

**GW - 50-4**

**PERMITS,  
RENEWALS,  
& MODS**

RECEIVED  
FEB 14  
CONSERVATION DIVISION

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-50-04  
AGAVE ENERGY COMPANY  
NED STATE COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
January 22, 2001

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 compressor stations with horsepower rating 116 horsepower. The renewal flat fee required for this facility is \$0.
2. Commitments: Agave Energy Company will abide by all commitments submitted in the discharge plan renewal application letter dated March 31, 2000 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than N/A and every five (5) years thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
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 Artesia District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: N/A

16. Closure: The OCD will be notified when operations of the Ned State Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Ned State Compressor Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
  
17. Conditions accepted by: Agave Energy Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Agave Energy 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.

**Agave Energy Company**

Print Name: Paula Haggith

Signature: Paula Haggith

Title: Engineer

Date: 2/12/01



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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

**Lori Wrotenbery**  
Director  
**Oil Conservation Division**

January 22, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051-6076**

**Ms. Paula Haggith**  
**Agave Energy Company**  
**105 South Fourth Street**  
**Artesia, New Mexico 88210**

**RE: Discharge Plan Renewal GW-50-04**  
**Agave Energy Company**  
**Ned State Compressor Station**  
**Chaves County, New Mexico**

Dear Ms. Haggith:

The ground water discharge plan renewal application **GW-50-04** for the **Agave Energy Company Ned State Compressor Station** located in the SE/4 NE/4 of Section 4, Township 9 South, Range 23 East, NMPM, Chaves County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe office within 10 working days of receipt of this letter.

The original discharge plan application was submitted on November 1, 1988 and approved June 13, 1989. The discharge plan renewal application letter, dated March 31, 2000, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals. The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G, which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Agave Energy Company of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Agave Energy Company of its responsibility to comply with any other governmental authority's rules and regulations.

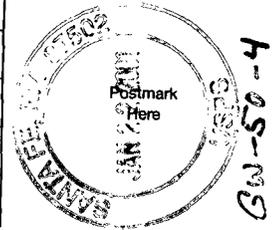
Please be advised that all exposed pits, including lined pits and open tanks (exceeding 16 feet in diameter) shall be screened, netted or otherwise rendered nonhazardous to wildlife including migratory birds.

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To:

7099 3220 0000 5051 6076

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Name (Please Print Clearly) (To be completed by mailer)  
**MS. PAULA HAGGITH / AGAVE ENERGY**  
 Street, Apt. No.; or PO Box No.  
**105 SOUTH FOURTH ST.**  
 City, State, ZIP+4  
**ARTESIA, NM 88210**

PS Form 3800, July 1999 See Reverse for Instructions

Ms Paula Haggith  
GW-50-04  
January 22, 2001  
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, Agave Energy 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.

Pursuant to Section 3109.H.4, this renewal plan is for a period of five years. This renewal will expire on **June 13, 2004**, and Agave Energy Company should submit an application in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.

The discharge plan renewal application for the Agave Energy Company Ned State Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of \$50.00. There is a renewal flat fee assessed for gas compressor station facilities with horsepower rating 116 horsepower equal to one-half of the original flat fee or 0. 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/eem  
Attachment

Xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-50-04  
AGAVE ENERGY COMPANY  
NED STATE COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
January 22, 2001

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

16. Closure: The OCD will be notified when operations of the Ned State Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Ned State Compressor Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
  
17. Conditions accepted by: Agave Energy Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Agave Energy 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.

**Agave Energy Company**

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

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

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

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



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

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

June 13, 1994

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-176-012-225**

Mr. Larry Campbell  
Transwestern Pipeline Company  
P.O. Box 1717  
Roswell, New Mexico 88202-1717

**Re: Discharge Plan (GW-50)  
Enron-6 Compressor Stations  
Chaves County, New Mexico**

Dear Mr. Campbell:

The groundwater discharge plan (GW-50) for the Transwestern Pipeline Company Enron-6 Compressor Stations with arsenic removal systems is hereby approved. The location of the six compressor stations are as follows:

- 5 (GW-50-1) Bitter Lake Station, NE/4 NW/4, Section 10, Township 9 South, Range 25 East, NMPM, Chaves County, New Mexico.
- (GW-50-2) Hay Stack Station, NE/4 SW/4, Section 21, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico.
- (GW-50-3) Isler Station, NE/4 SE/4, Section 15, Township 7 South, Range 26 East, NMPM, Chaves County, New Mexico.
- (GW-50-4) Ned Station, SE/4 NE/4, Section 5, Township 9 South, Range 23 East, NMPM, Chaves County, New Mexico.
- (GW-50-5) Red Bluff #1 Station, NW/4 SE/4, Section 2, Township 8 South, Range 22 East, NMPM, Chaves County, New Mexico.
- (GW-50-6) Salt Creek Station, NE/4 NW/4, Section 26, Township 8 South, Range 22 East, NMPM, Chaves County, New Mexico.

The discharge plan consists of the plan dated November 1, 1988, supplemental materials dated April 18, 1989 and the renewal application dated April 15, 1994.

Mr. Campbell  
June 13, 1994

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

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

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

Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire June 13, 1999 and you should submit an application for renewal in ample time before that date.

The discharge plan application for the Transwestern Pipeline Company Enron-6 Compressor Stations are subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars and a flat rate fee. Discharge plan (GW-50) will be assessed one application fee of fifty (\$50) dollars. The flat rate fees will be assessed as follows:

- (GW-50-1) thirteen-hundred eighty (\$1380) dollars for a compressor station in excess of 3000 horsepower.
- (GW-50-2) six-hundred ninety (\$690) for a compressor station of more than 1000 horsepower and less than 3000 horsepower.
- (GW-50-3) six-hundred ninety (\$690) for a compressor station of more than 1000 horsepower and less than 3000 horsepower.
- (GW-50-4) there is no flat rate fee for compressor stations with less than 1000 horsepower.
- (GW-50-5) thirteen-hundred eighty (\$1380) for compressor stations in excess of 3000 horsepower.
- (GW-50-6) six-hundred ninety (\$690) dollars for compressor stations of more than 1000 horsepower and less than 3000 horsepower.

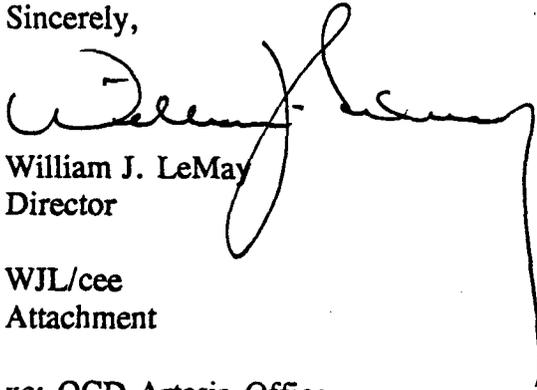
The total flat rate fee for (GW-50) is four-thousand eight-hundred thirty (\$4830) dollars. This can be paid in full or in increments of five annual installments with the first payment due upon receipt of this letter.

Mr. Campbell  
June 13, 1994

The OCD has not received your \$50 filing fee. This \$50 application fee is due immediately upon receipt of this letter.

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

Sincerely,



William J. LeMay  
Director

WJL/cee  
Attachment

xc: OCD Artesia Office

**ENRON-6-APP**

<b>Is your RETURN ADDRESS completed on the reverse side?</b>	<b>SENDER:</b> <ul style="list-style-type: none"><li>• Complete items 1 and/or 2 for additional services.</li><li>• Complete items 3, and 4a &amp; b.</li><li>• Print your name and address on the reverse of this form so that we can return this card to you.</li><li>• Attach this form to the front of the mailpiece or on the back if space does not permit.</li><li>• Write "Return Receipt Requested" on the mailpiece below the article number.</li><li>• The Return Receipt will show to whom the article was delivered and the date delivered.</li></ul>	I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
	3. Article Addressed to: Mr. Larry Campbell Transwestern Pipeline PO Box 1717 Roswell, NM 88202-1717	4a. Article Number P176 012 225
	4b. Service type: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	7. Date of Delivery JUN 21 1994
	5. Signature (Addressee) <i>Larry Campbell</i>	8. Addressee's Address (Only if requested and fee is paid) 88202
	6. Signature (Agent)	

PS Form 3811, December 1991 ☆ U.S.G.P.O.: 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

ATTACHMENT TO THE DISCHARGE PLAN GW-50 APPROVAL  
TRANSWESTERN PIPELINE COMPANY  
ENRON-6 COMPRESSOR STATIONS  
DISCHARGE PLAN REQUIREMENTS  
(JUNE 8, 1994)

1. Drum Storage: All drums will be stored on pad and curb type containment.
2. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their design. All existing sumps will be cleaned out and inspected for integrity on an annual basis.
3. Berms: All tanks that contain materials other than freshwater will be bermed to contain one and one-third (1-1/3) the capacity of the largest tank within the berm or one and one-third (1-1/3) the total capacity of all interconnected tanks.
4. Pressure testing: All discharge plan facilities are required to pressure test all underground piping at the time of discharge plan renewal. All new underground piping shall be designed and installed to allow for isolation and pressure testing at 3 psi above normal operating pressure.
5. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.
6. OCD Inspection: Additional requirements may be placed on the facility based upon results from OCD inspections.