

GW -

65

**PERMITS,
RENEWALS,
& MODS**

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 2/11/11

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

from Gas Company of New Mexico

for GW-65

Submitted by: Lawrence Rencio Date: 2/28/11

Submitted to ASD by: Lawrence Rencio Date: 2/28/11

Received in ASD by: _____ Date: _____

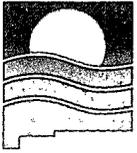
Filing Fee New Facility _____ Renewal

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2010

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____



New Mexico
GAS COMPANY

RECEIVED OOD
2011 FEB 25 P 12:44

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

February 24, 2011

Oil Conservation Division
Attn: Leonard Lowe
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: NMGC Discharge Plans GW-065, -066, and -263
Discharge Plan Approvals for Redonda, Espejo, and Star Lake Compressor Stations

Dear Mr. Lowe:

Attached please find signed original copies of the discharge plan renewal applications for the above-referenced compressor stations. New Mexico Gas Company is submitting a check in the amount of \$300 to cover the application fees for the three compressor stations (\$100/facility).

Thank you for your assistance regarding this matter. Please call me at (505) 697-3516 if you have any questions.

Sincerely,

Marcelle Fiedler
Senior Environmental Scientist

cc: Arlington Kennedy, NMGC Gas Operations (cover letter only)
Curtis Winner, NMGC Land Services Manager
OCD District III, Aztec office (one copy of Star Lake Discharge Plan renewal application)

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 the OCD Guidelines for assistance in completing the application)

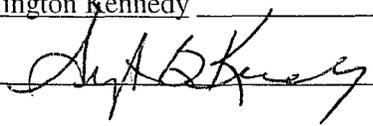
New Renewal Modification

1. Type: Redonda Compressor Station GW-654: 225.11
2. Operator: New Mexico Gas Company (NMGC)
Address: 7120 Wyoming Blvd., NE, Ste 20, Albuquerque, NM 87109
Contact Person: Arlington Kennedy Phone: (505) 697-3447
3. Location: SE/4 NW/4 Section 25 Township 8N Range 3W
Submit large-scale topographic map showing exact location. (see attached map)
4. Attach the name, telephone number and address of the landowner of the facility site. (no change)
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. (see revised facility diagram)
6. Attach a description of all materials stored or used at the facility. (see revised attached Item 6)
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. (no change)
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. (see revised attached Item 8)
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. (no change)
10. Attach a routine inspection and maintenance plan to ensure permit compliance. (see revised attached Item 10)
11. Attach a contingency plan for reporting and clean-up of spills or releases. (no change)
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included. (no change)
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. (no change)

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: Arlington Kennedy

Title: Gas Compression Operations Supervisor II

Signature: 

Date: 2-8-11

E-mail

Address: arlington.kennedy@nmgco.com

General Information

This document follows the format presented in the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations (Revised 12-95)".

A. Name of Discharger or Legally Responsible Party:

New Mexico Gas Company (NMGC)
7120 Wyoming Blvd., NE, Ste 20
Albuquerque, NM 87109

B. Name of Local Representative or Contact Person:

Facility Contact: Arlington Kennedy
New Mexico Gas Company (NMGC)
7120 Wyoming Blvd., NE, Ste 20
Albuquerque, NM 87109
(505) 697-3447

Senior Gas Compression Technician: Mark Vice
Star Lake
NW ¼, Section 34, Township 20 North, Range 6 West, NMPM
McKinley County, New Mexico

Permit Application Contact: Mark Sikelianos
New Mexico Gas Company (NMGC)
7120 Wyoming Blvd., NE, Ste 20
Albuquerque, NM 87109
(505) 697-3508

C. Location of Discharge:

SE ¼ of the NW ¼, Section 25, Township 8 North, Range 3 West, NMPM
Valencia County, New Mexico

D. Copies:

Three (3) copies of Discharge Plan Renewal Application are submitted to OCD.

E. Affirmation:

"I hereby certify that I am familiar with the information contained herein and submitted with this discharge plan and that such information is true, accurate and complete to the best of my knowledge."


Signature

2-8-11
Date

Arlington Kennedy
Printed Name

Compression Operations Supervisor
Title

Item 6: Revised

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

Container	ID No.	Material Stored	Volume (gallons)	Location	Containment
IGT	TK-1	Used oil	2940	Northwest of compressors	Double walled, double bottomed in secondary containment, galvanized steel/gravel
IGT	TK-2	Waste water	2940	Northwest of compressors	Double walled, double bottomed in secondary containment, galvanized steel/gravel
AGT	TK-3	Ambitrol (FL-50) and lube oil (Pegasus 805)	6000 (3000 Ambitrol and 3000 lube oil)	Northwest of compressors	Secondary containment, galvanized steel/cement
AGT	TK-4	Pipeline liquids (condensate)	2000	Southeast of compressors	Secondary containment, galvanized steel/cement

TK: tank

IGT: in ground tank

AGT: above ground tank

Item 8: Revised

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

<i>Type of Waste</i>	<i>Collection</i>	<i>Storage</i>	<i>Hauled by</i>	<i>Disposal</i>
Pipeline liquids (condensate)	Piped to TK-4 by 1" dump lines	TK-4	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Used oil	Piped to TK-1 by 2" lines	TK-1	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Waste water	Piped to TK-2 by 2" lines	TK-2	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil
Solid Waste	None on-site	Trash hauled to Espejo Compressor Station as generated	NMGC to Espejo Compressor Station	Waste Management Landfill, Rio Rancho, NM
(used filters)	Drained into barrels	Secondary containment area	Thermo Fluids Mesa Oil	Thermo Fluids Mesa Oil

Thermo Fluids - Albuquerque, NM 87105 (505) 247-9699

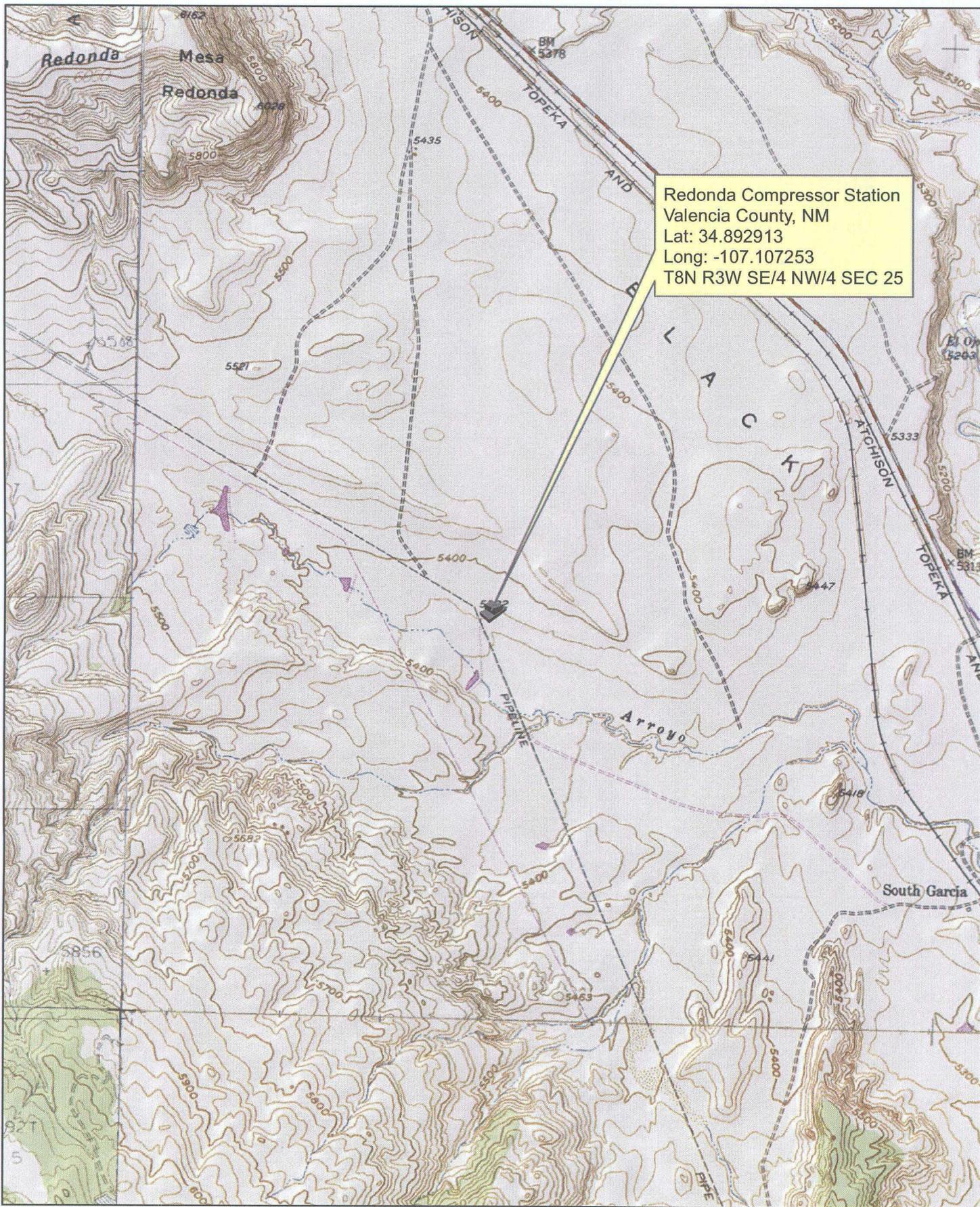
Waste Management Landfill, 402 Industrial Park Loop, NE, Rio Rancho, NM 87124 (505) 892-2055

NMGC performed pressure testing on the underground wastewater and condensate lines on August 21, 2009 and submitted to results to the Oil Conservation Division. NMGC will perform these tests every five years as specified in the Discharge Permit.

Item 10: Revised

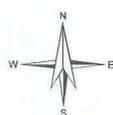
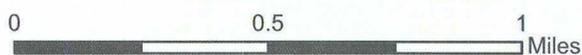
Attach a routine inspection and maintenance plan to ensure permit compliance.

Redonda is continuously operated and is manned 4 hours per day. The station is equipped with alarms that will notify the designated on-call operator of an emergency. The site is inspected daily by facility personnel. Inspection and maintenance are performed and documented according to the guidelines set forth in the Redonda Prevention, Control, and Countermeasure (SPCC) Plan.

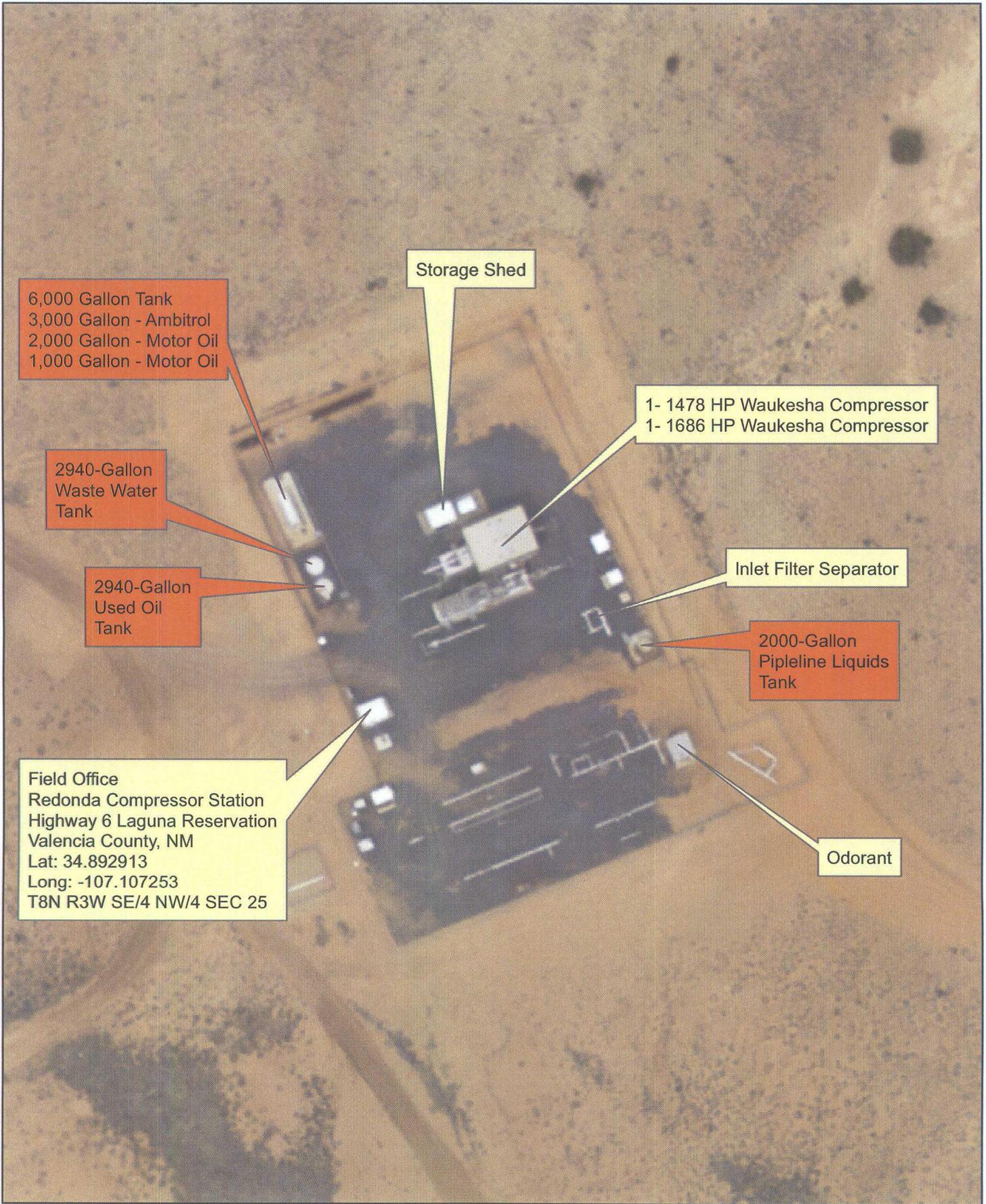


Map Name: DRG24K Laguna
 Map Scale: 1:24,000
 Map Type: Topographic
 Contour Interval: 10 Feet
 Year Created: 1976

Site Topographic Map
 Redonda Compressor Station
 SE/4 NW/4 Section 25 Township 8N Range 3W



7120 Wyoming Blvd., NE Ste. 20
 Albuquerque, NM 87109



Map Name: DRG100K Albuquerque
 Map Scale: 1:100,000
 Map Type: Topographic
 Contour Interval: 20 Meter
 Year Created: 1976

Site Map/Aerial Photograph
 Redonda Compressor Station
 SE/4 NW/4 Section 25 Township 8N Range 3W

0 0.02 0.04 Miles



 **New Mexico**
 GAS COMPANY
 7120 Wyoming Blvd., NE Ste. 20
 Albuquerque, NM 87109



OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

RECEIVED

2009 JAN 30 PM 12 04

HAND DELIVERED

January 30, 2009

Mr. Carl Chavez
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUBJECT: Discharge Plans GW-066, GW-263, and GW-065
Transfer of Espejo, Star Lake, and Redonda Compressor Station Discharge Plans

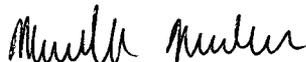
Dear Mr. Chavez:

Effective January 30, 2009 the Public Service Company of New Mexico sold their gas operations to the New Mexico Gas Company (NMGC). Included in the sale are three facilities that have Oil Conservation Division Discharge Plans for the Espejo (GW-066), Star Lake (GW-263) and Redonda (GW-065) Compressor Stations. The NMGC will be the new operators of the compressor stations and their discharge plans. The NMGC understands the terms and conditions of the discharge plan and agrees to comply with them (see attached certification). The NMGC contact will be Curtis Winner. His contact information is:

New Mexico Gas Company Business Center Office
7120 Wyoming Blvd. NE Suite 20
Albuquerque, New Mexico 87109
505-697-3639

If you have any questions, please contact Curtis Winner at 505-697-3639.

Sincerely,



Marcelle Fiedler
Senior Environmental Scientist

Cc: OCD Aztec District III Office, 1000 Rio Brazos Road, Aztec, NM 87410
Curtis Winner, Manager Environmental Construction and Maintenance
Debbie Brunt, Director Gas Engineering
Kevin Lawrence, Operations Supervisor

OCD CERTIFICATION

New Mexico Gas Company (NMGC), through its undersigned representative, hereby acknowledges receipt of the foregoing notice letter and further acknowledges all terms and conditions of the attached Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065) discharge plan permits, and agrees to comply with all such terms and conditions. NMGC further acknowledges that the Oil Conservation Division (OCD) may change the terms and conditions for good cause shown as necessary to protect fresh water, human health, and the environment. The undersigned also attests to the fact that he or she understands the requirements under 19.15.1.41 NMAC which provides that "Any person who conducts any activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of such permit, administrative order, authorization or approval."

Date: January 29, 2009

New Mexico Gas Company

By: Mulle Muller
Its: Senior Environmental Scientist
P.O. Box 97500
Albuquerque, New Mexico 87199-7500

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

PNM
Alvarado Square
Albuquerque, NM 87158-2104
505 241-2031
Fax 505 241-2376
www.pnm.com

RECEIVED

2009 JAN 30 January 30 2009

HAND-DELIVERED

Carl Chavez
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



A personal commitment
to New Mexico

**SUBJECT: Documentation of Notification to the New Mexico Gas Company of
Discharge Permits for the Espejo (GW-066), Star Lake (GW-263), and
Redonda (GW-065) Compressor Stations**

Dear Mr. Chavez,

Public Service Company of New Mexico ("PNM") is selling its gas utility assets to New Mexico Gas Company ("NMGC"). The anticipated closing date is January 30, 2009. As part of this transaction, NMGC will acquire the Espejo Compressor Station, the Star Lake Compressor Station and the Redonda Compressor Station. All of these stations have individual groundwater discharge permits issued by the New Mexico Oil Conservation Division ("OCD"). The discharge permits were assigned by PNM to NMGC upon closing. The discharge permits are more specifically identified as follows:

- Espejo – GW-066
- Star Lake - GW-263
- Redonda - GW-065

This letter is submitted to the OCD pursuant to 20.6.2.3111 NMAC which requires written confirmation that PNM has provided written notice to NMGC of these discharge permits. Enclosed is a copy of PNM's letter to NMGC dated January 28, 2009 providing written notice to NMGC of the subject discharge permits. The enclosed letter includes written confirmation of receipt by NMGC.

Should you have any questions concerning this matter, please don't hesitate to contact me at (505) 241-2019. Thank you.

Sincerely,

Claudette Horn
Environmental Manager
PNM Environmental and Land Services Department

Attachment

cc: Debbie Brunt, NMGC
Kevin Lawrence, NMGC
DDC Files

PNM
Alvarado Square
Albuquerque, NM 87158-2104
505 241-2031
Fax 505 241-2376
www.pnm.com

January 28, 2009



*A personal commitment
to New Mexico*

HAND-DELIVERED

Annette Gardiner, President
New Mexico Gas Company, Inc.
P.O. Box 97500
Albuquerque, New Mexico 87199-7500

**SUBJECT: Notification of Oil Conservation Division Discharge Permits for the
Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065)
Compressor Stations**

Dear Ms. Gardiner:

As you know, as part of the acquisition by New Mexico Gas Company ("NMGC") of the gas utility assets of Public Service Company of New Mexico, NMGC will acquire the Espejo Compressor Station, the Star Lake Compressor Station and the Redonda Compressor Station. All of these stations have individual groundwater discharge permits issued by the New Mexico Oil Conservation Commission ("OCC"). The discharge permits will be assigned by PNM to NMGC upon closing.

This letter is submitted to NMGC pursuant to 20.6.2.3111 NMAC which requires written notice of these discharge permits prior to transfer of ownership. The pertinent discharge permits are identified as follows:

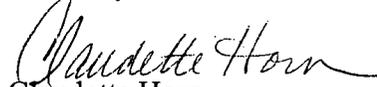
- Espejo - GW-066
- Star Lake - GW-263
- Redonda - GW-065

Pursuant to 20.6.2.3111.B NMAC, NMGC has a duty to inquire into all of the provisions of and requirements contained in these permits and is charged with notice of all provisions and requirements of these permits as they appear of record in the ODC's files.

This letter is provided in duplicate so that NMGC can acknowledge its receipt in writing. Pursuant to 20.6.2.3111.E. NMAC, PNM is required to send a copy of this notice letter and confirmation of the receipt of the letter by NMGC. Therefore, please sign the certification below and return an executed copy to me.

Should you have any questions concerning this matter, please don't hesitate to contact me at (505) 241-2019.

Sincerely,



Claudette Horn
Environmental Manager
PNM Environmental and Land Services Department

Attachments

cc: Debbie Brunt, NMGC
Kevin Lawrence, NMGC
DDC Files

OCD CERTIFICATION

New Mexico Gas Company (NMGC), through its undersigned representative, hereby acknowledges receipt of the foregoing notice letter and further acknowledges all terms and conditions of the attached Espejo (GW-066), Star Lake (GW-263), and Redonda (GW-065) discharge plan permits, and agrees to comply with all such terms and conditions. NMGC further acknowledges that the Oil Conservation Division (OCD) may change the terms and conditions for good cause shown as necessary to protect fresh water, human health, and the environment. The undersigned also attests to the fact that he or she understands the requirements under 19.15.1.41 NMAC which provides that "Any person who conducts any activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of such permit, administrative order, authorization or approval."

Date: January 28, 2009

New Mexico Gas Company

By: Muelle Muelle
Its: Senior Environmental Scientist
P.O. Box 97500
Albuquerque, New Mexico 87199-7500

PNM
Alvarado Square
Albuquerque, NM 87158-2104
505 241-2031
Fax 505 241-2376
www.pnm.com

CERTIFIED MAIL
RETURN RECEIPT REQUESTED



*A personal commitment
to New Mexico*

July 17, 2006

Oil Conservation Division
Attn: Ben Stone
1120 South St. Francis Drive
Santa Fe, NM 87505

RE: PNM Discharge Plans GW-065, -066, and -263
Discharge Plan Approvals for Redonda, Espejo, and Star Lake Compressor Stations

Dear Mr. Stone:

Attached please find signed original copies of the discharge plan renewal approvals for the above-referenced compressor stations. Public Service Company of New Mexico is submitting check number 108761 in the amount of \$5100.00. This check pays the flat fee of \$1700 assessed for each of the three compressor stations and covers the five (5) year period of the discharge plans that end April 3, 2011.

Thank you for your assistance regarding this matter. Please call me at (505) 241-2016 if you have any questions.

Sincerely,

Robin K. DeLapp
Senior Environmental Scientist

cc: Kevin Lawrence, PNM Gas Operations (cover letter only)
DCC
ESD File



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 8, 2006

Ms. Robin K. DeLapp
Public Service Company of New Mexico
Alvarado Square
Albuquerque, New Mexico 87158

**RE: Discharge Plan Renewal Approval GW-065
Public Service Company of New Mexico
Redonda Compressor Station
Valencia County, New Mexico**

Dear Ms. DeLapp:

The ground water discharge renewal plan GW-065 for the Public Service Company of New Mexico Redonda Compressor Station located in the SE/4 NW/4 of Section 25, Township 8 North, Range 3 West, NMPM, Valencia 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 May 3, 1991 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan renewal application was submitted February 17, 2006 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. 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 Public Service Company of New Mexico 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 non-hazardous to wildlife including migratory birds.

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Public Service Company of New Mexico 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 discharge plan is for a period of five years. This plan will expire on **April 3, 2011**, and Public Service Company of New Mexico 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 .

Public Service Company of New Mexico will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Redonda Compressor Station.

The discharge plan application for the Public Service Company of New Mexico Redonda Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of \$100. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The OCD has received the filing fee.

Please make all checks payable to:

**Water Management Quality Management Fund
C/o: Oil Conservation Division
1220 North St. Francis Drive
Santa Fe, New Mexico 87505**

If you have any questions please contact Mr. Ben Stone at (505) 476-3474. 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,

Wayne Price 
Chief, Environmental Bureau
Oil Conservation Division

LWP/BES
Attachment

xc: OCD Santa Fe Office

ATTACHMENT TO THE DISCHARGE PLAN GW-065
PUBLIC SERVICE COMPANY OF NEW MEXICO
REDONDA COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(April 3, 2006)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The 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 plan, with the first payment due upon receipt of this approval.
2. Public Service Company of New Mexico Commitments: Public Service Company of New Mexico will abide by all commitments submitted in the discharge plan renewal application dated February 16, 2006 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity 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 every 5 years. 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 Santa Fe District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: The facility will have an approved storm water run-off plan.
16. Closure: The OCD will be notified when operations of the Redonda Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Redonda Compressor Station, 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: Public Service Company of New Mexico, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Public Service Company of New Mexico further acknowledges that the conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

PUBLIC SERVICE COMPANY OF NEW MEXICO

By



Title

06/28/06

ATTACHMENT TO THE DISCHARGE PLAN GW-065
PUBLIC SERVICE COMPANY OF NEW MEXICO
REDONDA COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(July 3, 2001)

File
GW-065

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The 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 plan, with the first payment due upon receipt of this approval.
2. Public Service Company of New Mexico Commitments: Public Service Company of New Mexico will abide by all commitments submitted in the discharge plan renewal application dated May 14, 2001 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity 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 every 5 years. 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 Santa Fe District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Redonda Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Redonda Compressor Station 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: Public Service Company of New Mexico, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Public Service Company of New Mexico 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:

PUBLIC SERVICE COMPANY OF NEW MEXICO

by *W. J. Christopher* VP, Ops & Eng
Title

Public Service Company
of New Mexico
Alvarado Square MS 2104
Albuquerque, NM 87158
Fax 241-2376

CERTIFIED MAIL
RETURN RECEIPT REQUESTED



July 27, 2001

Oil Conservation Division
Att: Roger C. Anderson
1120 South St. Francis Dr.
Santa Fe, NM 87505



RE: PNM Discharge Plan GW-065
Discharge Plan Approval for Redonda Compressor Station

Dear Mr. Anderson:

Attached find one signed copy of Conditions of Approval for the above-referenced compressor station. As required under WQCC 3114 Public Service Company of New Mexico hereby submits its check number 729931 in the amount of \$1,700.00. This flat fee covers the five (5) renewal period ending June 25, 2006.

Thank you for your assistance regarding this matter. Call me at (505) 241-4873 if OCD has any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wilford B. Nez".

Wilford B. Nez
Sr. Engineering Tech

CC: OCD Aztec District III Office
D. J. Engert, PNM Compressor Station Mgr.

Jack Ford

Public Service Company
of New Mexico
Alvarado Square MS 2104
Albuquerque, NM 87158
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Wilford B. Nez
Sr. Engineering Tech

CC: OCD Aztec District III Office
D. J. Engert, PNM Compressor Station Mgr.

ATTACHMENT TO THE DISCHARGE PLAN GW-065
PUBLIC SERVICE COMPANY OF NEW MEXICO
REDONDA COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(July 3, 2001)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. The 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 plan, with the first payment due upon receipt of this approval.
2. Public Service Company of New Mexico Commitments: Public Service Company of New Mexico will abide by all commitments submitted in the discharge plan renewal application dated May 14, 2001 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.
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PUBLIC SERVICE COMPANY OF NEW MEXICO

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