

GW -

47

**PERMITS,
RENEWALS,
& MODS**

per P.N. Estimate DTW=50-200A1

TDS= 200-2000 PPM



Environmental Affairs
188 County Road 4900
Bloomfield, NM 87413
505/632-4600
505/632-4781 Fax

August 20, 2012

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: NMOCD Inspection Items
Lybrook Gas Plant (Discharge Permit GW-47)
NE/4 NW/4, Section 14, Township 23 North, Range 7 West
Rio Arriba County, New Mexico

Dear Mr. Lowe:

The purpose of this letter is to provide the New Mexico Oil Conservation Division (NMOCD) an update of the most recent NMOCD inspection findings for the Williams Four Corners, LLC (WFC) Lybrook Gas Plant (facility). WFC placed the facility in idle status on January 2, 2012 and submitted a notification of discontinued operations to the NMOCD on June 27, 2012. On July 12, 2012, Leonard Lowe of the NMOCD submitted a request to WFC requesting an update of the November 19, 2008 inspection findings. A response to each of the inspection findings is provided below. It should be noted that the NMOCD indicated that the facility appeared to be in good condition during the November 19, 2008 inspection.

Comments #1 & #8: Photo 2: Williams Four Corners shall retrofit their five ponds with a double liner with a leak detection system in accordance with Permit Condition 11.B. Williams Four Corners shall submit to the OCD Environmental Bureau a plan to retrofit the 5 ponds by April 17, 2009.

Response: WFC submitted a Pond Retrofit Work Plan to NMOCD on April 16, 2009. Implementation of the plan was ultimately not performed because a decision was made to idle the facility. The ponds are currently still in place and contain water retained from former operations prior to plant idling as documented in photographs located in Attachment A. As noted by the NMOCD, the two southern ponds are used to collect storm-water runoff, therefore it was determined that modifications to these ponds was not required. No further discharge into the ponds can occur because the wastewater line was disconnected between the oil/water separator and the ponds after the plant was idled. It is expected that the ponds will be completely dry by late 2012 or early 2013. Continuous monitoring of the ponds is currently performed via video monitoring by the WFC Kutz Gas Plant.

2012 AUG 21 A
RECEIVED (OCD)

On July 17, 2012, the eight monitoring wells surrounding the ponds were gauged by LT Environmental, Inc. to confirm the presence/absence of groundwater immediately beneath the ponds. The July 17, 2012 gauging data and monitoring well location map are included as Attachment B. Water was not detected in any of the monitoring wells with the exception of MW-1. The small volume of water detected in MW-1 was attributed to water collecting in the well bottom cap and did not indicate the presence of shallow groundwater. The total depth of the monitoring wells ranged from approximately 15 to 53 feet below ground surface (bgs).

If WFC decides to restart the facility, WFC will take the necessary actions required to ensure the ponds are operated in compliance with the applicable regulations.

Comment #2: Photo 8 & 9: During the inspection, it appeared there was a discharge to the ground in this area. Williams shall ensure that all discharges are addressed in a proper and timely manner.

Response: The plant is currently in idle status; therefore further discharges will not occur. Monthly inspections are performed and documented by WFC personnel to ensure the facility remains in compliance with remaining applicable regulations.

Comment #3: Photo 11: Williams shall ensure that these barrels properly contained the fluids and have proper secondary containment in accordance with Permit Condition 7.

Response: All the chemicals were removed from the plant including empty chemical storage drums.

Comment #4: Photo 12 & 13: These and all ASTs must be surrounded by appropriate lined secondary containment. See Permit Condition 9.

Response: All ASTs containing oil at the facility have appropriate secondary containment as required by the United States Environmental Protection Agency (USEPA) Spill Prevention Control and Countermeasures (SPCC) Regulations. The contents of all tanks have been removed, however residual amount of liquids remain in the ASTs. Monthly SPCC inspections will be performed at the facility until the tanks have been cleaned or removed from the facility.

Comment #5: Photo 14 & 15: The secondary containment area must be kept clean of unnecessary debris and soil. Williams shall clean out the containment area.

Response: The debris, containers, and empty chemical storage drums have been removed from the containment area.

August 20, 2012
Mr. Leonard Lowe
Page 3 of 3

Comment #6: Photo 17: Williams shall place this tank properly placed on an impermeable location within a secondary containment area.

Response: The saddle tank referenced in the photograph has been removed from the facility.

Comment #7: Photo 18: Reminder that staging area for contaminated soil must be addressed within 180 days as it is considered waste (see Permit Condition 6.B.). Williams shall keep cells clean of any other debris, weeds, trash, etc.

Response: Impacted soil was removed from the area. No other contaminated soil staging areas are currently present at the facility.

Please contact me at (505) 632-4442 with any questions regarding this notification.

Sincerely,

A handwritten signature in black ink, appearing to be 'M Webre', written in a cursive style.

Matt Webre, P.G.
Environmental Specialist

Attachments

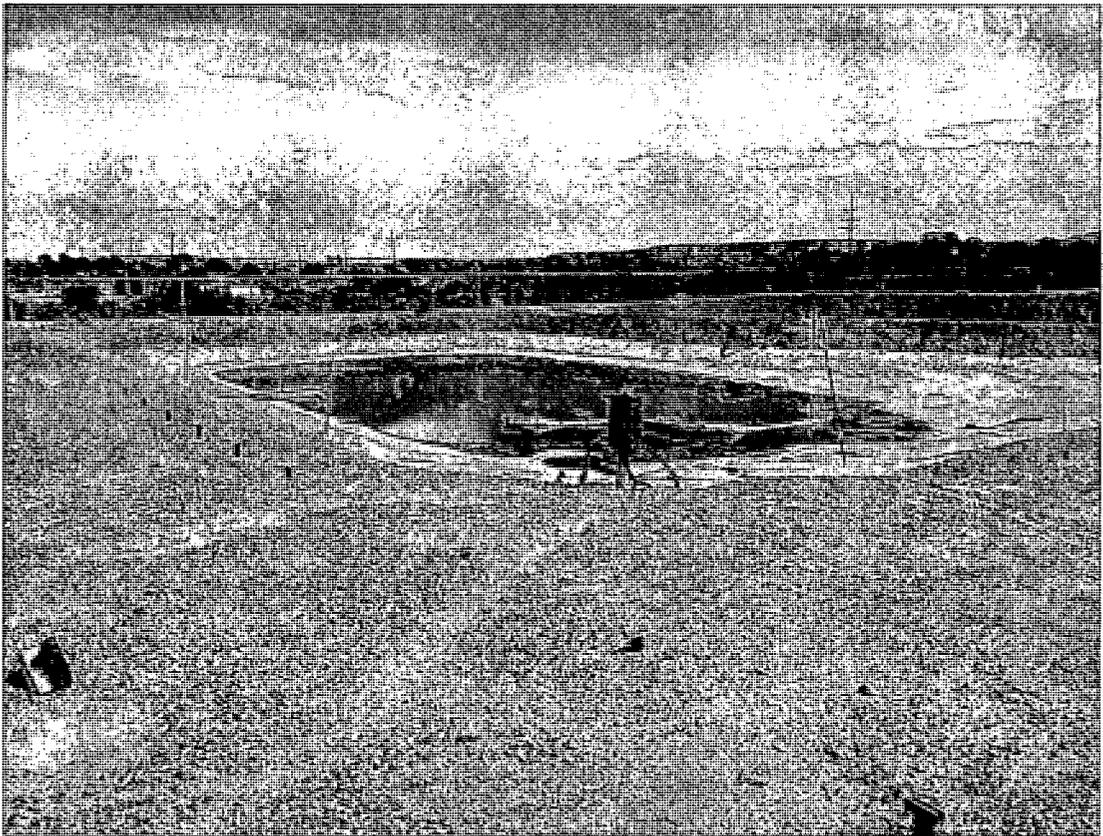
cc: Mark Potochnik (WFC)
Laura Hill (Williams)
Kyle Beall (Williams)

Attachment A

Photographs



Photograph 1. Evaporation Pond 1 level on August 8, 2012. Facing Northeast.



Photograph 2. Evaporation Pond 2 level on August 8, 2012. Facing Southeast.



Photograph 3. Evaporation Pond 3 level on August 8, 2012. Facing Southeast.

Attachment B
Monitoring Well Gauging Data



LT Environmental, Inc.

2243 Main Avenue, Suite 3
Durango, Colorado 81301
T 970.385.1096 / F 970.385.1873

July 19, 2012

Mr. Matt Webre
Williams Four Corners, LLC
188 County Road 4900
Bloomfield, NM 87413

**RE: Groundwater Monitoring Well Data
Lybrook Gas Plant
Williams Four Corners, LLC.**

Dear Mr. Webre:

Williams Four Corners, LLC (Williams) retained LT Environmental, Inc. (LTE) to measure depth to groundwater and total depth in eight monitoring wells at the Lybrook Gas Plant (Site) on July 17, 2012. Depth to groundwater and total depth were measured with a Keck oil/water interface probe provided by LTE. The depth to groundwater data is presented in Table 1. The location of the monitoring wells is depicted in Figure 1.

Since all other monitoring wells were dry and MW-1 is completed at a shallower depth than the other groundwater monitoring wells, the small volume of water (approximately 4.3 ounces) detected in MW-1 is likely standing water that has collected in the well bottom cap.

LTE appreciates the opportunity to provide these environmental services to Williams. If you have any questions or comments regarding these activities, do not hesitate to contact me at (970) 385-1096 or via email at slarue@ltenv.com.

Sincerely,

LT ENVIRONMENTAL, INC.

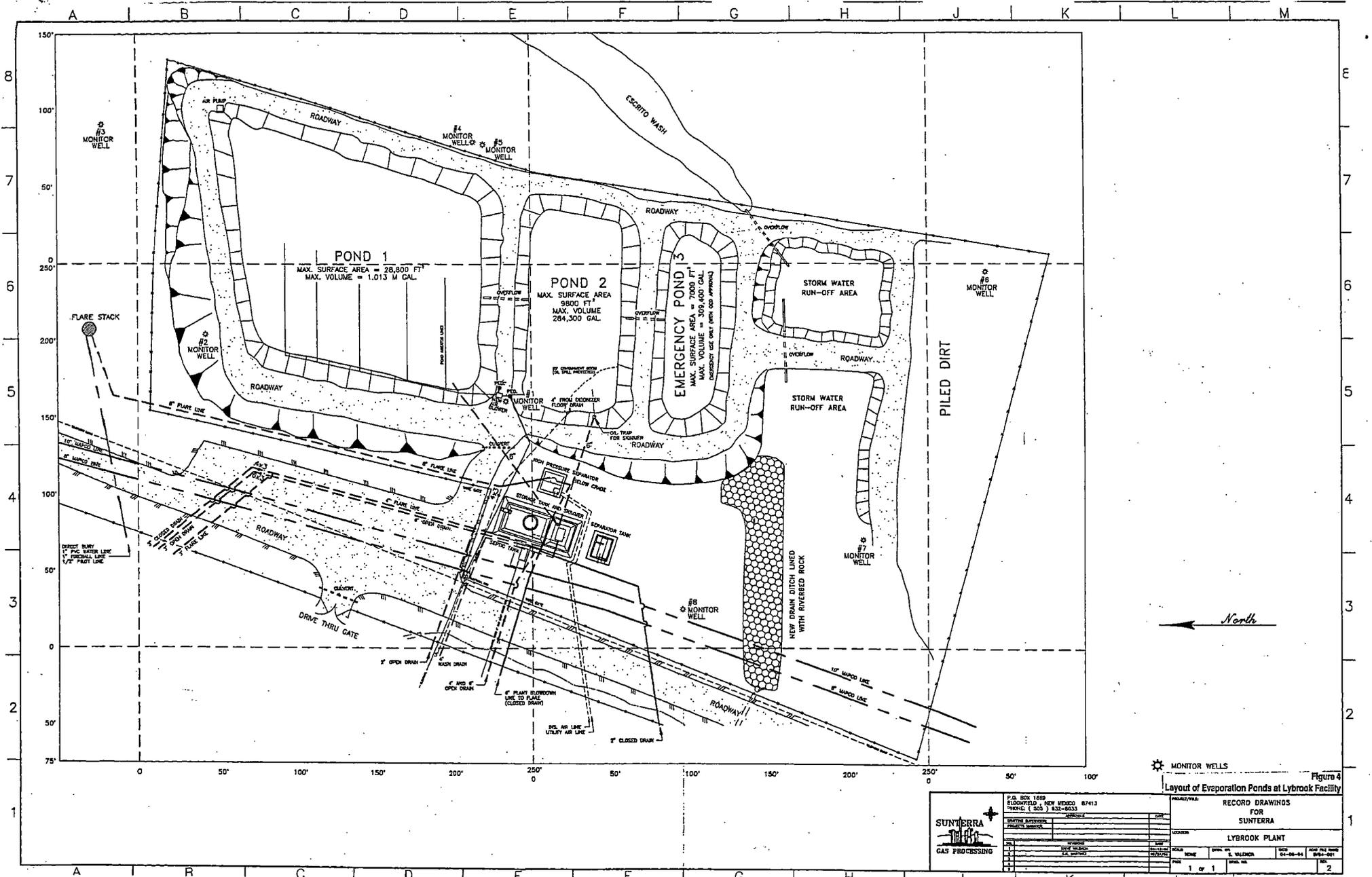
Sam LaRue
Staff Environmental Scientist

Attachments

Figure 1 Layout of Evaporation Ponds at Lybrook Facility
Table 1 Groundwater Monitoring Well Data

FIGURE 1

LAYOUT OF EVAPORATION PONDS AT LYBROOK FACILITY



MONITOR WELLS
 Figure 4
 Layout of Evaporation Ponds at Lybrook Facility

 SUNTERRA GAS PROCESSING	P.O. BOX 1608 BLOOMFIELD, NEW MEXICO 87413 PHONE: (505) 832-9433	PROJECT NO.: SHEET NO.: DATE:	RECORD DRAWINGS FOR SUNTERRA LYBROOK PLANT
	DRAWN BY: CHECKED BY: DATE:	DESIGNED BY: DATE:	SCALE:

TABLE 1
GROUNDWATER MONITORING WELL DATA

TABLE 1

**GROUNDWATER MONITORING WELL DATA
LYBROOK GAS PLANT
WILLIAMS FOUR CORNERS, LLC**

Well ID	Date Measured	Groundsurface Elevation (feet AMSL)	Top of Casing Elevation (feet AMSL)	Depth to Product (feet btoc)	Depth to Water (feet btoc)	Total Well Depth (feet btoc)
MW-1	7/17/2012	7100.64	7101.93	ND	16.35	16.56
MW-2	7/17/2012	7104.23	7105.00	ND	ND	23.95
MW-3	7/17/2012	7089.42	7092.18	ND	ND	48.93
MW-4	7/17/2012	7089.74	7091.88	ND	ND	23.60
MW-5	7/17/2012	7092.47	7094.94	ND	ND	55.33
MW-6	7/17/2012	7086.50	7087.70	ND	ND	48.62
MW-7	7/17/2012	7086.30	7087.72	ND	ND	49.63
MW-8	7/17/2012	7093.20	7094.99	ND	ND	49.10

Notes:

ND - Not Detected

AMSL - Above Mean Sea Level

btoc - Below Top of Casing



Environmental Affairs
188 County Road 4900
Bloomfield, NM 87413
505/632-4600
505/632-4781 Fax

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2012 JUN 28 P 12: 54

June 27, 2012

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Notification of Discontinued Operations
Lybrook Gas Plant (Discharge Permit GW-47)
NE/4 NW/4, Section 14, Township 23 North, Range 7 West
Rio Arriba County, New Mexico

Dear Mr. Lowe:

The purpose of this letter is to notify the New Mexico Oil Conservation Division (NMOCD) that Williams Four Corners, LLC (WFC) has discontinued operations for a period in excess of six months at the Lybrook Gas Plant (facility). The facility operates pursuant to existing Water Quality Control Commission (WQCC) Discharge Permit GW-47, which was approved by the NMOCD in a letter dated March 10, 2009. This notification is being submitted per Condition 22 of the Discharge Permit.

WFC placed the facility in idle status on January 2, 2012. The facility will remain idled until a decision regarding potential future operations has been determined. Because the facility is only temporarily idled and could resume operation in the future, WFC does not believe that a closure plan is necessary at this time. If our understanding is not correct, please contact me at your earliest convenience. Because the NMOCD is in the process of reviewing active discharge permits, WFC has completed the attached *Oil & Gas Facilities Questionnaire for Determination of WQCC Discharge Permit* for the facility.

Please contact me at (505) 632-4442 with any questions regarding this notification.

Sincerely,

Matt Webre, P.G.
Environmental Specialist

Attachments

cc: Mark Potochnik (WFC)
Laura Hill (Williams)
Kyle Beall Hill (Williams)



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

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

Jami Bailey
Division Director
Oil Conservation Division



May 12, 2011

Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit

Only Water Quality Control Commission- regulated systems will be incorporated into the OCD's WQCC Permits, while OCD regulated systems will be handled under separate permit(s). A current discharge permit is valid until its normal expiration date or November 15, 2012, whichever is later. All facilities with processes subject to the Water Quality Act must have permits in place by November 16, 2012. H2S Contingency Plans; pits, ponds, above and/or below-grade tanks; waste treatment, storage and disposal; and landfarms and landfills may require separate permitting under the OCD Oil, Gas, and Geothermal regulations.

Proper completion and timely submission of this questionnaire is requested for all facilities with discharge permit expiration dates before November 15, 2012. Please complete and submit a separate questionnaire for each facility before July 15, 2011.

• **Name of the owner or operator of the facility**

Williams Four Corners, LLC

• **Point of contact**

Name Matt Webre

Telephone 505-632-4442

Email matt.webre@williams.com

Mailing address 188 County Road 4900, Bloomfield, NM 87413

• **Facility name** Lybrook Gas Plant

• **Facility location**

Unit Letter, Section, Township, Range NE/4 NW/4, Section 14, Township 23N, Range 7W

Street address (if any) _____

• **Facility type**

Refinery

Gas Plant

Compressor

Crude Oil Pump Station

Injection Well

Service Company

Geothermal

Abatement

Other (describe) _____

• **Current and Past Operations** (please check all that apply)

Impoundments

Treatment Plant

Waterflood

Disposal Well

Brine Well

Wash Bay

Steam Cleaning

Groundwater Remediation

Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>

• **Facility Status** Active Idle Closed

• **Does this facility currently have a discharge permit?** Yes No

If so, what is the permit number? GW-047

• **Are there any routine activities at the facility which intentionally result in materials other than potable water being released either onto the ground or directly into surface or ground water?**

(This includes process activities, equipment maintenance, or the cleanup of historic spills.)

Yes No

If so, describe those activities including the materials involved, the frequency of discharge, and the estimated volume per discharge event.

• **What is the depth below surface to shallowest ground water in the area?** >100 feet

• **Are there any water supply, groundwater monitoring, or recovery wells at the facility?**

Water supply Monitoring Recovery

If these wells are registered with the Office of the State Engineer (OSE), what are the OSE well numbers? Not available

• **Are abatement actions ongoing?** No

• **Are there any active or inactive UIC wells present as part of the federal Underground Injection Control program associated with this facility?** Yes No

If so, what are the API numbers assigned to those wells?

• **Are there any sumps at the facility?** Yes No

Number of sumps with volume less than 500 gallons 1

Use and contents oil/water separator for facility wastewater collection system (disconnected from operations)

Is secondary containment incorporated into the design? Yes No

Number of sumps with volume greater than 500 gallons 0

Use and contents _____

Is secondary containment incorporated into the design? Yes No

- Does the facility incorporate any underground lines other than electrical conduits, freshwater, natural gas for heating, or sanitary sewers? Yes No

If so, what do those buried lines contain?

Facility process lines (natural gas) and wastewater

THIS FORM IS DUE TO THE OIL CONSERVATION DIVISION BY JULY 15, 2011.

Questions? Please contact Glenn VonGonten at 505-476-3488 or Carl Chavez at 505-476-3490.

Thank you for your cooperation.

JAMI BAILEY
Director

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 3/17/09

or cash received on _____ in the amount of \$ 4000⁰⁰

from Williams Four Corners LLC

for GW-47

Submitted by: Laurique Forero Date: 3/23/09

Submitted to ASD by: Laura Forero Date: 3/23/09

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

RECEIVED

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a Gas Processing Plant is \$4000.00. Please submit this amount along with the signed permit within 30 days. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on August, 9, 2014** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its November 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Part 35 Waste: Pursuant to OCD Part 35 (19.15.35.8 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspected this facility on November 19, 2008. David Bays and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. Based on the inspection OCD determined the following:

Photo 2: Williams Four Corners shall retrofit their five ponds with a double liner with a leak detection system in accordance with Permit Condition 11.B.

Photo 8 & 9: During the inspection it appeared that was a discharge to the ground in this area. Williams shall ensure that all discharges are addressed in a proper and timely manner.

Photo 11: Williams shall ensure that these barrels properly contain its fluids and have proper secondary containment in accordance with Permit Condition 7.

Photo 12 & 13: These and all ASTs must be surrounded by appropriate lined secondary containment. See permit condition 9.

Photo 14 & 15: The secondary containment area must be kept clean of unnecessary debris and soil. Williams shall clean out the containment area.

Photo 17: Williams shall place this tank properly placed on an impermeable location within a secondary containment area.

Photo 18: Reminder the staging area for contaminated soil must be addressed within 180 days as it is considered waste (see Condition 6. B). Williams shall keep cells clean of any other debris, weeds, trash, etc.

The Lybrook Gas Plant appeared to be in good condition. **Williams Four Corners shall submit to the OCD Environmental Bureau a plan to retrofit the 5 ponds by April 17, 2009.** All other issues should be addressed in accordance with the permit conditions. Williams shall ensure that the Lybrook Gas Plant employees are aware of the discharge plant permit and its location onsite.

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

owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Williams Four Corners, LLC

Company Name-print name above

David Bays

Company Representative- print name

David Bays

Company Representative- Signature

Title Sr. Environmental Specialist

Date: 03/13/2009

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

Time: 14:14 – 15:38

Page 1



Photo 1: Above ground storage tank near ponds.



Photo 2: Two of five ponds located on east side of facility.



Photo 3: Same AST in photo one with below ground tank.



Photo 4: Below grade tank top.



Photo 5: Below grade tank.



Photo 6: A sump within the facility holding fluids.

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

Time: 14:14 – 15:38

Page 2



Photo 7: A container holding fluids within the facility.



Photo 10: White residue near cooling tower.



Photo 8: Staining on the ground near building.



Photo 11: Placement of barrels.



Photo 9: Top of wall near staining in Photo 8.



Photo 12: Two AST's near the southern facility yard.

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

Time: 14:14 – 15:38

Page 3



Photo 13: Close up of two AST's in Photo 12.



Photo 16: Above ground tank in junk area.



Photo 14: Containment for drained items.



Photo 17: Saddle tank in junk area.



Photo 15: Containment for empty barrels.



Photo 18: Contaminated soil staging area.

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



March 10, 2009

Mr. David Bays
Williams Four Corners
188 Road 4900
Bloomfield, N.M. 87413

Re: Renewal Discharge Permit
Lybrook Gas Plant (GW-047)
NE/4 NW/4 Section 14, Township 23 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Bays:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Four Corners LLC.**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

A handwritten signature in black ink that reads "Glenn van Gaster". The signature is written in a cursive style.

For Wayne Price
Environmental Bureau Chief
Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a Gas Processing Plant is \$4000.00. Please submit this amount along with the signed permit within 30 days. Checks should be made out to the New Mexico Water Quality Management Fund.

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on August, 9, 2014** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. Permit Terms and Conditions: Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. Owner/Operator Commitments: The owner/operator shall abide by all commitments submitted in its November 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

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

A. OCD Part 35 Waste: Pursuant to OCD Part 35 (19.15.35.8 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspected this facility on November 19, 2008. David Bays and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. Based on the inspection OCD determined the following:

Photo 2: Williams Four Corners shall retrofit their five ponds with a double liner with a leak detection system in accordance with Permit Condition 11.B.

Photo 8 & 9: During the inspection it appeared that was a discharge to the ground in this area. Williams shall ensure that all discharges are addressed in a proper and timely manner.

Photo 11: Williams shall ensure that these barrels properly contain its fluids and have proper secondary containment in accordance with Permit Condition 7.

Photo 12 & 13: These and all ASTs must be surrounded by appropriate lined secondary containment. See permit condition 9.

Photo 14 & 15: The secondary containment area must be kept clean of unnecessary debris and soil. Williams shall clean out the containment area.

Photo 17: Williams shall place this tank properly placed on an impermeable location within a secondary containment area.

Photo 18: Reminder the staging area for contaminated soil must be addressed within 180 days as it is considered waste (see Condition 6. B). Williams shall keep cells clean of any other debris, weeds, trash, etc.

The Lybrook Gas Plant appeared to be in good condition. **Williams Four Corners shall submit to the OCD Environmental Bureau a plan to retrofit the 5 ponds by April 17, 2009.** All other issues should be addressed in accordance with the permit conditions. Williams shall ensure that the Lybrook Gas Plant employees are aware of the discharge plant permit and its location onsite.

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

owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. ***An unauthorized discharge is a violation of this permit.***

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title _____

Date: _____

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

Time: 14:14 – 15:38

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Photo 1: Above ground storage tank near ponds.



Photo 2: Two of five ponds located on east side of facility.



Photo 3: Same AST in photo one with below ground tank.



Photo 4: Below grade tank top.



Photo 5: Below grade tank.



Photo 6: A sump within the facility holding fluids.

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

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Photo 7: A container holding fluids within the facility.



Photo 10: White residue near cooling tower.



Photo 8: Staining on the ground near building.



Photo 11: Placement of barrels.



Photo 9: Top of wall near staining in Photo 8.



Photo 12: Two AST's near the southern facility yard.

OCD Inspection: Williams Four Corners, Lybrook Gas Plant, GW - 047

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: David Bays

Date: 11.19.08

Time: 14:14 – 15:38

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Photo 13: Close up of two AST's in Photo 12.



Photo 16: Above ground tank in junk area.



Photo 14: Containment for drained items.



Photo 17: Saddle tank in junk area.



Photo 15: Containment for empty barrels.



Photo 18: Contaminated soil staging area.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, December 04, 2008 2:43 PM
To: 'Bays, David'
Cc: 'Deklau, Ingrid'
Subject: GW - 047 Administratively Complete
Attachments: GW-047, Admin Complete Letter.pdf; GW-047 Draft Permit.pdf; GW-047 Draft Permit.pdf

David,

GW-047 has been deemed to be administratively complete.

Attached are files for your records.

Note: According to my map this facility is located in NE/4 NW/4 of Section 14 and NOT as indicated on the application of NE/4 NE/4 of Section 14. Please confirm.

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



December 4, 2008

Dear David Bays:

**Re: Discharge Plan Renewal Permit GW-047
Williams Four Corners, LLC
Lybrook Gas Plant
Rio Arriba County, New Mexico**

The New Mexico Oil Conservation Division (NMOCD) has received Williams Four Corner's request and initial fee, dated November 2008, to renew the discharge permit, GW-047, for the Lybrook Gas Plant located in the NE/4 NW/4 of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

The New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC was satisfied and demonstrated to the NMOCD, once published submit the proof of publication affidavit to our office. The NMOCD will provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

Attached to this letter are the Draft Permit and the OCD version of the public notice for your records. The technical review of your submitted application will commence.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or leonard.lowe@state.nm.us. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Leonard Lowe
Environmental Engineer

LRL/lrl

xc: OCD District III Office, Aztec





New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



December 4, 2008

Mr. David Bays
Williams Four Corners
188 Road 4900
Bloomfield, N.M. 87413

Re: **DRAFT** Discharge Permit Renewal
Lybrook Gas Plant (GW-047)
NE/4 NW/4 Section 14, Township 23 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Bays:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Four Corners LLC.**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 45 days of receipt of this letter including permit fees.**

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

The final permit should be issued in approximately 45 days. If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief
Attachments-1
xc: OCD District Office

Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a Gas Processing Plant is \$4000.00. Please submit this amount along with the signed certification item 23 within 45 days. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on August, 8, 2014** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its November 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one atmosphere above the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 15 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

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

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15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspected this facility on November 19, 2008. David Bays and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. The inspection concluded the following:

Photo #

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Company name (not name above)

Company Representative- print name

Company Representative- Signature

Title

Date:

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-047) Mr. David Bays, Environmental Specialist, 188 County Road 4900, Bloomfield N.M. 87413 has submitted a renewal application for the previously approved discharge plan for their Lybrook Gas Processing Plant, located in the NE/4 NW/4 of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County. The Facility is located approximately 50 miles south east of Bloomfield N.M. on Highway 550 in the community of Lybrook. The facility is a natural gas conditioning and cryogenic plant. It extracts ethane and higher hydrocarbon gases from natural gas. Approximately 1 – 1.5 million gallons/year of waste water, 500 – 2000 gal/year/engine of used oil, and 250 – 500 gal/year of condensate are generated and stored in onsite. The processed waste and storm water are kept in five ponds located on the east side of the facility. Accidental discharge shall be resolved immediately. Fluids, other than clean water, including dry chemicals, shall be stored within secondary curbed containment. Waste shall be maintained and manifested. A copy of the discharge permit shall be on location at all times and made familiar to all facility personal. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 - 400 feet, with a total dissolved solids concentration of approximately 200- 2000 PPM.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerías y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México

(Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 4th day of October 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

2008 NOV 31 PM 1 27

November 26, 2008

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Subject: Discharge Plan Renewal Applications
Williams Four Corners, LLC Lybrook Gas Processing Plant (GW-047)

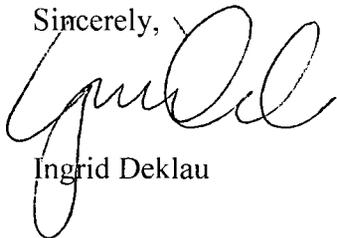
Dear Mr. Lowe:

On behalf of Williams Four Corners, LLC, Cirrus Consulting, LLC submitted the Discharge Plan renewal application for the Lybrook Gas Processing Plant (GW-047) to you via email on November 26, 2008. A copy of the email was also forwarded to Brandon Powell, OCD District 3 today.

Enclosed please find a check for \$100 to cover the filing fees for the facility.

If any additional information is needed, please contact me at the number below or Mr. David Bays of Williams Four Corners, LLC at (505) 634-4951.

Sincerely,



Ingrid Deklau

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 11/25/08

or cash received on _____ in the amount of \$ 100⁰⁰

from Ciras Consulting LLC

for GW-47

Submitted by: Lawrence Romero Date: 12/2/08

Submitted to ASD by: Lawrence Romero Date: 12/2/08

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

Cirrus Consulting, LLC

November 26, 2008

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Subject: Discharge Plan Renewal Applications
Williams Four Corners, LLC Lybrook Gas Processing Plant (GW-047)

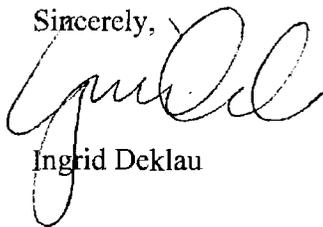
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Sincerely,



Ingrid Deklau

Cirrus Consulting, LLC
1828 Harrison Ave.
Salt Lake City, Utah 84108

Tel: (801) 583-3107

ideklau@cirrusllc.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Natural Gas Processing Plant (Lybrook Gas Plant, GW-047)
2. Operator: Williams Four Corners, LLC
Address: 188 County Road 4900, Bloomfield, NM 87413
Contact Person: David Bays Phone: (505) 634-4951
3. Location: NE/4 NE/4 Section 14 Township 23N Range 7W
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average daily quality and daily volume of waste water must be included.
8. Attach a description of current liquid waste and solid waste collection/treatment/disposal systems.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other rules, regulations, and/or orders.
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: David Bays Title: Environmental Specialist
Signature: *David Bays* Date: November 25, 2008
E-Mail Address: david.bays@williams.com



Lybrook Gas Processing Plant

**NMOCD Discharge Plan
GW-047 Renewal**

**Williams Four Corners, LLC
188 CR 4900
Bloomfield, NM 87413**

November 2008

Item 1

Indicate the major operational purpose of the facility. If the facility is a natural gas purification plant (CO₂ removal) and compressor station include the total combined site rated horsepower.

The Lybrook Plant is a natural gas conditioning plant owned and operated by Williams Four Corners, LLC (Williams). The station was originally constructed as a lean oil natural gas processing facility in 1959. It was upgraded to its current status as a cryogenic plant in 1976. Williams purchased the plant from Public Service of New Mexico in 1995. The plant is designed to extract ethane and higher hydrocarbon gases from natural gas. The site is permitted for seven 1200 hp Solar turbines, one 1600 hp Solar turbine, and two 830 hp Clark reciprocating compressor engines. In addition, there are various storage tanks, support structures and ancillary equipment.

Item 2

Name of operator or legally responsible party and local representative.

**Legally Responsible Party/
Operator** Williams Four Corners, LLC
188 County Road 4900
Bloomfield, NM 87413
(505) 632-4600/4634
(800)-645-7400 (24 hour emergency notification)

Local Representative David Bays
Williams Four Corners, LLC
188 County Road 4900
Bloomfield, NM 87413
(505) 634-4951

Item 3

Give a legal description of the location and county. Attach a large-scale topographic map.

Rio Arriba County, New Mexico
Township 23 North, Range 7 West, NE/4 NE/4 Section 14
The topographic map is attached as Figure 1.

Item 4

Attach the name, telephone number and address of the landowner of the facility site.

Williams
PO Box 2400
Tulsa, OK 74101
800-945-5426

Item 5

Attach a description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

As discussed in Item 1, the facility is permitted for seven 1200 hp Solar Saturn turbines, one 1600 hp Solar Saturn turbine, and two 830 hp Clark HRA-8 engines. The tank list has been updated, and is included as Table 1 to this document. The facility plot plan has been updated and is included with this document as Figure 2. See additional information on-file at OCD.

Item 6

Attach a description of all materials stored or used at the facility.

Table 1 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site.

MSDSs for materials at the site will be maintained in Williams' corporate office and will be available upon request.

Item 7

Attach a description of present sources of effluent and waste solids. Average quality and daily volume of wastewater must be included.

The source, quantity, and quality of effluent and waste solids expected to be generated at the compressor station are summarized in Table 2.

Item 8

Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

The tank list has been updated. Also, there have been no modifications except that used oil filters and oil soaked pads and socks will be recycled per OCD regulations. This is reflected in Table 1, which describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site. See additional information on-file at OCD.

Item 9

Attach a description of proposed modifications to existing collection/treatment/disposal systems.

No modifications to the facility are necessary to meet NMOCD requirements.

Item 10

Attach a routine inspection and maintenance plan to ensure permit compliance.

There have been no modifications to this item. See information on-file at OCD.

Item 11

Attach a contingency plan for reporting and clean up of spills or releases.

There have been no modifications to this item. See information on-file at OCD.

Item 12

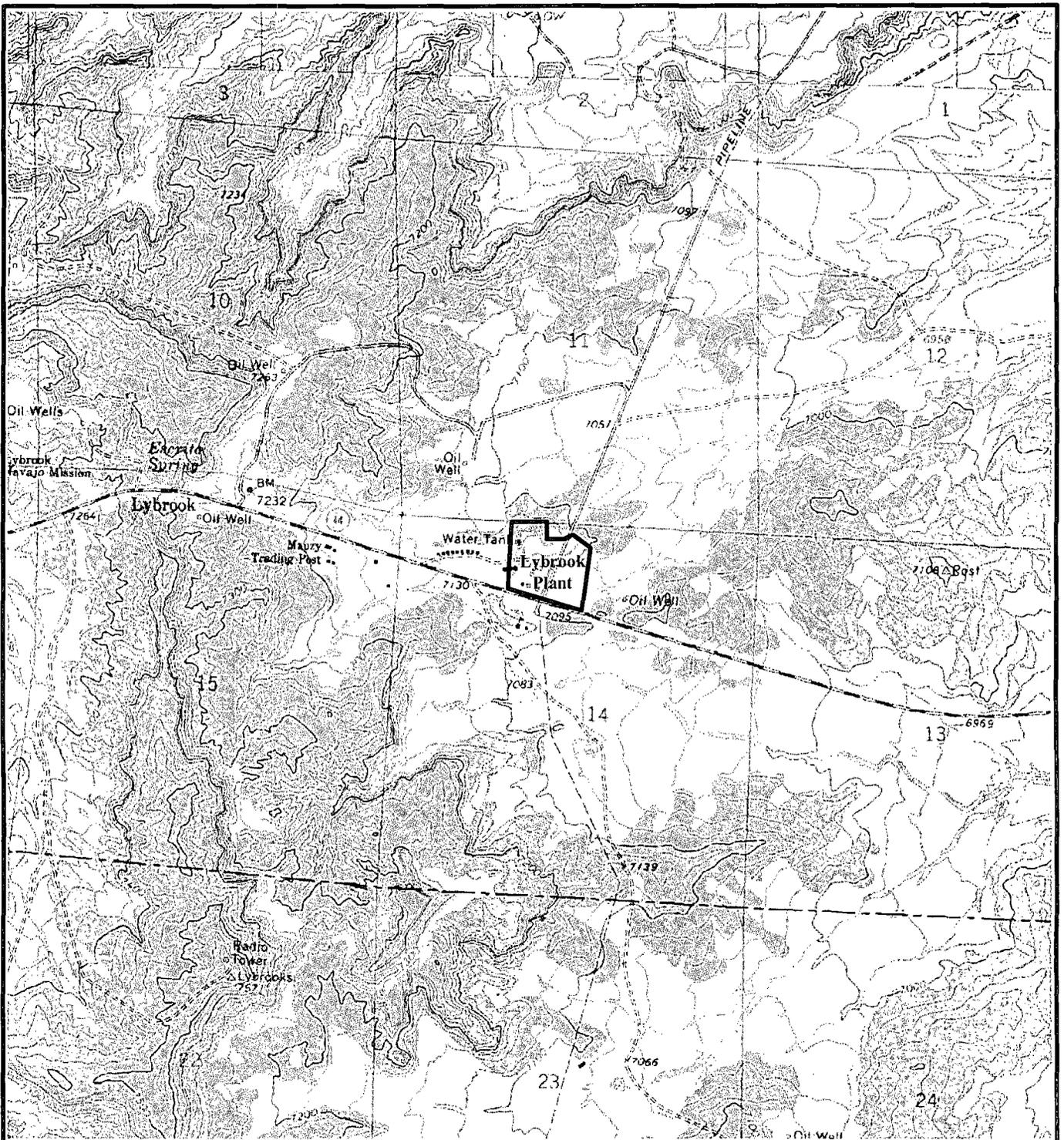
Attach ecological/hydrological information for the facility. Depth to and quality of groundwater must be included.

A current well search was performed using the New Mexico Office of the State Engineer's WATERS Database for this renewal application. There is no new information to report for this item. There are one water well located within the Lybrook Plant. Information previously reported to OCD indicates estimated groundwater depth at the site is 100-400 feet. The total dissolved solids concentration of area groundwater is expected to range from 200 to 2000 parts per million. See additional information on-file at OCD.

Item 13

Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

There have been no modifications to this section. See information on-file at OCD.



Source: USGS Lybrook, NM Quadrangle

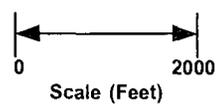


Figure 1 Site Vicinity / Topographic Map

Lybrook Plant

Section 14, Township 23N Range 7W
Rio Arriba County, New Mexico

**Table 1
Transfer, Storage and Disposal of Process Fluids, Effluent and Waste Solids**

PROCESS FLUID/WASTE	STORAGE	STORAGE CAPACITY (approximate)	CONTAINMENT/ SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
Used Oil (Tank j)	Above Ground Storage Tank	4898 gal	Concrete block walls, concrete floor	Non-exempt	May be hauled to a Williams or contractor consolidation point before transport to EPA-registered used oil marketer for recycling.
Used Oil-filter draining (Tank o)	Above Ground Storage Tank	1175 gal	Concrete Pad		May be hauled to a Williams or contractor consolidation point before transport to EPA-registered used oil marketer for recycling.
Used Oil/Condensate (Tank Y)	Above Ground Storage Tank	4200 gal	Earthen floor with metal walls	Non-exempt	Saleable liquids may be sold to refinery. The remaining liquids may be transported to a Williams' evaporation facility or may be disposed at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste.
Used Oil (Tank z)	Above Ground Storage Tank	600	Concrete block with concrete floor		May be hauled to a Williams or contractor consolidation point before transport to EPA-registered used oil marketer for recycling.
Waste Water	Pond	N/A	Double-lined	Non-exempt	Liquids are directed to the pond for evaporation. Liquids may be transported for disposal at any facility permitted by any state, federal, or tribal agency to receive such waste; or evaporation at Williams' facility may be considered. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste.
Used Oil Filters and Oil Soaked Pads and Socks	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Used oil filters and oil soaked pads and socks will be recycled as required by OCD regulations.
Used Process Filters	Drum or other container	Varies	Transported in drum or other container	Exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Spill Residue (e.g., soil, gravel, etc.)	N/A	N/A	In situ treatment, land-farm, or alternate method	Incident dependent	Per Section VI, Remediation, in 8/13/93 NMOCD Guidelines for Remediation of Leaks, Spills, and Releases.
Used Absorbents	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Empty Drums / Containers	N/A	N/A	Berm	Non-exempt	Barrels are returned to supplier or transported to a Williams or contractor consolidation point and ultimately recycled/disposed consistent with applicable regulations.
Y-Grade Product (Tank a)	Above Ground Storage Tank	2 @ 50,000 gal	N/A	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Propane Product (Tank b)	Above Ground Storage Tank	2 @ 50,000 gal	N/A	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Propane Product (Tank c)	Above Ground Storage Tank	4 @ 90,000 gal	N/A	N/A	Off-spec material recycled or disposed consistent with applicable regulations.

Table 1 (continued)
Transfer, Storage and Disposal of Process Fluids, Effluent and Waste Solids

PROCESS FLUID/WASTE	STORAGE	STORAGE CAPACITY (approximate)	CONTAINMENT/ SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
Butane Product (Tank d)	Above Ground Storage Tank	2 @ 40,000 gal	N/A	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Natural Gasoline Product (Tank e)	Above Ground Storage Tank2	2 @ 42,887 gal	Metal walls with earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Hot Oil (Thermaline) (Tank f)	Above Ground Storage Tank	13,350 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Abandoned (Tank g)	Above Ground Storage Tank	21,000 gal	Concrete block walls, earthen floor	N/A	Out of service.
Odorant Storage (Tank h)	Above Ground Storage Tank	100 gal 300 gal	Volatile liquid, not required	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Diesel (Tank k)	Above Ground Storage Tank	300 gal	Concrete block walls, concrete floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Petroleum Solvent (Tank l)	Above Ground Storage Tank	300 gal	Concrete Block walls, concrete floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Gasoline (Tank m)	Above Ground Storage Tank	3000 gal	Concrete block walls, concrete floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Diesel (Tank n)	Above Ground Storage Tank	180 gal	Steel Tray and Steel Tank	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Odorant (Tank o)	Above Ground Storage Tank	2 @ 100 gal	Volatile liquid, not required	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Lube Oil (Tank p)	Above Ground Storage Tank	2015 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Abandoned (Tank q)	Above Ground Storage Tank	2820	Concrete block walls, earthen floor	N/A	Out of service.
Methanol (Tank r)	Above Ground Storage Tank	4516 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Amine (Tank s) (Tank t)	Above Ground Storage Tank	4516 gal 12,451 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Expander Lube Oil (Tank u)	Drum	55 gal	Concrete Pad	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Ambitrol (Tank v)	Above Ground Storage Tank	1300 gal	Corrugated metal walls, vinyl floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Ambitrol (Tank w)	Above Ground Storage Tank	2000 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Clark Lube Oil (Tank x)	Above Ground Storage Tank	3760 gal	Concrete block walls, earthen floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.

**Table 1 (continued)
Transfer, Storage and Disposal of Process Fluids, Effluent and Waste Solids**

PROCESS FLUID/WASTE	STORAGE	STORAGE CAPACITY (approximate)	CONTAINMENT/ SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
York Lube Oil (Tank ab)	Above Ground Storage Tank	55 gal	Metal tank	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Lube Oil (Tank ac)	Above Ground Storage Tank	500 gal	Metal tank	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Lube Oil (Tank ad)	Above Ground Storage Tank	1000 gal	Metal containment, gravel floor	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Lube Oil (Tank ae)	Above Ground Storage Tank	300 gal	Metal containment, inside Clark Bldg	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Oil (Tank af)	Above Ground Storage Tank	4898 gal	Tank present but not in use. Empty.	N/A	Off-spec material recycled or disposed consistent with applicable regulations.

**Table 2
Source, Quantity, and Quality of Effluent and Waste Solids**

PROCESS FLUID / WASTE	SOURCE	QUANTITY (Ranges)	QUALITY
Natural Gas Condensate/ Produced Water	Inlet Scrubber, Gas Inlet Separator, Dehydrators, Condensate Tank	2000-8000 bbl/year	No Additives
Condensate/Used Oil	Flare Separator	250-500 gal/year	Liquid hydrocarbons with trace amine
Waste Water	Cooling Tower, Chiller Regen Water, Open Drain System / Wash Down Water, Process Containment Drains	1-1.5 million gallons/year	High TDS water, dissolved salts, traces of amine, glycol and oil
Waste Water/ Wash Down Water	Compressor and Dehy Skids; Process Areas; Condensate Tank	100-5000 gal/year/unit	Biodegradable soap and tap water with traces of used oil
Used Glycol/ Antifreeze/ Methanol/ Amine/ Ambitrol	Site and Field Dehydration/ Coolant/ Gas Processing	0-4000 bbl/yr	No additives
Used Solvent	Parts Cleaner; Pipeline Additive	0-500 gal/year	No additives
Used Oil	Compressors	500-2000 gal/year/engine	Used Motor Oil w/ No Additives
Used Oil Filters	Compressors	50-500/year/engine	No Additives
Used Process Filters	Charcoal, Activated Carbon, Molecular Sieve	50-500 cubic yd/yr	No Additives
Used Process Filters	Air, Inlet, Fuel, Fuel Gas, Glycol, Amine, Ambitrol, Separator	75-500/year	No Additives
Empty Drums/Containers	Liquid Containers	0-80/year	No Additives
Spill Residue (i.e. soil, gravel, etc)	Incidental Spill	Incident Dependent	Incident Dependent
Used Absorbents	Incidental Spill/Leak Equipment Wipe-down	Incident Dependent	No Additives

PUBLIC NOTICE

Williams Four Corners, LLC, 188 County Road 4900, Bloomfield, New Mexico 87413, submitted a renewal application in November 2008 to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division for the previously approved discharge plan GW-047 for their Lybrook Gas Processing Plant located in the NE/4, NE/4 of Section 14 Township 23 North, Range 7 West in Rio Arriba County, New Mexico. The facility, located approximately 50 miles southeast of Bloomfield, provides natural gas conditioning services.

The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Typical materials generated or used at the facility include natural gas condensate/produced water, new and used lube oil, oily waste water from equipment wash down, and glycol. The quantity of wastewater generated is 100 – 5000 gallons per year per engine. The facility does not discharge to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers equipped with secondary containment, or the wastewater storage pond. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. The estimated ground water depth at the site is expected to be in the range of 50-200 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 200-2,000 parts per million.

Any interested person or persons may obtain information, submit comments or request to be placed on a facility-specific mailing list for future notices by contacting Leonard Lowe at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3492. The OCD will accept comments and statements of interest regarding the renewal and will create a facility-specific mailing list for persons who wish to receive future notices.

ATENCIÓN PÚBLICA

Williams Four Corners, LLC, County Road 4900, Bloomfield, NM 87413, han presentado una aplicación de renovación en noviembre de 2008 a la New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division para la descarga antes aprobada planean GW-308 para su Martinez Draw Compressor Station localizada en el NE/4, NW/4 de la Sección 17, Municipio 31 Norte, Recorren 50este en Rio Arriba County, New Mexico. La instalación, este de aproximadamente 40 millas localizado de Aztec, proporciona servicios de acondicionamiento y compresión de gas naturales.

El plan de descarga se dirige como las caídas, los agujeros, y otras descargas casuales a la superficie serán manejados. Los materiales típicos generados o usados en la instalación incluyen el echar agua condensado/producir de gas natural, el petróleo de lubricación nuevo y usado, echar agua de desecho aceitoso del equipo se lavan abajo, y glicol. La cantidad de wastewater generado es 100 – 5000 galones por año por motor. La instalación no descarga para revestir o subrevestir los echares agua. Toda la basura generada será temporalmente almacenada en tanques o contenedores equipados con la contención secundaria, o la charca del almacenaje de las aguas residuales. La basura transportó offsite será dispuesto o reciclado en una instalación permitida por la agencia estatal, federal, o tribal recibir tal basura. Se espera que la profundidad de agua subterránea estimada en el sitio esté en la variedad de 50-200 pies. El total se disolvió se espera que la concentración de sólidos del agua subterránea de área esté en la variedad de 200-2,000 partes por millón.

Cualquier persona interesada o personas pueden obtener la información, presentar comentarios o solicitar para ser colocado en una lista de direcciones específica de instalación para futuros avisos por ponerse en contacto con Leonard Lowe en el Nuevo México OCD en 1220 Sur San. Francis Drive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3492. El OCD aceptará comentarios y declaraciones del interés en cuanto a la renovación y creará una lista de direcciones específica de instalación para personas que desean recibir futuros avisos.

ATTACHMENT TO THE DISCHARGE PERMIT GW-047
WILLIAMS FIELD SERVICES COMPANY
LYBROOK GAS PLANT
DISCHARGE PERMIT APPROVAL CONDITIONS
(September 22, 2004)

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. The \$4,000.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.
2. Williams Field Services Company Commitments: Williams Field Services Company will abide by all commitments submitted in the Discharge Permit renewal application dated July 26, 2004.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to Discharge Permit. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans that are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: Williams Field Services Company shall maintain storm water runoff controls. As a result of Williams Field Services Company's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Field Services Company shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Field Services Company shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the Lybrook Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Lybrook Gas Plant a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Williams Field Services Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

WILLIAMS FIELD SERVICES COMPANY

by



Title

MICHAEL K. LNE

ENVIRONMENTAL SPECIALIST



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

September 22, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Mr. Michael K. Lane
Williams Field Services Company
118 CR 4900
Bloomfield, New Mexico 87413

**RE: Discharge Plan Renewal GW-047
Lybrook Gas Plant
Rio Arriba County, New Mexico**

Dear Mr. Lane:

The discharge permit renewal GW-047 for the Williams Field Services Company Lybrook Gas Plant located in the NE/4 NW4 of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge permit approval for GW-047 dated August 8, 1989, the renewal application dated July 26, 2004 and the attached stipulations of approval. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.**

The Discharge Permit application was submitted pursuant to 20 NMAC 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to 20 NMAC 3109.A. Please note 20 NMAC 3109.E and 20 NMAC 3109.F, which provide for possible future amendments or modifications of the permit. Please be advised that approval of this permit does not relieve Williams Field Services Company of liability should operations result in pollution of surface water, ground water, or the environment.

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

Please note that 20 NMAC 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to 20 NMAC 3107.C., Williams Field Services Company is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Mr. Michael K. Lane
Lybrook Gas Plant, GW-047
September 22, 2004
Page 2

Pursuant to 20 NMAC 3109.G.4., this permit is for a period of five (5) years. This approval will expire on March 31, 2009, and you should submit an application in ample time before this date. Note that under 20 NMAC 3106.F. of the regulations, if a discharger submits a Discharge Permit application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge permit facilities will be required to submit the results of an underground drainage testing program as a requirement for Discharge Permit.

The Discharge Permit application for the Williams Field Services Company Eunice Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge permit application will be assessed a fee equal to the filing fee of \$100 plus a flat fee of \$4,000.00 for gas processing plants. The flat fee for an approved discharge plan may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval. The OCD has received the filing fee.

Please make all checks payable to: **Water Management Quality Management Fund**
C/o: Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/wjf

cc: OCD Aztec District Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-047
WILLIAMS FIELD SERVICES COMPANY
LYBROOK GAS PLANT
DISCHARGE PERMIT APPROVAL CONDITIONS
(September 22, 2004)

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. The \$4,000.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.
2. Williams Field Services Company Commitments: Williams Field Services Company will abide by all commitments submitted in the Discharge Permit renewal application dated July 26, 2004.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
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12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: Williams Field Services Company shall maintain storm water runoff controls. As a result of Williams Field Services Company's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Field Services Company shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Field Services Company shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the Lybrook Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Lybrook Gas Plant a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Williams Field Services Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

WILLIAMS FIELD SERVICES COMPANY

by _____
Title

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-047
WILLIAMS FIELD SERVICES
LYBROOK NATURAL GAS PROCESSING PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(September 15, 1999)

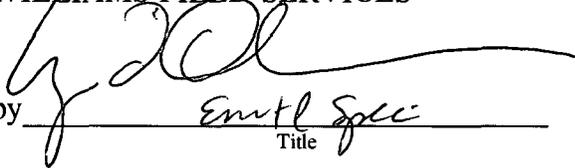
1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for natural gas plants. The renewal flat fee required for this facility is \$1,667.50 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval.
2. Williams Field Services Commitments: Williams Field Services will abide by all commitments submitted in the discharge plan renewal application dated April 8, 1999 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
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10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than December 31, 1999 and every 5 years, from tested date, thereafter. The permittee may propose various methods for testing such as pressure testing to 3 pounds-per-square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the Lybrook Natural Gas Processing Plant are discontinued for a period in excess of six months. Prior to closure of the Lybrook Natural Gas Processing Plant a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
16. Certification: Williams Field Services, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

WILLIAMS FIELD SERVICES


by _____
Title

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9-23-99,
or cash received on _____ in the amount of \$ 6,667.50

from Williams Field Services

for Lybrook Gas Plant GW-048

Submitted by: W. J. Paul Date: 10-1-99

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2000

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

THIS MULTI-TONE AREA OF THE DOCUMENT CHANGES COLOR GRADUALLY AND EVENLY FROM DARK TO LIGHT WITH DARKER AREAS BOTH TOP AND BOTTOM. IT ALSO HAS A REFLECTIVE WATERMARK ON THE BACK.

COMMUNITY NATIONAL BANK
OKMORCH, OK 73162

WILLIAMS FIELD SERVICES COMPANY
1800 South Baltimore Avenue • P.O. Box 645 • Tulsa, OK 74101-0645

86-135
1231

DATE: 09/23/1999

PAY TO THE ORDER OF:

PAY → *****\$1,667.50

NEW MEXICO OIL CONSERVATION DI
NM WATER QUALITY MGMT FUND
2040 S PACHECO

VOID AFTER 180 DAYS

SANTA FE
United States

NM 87504

W. J. Paul
Authorized Signer

INVOICE NUMBER	INVOICE DATE	BATCH NAME	INVOICE DESCRIPTION	NET AMOUNT
GW-047, 9-15-99	199909	0018831-SLC099907010		1,667.50

CHECK NUMBER	PAY DATE	SUPPLIER NUMBER	SUPPLIER NAME	TOTAL AMOUNT
[REDACTED]	09/23/1999	40665	NEW MEXICO OIL CONSERVATION DI	\$1,667.50



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 15, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-532

Ms. Ingrid Dekalu
Williams Field Services
P.O. Box 58900
Salt Lake City, Utah 84108

**RE: Discharge Plan Renewal GW-047
Williams Field Services
Lybrook Natural Gas Processing Plant
Rio Arriba County, New Mexico**

Dear Ms. Deklau:

The ground water discharge plan renewal GW-047 for the Williams Field Services Lybrook Natural Gas Processing Plant located in the N/2 NW/4 of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the discharge plan as approved August 9, 1989 and renewed September 13, 1994, approved modification dated September 27, 1996, approved modification dated February 18, 1998, and renewal application dated April 8, 1999. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.**

The discharge plan renewal application was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F, which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve Williams Field Services of liability should operations result in pollution of surface water, ground water, or the environment.

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

Ms. Ingrid Deklau
GW- 047 Lybrook Natural Gas Processing Plant
September 15, 1999
Page 2

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

Pursuant to Section 3109.G.4., this renewal plan is for a period of five years. This renewal will expire on **August 8, 2004**, and Williams Field Services should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan .

The discharge plan renewal application for the Williams Field Services Lybrook Natural Gas Processing Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of \$50. There is a renewal flat fee assessed for gas plant facilities equal to one-half of the original flat fee or \$1,667.50. The OCD has received the filing fee.

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

Sincerely,



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

Z 274 520 532 0CD
FORD

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

Sent to	F. Deklau
Street & Number	WFS
Post Office, State, & ZIP Code	SANTA FE, NM 87502
Postage	\$
Certified Fee	\$
Special Delivery Fee	SEP 16 1999
Restricted Delivery Fee	\$
Return Receipt Showing to Whom & Date Delivered	SBS
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	GW-047

PS Form 3800 April 1995

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-047
WILLIAMS FIELD SERVICES
LYBROOK NATURAL GAS PROCESSING PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(September 15, 1999)

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14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the Lybrook Natural Gas Processing Plant are discontinued for a period in excess of six months. Prior to closure of the Lybrook Natural Gas Processing Plant a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

Accepted:

WILLIAMS FIELD SERVICES

by _____
Title