentrations 8,000 to 18,000 mg/l. Deeper ground water is at a depth of about 200 feet with estimated TDS concentrations between 2,000 and 4,000 mg/l.

(GW-113) - Transwestern Pipeline Co., Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted an application for modification of its previously approved discharge plan for its Eunice Compressor Station located in NW/4 Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The modification consists of the addition of a soils landfarm for remediation of non-hazardous oil contaminated soils. The landfarm will be underlain by impermeable plastic and bermed to prevent runoff of contaminants. Groundwater most likely to be affected by any accidental spill is at a depth of approximately 50 feet with a total dissolved solids concentration of about 1,500 mg/l. The modification addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30)

days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 10th day of May, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

William J. Lemay
WILLIAM J. LEMAY, Director

SEAL

Public Service Company of New Mexico

April 14, 1993

OIL CONSERVATION DIVISION
RECEIVED
'93 MAY 3 AM 9 16

Mr. Roger C. Anderson
Environmental Bureau Chief
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

**RE: Discharge Plan GW-45 Renewal
Kutz Canyon Gas Plant
San Juan County, New Mexico**

Dear Mr. Anderson:

This letter and attachments constitute an application for renewal of Discharge Plan GW-45, for the Kutz Canyon Gas Processing Plant, approved April 18, 1988. Please refer to that plan for information regarding plant description and processes, effluent disposal, and site characteristics.

The original plan discussed proposed process changes which have been implemented since the plan was approved. These changes include the following:

- Ponds 1 and 2 have been closed, and the lined evaporation pond discussed in the original discharge plan has been put into operation. Pond 3 now collects storm water from the plant. Details regarding both these issues are included in the original discharge plan.
- All wastewater from the floor drains and discharges from the sink drain and the processing plant are routed through the underground piping system to the oil and water separator. Oil is removed, and water from the separator is discharged

to the lined evaporation pond. Cooling tower blowdown water is routed directly to the evaporation pond, and does not pass through the separator. The molecular sieve dehydration unit, which formerly discharged directly into Pond 1, now discharges approximately 700 gallons per day of water directly into the evaporation pond.

- A recent inspection of the facility and review of the original discharge plan indicated that a more detailed description of the discharge sources present at the plant could be prepared. There has been no change in the types or volumes of discharges as reported in the original plan; however, we are preparing to conduct an inventory of each point of discharge into the collection system to enhance the effectiveness of our environmental management process. We will forward a copy of the inventory to OCD upon completion.
- Oil from used oil filters is not specifically addressed in the original discharge plan. Oil filters are currently placed on a metal grid inside a large metal tank pending removal from the site, allowing oil to drain from the filters into the bottom of the tank. Used oil is collected from the bottom of this tank and placed into an above-ground storage tank along with other used engine oils to await removal and disposal.

Current guidelines for discharge plan preparation require information not contained in the original plan. We have provided the appropriate information in the attached summary of information for the Kutz Canyon Gas Plant. Other than the items listed above, no changes have been implemented at the plant which would affect the scope of the original discharge plan.

Thank you for your time. Should you have any questions or require further information, please do not hesitate to contact me at 848-2659.

Sincerely


Erick Seelinger
Environmental Engineer

**General Information for Discharge Plan Renewal
Kutz Canyon Gas Plant
San Juan County, New Mexico**

Name and Address of Landowner:

Sunterra Gas Processing Company
P.O. Box 1869
Bloomfield, New Mexico 87413

Description of solid and liquid waste transfer, storage and procedures: Solid waste is removed from the site and transported to the county landfill. Many of the oily rags produced at the facility are recycled. Used oil filters and absorbent socks are placed on a grate in a metal tank to allow oil to drain from them prior to transport to the county landfill. Used oil is removed from the site by Waste Management, Inc. Spent solvents from the two parts washers in the auto shop are removed from the site by Safety-Kleen, Inc.; no other hazardous waste is produced at the site. Scrap metal is stored in a holding area pending removal and off-site disposal. Empty drums from the processing plant are stored in a holding area at the location of the old cooling tower. Liquid effluent from the processing plant is routed through an oil and water separator to the evaporation pond.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 19, 1990

CERTIFIED MAIL -
RETURN RECEIPT NO. P-327-378-305

Mr. J. D. Barnett
Sunterra Gas Processing Company
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Discharge Plan GW-45 Modification
Kutz Canyon Gas Plant
San Juan County, New Mexico

Dear Mr. Barnett:

The Oil Conservation Division (OCD) has received your request, dated November 8, 1990, to modify the above referenced previously approved discharge plan. The modification consists of the installation of an oil-water separator in the waste stream between the plant floor drains and Pond 1 and the disposal of the non-hazardous sediments from the separator at an OCD approved disposal facility.

The requested modification dated November 8, 1990 of the previously approved ground water discharge plan, GW-45, for the Sunterra Gas Processing Company Kutz Canyon Gas Plant located in the SW/4 Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico is hereby approved. The discharge plan (GW-45) was approved April 18, 1988. The modification does not significantly alter the discharge streams, therefore, public notice was not issued.

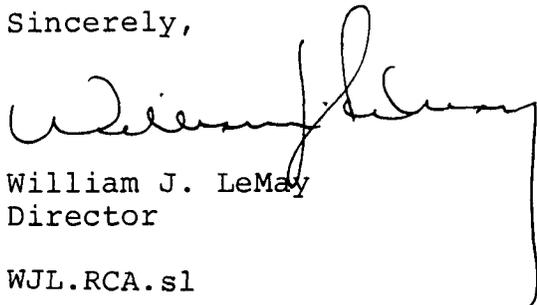
The application for modification was submitted pursuant to WQCC Regulation 3-107.C and is approved pursuant to WQCC Regulation 3-109. Please be advised that the approval of this modification does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

Mr. J. D. Barnett
November 19, 1990
Page -2-

There will be no routine monitoring or reporting requirements other than those mentioned in the plan and modification.

Please note that Section 3-104 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 3-107.C you are required to notify the Director of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants.

Sincerely,



William J. LeMay
Director

WJL.RCA.sl

cc: OCD Aztec Office

OIL CONSERVATION DIVISION
RECEIVED

November 8, 1990

'90 NOV 16 AM 9 03

New Mexico Oil Conservation Division
PO Box 2088
Santa Fe, NM 87504-2088
Att'n Roger Anderson

Dear Mr. Anderson,

As you have discussed in recent telephone conversations with Gas Company of New Mexico's Division Engineering, Sunterra Gas Processing Company (Sunterra) seeks a modification to the discharge plan for the Kutz Canyon Gas Plant, GW-45. The modification we seek consists of two parts.

1. OIL-WATER SEPARATOR We have installed an oil-water separator in the waste water stream between the plant floor drains and Pond 1. This separator was described in Sunterra's 1987 Discharge Plan GW-45, as a planned process change. To our knowledge, all of the sources are petroleum production related, and are exempt from regulation under RCRA. This letter is to inform you of this change, and to request that our discharge plan be modified accordingly.

2. DISPOSAL OF SEDIMENTS We seek permission to dispose of non-hazardous sediments from this oil-water separator. This material is described in detail in this letter. We seek to dispose of this material on a periodic basis, as needed to maintain proper operation of our separator.

OIL-WATER SEPARATOR

The installation of this oil-water separator was a planned process change, described in the discharge plan, and is intended to reduce the quantity of oil entering the evaporation pond.

As described in the discharge plan, liquids entering the plant floor drains are directed to Pond 1. These floor drains are situated to collect compressor wash-down water from both Kutz #1 and Kutz #2 processing plants. This wash down water can contain lubrication oils and greases from the plant compressors.

In addition to the wash down water, the drain water from the sink in the Kutz #2 control room discharges into this system. Effluent from this source consists of sanitary waste water.

The oil-water separator, described in the discharge plan as a planned process change, is intended to intercept oil in the waste water from these sources. The oil is skimmed from the separator and recycled, and the waste water effluent from the separator is directed to the evaporation pond.

DISPOSAL OF SEDIMENTS

During normal plant operations, solid material, such as soil finds its way into the waste water stream from the plant floor drains. This material accumulates in the oil-water separator, described above. When a sufficient volume of this material accumulates in the separator, it must be removed, as it can interfere with the proper operation of the separator.

As you recommended, GCNM sampled and analyzed this material for specific metals, using the TCLP procedure for the 8 toxic metals; and for a range of organic compounds, using EPA Method 8010. The results of these analyses are attached. As you can see, the subject material does not appear to contain significant quantities of any of the analytes, and appears to be non-hazardous based on these analyses.

We propose to dispose of this material by land application at an OCD-approved facility. We intend to use Envirotech, Inc., of Farmington for disposal. It is our understanding that Envirotech has received OCD approval for disposal of this type of waste.

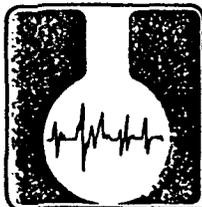
Please modify Waste Water Discharge Plan GW-45, Sunterra Gas Processing Company Kutz Canyon Gas Plant, in accordance with the above two requested changes.

Please contact me at 632-4115 if I can be of further assistance.

Sincerely, J. D. Barnett

A handwritten signature in black ink, appearing to read "J. D. Barnett". The signature is written in a cursive style with a long horizontal line extending to the right.

cc: Paula McAfee



ASSAIGAI ANALYTICAL LABORATORIES

TO: Environmental Services
1626 Propps, NE
Albuquerque, NM 87112
ATTN: R.C. Cudney

DATE: 17 September 1990
WORK ORDER NO: 3545

RECEIVED: 27 August 1990 @ 3:10 PM
SAMPLE SITE: Gas Co. of New Mexico
SAMPLE ID: 8/22/90, Sludge from bottom oil/water
Separator(Boneyard)

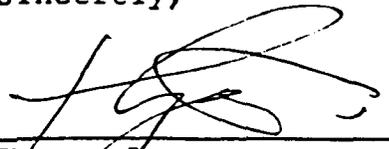
ANALYTE	ANALYTICAL RESULTS	NOMINAL DETECTION LIMIT
TCLP:		
Arsenic	0.050 mg/L	0.010 mg/L
Barium	<0.5 mg/L	0.5 mg/L
Cadmium	<0.003 mg/L	0.003 mg/L
Chromium	0.27 mg/L	0.02 mg/L
Lead	<0.10 mg/L	0.10 mg/L
Mercury	<0.001 mg/L	0.001 mg/L
Selenium	<0.005 mg/L	0.005 mg/L
Silver	0.02 mg/L	0.01 mg/L

QUALITY CONTROL DATA:

ANALYTE	KNOWN VALUE	FOUND VALUE
Arsenic	0.050 mg/L	0.054 mg/L
Barium	1.2 mg/L	1.2 mg/L
Cadmium	0.100 mg/L	0.101 mg/L
Chromium	0.10 mg/L	0.11 mg/L
Lead	0.10 mg/L	0.11 mg/L
Mercury	0.0030 mg/L	0.0030 mg/L
Selenium	0.050 mg/L	0.049 mg/L
Silver	0.01 mg/L	0.01 mg/L

An invoice for services will follow. Thank you for contacting Assaigai Laboratories.

Sincerely,



Thomas Dye
Laboratory Director



ASSAIGAI ANALYTICAL LABORATORIES

TO: Environmental Service
1626 Propps NE
Albuquerque, NM 87112
ATTN: R.C. Cudney

DATE: 27 September 1990
WORK ORDER NO: 5737

RECEIVED: 11 September 1990 @ 5:00 PM
SAMPLE SITE: GCNM Kutz Sludge
EPA METHOD: # 8010

<u>ANALYTES</u>	<u>ANALYTICAL RESULTS</u>	<u>NOMINAL DETECTION LIMIT</u>
Bromoform	<0.1 ug/g	0.1 ug/g
Bromodichloromethane	<0.1 ug/g	0.1 ug/g
Bromomethane	<0.1 ug/g	0.1 ug/g
Carbon Tetrachloride	<0.1 ug/g	0.1 ug/g
Chlorobenzene	<0.1 ug/g	0.1 ug/g
Chloroethane	<0.1 ug/g	0.1 ug/g
2-Chloroethylvinyl ether	<0.1 ug/g	0.1 ug/g
Chloroform	<0.1 ug/g	0.1 ug/g
Chloromethane	<0.1 ug/g	0.1 ug/g
Dibromochloromethane	<0.1 ug/g	0.1 ug/g
1,2-Dichlorobenzene	<0.1 ug/g	0.1 ug/g
1,3-Dichlorobenzene	<0.1 ug/g	0.1 ug/g
1,4-Dichlorobenzene	<0.1 ug/g	0.1 ug/g
Dichlorodifluoromethane	<0.1 ug/g	0.1 ug/g
1,1-Dichloroethane	<0.1 ug/g	0.1 ug/g
1,2-Dichloroethane	<0.1 ug/g	0.1 ug/g
1,1-Dichloroethane	<0.1 ug/g	0.1 ug/g
Trans-1,2-dichloroethene	<0.1 ug/g	0.1 ug/g
Dichloromethane	<0.1 ug/g	0.1 ug/g
1,2-Dichloropropane	<0.1 ug/g	0.1 ug/g
Cis-1,3-dichloropropene	<0.1 ug/g	0.1 ug/g
Trans-1,3-dichloropropene	<0.1 ug/g	0.1 ug/g
1,1,2,2-Tetrachloroethane	<0.1 ug/g	0.1 ug/g
Tetrachloroethene	<0.1 ug/g	0.1 ug/g
1,1,1-Trichloroethane	<0.1 ug/g	0.1 ug/g
1,1,2-Trichloroethane	<0.1 ug/g	0.1 ug/g
Trichloroethene	<0.1 ug/g	0.1 ug/g
Trichlorofluoromethane	<0.1 ug/g	0.1 ug/g
Vinyl chloride	<0.1 ug/g	0.1 ug/g
Benzene	<0.1 ug/g	0.1 ug/g
Toluene	<0.1 ug/g	0.1 ug/g
Ethylbenzene	<0.1 ug/g	0.1 ug/g

An invoice for services will follow. Thank you for
contacting Assaigai Laboratories.

Thank you,


Thomas Dye
Laboratory Director



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

January 27, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CERTIFIED MAIL
RETURN RECEIPT NO.P-111-334-301

Mr. J.D. Barnett
Sunterra Gas Processing Company
P. O. Box 1869
Bloomfield, New Mexico 87413

**RE: Discharge Plan GW-45 Renewal
Kutz Canyon Gas Plant
San Juan County, New Mexico**

Dear Mr. Barnett:

On April 18, 1988, the groundwater discharge plan , GW-45 for the Kutz Canyon Gas Plant located in the SW/4 of Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, was approved by the Director of the Oil Conservation Division (OCD). This discharge plan was required and submitted pursuant to Water Quality Control Commission (WQCC) regulations and was approved for a period of five years. The approval will expire on April 15, 1993.

If your facility continues to have potential or actual effluent or leachate discharges and you wish to continue operations, you must renew your discharge plan. The OCD is reviewing discharge plan submittals and renewals carefully and the review time can extend for several months. Please indicate whether you have made, or intend to make, any changes in your discharge system, and if so, please include these modifications in your application for renewal.

Mr. Donald Payne
January 27, 1993
Page 2

Note that the completed and signed application form must be submitted with your discharge plan renewal request.

If you no longer have any actual or potential discharges please notify this office. If you have any questions, please do not hesitate to contact Chris Eustice at (505) 827-5824.

Sincerely,

A handwritten signature in cursive script that reads "Roger C. Anderson".

Roger C. Anderson
Environmental Bureau Chief

RCA.cee
xc: Denny Foust, OCD Aztec Office

NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS OIL CONSERVATION DIVISION
RECEIVED

AM 9 22

Name of Operator SUNTERRA GAS PROCESSING				Address P.O. BOX 1869 BLOOMFIELD, N.M. 87408			
Report of SPILL	Fire	Break	Spill <input checked="" type="checkbox"/>	Leak	Blowout	Other*	
Type of Facility GASO PLNT	Drig Well	Prod Well	Tank Btty	Pipe Line	Gaso Plnt <input checked="" type="checkbox"/>	Oil Rfy	Other*
Name of Facility KUTZ-II PLANT SUNTERRA GAS PROCESSING							
Location of Facility (Quarter/Quarter Section or Footage Description)				Sec.	Twp.	Rge.	County
Distance and Direction From Nearest Town or Prominent Landmark 2 1/2 MILES SOUTHEAST OF BLOOMFIELD N.M.							
Date and Hour of Occurrence 8-12-90 11:00 AM				Date and Hour of Discovery 8-12-90 11:00 AM			
Was Immediate Notice Given?	Yes <input checked="" type="checkbox"/>	No	Not Required	If Yes, To Whom PAULA MACPREE (P.M.) DAVE BOYER			
By Whom DAVID SANDERS				Date and Hour PAULA MACPREE 8-14-90 BOYER 8-20-90			
Type of Fluid Lost DIETHANOLAMINE SOLUTION 70% WATER (DEA)	Quantity of Loss 70% WATER 30% DEA			BO	Volume Recovered	BO	BO
Did Any Fluids Reach a Watercourse? NO				Yes	No <input checked="" type="checkbox"/>	Quantity 1314 GALLONS	
If Yes, Describe Fully**							
Describe Cause of Problem and Remedial Action Taken** DEA FILTER HOUSING OVER PRESSURED DURING PLANT OPERATIONAL UPSET CAUSING FILTER LID TO FAIL SPILLING DEA ONTO SURROUNDING GROUND.							
Describe Area Affected and Cleanup Action Taken** GRAVEL AND 1" OF DIRT WAS REMOVED FROM SPILLAGE AREA AND DEPOSITED IN PLANT JUNK YARD NEXT TO IRON SPONGE DISPOSAL. FRESH DIRT & GRAVEL WAS SPREAD IN PROCESS AREA.							
Description of Area	Farming	Grazing	Urban	Other* REMOTE			
Surface Conditions	Sandy <input checked="" type="checkbox"/>	Sandy Loam	Clay	Rocky	Wet	Dry <input checked="" type="checkbox"/>	Snow
Describe General Conditions Prevailing (Temperature, Precipitation, Etc.)** ZERO PRECIPITATION 85°F CLEAR SKY							
I Hereby Certify That the Information Above Is True and Complete to the Best of My Knowledge and Belief							
Signed David V. Sanders				Title OPERATION MANAGER		Date 8-24-90	

*Specify

**Attach Additional Sheets if Necessary

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

OIL CONSERVATION DIVISION
RECEIVED

'89 DEC 6 AM 8 25

December 4, 1989

Mr. Roger Anderson
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe, NM 87501

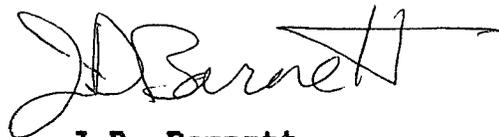
Re: Wastewater Pond Closure Plan,
Kutz Plants Ponds #1 & #2

Dear Mr. Anderson:

This letter is to inform you of the closing of both ponds at the Kutz Plants site. Both ponds were closed in accordance with O.C.D. guidelines as indicated in the Kutz Plant Liquid Discharge Plan.

Pond #2 was closed December 1, 1989 and Pond #1 was closed September 1, 1989. We look forward to your inspection at your convenience. We also would like to thank you for your assistance in making Sunterra an environmentally safe site.

Sincerely,



J.D. Barnett
Plant Manager

JDB:j

cc: G. Crawford



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

September 26, 1989

CERTIFIED MAIL
RETURN RECEIPT NO. P-106-675-121

Mr. Glenn Crawford
SUNTERRA GAS PROCESSING CO.
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Closure Plan
Evaporation Pond #2
Kutz Gas Plant

Dear Mr. Crawford:

The Oil Conservation Division (OCD) has received your letter dated September 8, 1989, containing the EP Toxicity results from samples obtained at the bottom of pond #2 at the Kutz Gas Plant. The analyses were required in the OCD letter of May 15, 1989, and before final pond closure could be approved.

The results for selected parameters were all below the maximum allowable limits, therefore the closure of Pond #2 is approved by the method in your March 23, 1989 proposed closure plan. Notification of the OCD is required when closure is complete.

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,

Roger C. Anderson
Environmental Engineer

RCA/sl

cc: OCD Aztec Office

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

September 8, 1989

RECEIVED
SEP 11 1989
OIL CONSERVATION DIV.
SANTA FE

Mr. Roger Anderson
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe N.M. 87501

Re: Kutz Plant-EP Toxicity Results Pond #2

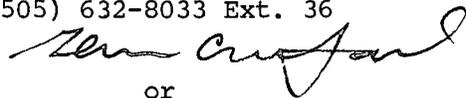
Dear Mr. Anderson:

Enclosed are the results of five samples run on the soil in the bottom of Pond #2 at the Kutz Plants for specified Metals and PCB'S in accordance with EPA SW 846.

Once you have had a chance to review them please call. I am also enclosing the name and number of my immediate superior.

Sincerely,

Glenn Crawford, Operations Supervisor
Sunterra Gas Processing Co.
(505) 632-8033 Ext. 36


or

David Sanders, Operations Manager
(505) 632-8033 Ext.40



CLIENT: Sunterra

DATE REPORTED: 08/29/89

LAB NO: F1934

DATE RECEIVED: 08/08/89
DATE COLLECTED: 08/08/89

EP Tox Leachate:

Trace metals (Dissolved Concentration), mg/l

Arsenic.....	0.008	Lead.....	<0.02
Barium.....	<0.5	Mercury.....	<0.001
Cadmium.....	0.002	Silver.....	<0.01
		Selenium.....	<0.005

Trace metals (Total Concentration), mg/l

Chromium..... <0.01

Analysis Requested: Pesticides/PCBs in soil.

Parameter	Concentration	Units
-----	-----	-----
Arochlor 1016	ND (30)	ug/kg
Arochlor 1221	ND (30)	ug/kg
Arochlor 1232	ND (30)	ug/kg
Arochlor 1242	ND (30)	ug/kg
Arochlor 1248	ND (30)	ug/kg
Arochlor 1254	ND (30)	ug/kg
Arochlor 1260	ND (30)	ug/kg

Method:

8080 Organochlorine Pesticides and PCBs, SW-846, USEPA (1982).

(Detection limit in parenthesis.)

ND - Parameter not detected at the stated detection limit.

Note: Increased detection limits reflect matrix interference.



C. Neal Schaeffer
Senior Chemist

SAMPLE #1 POND 2 INLET

CLIENT: Sunterra

DATE REPORTED: 08/29/89

LAB NO: F1935

DATE RECEIVED: 08/08/89
DATE COLLECTED: 08/08/89

EP Tox Leachate:

Trace metals (Dissolved Concentration), mg/l

Arsenic.....	0.010	Lead.....	<0.02
Barium.....	0.9	Mercury.....	<0.001
Cadmium.....	0.002	Silver.....	<0.01
		Selenium.....	<0.005

Trace metals (Total Concentration), mg/l

Chromium..... <0.01

Analysis Requested: Pesticides/PCBs in soil.

Parameter	Concentration	Units
-----	-----	-----
Arochlor 1016	ND (30)	ug/kg
Arochlor 1221	ND (30)	ug/kg
Arochlor 1232	ND (30)	ug/kg
Arochlor 1242	ND (30)	ug/kg
Arochlor 1248	ND (30)	ug/kg
Arochlor 1254	ND (30)	ug/kg
Arochlor 1260	ND (30)	ug/kg

Method:

8080 Organochlorine Pesticides and PCBs, SW-846, USEPA (1982).

(Detection limit in parenthesis.)

ND - Parameter not detected at the stated detection limit.

Note: Increased detection limits reflect matrix interference.



C. Neal Schaeffer
Senior Chemist

SAMPLE #2 100' DUE SOUTH OF NORTH BERM

CLIENT: Sunterra

DATE REPORTED: 08/29/89

LAB NO: F1936

DATE RECEIVED: 08/08/89
DATE COLLECTED: 08/08/89

EP Tox Leachate:

Trace metals (Dissolved Concentration), mg/l

Arsenic.....	<0.005	Lead.....	<0.02
Barium.....	<0.5	Mercury.....	<0.001
Cadmium.....	<0.002	Silver.....	<0.01
		Selenium.....	<0.005

Trace metals (Total Concentration), mg/l

Chromium..... <0.01

Analysis Requested: Pesticides/PCBs in soil.

Parameter	Concentration	Units
-----	-----	-----
Arochlor 1016	ND (30)	ug/kg
Arochlor 1221	ND (30)	ug/kg
Arochlor 1232	ND (30)	ug/kg
Arochlor 1242	ND (30)	ug/kg
Arochlor 1248	ND (30)	ug/kg
Arochlor 1254	ND (30)	ug/kg
Arochlor 1260	ND (30)	ug/kg

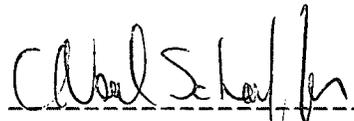
Method:

8080 Organochlorine Pesticides and PCBs, SW-846, USEPA (1982).

(Detection limit in parenthesis.)

ND - Parameter not detected at the stated detection limit.

Note: Increased detection limits reflect matrix interference.



C. Neal Schaeffer
Senior Chemist

SAMPLE #3 100' DUE WEST OF EAST BERM

CLIENT: Sunterra

DATE REPORTED: 08/29/89

LAB NO: F1937

DATE RECEIVED: 08/08/89
DATE COLLECTED: 08/08/89

EP Tox Leachate:

Trace metals (Dissolved Concentration), mg/l

Arsenic.....	<0.005	Lead.....	0.02
Barium.....	2.8	Mercury.....	0.002
Cadmium.....	0.005	Silver.....	<0.01
		Selenium.....	<0.005

Trace metals (Total Concentration), mg/l

Chromium..... 0.23

Analysis Requested: Pesticides/PCBs in soil.

Parameter	Concentration	Units
-----	-----	-----
Arochlor 1016	ND (30)	ug/kg
Arochlor 1221	ND (30)	ug/kg
Arochlor 1232	ND (30)	ug/kg
Arochlor 1242	ND (30)	ug/kg
Arochlor 1248	ND (30)	ug/kg
Arochlor 1254	ND (30)	ug/kg
Arochlor 1260	ND (30)	ug/kg

Method:

8080 Organochlorine Pesticides and PCBs, SW-846, USEPA (1982).

(Detection limit in parenthesis.)

ND - Parameter not detected at the stated detection limit.

Note: Increased detection limits reflect matrix interference.



C. Neal Schaeffer
Senior Chemist

SAMPLE #4 POND DEEPEST POINT

CLIENT: Sunterra

DATE REPORTED: 08/29/89

LAB NO: F1938

DATE RECEIVED: 08/08/89
DATE COLLECTED: 08/08/89

EP Tox Leachate:

Trace metals (Dissolved Concentration), mg/l

Arsenic.....	<0.005	Lead.....	0.03
Barium.....	3.0	Mercury.....	<0.001
Cadmium.....	0.002	Silver.....	<0.01
		Selenium.....	<0.005

Trace metals (Total Concentration), mg/l

Chromium..... 0.23

Analysis Requested: Pesticides/PCBs in soil.

Parameter	Concentration	Units
-----	-----	-----
Arochlor 1016	ND (30)	ug/kg
Arochlor 1221	ND (30)	ug/kg
Arochlor 1232	ND (30)	ug/kg
Arochlor 1242	ND (30)	ug/kg
Arochlor 1248	ND (30)	ug/kg
Arochlor 1254	ND (30)	ug/kg
Arochlor 1260	ND (30)	ug/kg

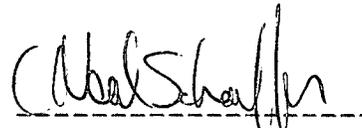
Method:

8080 Organochlorine Pesticides and PCBs, SW-846, USEPA (1982).

(Detection limit in parenthesis.)

ND - Parameter not detected at the stated detection limit.

Note: Increased detection limits reflect matrix interference.



C. Neal Schaeffer
Senior Chemist

SAMPLE #5 50' FROM SOUTH BERM (OVERFLOW)

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

June 26, 1989

Mr. William J. LeMay, Director
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe NM, 87501

Re: Kutz Plant-Evaporation Pond In Service

Dear Mr. LeMay:

The double lined pond, approved by your office, has been placed in service at our Kutz Plant. The pond was placed in service on June 19, 1989.

Pond 1 has been closed and backfilled. Minor regrade work needs to be completed after Pond 2 has been closed. We are waiting until Pond 2 has dried sufficiently enough that soil samples can be taken. The results will be forwarded to your office and approval by your office obtained before backfilling and closure of Pond 2 is completed.

If further information is required, please advise.

Sincerely,


John Renner
Executive Vice President

RECEIVED

JUN 28 1989

OIL CONSERVATION DIV.
SANTA FE

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 12, 1989

CERTIFIED MAIL
RETURN RECEIPT NO. P-106-675-167

Mr. Gary Jordan
SUNTERRA GAS PROCESSING COMPANY
P. O. Box 1869
Bloomfield, New Mexico 87413

**RE: Evaporation Pond Design
Discharge Plan GW-45
Kutz Plant**

Dear Mr. Jordan:

The Oil Conservation Division (OCD) has received your proposal dated June 7, 1989 for the design change for the new evaporation pond at the Kutz Plant. Based on the drawings and information submitted the design is sufficient to protect ground water and the environment and is approved for installation.

Please be advised that this approval does not relieve you of liability should your operation result in actual pollution of the environment which may be actionable under other laws and/or regulations.

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,



Roger C. Anderson
Environmental Engineer

RCA/sl

cc: OCD Aztec Office

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

June 7, 1989

Mr. William J. LeMay, Director
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe NM, 87501

Re: Kutz Plant-Evaporation Pond Design Changes

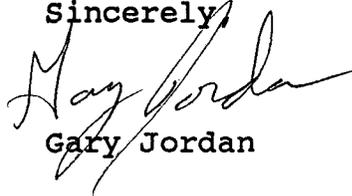
Dear Mr. LeMay:

Enclosed are two copies of proposed changes to the design of the new evaporation pond at the Kutz Plant. The major changes are that the gravel drain between the two liners has been replaced with a geotextile fabric which will be able to transmit approximately 150 gallons per minute of water under a hydrostatic head, on the top liner, of ten feet of water. Also a trench is proposed in the bottom of the new pond which will serve as the leak detection system.

Also enclosed are samples of the top XR-5 liner with specifications, the bottom PVC liner, the geotextile to be used between the liners and its specifications.

If further information is required, please advise.

Sincerely,



Gary Jordan

RECEIVED

JUN - 8 1989

OIL CONSERVATION DIV.
SANTA FE

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 15, 1989

CERTIFIED MAIL
RETURN RECEIPT NO. P-106 675 052

Mr. Ron Grossarth, Vice President
SUNTERRA GAS PROCESSING COMPANY
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Wastewater Pond Closure Plan,
Kutz Gas Plant

Dear Mr. Grossarth:

The Oil Conservation Division (OCD) has received the EP toxicity results for Pond #1 that were requested in the OCD letter of April 24, 1989. The analysis was required before final pond closure could be approved.

The analytical results for selected parameters were all below the maximum allowable limits, therefore the closure of pond #1 is approved by the method stated in your March 23, 1989 proposed closure plan. Notification of the OCD is required when the closure is complete. This approval is for the closure of pond #1 only. Prior to closure of Pond #2 the sludges and/or soils in the bottom of the pond must be sampled in the same way as Pond #1. The results shall be submitted to the OCD for evaluation before Pond #2 closure can be approved.

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,

A handwritten signature in cursive script that reads "Roger C. Anderson".

Roger C. Anderson
Environmental Engineer

RCA/sl

cc: OCD Aztec Office
Gary Jordan - Sunbelt Mining - Albuquerque

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

May 10, 1989

Mr. Roger Anderson
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe NM, 87501

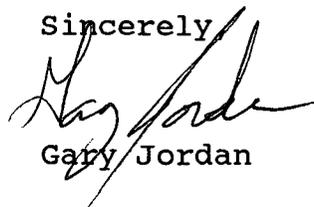
Re: Kutz Plant-EP Toxicity Results Pond #1

Dear Mr. Anderson:

Enclosed are the results of five samples run on the soils in the bottom of Pond #1 at the Kutz Plant for PCB's. The samples were taken by IML Laboratories and analyzed by them in accordance with EPA SW 846. The analyses were performed at your request in a letter dated April 24, 1989.

Once you have had a chance to review the attached please call.

Sincerely



Gary Jordan



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Report Date: 05/04/89

Client: Sunterra Gas Co.

Sample ID: Site #1 Date Sampled: 04/26/89
Laboratory Number: F1332 Date Received: 04/26/89
Analysis Requested: PCB's Date Extracted: 04/28/89
Sample Matrix: Soil Date Analyzed: 05/02/89
Preservative: Cool
Condition: Good

Parameter	Concentration	Det. Limit	Units
PCB-1016	ND	50.0	ug/kg
PCB-1221	ND	50.0	ug/kg
PCB-1232	ND	50.0	ug/kg
PCB-1242	ND	50.0	ug/kg
PCB-1248	ND	50.0	ug/kg
PCB-1254	ND	50.0	ug/kg
PCB-1260	ND	50.0	ug/kg

Extraction: Method 3050, Sonication Extraction.

Analysis: Method 608, Organochlorine Pesticides and PCBs, Methods for Organic Chemical Analysis of Municipal and Industrial Wastewater, USEPA, (Oct. 1984).

ND - Parameter not detected at the stated detection limit.

Comments:



Jack M. Morgan
Senior Organic Chemist

MAY 9 1989



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Report Date: 05/04/89

Client: Sunterra Gas Co.

Sample ID: Site #2 Date Sampled: 04/26/89
Laboratory Number: F1888 Date Received: 04/26/89
Analysis Requested: PCB's Date Extracted: 04/28/89
Sample Matrix: Soil Date Analyzed: 05/02/89
Preservative: Cool
Condition: Good

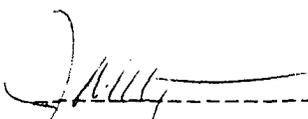
Parameter	Concentration	Det. Limit	Units
PCB-1016	ND	50.0	ug/kg
PCB-1221	ND	50.0	ug/kg
PCB-1232	ND	50.0	ug/kg
PCB-1242	ND	50.0	ug/kg
PCB-1248	ND	50.0	ug/kg
PCB-1254	ND	50.0	ug/kg
PCB-1260	ND	50.0	ug/kg

Extraction: Method 3050, Sonication Extraction.

Analysis: Method 608, Organochlorine Pesticides and PCBs, Methods for Organic Chemical Analysis of Municipal and Industrial Wastewater, USEPA, (Oct. 1984).

ND - Parameter not detected at the stated detection limit.

Comments:



Jack M. Morgan
Senior Organic Chemist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Report Date: 05/04/89

Client: Sunterra Gas Co.

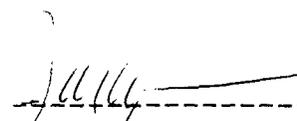
Sample ID: Site #3 Date Sampled: 04/26/89
Laboratory Number: E1334 Date Received: 04/26/89
Analysis Requested: PCB's Date Extracted: 04/28/89
Sample Matrix: Soil Date Analyzed: 05/02/89
Preservative: Cool
Condition: Good

Parameter	Concentration	Det. Limit	Units
PCB-1016	ND	50.0	ug/kg
PCB-1221	ND	50.0	ug/kg
PCB-1232	ND	50.0	ug/kg
PCB-1242	ND	50.0	ug/kg
PCB-1248	ND	50.0	ug/kg
PCB-1254	ND	50.0	ug/kg
PCB-1260	ND	50.0	ug/kg

Extraction: Method 3050, Sonication Extraction.
Analysis: Method 608, Organochlorine Pesticides and PCBs, Methods for Organic Chemical Analysis of Municipal and Industrial Wastewater, USEPA, (Oct. 1984).

ND - Parameter not detected at the stated detection limit.

Comments:



Jack M. Morgan
Senior Organic Chemist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Report Date: 05/04/89

Client: Sunterra Gas Co.

Sample ID: Site #4 Date Sampled: 04/26/89
Laboratory Number: F1335 Date Received: 04/26/89
Analysis Requested: PCB's Date Extracted: 04/28/89
Sample Matrix: Soil Date Analyzed: 05/02/89
Preservative: Cool
Condition: Good

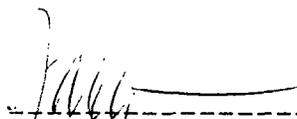
Parameter	Concentration	Det. Limit	Units
PCB-1016	ND	50.0	ug/kg
PCB-1221	ND	50.0	ug/kg
PCB-1232	ND	50.0	ug/kg
PCB-1242	ND	50.0	ug/kg
PCB-1248	ND	50.0	ug/kg
PCB-1254	ND	50.0	ug/kg
PCB-1260	ND	50.0	ug/kg

Extraction: Method 3050, Sonication Extraction.

Analysis: Method 608, Organochlorine Pesticides and PCBs, Methods for Organic Chemical Analysis of Municipal and Industrial Wastewater, USEPA, (Oct. 1984).

ND - Parameter not detected at the stated detection limit.

Comments:



Jack M. Morgan
Senior Organic Chemist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Report Date: 05/04/89

Client: Sunterra Gas Co.

Sample ID: Site #5 Date Sampled: 04/26/89
Laboratory Number: F1336 Date Received: 04/26/89
Analysis Requested: PCB's Date Extracted: 04/28/89
Sample Matrix: Soil Date Analyzed: 05/02/89
Preservative: Cool
Condition: Good

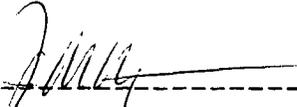
Parameter	Concentration	Det. Limit	Units
PCB-1016	ND	50.0	ug/kg
PCB-1221	ND	50.0	ug/kg
PCB-1232	ND	50.0	ug/kg
PCB-1242	ND	50.0	ug/kg
PCB-1248	ND	50.0	ug/kg
PCB-1254	ND	50.0	ug/kg
PCB-1260	ND	50.0	ug/kg

Extraction: Method 3050, Sonication Extraction.

Analysis: Method 608, Organochlorine Pesticides and PCBs, Methods for Organic Chemical Analysis of Municipal and Industrial Wastewater. USEPA, (Oct. 1984).

ND - Parameter not detected at the stated detection limit.

Comments:



Jack M. Morgan
Senior Organic Chemist

iml
Inter-Mountain
Laboratories, Inc.

2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

Glenn Crawford
Sunterra Gas Processing Company
Bloomfield, NM 87413

May 10, 1989

Dear Glenn:

Enclosed please find the results of the EP Leachate Arsenic analysis we performed on the two soil samples we collected May 4, 1989. Please notice the revised "Maximum Allowable Limit" for arsenic; the limit is 5.0 mg/l, not 1.0 as was previously reported. Please let us know if we can be of further service.

Sincerely,



April V. Gil
Senior Geologist

Enclosures

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MAY 17 1989
OIL CONSERVATION DIV.
SANTA FE

MAY 12 1989



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING COMPANY
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

May 10, 1989

Sample Identification: #1;150' SSW of Existing pond, 1' down
Laboratory Number: F-1352

Date Received: 05/04/1989

Date Sampled: 05/04/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LIMIT	METHOD
Arsenic	1.51	5.0	6010
Barium	NA		
Cadmium	NA		
Chromium	NA		
Lead	NA		
Mercury	NA		
Selenium	NA		
Silver	NA		

NA - not analyzed.

Extraction Method: Method 1310, "Extraction Procedure Toxicity
Test Method and Structural Integrity Test."

Reference: SW 846, USEPA, (1986).

Approved by:

April V. Gil
Senior Geologist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING COMPANY
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #1; 200' NW of Salvage yard, 1' down
Laboratory Number: F-1351

Date Received: 05/04/1989
Date Sampled: 05/04/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LEVEL	METHOD
Arsenic	0.79	5.0	6010
Barium	NA		
Cadmium	NA		
Chromium	NA		
Lead	NA		
Mercury	NA		
Selenium	NA		
Silver	NA		

NA - not analyzed.

Extraction method: Method 1310, "Extraction Procedure Toxicity
Test Method and Structural Integrity Test."

Reference: SW 846, USEPA, (1986).

Approved by:



April V. Gil
Senior Geologist

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

May 3, 1989

Mr. Roger Anderson
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe NM, 87501

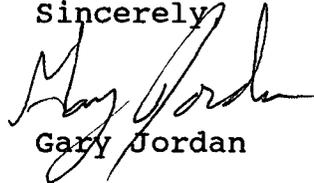
Re: Kutz Plant-EP Toxicity Results Pond #1

Dear Mr. Anderson:

Enclosed are the results of five samples run on the soils in the bottom of Pond #1 at the Kutz Plant. The samples were taken by IML Laboratories and analyzed by them in accordance with EPA SW 846. The analyses were performed at your request in a letter dated April 24, 1989. The laboratory had equipment malfunction and the results of the PCB tests have not been completed. Once the results of the PCB test are obtained, they will be forwarded to you.

Once you have had a chance to review the attached please call.

Sincerely



Gary Jordan

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MAY - 4 1989
OIL CONSERVATION DIV.
SANTA FE



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #1, Inlet pipe
Laboratory Number: F1332

Date Received: 04/26/1989
Date Sampled: 04/26/1989
Date Reported: 05/01/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LEVEL	METHOD
Arsenic	1.26	1.0 <i>5.0</i>	6010
Barium	1.3	100.0	6010
Cadmium	<0.02	1.0	6010
Chromium	0.04	5.0	6010
Lead	0.07	5.0	6010
Mercury	NA	0.2	6010
Selenium	NA	1.0	6010
Silver	NA	5.0	6010

NA - not analyzed.

Extraction method: Method 1310, "Extraction Procedure Toxicity
Test Method and Structural Integrity Test."

Reference: SW 846, USEPA, (1986).

Approved by:

April V. Gil
Senior Geologist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #2, Pond bank
Laboratory Number: F1333

Date Received: 04/26/1989
Date Sampled: 04/26/1989
Date Reported: 05/01/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LEVEL	METHOD
Arsenic	1.82	1.0 5.0	6010
Barium	0.7	100.0	6010
Cadmium	<0.02	1.0	6010
Chromium	0.02	5.0	6010
Lead	0.14	5.0	6010
Mercury	NA	0.2	6010
Selenium	NA	1.0	6010
Silver	NA	5.0	6010

NA - not analyzed.

Extraction Method: 1310, "Extraction Procedure Toxicity Test
Method Test and Structural Integrity Test."

Reference: SW-846, USEPA, (1986).
(1986).

Approved by:

April V. Gil
Senior Geologist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #3, West pond bank
Laboratory Number: F1334

Date Received: 04/26/1989
Date Sampled: 04/26/1989
Date Reported: 05/01/1989

PARAMETER	RESULT	MAXIMUM ALLOWABLE LEVEL	METHOD
	(mg/l)		
Arsenic	0.80	1.0 5.0	6010
Barium	1.6	100.0	6010
Cadmium	<0.02	1.0	6010
Chromium	<0.02	5.0	6010
Lead	0.05	5.0	6010
Mercury	NA	0.2	6010
Selenium	NA	1.0	6010
Silver	NA	5.0	6010

NA - not analyzed.

Extraction Method: 1310, "Extraction Procedure Toxicity Test
Method and Structural Integrity Test."

Reference: SW 846, USEPA, (1986).

Approved by:

April V. Gil
Senior Geologist



2506 West Main Street
Farmington, New Mexico 87401
Tel. (505) 326-4737

SUNTERRA GAS PROCESSING
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #4, Deep pond
Laboratory Number: F1335

Date Received: 04/26/1989
Date Sampled: 04/26/1989
Date Reported: 05/01/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LEVEL	METHOD
Arsenic	2.24	1.0 5.0	6010
Barium	0.8	100.0	6010
Cadmium	<0.02	1.0	6010
Chromium	0.09	5.0	6010
Lead	0.19	5.0	6010
Mercury	NA	0.2	6010
Selenium	NA	1.0	6010
Silver	NA	5.0	6010

NA - not analyzed.

Extraction Method: 1310, "Extraction Procedure Toxicity Test
Method Structural Integrity Test."

Reference: SW 846, USEPA, (1986).

Approved by:

April V. Gil
Senior Geologist

SUNTERRA GAS PROCESSING
County Road 4980 #191
Bloomfield, NM 87413

Analysis: EP Toxicity Inorganics

Sample Identification: #5, Old outlet
Laboratory Number: F1336

Date Received: 04/26/1989
Date Sampled: 04/26/1989
Date Reported: 05/01/1989

PARAMETER	RESULT (mg/l)	MAXIMUM ALLOWABLE LEVEL	METHOD
Arsenic	2.10	10 50	6010
Barium	1.0	100.0	6010
Cadmium	<0.02	1.0	6010
Chromium	0.02	5.0	6010
Lead	0.17	5.0	6010
Mercury	NA	0.2	6010
Selenium	NA	1.0	6010
Silver	NA	5.0	6010

NA - not analyzed.

Extraction method: 1310, "Extraction Procedure Toxicity
Test Method and Structural Integrity Test."

Reference: SW-846, USEPA (1986).

Approved by:



April V. Gil
Senior Geologist

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 24, 1989

CERTIFIED MAIL
RETURN RECEIPT NO. P-106 675 524

Mr. Ron Grossarth, Vice President
SUNTERRA GAS PROCESSING COMPANY
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Wastewater Pond Closure Plan
Kutz Gas Plant

Dear Mr. Grossarth:

The Oil Conservation Division (OCD) has received your proposed plan, dated March 23, 1989, for the permanent closure of wastewater ponds 1 and 2 located at your Kutz Gas Processing Plant.

The physical aspects of the closure plan are approvable as submitted however, before any closure activities can begin samples of the sludge and/or soils in the bottom of the ponds must be analyzed. Each pond to be closed shall be sampled using a simple random sampling procedure as explained in EPA SW 846 Test Methods for Evaluating Solid Wastes, Volume II, Part III Chapter 9.1.1.3.1. The samples shall be analyzed for E.P. Toxicity for Lead, Chromium, Arsenic, Barium, Cadmium and PCB's. The results of the analysis shall be submitted to the OCD for evaluation before your plan can be approved.

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,



Roger C. Anderson
Environmental Engineer

RCA/sl

cc: OCD Aztec Office

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

March 23, 1989

Mr. William J. LeMay, Director
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe NM, 87501

RECEIVED
APR 13 1989
OIL CONSERVATION DIVISION
SANTA FE

RECEIVED
APR 13 1989
OIL CONSERVATION DIVISION
SANTA FE

Re: Kutz Plant-Closure Plan For Waste Water Ponds 1 and 2

Dear Mr. LeMay:

Enclosed is the Closure Plan to permanently take out of service ponds 1 and 2 at our Kutz Plant. This plan is being submitted in response to our commitment to you by letter dated April 7, 1988.

If further information is required, please advise.

Sincerely,



Ron Grossarth
Vice President and General Manager

SUNTERRA GAS PROCESSING COMPANY
KUTZ PLANT
CLOSURE PLAN FOR WASTE WATER PONDS 1 AND 2

Sunterra plans to permanently close two waste water ponds (ponds 1 and 2) at the Kutz Plant site. The function of these ponds will be replaced by the installation of a single double-lined pond to be constructed at the plant site.

The location of the new pond and ponds 1 and 2 is shown on Exhibit 1. Material excavated for the new pond will be used as backfill for ponds 1 and 2. As material is excavated it will be segregated so that the high clay content soils can be used as a cap on ponds 1 and 2 to reduce infiltration by rainfall through the backfilled material. The backfilled ponds will be domed so that rainfall on the ponds will runoff and not be allowed to stand upon the backfilled area. A schematic of the final closed ponds is shown on Exhibit 2.

There may be a need for addition material to backfill the ponds depending upon the volume removed to install the new evaporation pond. A borrow area for this material, should it be needed, is shown on Exhibit 1. Any high clay content soils encountered in the borrow area will be segregated and used as the cap on the closed ponds.

In order to begin the backfill operation, the ponds must be dry enough to support heavy equipment running over them. Sunterra beleives that pond 1 can be dry by mid year (1989). Pond 2 will have to remain in service until the new evaporation pond is completed and put in service. Therefore, pond 2 will not be ready for backfill until October 1989. The complete closure will be done by November 1, 1989.

KUTZ PLANT

HIGH CLAY CONTENT SOIL

3-5% SLOPE

3-5% SLOPE

EXISTING POND TO BE BACKFILLED
WITH NEW POND EXCAVATION
OR BORROW PIT MATERIAL

EXISTING POND

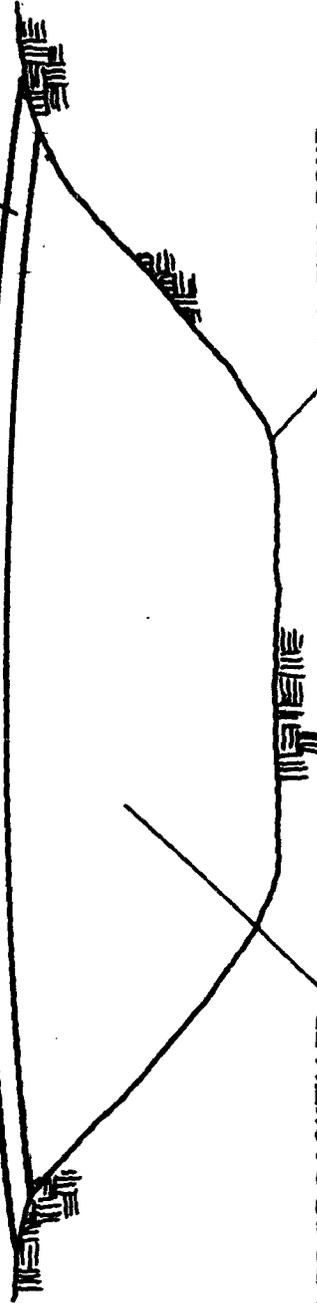


EXHIBIT 2: TYPICAL POND CLOSURE SCHEMATIC

RECEIVED
APR 18 1966
OIL CONSERVATION DIVISION
SANTA FE

Filer

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 17, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Gary Jordan
SUNTERRA GAS PROCESSING COMPANY
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Discharge Plan GW-45
Kutz Canyon Gas Plant

Dear Mr. Jordan:

The Oil Conservation Division (OCD) has received your request, dated November 4, 1988, to change the design of the flare pond that was approved with the above referenced discharge plan. You propose to install a double-bottomed tank with leak detection in lieu of the synthetically lined leak detection system.

Pursuant to Water Quality Control Commission Regulation 3-109.F. the proposed modification to the previously approved discharge plan is hereby approved with the following condition.

1. The sides of the tank remain visible to allow sight detection of any leaks.

The requested modification to your discharge plan is not classified as a significant modification, therefore, public notice is not required,

Please be advised that the approval of this modification does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

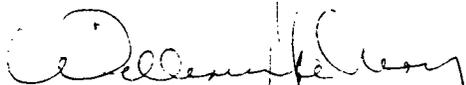
There will be no routine monitoring or reporting requirements other than those mentioned in the plan.

Please note that Section 3-104 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 Sections 3-107.C. you are required to notify the director of any facility

Mr. Gary Jordan
November 17, 1988
Pagw -2-

expansion, production increase, or process modification that would result in any significant modification in the discharge of water contaminants.

Sincerely,

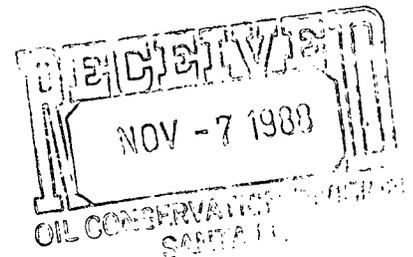


William J. LeMay
Director

WJL:RA:s1

cc: OCD - Aztec

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033



November 4, 1988

Mr. Roger C. Anderson
Environmental Engineer
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe, NM 87504

Re: Kutz Canyon Gas Plant
Waste Discharge Plan GW-45

Dear Mr. Anderson:

As discussed by telephone today, Sunterra wishes to change its design of the flare pond at the Kutz Plant. Instead of a synthetically lined leak detection system as shown in our submittal to you dated March 9, 1988, Sunterra would like to install a double-bottomed tank as shown in the attached exhibit.

I would appreciate your review of our proposal and, if you are in agreement, then Exhibit 12 in our submittal dated March 9, 1988 should be replaced with the attachment.

If further information is required, please advise.

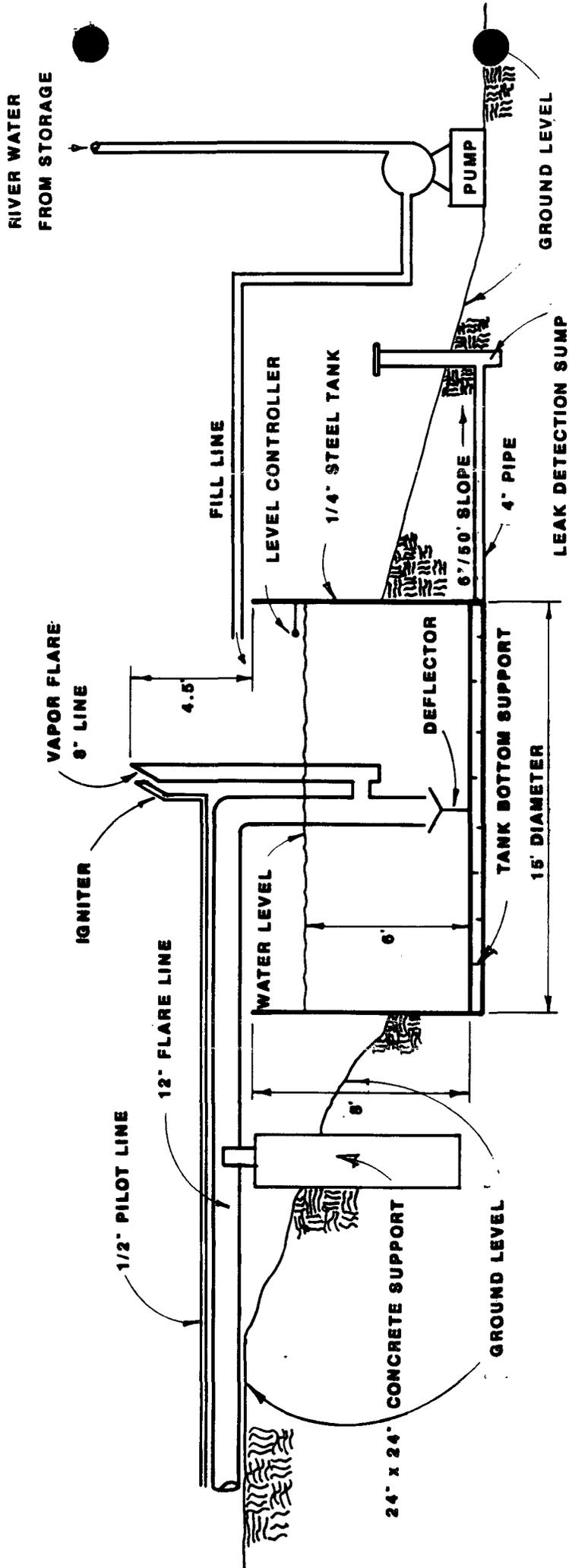
Sincerely,

A handwritten signature in cursive script that reads "Gary Jordan".

Gary Jordan

GJ/ko
Attachment

EXHIBIT 12 KUTZ PLANT FLARE POND DESIGN



*1/4" Steel Tank w/ Double Bottom
Reinforced Top. Coal Tar Epoxy Finish*



COOLING TOWER

POND #1
(FLARE POND)

POND #2

POND #3

SUNTERRA GAS PROCESSING COMPANY

KUTZ PLANT

ORTHOPHOTO
DATE OF PHOTOGRAPHY: 6/10/1982

APPROX. SCALE: 1"=100'	LOCATION: A portion of the NW 1/4 of Sec. 12 & portion of the NW 1/4 of Sec. 14, T. 38 N., R. 11 W.	DWG. NO.
DATE: November 2, 1987	DATE OF PHOTOGRAPHY: 6/10/1982	EXHIBIT 1
PREPARED BY:		



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 18, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John Renner, General Manager
Sunterra Gas Processing Company
P. O. Box 1869
Bloomfield, New Mexico 87413

RE: Discharge Plan GW-45
Kutz Canyon Gas Plant
San Juan County, New Mexico

Dear Mr. Renner:

The ground water discharge plan (GW-45) for the Sunterra Kutz Canyon Gas Plant located in the SW/4 of Section 12, NE/4 Section 13, SE/4 Section 14, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, is hereby approved.

The approved discharge plan consists of the plan dated December 21, 1987 and materials dated March 9, 1988 and April 7, 1988 submitted as supplements to the discharge plan.

The discharge plan was submitted pursuant to Section 3-106 of the N.M Water Quality Control Commission Regulations. It is approved pursuant to Section 3-109.F., which provides for the possible future amendments of the plan. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

There will be no routine monitoring or reporting requirements other than those contained in the plan.

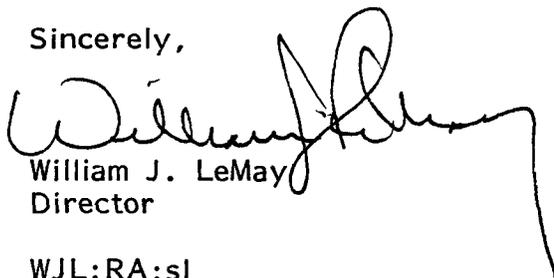
Please note that Section 3-104 of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3-107.C., you are required to notify the Director of the OCD of any facility expansion, production increase, or process modification that would result in any significant change in discharge water quality of volume.

Pursuant to Section 3-109.G.4., this plan approval is for a period of five (5) years. This approval will expire April 15, 1993 and you should submit an application for renewal in ample time before that date.

Mr. John Renner
April 18, 1988
Page 2

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William J. LeMay
Director

WJL:RA:sl

cc: OCD - Aztec
Gary Jordan, Sunbelt Mining

Sunterra GAS PROCESSING COMPANY
P.O. BOX 1869 • BLOOMFIELD, NM 87413 • (505) 632-8033

APR 11 1988
OIL CONSERVATION DIVISION
SANTA FE, NM

April 7, 1988

Mr. Roger C. Anderson
Environmental Engineer
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
P.O. Box 2088
Santa Fe, NM 87504

Re: Kutz Canyon Gas Plant
Waste Discharge Plan GW-45

Dear Mr. Anderson:

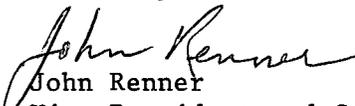
Your telephone conversation with Gary Jordan on April 7, 1988, indicated a need for Sunterra to commit to dates when planned changes are made at the Kutz Plant in conformance with our proposed discharge plan. The following time frames and additional request for information follows.

- o All proposed in-plant changes which consist of berming of pumps, oil storage areas and placement of wastewater collection boxes will be completed by December 31, 1988.
- o The proposed double lined pond and flare pond will be installed by July 1, 1989.
- o All underground wastewater lines will be tested for integrity by the in-service date of the new pond, i.e., July 1, 1989.
- o A closure plan, for existing ponds #1 and #2, will be submitted prior to the in-service date of the new pond.
- o After fire fighting sessions, where naphtha is used as fuel, a sample of the water in the fire fighting pit will be analyzed for V.O.C.

Also included as Exhibit 12 is a new design for the flare pond. The leak detection system for this new design will be routinely monitored and if any leaks are detected, we will sample the liquid detected in the sump and follow the same contingency plan as previously outlined in our March 9, 1988 submit-tal for the double lined pond.

I hope that these responses meet with your approval. If further information is required, please advise.

Sincerely,

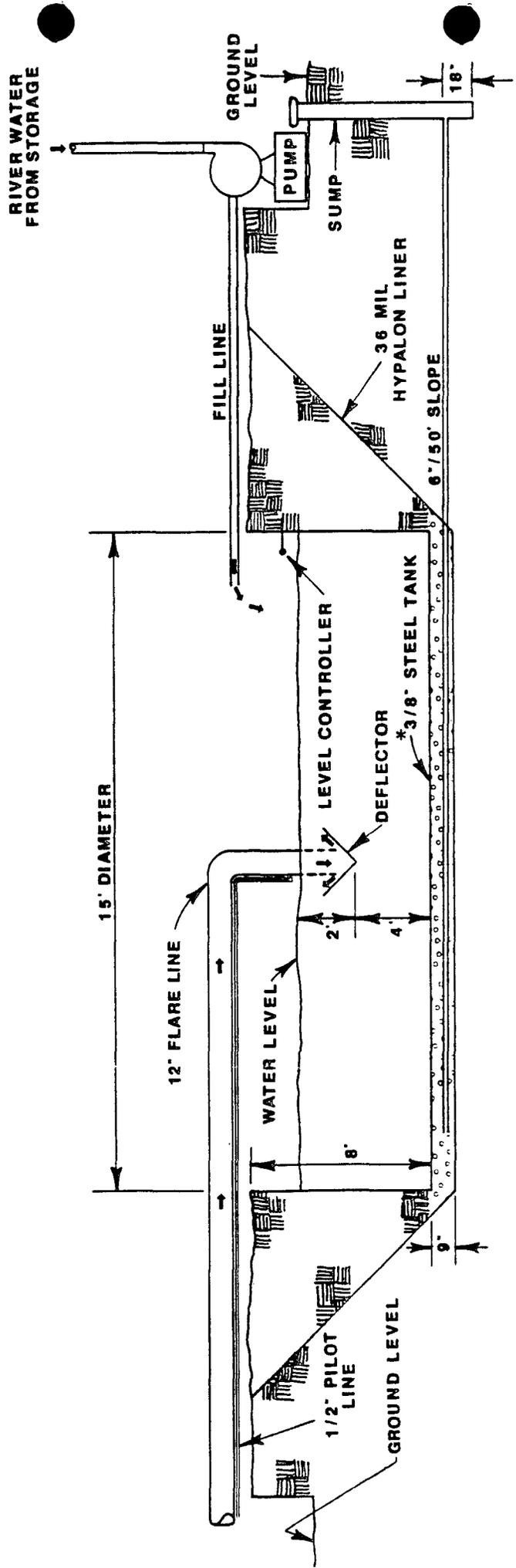

John Renner
Vice President and General Manager

JR/scg
Enclosure

EXHIBIT 12

KUTZ PLANT FLARE POND DESIGN

NOT TO SCALE



*3/8" THICK STEEL TANK IN 36 MIL HYPALON LINER WITH 4" PERFORATED P.V.C. DRAIN PIPE FOR LEAK DETECTION.