

GW - 104

**GENERAL
CORRESPONDENCE**

YEAR(S):

1992 - 2007

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

Via Certified Mail 7006 2150 0000 3855 1636

July 24, 2007

Wayne Price, Environmental Bureau Chief
Oil Conservation Division
1220 St. Francis Drive
Santa Fe, New Mexico 87505

Re: Underground Wastewater Process Lines

Agave Energy Company will be testing underground wastewater process lines before August 30, 2007 for the compressor facilities listed below. Due to personnel issues, we are unable to narrow the testing time any more than that. As per Condition 12.B of the various discharge permits, Agave is including the basic procedure and notifying OCD in advance of the tests. Agave will maintain all records of the tests.

Facility Name	Number
Penasco Compr	
Seven Rivers Co	
La Rue Compres	
Foster Ranch Co	
Red Bluff No 1 C	
Red Bluff No 2 C	
Red Bluff No 3 C	
Bitter Lake Compr	GW 50-01

GW-102A
Gen Compress
2007-1992

Procedure for Testing Underground Wastewater Process Lines at Compressor Stations

- Block in the valves coming off of the compressor skids and the valve going into the skid drain tank.
- Once line is blocked in, hook up an air hose and gauge to the 1/2" valve in-between the block valves and pressure line up to 3 psi and hold for 30 minutes.
- If test fails, find the cause of failure and repair immediately.
- If it passes the test, remove gauge and airline, open all valves and put line back in service.

If you have any questions regarding this notification, please do not hesitate to call me at 505-748-4471 or email me at jknowlton@ypcnm.com.

Sincerely,



Jennifer Knowlton
Environmental Engineer



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

June 13, 2007

Ms. Jennifer Knowlton
Environmental Engineer
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

**Re: Discharge Permit GW-104
Yates Petroleum Corporation
Foster Ranch Compressor Station
Eddy County, New Mexico**

Dear Ms. Knowlton:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3000 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the Yates Petroleum Corporation (owner/operator) Foster Ranch Compressor Station located in the SE/4, NE/4 of Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, under 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 working 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 Brad A. Jones of my staff at (505) 476-3487 or E-mail brad.a.jones@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

LWP/baj
Attachments-1
cc: OCD District II Office, Artesia

**ATTACHMENT TO THE DISCHARGE PERMIT
YATES PETROLEUM CORPORATION, FOSTER RANCH COMPRESSOR STATION
(GW-104)
DISCHARGE PERMIT APPROVAL CONDITIONS
June 13, 2007**

Please remit a check for \$1700.00 made payable to Water Quality Management Fund:

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

- 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 renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. However, the owner/operator still owes the required \$1700.00 renewal permit fee for a gas compressor station greater than 1001 horsepower.
- 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 June 24, 2012** 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, NMSA1978} 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 January 12, 2007 discharge plan renewal application and March 21, 2007 addendum, 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 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 20.5.12.1203 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 may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

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:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

23. **Certification: Yates Petroleum Corporation, (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: _____

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

2007 APR 18 AM 11:40

Via Certified Mail 7006 2150 000 3855 1308

April 16, 2007

Brad Jones
NMOCD
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Foster Ranch Compressor Station
Discharge Plan GW-104
Renewal**

Dear Brad:

Enclosed, please find the proof of the public notice requirements as per 20.6.2.3108.C. Enclosed is a copy of the certified letter sent to the land owner and a copy of the proof of mailing and the return receipt. I have asked the newspaper for an Affidavit of Publication, however, I have not received it as of yet. In lieu of such, I have included a copy of the notice published on April 6, 2007 in the Artesia Daily News.

If you have any other questions regarding this information, please do not hesitate to email me at jknowlton@ypcnm.com call me at 505-748-4471.

Sincerely,

A handwritten signature in cursive script that reads 'Jennifer Knowlton'.

Jennifer Knowlton
Environmental Engineer

(corres 041607.doc)

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
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SECRETARY
DENNIS G. KINSEY
TREASURER

March 29, 2005

CERTIFIED MAIL 7006 2150 0000 3855 1360

State of New Mexico
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

To Whom It May Concern:

Yates Petroleum Corporation announces its intent to apply to the New Mexico Oil Conservation Division for renewal of its discharge permit. This notice is a requirement according to New Mexico Water Quality Control Commission Regulations as per 20.6.2.3108 NMAC.

The approximate location for the facility known as, Foster Ranch Compressor Station is the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 16, Township 20S, Range 24E in Eddy County. This facility is located south of Artesia on Sawbuck Road, off of Rock Daisy Road.

The Foster Ranch Compressor Station is part of a small localized gas gathering system that gathers sweet gas from multiple wells in the area and compresses this gas for delivery to a main line. The facility consists of one Caterpillar G3516 compressor engine, several small storage tanks, and various pumps, meters, and ancillary equipment.

Present sources of effluent and waste solids: include 5 to 100 barrels per day of produced water and condensate; 100 to 200 gallons per year of engine cooling water; up to 1000 gallons per year of waste engine oil; up to 500 gallons per year of oily wastewater; and approximately 50 engine filters per year. There are no fresh water wells within two miles of the site. Estimated depth to groundwater is 255 feet thus groundwater will not be impacted by this site. The approximate total dissolved solids content in the groundwater is 1500 mg/L. Produced fluid is moved to a separator. The separator routes hydrocarbons to an oil storage tank and the produced water is sent to a disposal system. The produced water is transferred via a disposal system and is injected into an approved injection well. Waste oil is stored until removed from the site by a reclaiming company and trucked to their facility for processing.

The owner and/or operator of the Plant is:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-4555

Please contact Brad Jones, (505) 476-3487 at the Oil Conservation Division, 1220 South St. Francis Dr. Santa Fe, NM 87505 if you wish to obtain information, submit comments, or request to be placed on a facility-specific mailing list for future notices.

The Oil Conservation Division will accept comments and statements of interest regarding the application and will create a facility specific mailing list for persons who wish to receive future notices.

law
Jason
of the

to pass such a law according to the State Sen. Richard Martinez and they just leave," said Martinez, whose northern New Martinez, a retired magistrate

Yates Petroleum Corporation announces its intent to apply to the New Mexico Oil Conservation Division for renewal of its discharge permit. This notice is a requirement according to New Mexico Water Quality Control Commission Regulations as per 20.6.2.3108 NMAC.

The approximate location for the facility known as Foster Ranch Compressor Station is the SE ¼ of the NE ¼ of Section 16, Township 20S, Range 24E in Eddy County. This facility is located south of Artesia on Sawbuck Road, off of Rock Daisy Road.

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The owner and/or operator of the Plant is:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-4555

Please contact Brad Jones, (505) 476-3487 at the Oil Conservation Division, 1220 South St. Francis Dr. Santa Fe, NM 87505 if you wish to obtain information, submit comments, or request to be placed on a facility-specific mailing list for future notices.

The Oil Conservation Division will accept comments and statements of interest regarding the application and will create a facility specific mailing list for persons who wish to receive future notices.

Yates Petroleum Corporation anuncia su intención para aplicar a la New Mexico Oil Conservation Division para la renovación de su permiso de la descarga. Esta nota es un requisito según Water Quality Control Commission Regulations de acuerdo con NMAC 20.6.2.3108.

La posición aproximada de la facilidad conocida como Foster Ranch Compressor Station es el SE ¼ of the NE ¼ of Section 16, Township 20S, Range 24E in Eddy County. Esta facilidad se localiza sur de Artesia en el Sawbuck Road, saliendo de Rock Daisy Road.

La Foster Ranch Compressor Station forma parte de una sistema pequeño de recolección de gas localizado que reúne gas dulce del múltiplo pozos en el área y comprueba este gas para la entrega a un principal. La facilidad contiene un motor de compresor de Caterpillar G3516, varios tanques de almacenaje pequeños, varias bombas, metros, y equipo adicional.

Los orígenes presentes de efluente y los sólidos del desecho: incluye 5 a 100 barriles por día de agua y producidos de condensación; 100 a 200 galones por año de agua que refresca motores; hasta 1000 galones por año del petróleo de motor de desecho; hasta 500 galones por año de agua grasiento; y aproximadamente 50 filtros de aceite de motor por año. No hay pozos de agua dulce dentro de dos millas del sitio. La agua subterránea es estimada a 255 pies de profundidad, así agua subterránea no será afectada por este sitio. El suma aproximado de sólidos disueltos en la agua subterránea es 1500 mg/L. El líquido producido es movido a un separador. El separador manda hidrocarburos a un tanque de almacenaje del petróleo y el agua producida es mandada a un sistema de la disposición. El agua producida se transfiere via un sistema de la disposición y es inyectada en una poza de inyección aprobada. El petróleo del desecho se almacena hasta que esta quitado del sitio por una compañía de reclamación y transportado en camión a su facilidad para procesar.

El dueño y/o el operario de la Planta es:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-4555

Por favor llame a Brad Jones, (505) 476-3487 Oil Conservation Division, 1220 South St. Francis Dr. Santa Fe, NM:87505 si usted desea obtener información, sométase los comentarios, o el pedido para ser colocado en una lista de envío facilidad-especifico para notas futuras.

La Oil Conservation Division aceptará los comentarios y las declaraciones del interés con respecto a la aplicación y creará una facilidad lista de envío especifica para personas que desea recibir notas futuras.

nds or

Artesia Daily Press

P.O. Box 190, Artesia, NM 88211-0190
 Phone: (505) 746-3524
 Fax: (505) 746-8795

INVOICE

Invoice Date: 03/23/07
Invoice Number:
Customer Number: 10005610

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe 87505

DATE	TYPE	DOC NO	REF NUMBER	DESCRIPTION	# OF INS	DEPTH	RATE	AMOUNT
03/23/07	INV		A/R:1154385 Ord:11274127 PO:52100-0000	NOTICE OF PUBLICATION STATE OF Artesia Daily Press Legal Section, Legal Notice 03/25/2007 Sales Tax	1 1	42.11 1.00	183.68 12.51	183.68 12.51
							TOTAL	196.19

Please detach and return this portion with payment. To ensure proper credit to your account, please write your customer number on your check. If you have any questions about your account, please contact Accounts Receivable at (505) 746-3524.	Invoice Date 03/23/07	Invoice Number 1154385
	Customer Number 10005610	
Retail Advertising	<i>Legal 19650</i>	PLEASE PAY: 196.19

ARTESIA DAILY PRESS
 Attn: Accounts Receivable
 P.O. Box 190
 Artesia, NM 88211-0190

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe 87505

CW 104/105/102

Eddy County, New Mexico. This facility is located south of Artesia, New Mexico on Sawbuck Road, off of Rock Daisy Road. Approximately 5 to 50 gallons per day of produced water and condensate, 100 to 200 gallons per year of engine cooling water, 500 gallons per year of waste engine oil, 500 gallons per year of oily wastewater, and 50 used engine filter are generated on-site. Produced fluids from the inlet separator and the compressor scrubbers are stored in an aboveground storage tanks prior to transfer via pipeline and injected into Yates Petroleum's State D class II injection disposal well. Waste oil, filters, and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 255 feet with a total dissolved solids concentration of approximately 387 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

processing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 255 feet with a total dissolved solids concentration of approximately 387 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water. (GW-123) Agave Energy Company, Jennifer Knowlton, Environmental Engineer, 105 South Fourth Street, Artesia, New Mexico 88210, has submitted a renewal application for the previously approved discharge plan for their Seven Rivers Compressor Station located in the NW/4 NW/4 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. This facility is located approximately 12 miles south of Artesia, near Crossbuck off of Rocking R Red (County Road #21). Approximately 5 to 50 gallons per day of produced water and condensate, 100 to 200 gallons per year of engine cooling water, 500 gallons per year of waste engine oil, 500 gallons per year of oily wastewater, and 50 used engine filter are generated on-site. Produced fluids from the inlet separator and the compressor scrubbers are stored in an aboveground storage tanks prior to transfer via pipeline and injected into Yates Petroleum's State CO #1 class II injection disposal well. Waste oil, filters, and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 800 feet with a total dissolved solids concentration of approximately 2260 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water. 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 Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461). GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 22nd day of March 2007.

Copy of Public

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-104) Yates Petroleum Corporation, Jennifer Knowlton, Environmental Engineer, 105 South Fourth Street, Artesia, New Mexico 88210, has submitted a renewal application for the previously approved discharge plan for their Foster Ranch Compressor Station located in the SE/4, NE/4 of Section 16, Township 20 South, Range 24 East, NMPM,

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Chapter 167 of

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September 23, 2007

Mark Fesmire,
 Director
 Published in the Artesia
 Daily Press, Artesia,
 N.M. March 25, 2007.
 Legal 19650

THE SANTA FE
NEW MEXICAN
Founded 1849

2007 APR 4 09 6 55

NM EMNRD OIL CONSERV
ATTN: Brad Jones
220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00207977 ACCOUNT: 00002212
LEGAL NO: 80641 P.O. #: 52100-3956
568 LINES 1 TIME(S) 318.08
AFFIDAVIT: 6.00
TAX: 24.71
TOTAL: 348.79

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, R. Lara, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 80641 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/28/2007 and 03/28/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 28th day of March, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

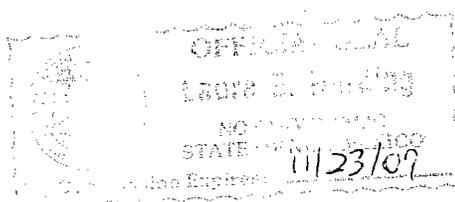
/s/ *R. Lara*
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 28th day of March, 2007

Notary *Laura E. Harding*

Commission Expires: 11/23/07

aw 104/105/123



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-104) Yates Petroleum Corporation, Jennifer Knowlton, Environmental Engineer, 105 South Fourth Street, Artesia, New Mexico 88210, has submitted a renewal application for the previously approved discharge plan for their Foster Ranch Compressor Station located in the SE/4, NE/4 of Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. This facility is located south of Artesia, New Mexico on Sawbuck Road, off of Rock Daisy Road. Approximately 5 to 50 gallons per day of produced water and condensate, 100 to 200 gallons per year of engine cooling water, 500 gallons per year of waste engine oil, 500 gallons per year of oily wastewater, and 50 used engine filter are generated on-site. Pro-

duced fluids from the inlet separator and the compressor scrubbers are stored in an aboveground storage tanks prior to transfer via pipeline and injected into Yates Petroleum's State D class II injection disposal well. Waste oil, filters, and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 255 feet with a total dissolved solids concentration of approximately 387 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-105) Yates Petroleum Corporation, Jennifer Knowlton, Environmental Engineer, 105 South Fourth Street, Artesia, New Mexico 88210, has submitted a renewal application for the previously approved discharge plan for their Larue Compressor Station located in the SE/4, NW/4 of Section 3, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. This facility is located approximately 12 miles south of Artesia, New Mexico on Rock Daisy Road approximately 9 1/2 miles from Highway 285. Approximately 5 to 50 gallons per day of produced water and condensate, 100 to 200 gallons per year of engine cooling water, 1000 gallons per year of waste engine oil, 500 gallons per year of oily wastewater, and 50 used engine filter are generated on-site. Produced fluids from the inlet separator and the compressor scrubbers are stored in an aboveground storage tanks prior to transfer via pipeline and injected into Yates Petroleum's Mimosa AHS Federal #1 class II injection disposal well. Waste oil, filters, and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing. Groundwater most likely to be affected by a spill, leak or accidental dis-

charge is at a depth of approximately 255 feet with a total dissolved solids concentration of approximately 387 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-123) Agave Energy Company, Jennifer Knowlton, Environmental Engineer, 105 South Fourth Street, Artesia, New Mexico 88210, has submitted a renewal application for the previously approved discharge plan for their Seven Rivers Compressor Station located in the NW/4, NW/4 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. This facility is located approximately 12 miles south of Artesia, near Crossbuck off of Rocking R. Red (County Road #21). Approximately 5 to 50 gallons per day of produced water and condensate, 100 to 200 gallons per year of engine cooling water, 500 gallons per year of waste engine oil, 500 gallons per year of oily wastewater, and 50 used engine filter are generated on-site. Produced fluids from the inlet separator and the compressor scrubbers are stored in an aboveground storage tanks prior to transfer via pipeline and injected into Yates Petroleum's State CO #1 class II injection disposal well. Waste oil, filters, and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 800 feet with a total dissolved solids concentration of approximately 2260 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the ap-

plication 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, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division

(Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 22nd day of March 2007.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL Mark Fesmire, Director
Legal #80641
Pub. March 28, 2007

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Wednesday, March 28, 2007 6:34 AM
To: 'Jennifer Knowlton'
Subject: RE: Public Notice

Jennifer,

The language provided in the notices are appropriate. I do have a question about the owner/operator listed in GW-123. Is Yates or Agave the owner/operator? The application only identifies Agave as the operator. Please clarify. Also, do not forget to satisfy Paragraph (1) of Subsection C of 20.6.2.3108 NMAC of the renewal public notice requirements "provide notice by certified mail to the owner of the discharge site if the applicant is not the owner."

Brad

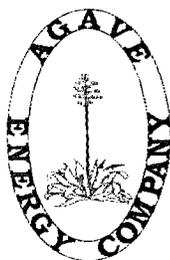
Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
E-mail: brad.a.jones@state.nm.us
Office: (505) 476-3487
Fax: (505) 476-3462

From: Jennifer Knowlton [mailto:jknowlton@YPCNM.COM]
Sent: Monday, March 26, 2007 9:29 AM
To: Jones, Brad A., EMNRD
Subject: Public Notice

Brad,

I made the additions that you suggested. I also did a file search and found some older water analysis, but I think that they are still valid. Let me know if these work for you and I will have them ready to go once you send me a letter requesting the public notice.

Jen



Jennifer Knowlton
Environmental Engineer
Agave Energy Company
105 South Fourth Street
Artesia, New Mexico 88210
505.748.4471 Office
505.748-4275 Fax
505.238.3588 Cell

3/28/2007

GW-104 Public Notice
Foster Ranch Compressor Station

Yates Petroleum Corporation announces its intent to apply to the New Mexico Oil Conservation Division for renewal of its discharge permit. This notice is a requirement according to New Mexico Water Quality Control Commission Regulations as per 20.6.2.3108 NMAC.

The approximate location for the facility known as, Foster Ranch Compressor Station is the SE ¼ of the NE ¼ of Section 16, Township 20S, Range 24E in Eddy County. This facility is located south of Artesia on Sawbuck Road, off of Rock Daisy Road.

The Foster Ranch Compressor Station is part of a small localized gas gathering system that gathers sweet gas from multiple wells in the area and compresses this gas for delivery to a main line. The facility consists of one Caterpillar G3516 compressor engine, several small storage tanks, and various pumps, meters, and ancillary equipment.

Present sources of effluent and waste solids: include 5 to 100 barrels per day of produced water and condensate; 100 to 200 gallons per year of engine cooling water; up to 1000 gallons per year of waste engine oil; up to 500 gallons per year of oily wastewater; and approximately 50 engine filters per year. There are no fresh water wells within two miles of the site. Estimated depth to groundwater is 255 feet thus groundwater will not be impacted by this site. The approximate total dissolved solids content in the groundwater is 1500 mg/L. Produced fluid is moved to a separator. The separator routes hydrocarbons to an oil storage tank and the produced water is sent to a disposal system. The produced water is transferred via a disposal system and is injected into an approved injection well. Waste oil is stored until removed from the site by a reclaiming company and trucked to their facility for processing.

The owner and/or operator of the Plant is:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-4555

Please contact Brad Jones, (505) 476-3487 at the Oil Conservation Division, 1220 South St. Francis Dr. Santa Fe, NM 87505 if you wish to obtain information, submit comments, or request to be placed on a facility-specific mailing list for future notices.

The Oil Conservation Division will accept comments and statements of interest regarding the application and will create a facility specific mailing list for persons who wish to receive future notices.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 22, 2007

Ms. Jennifer Knowlton
Environmental Engineer
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

**Re: Discharge Plan Renewal Permit GW-104
Yates Petroleum Corporation
Foster Ranch Compressor Station
Eddy County, New Mexico**

Dear Ms. Knowlton:

The New Mexico Oil Conservation Division (OCD) has received Yates Petroleum Corporation's request, dated January 12, 2007, to renew GW-104 for the Yates Petroleum Corporation's Foster Ranch Compressor Station located in the SE/4, NE/4 of Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. The submittal provided the required information in order to deem the application "administratively" complete. The OCD approves the Artesia Daily Press as the newspaper of general circulation for the published notice.

Therefore, the revised (2006) WQCC notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the OCD. The OCD recommends a draft version of the public notice be provided for a pre-review prior to publishing in the newspaper, in order to ensure all of the required information is provided prior to translation into Spanish and to prevent the expenditure of additional funds to republish the public notice. Please review the attached revised (2006) WQCC notice requirements of 20.6.2.3108 NMAC for renewals. OCD will provide public notice pursuant to the revised WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@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,

Brad A. Jones
Environmental Engineer

BAJ/baj

Attachment – 1

cc: OCD District II Office, Artesia

Jones, Brad A., EMNRD

From: Jennifer Knowlton [jknowlton@YPCNM.COM]
Sent: Wednesday, March 21, 2007 1:43 PM
To: Jones, Brad A., EMNRD
Subject: Discharge Permits
Attachments: Public Notice GW123.doc; Public Notice GW104.doc; Public Notice GW105.doc

Brad,

In regards to our telephone conversation this morning, attached are the draft public notices for the three discharge permits that you are processing. These notices will be printed in the Artesia Daily News in English and Spanish as soon as you approve the public notices.

I confirmed that the OGRID number for Agave Energy is 147831.

If you have any other questions, please do not hesitate to call or email me.

Thanks, Jennifer



Jennifer Knowlton
Environmental Engineer
Agave Energy Company
105 South Fourth Street
Artesia, New Mexico 88210
505.748.4471 Office
505.748-4275 Fax
505.238.3588 Cell

This inbound email has been scanned by the MessageLabs Email Security System.

GW-104 Public Notice
Foster Ranch Compressor Station

Yates Petroleum Corporation announces its intent to apply to the New Mexico Oil Conservation Division for renewal of its discharge permit. This notice is a requirement according to New Mexico water quality regulations.

The approximate location for the facility known as, Foster Ranch Compressor Station is the SE ¼ of the NE ¼ of Section 16, Township 20S, Range 24E in Eddy County. This facility is located south of Artesia on Sawbuck Road, off of Rock Daisy Road.

The Foster Ranch Compressor Station is part of a small localized gas gathering system that gathers sweet gas from multiple wells in the area and compresses this gas for delivery to a main line. The facility consists of one Caterpillar G3516 compressor engine, several small storage tanks, and various pumps, meters, and ancillary equipment.

Present sources of effluent and waste solids: include 5 to 100 barrels per day of produced water and condensate; 100 to 200 gallons per year of engine cooling water; up to 1000 gallons per year of waste engine oil; up to 500 gallons per year of oily wastewater; and approximately 50 engine filters per year. There are no fresh water wells within two miles of the site. Estimated depth to groundwater is 255 feet thus groundwater will not be impacted by this site.

The owner and/or operator of the Plant is:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

If you have any questions or comments about the discharge permit for the above facility, and want your comments to be made as a part of the process, you may contact the following OCD personnel: Brad Jones, (505) 476-3487

The department will accept comments and statements of interest regarding the application and will create a facility specific mailing list for permits who wish to receive future notices.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 1/29/07

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

from Yate Petroleum Co

for GW-104

Submitted by: LAWRENCE RENOVO Date: 2/9/07

Submitted to ASD by: LAWRENCE RENOVO Date: 2/9/07

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 _____

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

Via Certified Mail 7006 2150 0000 3855 1186

January 12, 2007

NMOCD
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Foster Ranch Compressor Station
Discharge Plan GW-104
Renewal**

2007 JUN 19 PM 1 52

To Whom It May Concern:

Enclosed, please find the renewal application for the Foster Ranch Compressor Station, GW-104. The current discharge permit expires on June 24, 2007. Section 3106.F states that if the applicant submits the renewal application at least 120 days before the discharge plan expires, the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

If you have any other questions regarding this information, please do not hesitate to email me at jknowlton@ypcnm.com call me at 505-748-4471.

Sincerely,

Jennifer Knowlton
Environmental Engineer

Cc: OCD District II, Artesia

(corres 011207.doc)

**OIL CONSERVATION DIVISION
DISCHARGE PLAN GW-104 RENEWAL
YATES PETROLEUM CORPORATION
FOSTER RANCH COMPRESSOR STATION**



January 12, 2007

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: Compressor Station

2. Operator: Agave Energy Company

Address: 105 South Fourth Street Artesia NM 88210

Contact Person: Jennifer Knowlton Phone: 505-748-4471

3. Location: SE/4 NE/4 Section 16 Township 20S Range 24E

Submit large scale topographic map showing exact location.

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 quality and daily volume of waste water must be included.

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

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 OCD 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: Jennifer Knowlton

Title: Environmental Engineer

Signature: Jennifer Knowlton

Date: 1/12/2007

E-mail Address: jknowlton@ypcnm.com

1. Type: Compressor Station
2. Owner: Yates Petroleum Corporation
Operator: Agave Energy Company
Address: 105 South Fourth Street Artesia NM 88210
Contact Person: Jennifer Knowlton
Phone: 505-748-4471
3. Location: SE/4 NE/4
Section 16
Township 20S
Range 24E
4. Landowner: State of New Mexico
5. The Seven Rivers Compressor Station is part of a small localized gas gathering system that gathers sweet gas from multiple wells in the area and compresses this gas for delivery to a main line. The SIC code for the facility is 4922. The facility consists of one Caterpillar G3516 compressor engine, several small storage tanks, and various pumps, meters, and ancillary equipment. A plot plan is attached.
6. Materials Stored or Used at Facility:
 1. TK 1: 750 gallon ambient
 2. TK 2: 750 gallon lube oil
 3. TK 3: 750 gallon used ambient
 4. TK 4: 750 gallon methanol
 5. TK 5: 750 gallon skid drains
7. Present Sources of Effluent and Waste Solids:
 1. Inlet separator – 5 to 50 BPD of produced water and condensate, RCRA exempt
 2. Engine cooling water – 100 to 200 gallons per year, RCRA exempt
 3. Waste engine oil – up to 1000 gallons per year, RCRA non-Exempt
 4. Oily waste water – up to 500 gallons per year, RCRA non-Exempt
 5. Engine filters – 50 per year, RCRA non-Exempt
 6. Discharge vessel – 5 to 50 BPD of produced water and condensate, RCRA exempt
8. Current Liquid and Solid Waste Collection, Treatment and Disposal Procedures:

Produced fluid from the inlet separator and from the compressor scrubbers are connected together and piped via a two inch steel underground line to a separator located in the Algerita AHR State #1 tank battery. The separator at the Algerita AHR State #1 tank battery routes hydrocarbons to an oil storage tank and produced water is sent to a disposal system.

The produced water is transferred via a disposal system and is injected into Yates Petroleum's State D injection well. This well is an OCD approved Class II injection well under ORDER #SWD-395 dated July 31, 1990.

Waste oil are stored until removed from the site by a reclaiming company and trucked to their facility for processing. In the event of a spill within the containment, the spill is pumped out of the containment with

a sump pump and disposed of according to the type of liquid as described above. If the spill occurs on the ground, the soil is removed from site with the proper excavation equipment.

9. Proposed Modifications to existing Collection, Treatment and Disposal Systems:

At this time, there are no proposed modifications to the existing collection, treatment, or disposal system.

10. Inspection and Maintenance Plan:

- a. Company personnel make daily inspections of the site during normal business hours. Malfunctions or breakdowns are noted and repaired.
- b. Any repair work that is needed is performed as required.
- c. A regular maintenance program is diligently carried out on all on-site equipment.

11. Plan for reporting and Cleanup of Spills or Releases:

- a. Standard company policy is to immediately secure the area to insure the safety of personnel and the public.
- b. Employees and contract personnel are dispatched to the spill area with necessary equipment and materials necessary to control and contain the spill and initiate clean-up program as soon as practicable.
- c. Notification and any necessary follow-up reports will be made to the appropriate agencies (BLM, OCD, etc) pursuant to regulations.

12. Geologic and Hydrological Information:

There are no fresh water wells within two miles of the site. Estimated depth to groundwater is 255 feet. The surrounding terrain consists of gentle rolling hills marked with outcrops of caliche. The soils consist of clay loams and silt. The surface is subject to colluvial processes and drains to the south. The area is primarily rangeland consisting of tar brush, creosote bush, yucca, broom snakeweed, dogwood, and native grasses. The site is not located within a flood plain.

13. Facility Closure Plan:

At this time, there are no plans to close the facility. The facility will operate for the foreseeable future. In the event that this changes, notice will be sent to the Oil Conservation Division and closure plans will be formulated.



METER METER

USED
AMBITROL
AMBITROL
LUBR OIL

FIBERGLASS
SUMP TANK

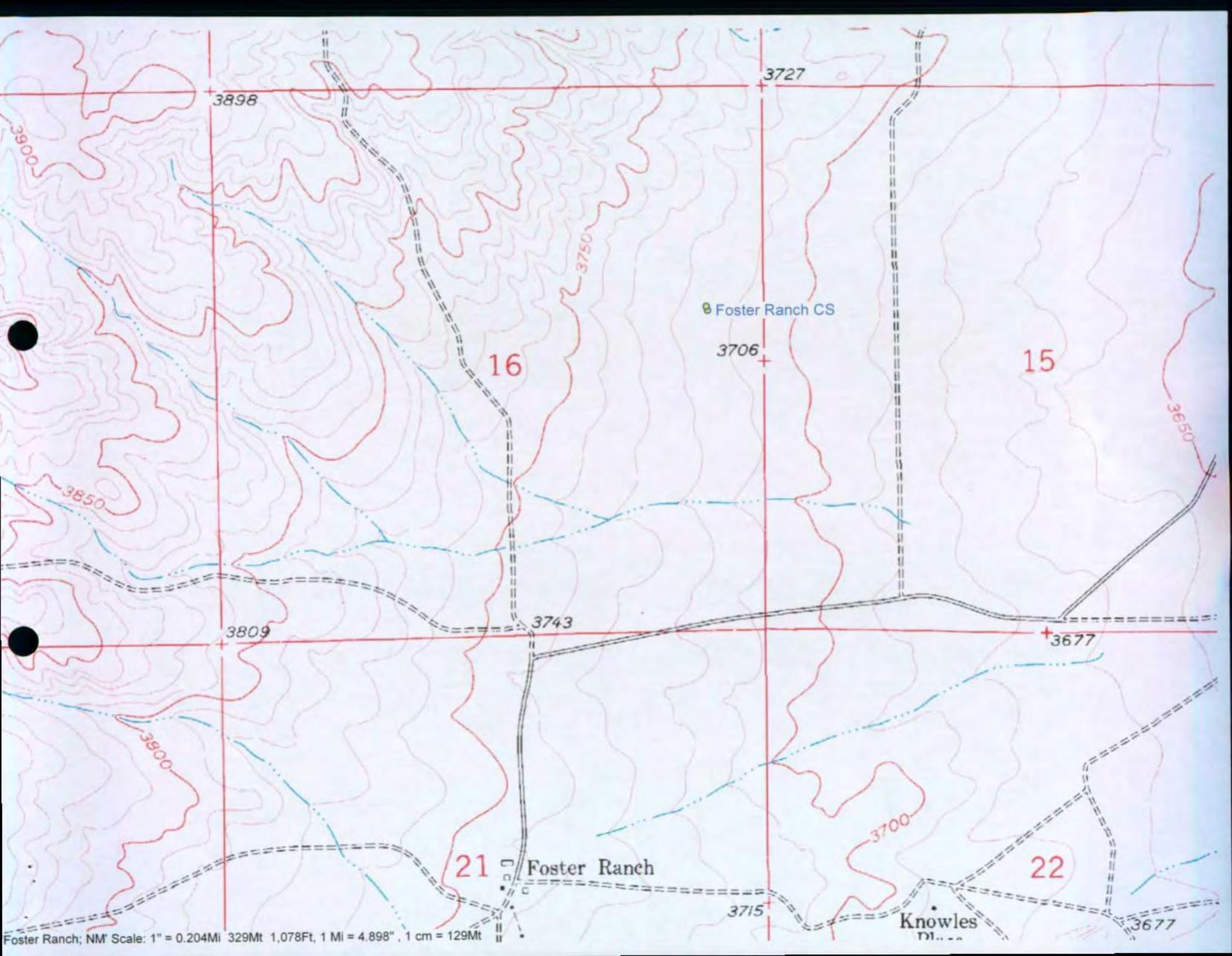
METER
SCRUBBER

UNIT
#64
EXHAUST
STACK

750 GAL
FIBERGLASS
METHANOL

FLARE

		YATES PETROLEUM CORP 105 South Fourth Street, Artesia, New Mexico 88210	
		FOSTER RANCH PLOT PLAN	
CHECK	COUNTY: EDDY		REV
DRAFTING: TWH	DATE	SIZE ANSIA	
APPROVED:		SCALE: NA	PRINTED: 1/04/07
AGAVE MANAGEMENT:			SHEET 1 OF 1



3898

3727

Foster Ranch CS

16

15

3706

3850

3809

3743

3677

3800

21

Foster Ranch

3700

22

3715

Knowles

3677

Foster Ranch; NM Scale: 1" = 0.204Mi 329Mt 1,078Ft, 1 Mi = 4,898" , 1 cm = 129Mt

THE SANTA FE
NEW MEXICAN

Founded 1849

NM OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS
SANTA FE, NM 87505
ATTN WAYNE PRICE

AD NUMBER: 250140 ACCOUNT: 56689
LEGAL NO: 70850 P.O.#: 02199000249
170 LINES 1 time(s) at \$ 74.94
AFFIDAVITS: 5.25
TAX: 5.01
TOTAL: 85.20

AFFIDAVIT OF PUBLICATION

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

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440: (GW-104) - Yates Petroleum Corporation, Ms. Lisa Norton, Environmental Coordinator, 105 South Fourth Street, Artesia, NM 88210, has submitted a discharge plan renewal application for their Alegria Gas Compressor Station located in the SE/4 of the NE/4 of Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by an accidental discharge to the surface is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 387 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest. If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing. GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 27th day of February 2002. STATE OF NEW MEXICO OIL CONSERVATION DIVISION
SEAL
LORI WROTENBERY, Director
Legal #70850
Pub. March 7, 2002

STATE OF NEW MEXICO
COUNTY OF SANTA FE
I, _____ being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #70850 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/07/2002 and 03/07/2002 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 7 day of March, 2002 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

STATE OF NEW MEXICO
COUNTY OF SANTA FE

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/S/ _____
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this
8 day of March A.D., 2002

Notary _____

Commission Expires _____

Affidavit of Publication

No 21907

State of New Mexico,
County of Eddy, ss.

Dawn Higgins

being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

<u>March 7</u>	,	<u>2002</u>
<u> </u>	,	<u>2002</u>

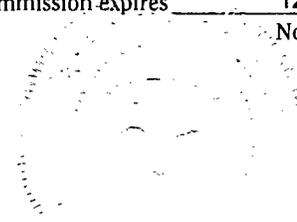
That the cost of publication is \$ 63.32, and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

7 day of March, 2002
Stephanie DeBoson

My commission expires 12/13/05
Notary Public



March 7, 2002

naged.

NOTICE OF PUBLICATION

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

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

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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 27th day of February 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
LORI WROTENBERY,
Director

**NEW MEXICO ENVIRONMENT DEPARTMENT
REVENUE TRANSMITTAL FORM**

Description	FUND	CEB	DFA ORG	DFA ACCT	ED ORG	ED ACCT	AMOUNT	
1 CY Reimbursement Project Tax	064	01						1
5 Gross Receipt Tax	084	01		2329	900000	2329134		2
3 Air Quality Title V	092	13	1300	1896	900000	4169134		3
4 PRP Prepayments	248	14	1400	9696	900000	4969014		4
2 Climax Chemical Co.	248	14	1400	9696	900000	4969015		5
6 Circle K Reimbursements	248	14	1400	9696	900000	4969248		6
7 Hazardous Waste Permits	339	27	2700	1696	900000	4169027		7
8 Hazardous Waste Annual Generator Fees	339	27	2700	1696	900000	4169338		8
10 Water Quality - Oil Conservation Division	341	29		2329	900000	2329029	3500.00	10
11 Water Quality - GW Discharge Permit	341	29	2900	1696	900000	4169029		11
12 Air Quality Permits	631	31	2500	1696	900000	4169031		12
13 Payments under Protest	651	33		2919	900000	2919033		13
*14 Xerox Copies	652	34		2349	900000	2349001		*14
15 Ground Water Penalties	652	34		2349	900000	2349002		15
16 Witness Fees	652	34		2349	900000	2439003		16
17 Air Quality Penalties	652	34		2349	900000	2349004		17
18 OSHA Penalties	652	34		2349	900000	2349005		18
19 Prior Year Reimbursement	652	34		2349	900000	2349006		19
20 Surface Water Quality Certification	652	34		2349	900000	2349009		20
21 Jury Duty	652	34		2349	900000	2349012		21
22 CY Reimbursements (i.e. telephone)	652	34		2349	900000	2349014		22
*23 UST Owner's List	783	24	2500	9696	900000	4969201		*23
*24 Hazardous Waste Notifiers List	783	24	2500	9696	900000	4969202		*24
*25 UST Maps	783	24	2500	9696	900000	4969203		*25
*26 UST Owner's Update	783	24	2500	9696	900000	4969205		*26
*28 Hazardous Waste Regulations	783	24	2500	9696	900000	4969207		*28
*29 Radiologic Tech. Regulations	783	24	2500	9696	900000	4969208		*29
*30 Superfund CERLIS List	783	24	2500	9696	900000	4969211		*30
31 Solid Waste Permit Fees	783	24	2500	9696	900000	4969213		31
32 Smoking School	783	24	2500	9696	900000	4969214		32
*33 SWQB - NPS Publications	783	24	2500	9696	900000	4969222		*33
*34 Radiation Licensing Regulation	783	24	2500	9696	900000	4969228		*34
*35 Sale of Equipment	783	24	2500	9696	900000	4969301		*35
*36 Sale of Automobile	783	24	2500	9696	900000	4969302		*36
*37 Lust Recoveries	783	24	2500	9696	900000	4969814		**37
*38 Lust Repayments	783	24	2500	9696	900000	4969815		**38
39 Surface Water Publication	783	24	2500	9696	900000	4969801		39
40 Exxon Reese Drive Ruidoso - CAF	783	24	2500	9696	900000	4969242		40
41 Emerg. Hazardous Waste Penalties NOV	957	32	9600	1696	900000	4164032		41
42 Radiologic Tech. Certification	987	05	0500	1696	900000	4169005		42
44 Ust Permit Fees	989	20	3100	1696	900000	4169020		44
45 UST Tank Installers Fees	989	20	3100	1696	900000	4169021		45
46 Food Permit Fees	991	26	2600	1696	900000	4169026		46
43 Other								43

* Gross Receipt Tax Required

** Site Name & Project Code Required

TOTAL 3500.00

Contact Person: ED MARTIN

Phone: 476-3492

Date: 3/15/02

Received in ASD By: _____

Date: _____

RT #: _____

ST #: _____

THE SANTA FE
NEW MEXICAN

Founded 1849

C2 MAR 12 PM 1:50

OIL CONSERVATION DIV

NM OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS
SANTA FE, NM 87505
ATTN WAYNE PRICE

AD NUMBER: 250140 ACCOUNT: 56689
LEGAL NO: 70850 P.O.#: 02199000249
170 LINES 1 time(s) at \$ 74.94
AFFIDAVITS: 5.25
TAX: 5.01
TOTAL: 85.20

AFFIDAVIT OF PUBLICATION

NOTICE OF PUBLICATION
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ENERGY, MINERALS
AND
NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION

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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 27th day of February 2002.
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
SEAL
LORI WROTENBERY, Director
Legal #70850
Pub. March 7, 2002

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, K. Voorhees being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #70850 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/07/2002 and 03/07/2002 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 7 day of March, 2002 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

K. Voorhees
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this
8 day of March A.D., 2002

Notary Laura E. Hardiff

Commission Expires 11/23/03

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

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

March 7, 2002

**RE: Discharge Plan Renewals
GW-104 Algerita Compressor Station
GW-105 LaRue Compressor Station**

Dear Ed,

Attached is a check for the balance due on the two above Discharge Plan renewals.

If you need additional information or have questions, please call me at 505-748-4185.

Sincerely,

Lisa Norton,
Environmental
Coordinator

cc: file
Greg Jokela, Agave

ODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	DISCHARGE PLAN FEES03/02		3500.00	.00	3500.00
			TOTAL FOR CHECK		3500.00

CODES

- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.



32-2
1110



(505) 748-1471
105 SOUTH 4TH STREET
ARTESIA, NEW MEXICO - 88210

DATE 3/05/2002 VENDOR NO. 670610
*****3,500DOLLARS***00CENTS

PAY TO THE ORDER OF:

NEW MEXICO OIL CONSERVATION
DIVISION
1220 S SAINT FRANCIS DRIVE
SANTA FE NM 87505 4000

AMOUNT

*****3,500.00

Gary E. Green

GW-104

GW-105

YATES PETR.
CK # 63460

FILING FEE

50

50

YATES PETR.
CK # 63704

FILING FEE

50

50

FLAT FEE

1700

1700

1800

1800

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 3/5/02,
or cash received on 3/14/02 in the amount of \$ 3500.00
from YATES PETROLEUM CORP.

for ALEGRIA (GW-104) #1,750 LARWE (GW-105) #1,750.00

Submitted by: F (Facility Name) Date: _____ (DP No.)

Submitted to ASD by: EO MARTIN Date: 3/15/02

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal

Modification _____ Other _____
(Specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

Martin, Ed

To: Santa Fe New Mexican (E-mail)
Cc: Anaya, Mary
Subject: Legal Notices

Please publish the attached legal notices, one time only, on or before Thursday, March 7, 2002.

Upon publication, forward to this office:

Publisher's affidavit
Invoice. Our purchase order number is **02199000249**

If you have any questions, please contact me.

Thank you.



Publ. Notice
GW-104.doc



Publ. Notice
GW-105.doc



Publ. Notice
GW-071.doc

Ed Martin

Ed Martin
New Mexico Oil Conservation Division
Environmental Bureau
1220 S. St. Francis
Santa Fe, NM 87505
Phone: (505) 476-3492
Fax: (505) 476-3471

1220 S. St. Francis
Santa Fe, NM 87505
Phone: 505-476-3492
Fax: 505-476-3471

**New Mexico Oil
Conservation
Division**

Fax

CARLSBAD CURRENT ARGNS

To: Legal Notices Dept. **From:** Ed Martin
Fax: 505-885-1066 **Pages:** 3
Phone: 505-887-5501 **Date:** 2/27/2002
Re: Legal Notices **CC:** Mary Anaya

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

Please publish the attached legal notices, one time only, on or before Thursday, March 7, 2002.

Upon publication, forward to this office:

- 1. Publisher's affidavit**
- 2. Invoice. Our purchase order number is 02199003489**

If you have any questions, please contact me.

NOTICE OF PUBLICATION

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

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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 27th day of February 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

LORI WROTENBERY, Director

Martin, Ed

From: Martin, Ed
Sent: Wednesday, February 27, 2002 8:02 AM
To: 'Lisa Norton'
Subject: RE: Discharge Plan Renewals

OK. They're in the works.

-----Original Message-----

From: Lisa Norton [mailto:lnorton@ypcnm.com]
Sent: Tuesday, February 26, 2002 5:11 PM
To: Martin, Ed
Subject: RE: Discharge Plan Renewals

Please go ahead and process and I will forward additional cost asap.
Thanks,
Lisa

-----Original Message-----

From: Martin, Ed [mailto:EMARTIN@state.nm.us]
Sent: Tuesday, February 26, 2002 11:47 AM
To: Lisa Norton (E-mail)
Subject: Discharge Plan Renewals

I have received your renewals for GW-104 and GW-105 along with a check for \$100 for the filing fees.

Please be advised that, effective January 15, 2001, filing fees and flat fees for discharge plans have increased. The new rates are shown attached.

I can go ahead and process the applications, and place, as a condition, that the rest of the fees are due upon approval.

If you wish, you may go ahead now and send the additional monies, instead. Let me know.

<<Discharge Plan Fees.doc>>

Ed Martin

Ed Martin
New Mexico Oil Conservation Division
Environmental Bureau
1220 S. St. Francis
Santa Fe, NM 87505
Phone: (505) 476-3492
Fax: (505) 476-3471

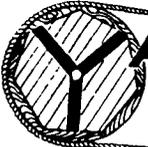
ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2-22-02
or cash received on _____ in the amount of \$ 100.00
from Yates Petroleum Corporation
for Algerita Compressor and LaRue Compressor (1/2) 6W-104 (1/2) 6W-105
(Facility Name)
Submitted by: Martynne Kieling Date: 2-26-02 (DP No.)
Submitted to ASD by: Martynne Kieling Date: 2-26-02
Received in ASD by: _____ Date: _____
Filing Fees New Facility _____ Renewal _____
Modification _____ Other 1 _____
(Agency)
Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.
Full Payment _____ or Annual Increment _____

Bank of America 

32-2
1110

 **YATES
PETROLEUM
CORPORATION**
(505) 748-1471
105 SOUTH 4TH STREET
ARTESIA, NEW MEXICO - 88210

DATE 2/22/2002 VENDOR NO. 287601
*****100DOLLARS***00CENTS

PAY TO THE ORDER OF:
ENERGY, MINERALS & NATURAL
RESOURCES DEPARTMENT
2040 S. PACHECO
SANTA FE NM 87505

AMOUNT
*****100.00

Gary E. Green

[REDACTED]

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
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RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

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

February 22, 2002

RE: Discharge Plan Renewals
GW-104 Algerita Compressor Station
GW-105 LaRue Compressor Station

Dear Ed,

The above two NMOCD Discharge Plan Permits are scheduled to expire June 22, 2002. Enclosed you will find:

1. Renewal applications
2. Updated plans
3. Check for \$100 filing fee (\$50 per facility)

If you need additional information or have questions, please call me at 505-748-4185.

Sincerely,

A handwritten signature in cursive script that reads 'Lisa Norton'.

Lisa Norton,
Environmental
Coordinator

cc: file
Greg Jokela, Agave

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 January 24, 2001

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: **Natural Gas Compressor Station**

2. Operator: **Yates Petroleum Corporation**

Address: **105 South Fourth St. – Artesia, NM 88210**

Contact Person: **Lisa Norton**

Phone: **505-748-4185**

3. Location: **SE /4 NE /4 Section 16 Township 20S Range 24E**

Submit large-scale topographic map showing exact location.

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 quality and daily volume of wastewater must be included.

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

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 OCD rules, regulations and/or orders.

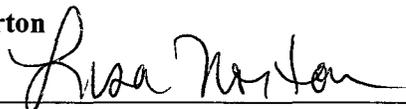
14. **CERTIFICATION**

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: **Lisa Norton**

Title: **Environmental Coordinator**

Signature: _____



Date: **February 22, 2002**

**DISCHARGE PLAN
GW-104
RENEWAL**

Yates Petroleum Corporation

Algerita Compressor Station

February 22, 2002

General Information

1. Type: Natural Gas Compression. Low-pressure natural gas is compressed and metered into high-pressure sales line.
2. Operator: Yates Petroleum Corporation (YPC)
Address: 105 South 4th St. – Artesia, NM 88210
Contact: Lisa Norton, Environmental Coordinator
Phone: 505-748-4185
3. Location: SE/4 NE/4
Sec. 16 T20S R24E
Eddy County, New Mexico
(See attached Exhibit 1 - Topographic Map)
4. Landowner: State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504-1148
5. Facility Description
(See attached Exhibit 2 – Facility Diagram)
6. Materials Stored or Used at Facility
 - a. One (1) 500 gallon tank of engine lubrication oil
 - b. One (1) 180 gallon tank of methanol (temporary/portable tank set on site during winter)
 - c. One (1) 750 gallon tank of methanol (temporary/portable tank set on site during winter)
7. Present Sources of Effluent and Waste Solids
 - a. Fluid separators: Six (6) barrels/day produced fluid (produced water and oil).
 - b. Engine cooling water: 500 gallons/year.
 - c. Waste engine oil: 1000 gallons/year
 - d. Catch pan effluent:
 - i. Cleaning operations: 100 barrels/year (fresh water with surfactants used for cleaning of facility and equipment)
 - ii. Miscellaneous: < 100 gallons/year (drips, spills, leaks, overflows, etc.)
 - e. Flare: 2 barrels/year (accidental liquid discharge)
 - i. Sample was collected as follows (See attached Exhibit 3 – Water Analysis*):
Produced water from SWD tank at Algerita AHR State #1
(Note: The same water is in the whole system)
Sample analyzed by:
Petrolite
510 Texas Avenue
Artesia, NM 88210
**A current water sample has been obtained and is being analyzed. As soon as the results are available, they will be forwarded.*

- f. Solid wastes are incidental to transient occupation by YPC and contract personnel.
(cardboard boxes, plastic and paper sacks, styrofoam and paper packing, wood skids, etc.)

8. Current Liquid and Solid Waste Collection, Treatment and Disposal Procedures:

- a. Produced fluid from the inlet separator and from the compressor scrubbers are connected together and piped via a two inch steel underground line to a separator located in the Algerita AHR State #1 tank battery, which occupies an adjacent site. The site diagram includes this adjacent site. All lines are approximately 2-15# pressure. Pressure gauges, line routes, and tanks are inspected daily for leak indications. The separator at the Algerita AHR State #1 tank battery routes hydrocarbons to an oil storage tank and produced water is sent to the well's disposal system.
- b. The produced water is transferred via the Algerita AHR State #1 disposal system and is injected into Yates Petroleum's State D injection well.

OCD approved Class II injection well

ORDER #SWD-395 dated July 31, 1990

Injecting into the Devonian formation

Contingency plan is to transfer water to other OCD approved Class II injection wells in the disposal system.

Example: Contingency disposal well – Donahue Federal #1.

OCD approved Class II injection well

Order #SWD-377 dated September 7, 1989

Injecting into the Canyon formation

- c. The catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a six inch PVC line (buried with a ¼" per foot grade) to a double-hulled buried waste tank. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.
- d. Waste engine and tank oils are stored in an above ground 210-barrel stock tank. Waste oil and anti-freeze are removed from the site by a reclaiming company and trucked to their facility for processing.
- e. A self-containment structure is located on site to store fluids necessary for normal operations (lube oil, engine oils, etc.)
- f. Any leaks discovered are repaired immediately. The OCD will be notified of major or serious leaks and/or spills. Any minor leaks or spills will be remedied in-situ.
- g. A contract waste management company disposes of solid waste.

9. Proposed Modifications to Existing Collection, Treatment and Disposal Systems:

There are no plans to change the existing system at this time. In the event of installation of new compressors, they will be incorporated into the existing system.

The current system has the capacity to handle additional waste.

(See attached Exhibit 4 - Site Plan)

10. Inspection and Maintenance Plan

- a. Company personnel make daily inspections of the site. Malfunctions or breakdowns are noted and repaired.
- b. A regular monthly maintenance program is diligently carried out on all of the compressors and associated equipment.
- c. Any repair work that is needed is performed as required.

11. Plan for Reporting and Cleanup of Spills or Releases:

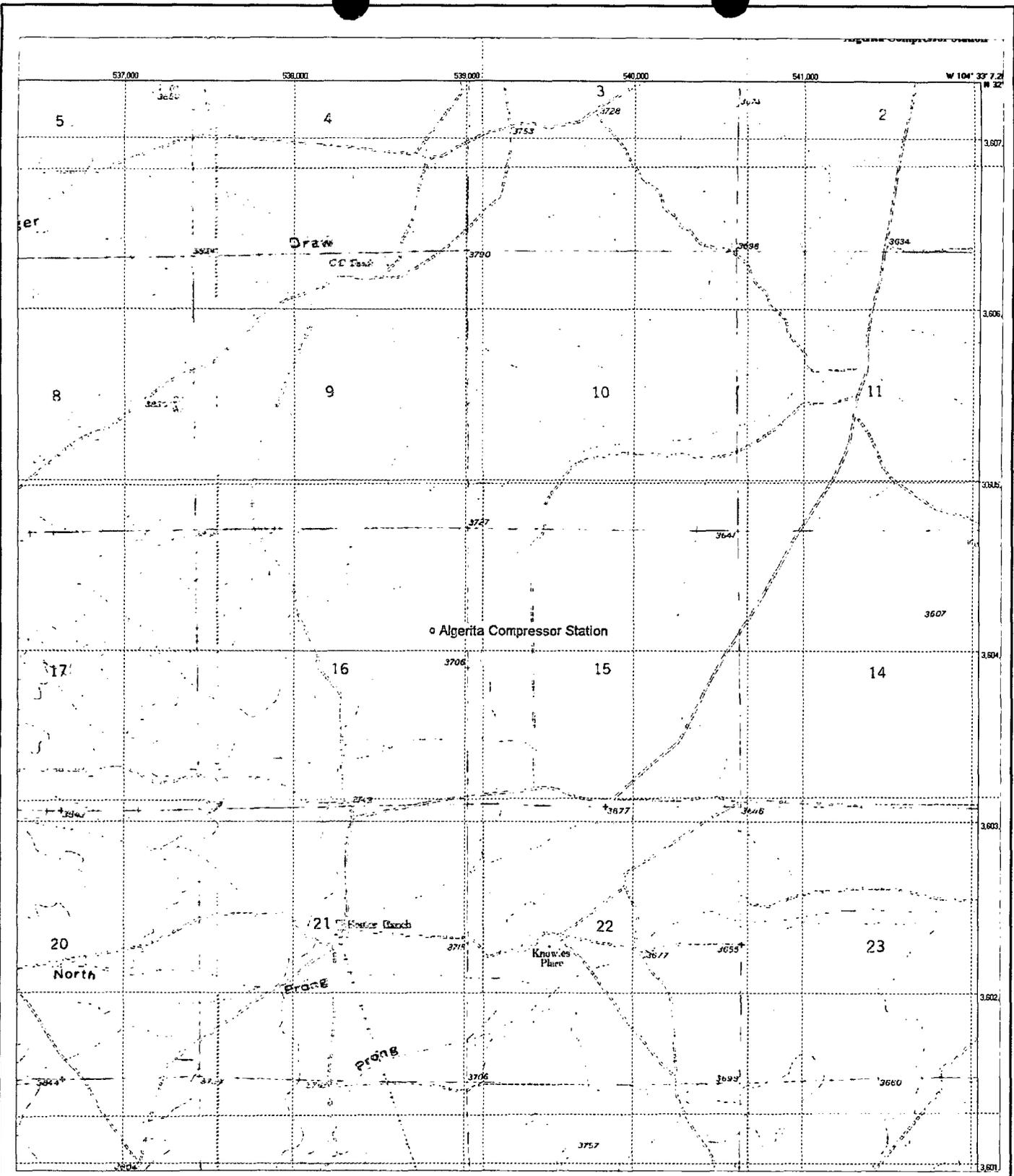
- a. Standard company procedure is to immediately secure the area to insure the safety of personnel and the public.
- b. Employees and contract personnel are dispatched to the spill area with material and equipment, including vacuum trucks, necessary to control and contain spill and initiate clean-up program.
- c. Notification and any necessary follow-up reports will be made to agencies (BLM, OCD, etc.) pursuant to regulations.

12. Geologic and Hydrologic Information:

- a. There are no fresh water wells within two (2) miles of the site. The nearest fresh water well is approximately two and one-half miles north. Estimated depth to ground water is approximately 800 feet. (*See attached Exhibit 5 - Water analysis from nearest fresh water well.*)
- b. The surrounding terrain consists of gentle rolling hills marked with outcrops of caliche. The soils consist of clay loams and silt. The surface is subject to colluvial processes and drains to the south. The area is primarily rangeland consisting of tar brush, creosote bush, yucca, broom snakeweed, dogwood, and native grasses. The site is not located in a flood plain.

13. Closure Plan:

There are no plans to close the facility.



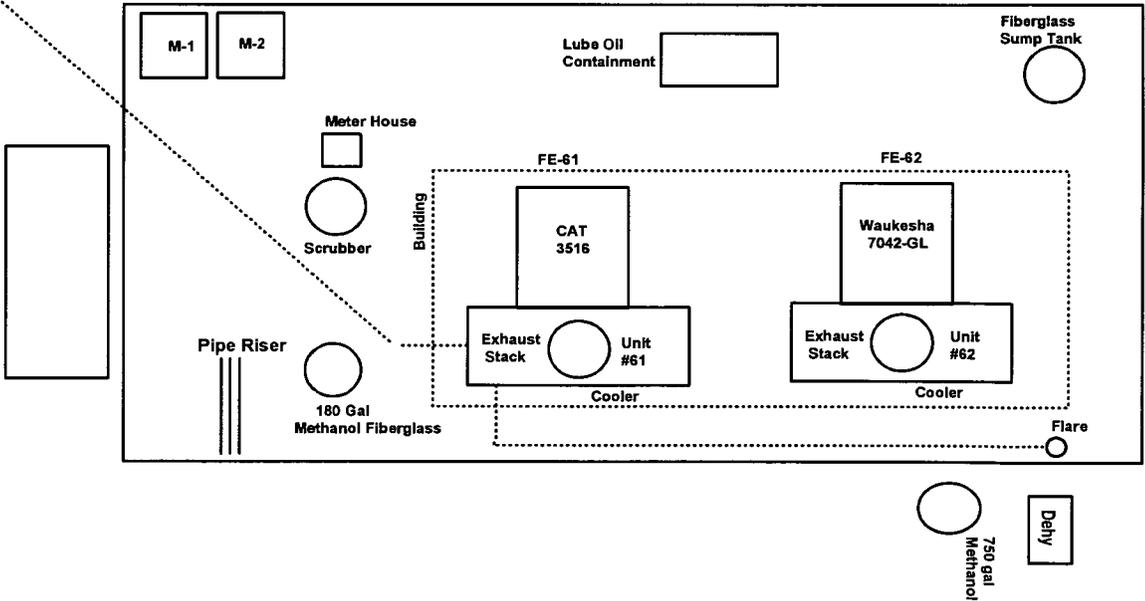
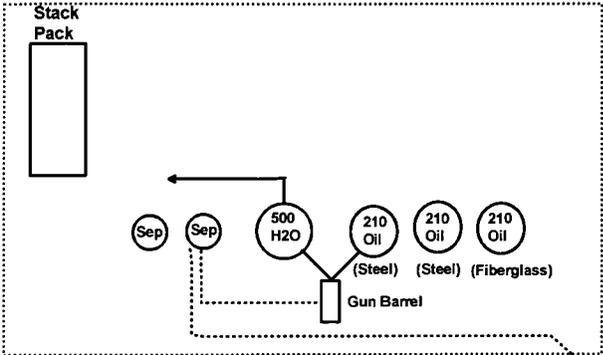
Algerita Compressor Station

T20S R24E Sec.16
 Foster Ranch Quadrangle
 Eddy County, New Mexico



"EXHIBIT 1"

YATES PETROLEUM CORPORATION ALGERITA COMPRESSOR STATION SITE DIAGRAM



Algerita
Water Transfer Pump

WATER ANALYSIS REPORT

Company : YATES PETROLEUM Date : 02/18/97
 Address : ARTESIA, NM Date Sampled : 02/18/97
 Lease : ALGERITA Analysis No. : 0384
 Well :
 Sample Pt. : WATER TANK

ANALYSIS		mg/L		* meq/L
1. pH	6.9			
2. H2S	20 PPM			
3. Specific Gravity	1.013			
4. Total Dissolved Solids		13170.8		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	560.0	HCO3	9.2
12. Chloride	Cl	7668.0	Cl	216.3
13. Sulfate	SO4	4.0	SO4	0.1
14. Calcium	Ca	700.0	Ca	34.9
15. Magnesium	Mg	170.7	Mg	14.0
16. Sodium (calculated)	Na	4059.8	Na	176.6
17. Iron	Fe	8.2		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		2451.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	=	mg/L
35 *Ca <----- *HCO3 9	Ca(HCO3)2	81.0	9.2	744
----- /-----> -----	CaSO4	68.1	0.1	6
14 *Mg -----> *SO4 0	CaCl2	55.5	25.7	1424
----- <-----/ -----	Mg(HCO3)2	73.2		
177 *Na -----> *Cl 216	MgSO4	60.2		
+-----+	MgCl2	47.6	14.0	669
Saturation Values Dist. Water 20 C	NaHCO3	34.0		
CaCO3 13 mg/L	Na2SO4	71.0		
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	176.5	10320
BaSO4 2.4 mg/L				

REMARKS:

Petrolite Oilfield Chemicals Group

Respectfully submitted,
 WAYNE PETERSON



Petrolite Corporation
422 West Main Street
Artesia, NM 88210-2041

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

Reply to:
P.O. Box 1140
Artesia, NM
88211-1140

SCALE TENDENCY REPORT

Company	: YATES PETROLEUM	Date	: 02/18/97
Address	: ARTESIA, NM	Date Sampled	: 02/18/97
Lease	: ALGERITA	Analysis No.	: 0384
Well	:	Analyst	: WAYNE PETERSON
Sample Pt.	: WATER TANK		

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

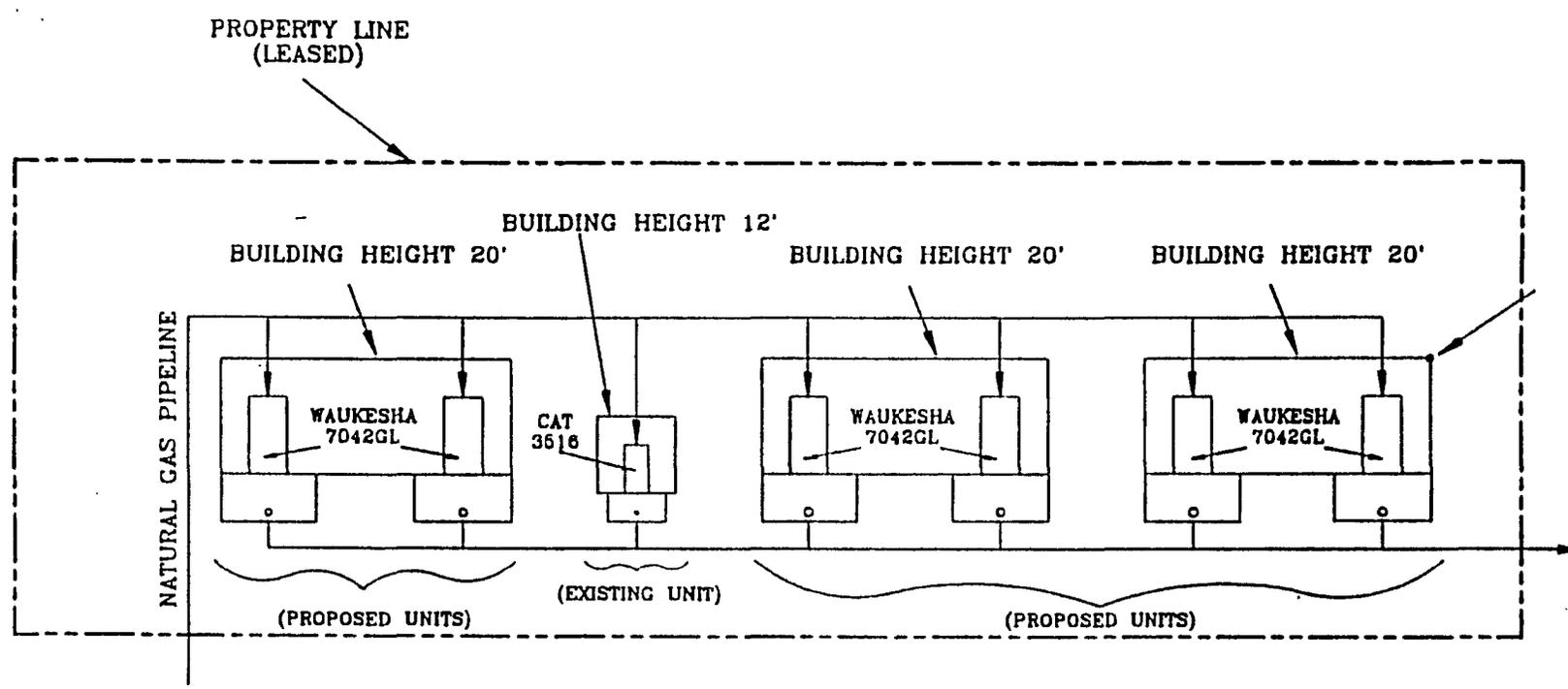
S.I. =	0.4	at	60 deg. F	or	16 deg. C
S.I. =	0.5	at	80 deg. F	or	27 deg. C
S.I. =	0.5	at	100 deg. F	or	38 deg. C
S.I. =	0.5	at	120 deg. F	or	49 deg. C
S.I. =	0.6	at	140 deg. F	or	60 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	2091	at	60 deg. F	or	16 deg. C
S =	2203	at	80 deg. F	or	27 deg. C
S =	2252	at	100 deg. F	or	38 deg. C
S =	2255	at	120 deg. F	or	49 deg. C
S =	2248	at	140 deg. F	or	60 deg. C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
WAYNE PETERSON



TITLE:
YATES PETROLEUM CORPORATION
ALGERITA COMPRESSOR STATION

PROPOSED EXPANSION
EXHIBIT A

Petrolite Corporation
 422 West Main Street
 Artesia, NM 88210-2041

TRETOLITE DIVISION

(505) 746-3588
 Fax (505) 746-3580

WATER ANALYSIS REPORT

Reply to:
 P.O. Box 1140
 Artesia, NM
 88211-1140

Company : YATES PETROLEUM Date : 02/18/97
 Address : ARTESIA, NM Date Sampled : 02/18/97
 Lease : LARUE Analysis No. : 0383
 Well :
 Sample Pt. : WATER WELL

ANALYSIS		mg/L		* meq/L
1. pH	7.3			
2. H2S				
3. Specific Gravity	1.005			
4. Total Dissolved Solids		2260.6		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	160.0	HCO3	2.6
12. Chloride	Cl	1278.0	Cl	36.1
13. Sulfate	SO4	53.0	SO4	1.1
14. Calcium	Ca	480.0	Ca	24.0
15. Magnesium	Mg	85.6	Mg	7.0
16. Sodium (calculated)	Na	202.0	Na	8.8
17. Iron	Fe	2.1		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		1551.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	= mg/L
24 *Ca <----- *HCO3 3	Ca(HCO3)2	81.0	213
----- /-----> -----	CaSO4	68.1	75
7 *Mg -----> *SO4 1	CaCl2	55.5	1122
----- <-----/ -----	Mg(HCO3)2	73.2	
9 *Na -----> *Cl 36	MgSO4	60.2	
+-----+	MgCl2	47.6	335
Saturation Values Dist. Water 20 C	NaHCO3	84.0	
CaCO3 13 mg/L	Na2SO4	71.0	
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	513
BaSO4 2.4 mg/L			

REMARKS:

Petrolite Oilfield Chemicals Group

Respectfully submitted,
 WAYNE PETERSON



SCALE TENDENCY REPORT

Company : YATES PETROLEUM Date : 02/18/97
Address : ARTESIA, NM Date Sampled : 02/18/97
Lease : LARUE Analysis No. : 0383
Well : Analyst : WAYNE PETERSON
Sample Pt. : WATER WELL

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. = 0.4 at 60 deg. F or 16 deg. C
S.I. = 0.5 at 80 deg. F or 27 deg. C
S.I. = 0.5 at 100 deg. F or 38 deg. C
S.I. = 0.6 at 120 deg. F or 49 deg. C
S.I. = 0.6 at 140 deg. F or 60 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S = 1008 at 60 deg. F or 16 deg C
S = 1046 at 80 deg. F or 27 deg C
S = 1050 at 100 deg. F or 38 deg C
S = 1042 at 120 deg. F or 49 deg C
S = 1030 at 140 deg. F or 60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
WAYNE PETERSON

Martin, Ed

To: Lisa Norton (E-mail)
Subject: Discharge Plans

Lisa, following are the Yates Petroleum NMOCD Discharge Plan Permits expiring over the next year or so:

GW-105	Larue C.S.	Expires 6/22/02
GW-104	Algerita C.S.	Expires 6/22/02
GW-123	7-Rivers C.S.	Expires 7/28/02
GW-125	Penasco C.S.	Expires 8/17/02

Are you still the contact for these facilities. If so, please submit renewals at least 120 days prior to the expiration date and the permits will not expire until all paperwork is done on our end.

Also, I need to come out some time for the inspections of the facilities. We can work out the detail later.

If you have any questions, please e-mail me or call (505) 476-3492.

Thanks.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5/13/97,

or cash received on _____ in the amount of \$ 345.00

from Yates Petroleum

for Algerita C.S. GW-104
(Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: R. Anderson Date: 5-23-97

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal Y
Modification _____ Other _____

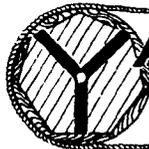
Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment _____

NationsBank
NationsBank of Texas, N.A.

32-1
1110



**YATES
PETROLEUM
CORPORATION**

(505) 748-1471
105 SOUTH 4TH STREET
ARTESIA, NEW MEXICO - 88210

DATE 5/13/97 VENDOR NO. 637315

*****345DOLLARS***00CENTS

PAY TO THE ORDER OF:

NMED-WATER QUALITY MANAGEMENT
NM OIL CONSERVATION DIVISION
2040 PACHERO STREET
SANTA FE NM 87504

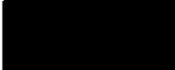
AMOUNT

*****345.00

R. Anderson

YATES PETROLEUM CORPORATION

(505) 748-1471
105 SO. 4TH - ARTESIA, NEW MEXICO - 88211



CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	RENEW GW-104 PERMIT	05/97	345.00	.00	345.00
			TOTAL FOR CHECK		345.00

CODES

- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.

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Affidavit of Publication

No. 15775

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of

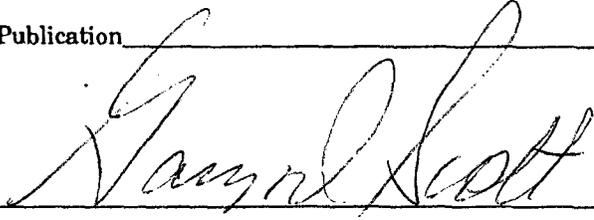
the state of New Mexico for 1 days consecutive weeks on the same day as follows:

First Publication March 5, 1997

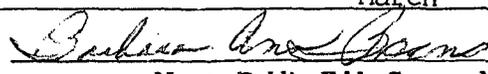
Second Publication _____

Third Publication _____

Fourth Publication _____



Subscribed and sworn to before me this 5th day of March 19 97


Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

RECEIVED

MAR - 7 1997

Environmental Bureau
Oil Conservation Division

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LEGAL NOTICE

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan renewal applications have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-107) - Sid Richardson Gasoline, Co., Mr. Wayne Farley, (817)-390-8686, 201 N. Main, Forth Worth, TX, 76102, has submitted a Discharge Plan Renewal Application for their Jal #4 Compressor Station located in the SE/4, Section 31, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 105 feet with a total dissolved solids concentration of approximately 331 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-120)-Amoco Production Company, Mr. Buddy Shaw, (505)-326-9219, 200 Amoco Court, Farmington, NM, 87401, has submitted a Discharge plan Renewal Application for their Pipkin Compressor Station located in the NW/4 NW/4, Section 36, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most

likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 10 feet with a total dissolved solids concentration of approximately 1000 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-104) - Yates Petroleum Corporation, Mr. John F. Brown, (505)748-4219, 105 S. 4th Street, Artesia, NM, 88210, has submitted a Discharge Plan Renewal Application for their Algerita Compressor Station located in the SE/4 NE/4, Section 16, Township 20 south, Range 24 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 387 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-105) - Yates Petroleum Corporation, Mr. John F. Brown, (505) -748-4219, 105 S. 4th Street, Artesia, NM, 88210, has submitted a Discharge Plan Renewal Application for their Larue Compressor Station located in the SE/4 NW/4, Section 3, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 387 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan renewal applications may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan renewal based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan renewal based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of February, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION

s-William J. LeMay
WILLIAM J. LEMAY, Director
SEAL
Published in the Artesia Daily
Press, Artesia, N.M. March 5,
1997.

Legal 15775

MEMORANDUM OF MEETING OR CONVERSATION

<input type="checkbox"/> Telephone	<input checked="" type="checkbox"/> Personal	Time 3:00 PM	Date 2-24-97
------------------------------------	--	--------------	--------------

<u>Originating Party</u>	<u>Other Parties</u>
Pat Sanchez - OCD	Mark Ashley, Bill Olson - OCD

Subject Search for Groundwater data in/near
Section 16, T20S, R24E & Section 3, T20S, R24E, Eddy
County New Mexico. (GW-104 & GW-105)

Discussion

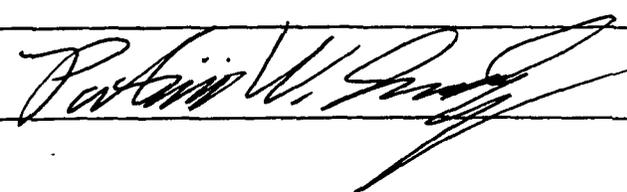
(1) Geology - Mark Ashley Reference - "Geology of the Pecos Country." Memo. No. 24 by New Mexico Bureau of Mines. - Formation likely the Queen.
- Depth approx. 250' - see NMBM - Report No. 3 - Eddy County.

(2) Per Bill Olson - i.e. Indian Basin Gas Plant
GW-24. Conductivity ~ 553 $\mu\text{mhos/cm}$
TDS ~ $0.7 \times 553 = 387 \text{ mg/L}$.

Conclusions or Agreements

For GW-104 & GW-105 public Notice:
The following parameters are for groundwater:
Depth = 250 feet
TDS = 387 mg/L

Distribution GW-104, GW-105

Signed 

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, the following discharge plan renewal applications have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

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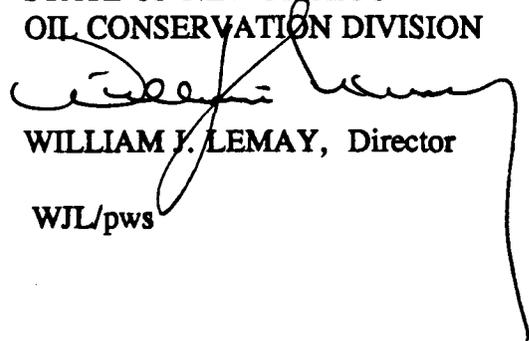
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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan renewal applications may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan renewal based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan renewal based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of February, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director

WJL/pws

S E A L

District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Revised 12/1/9

Submit Origin.
Plus 1 Copy
to Santa Fe
1 Copy to appropriate
District Office

FEB 21 1997

62-104

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS
(Refer to the OCD Guidelines for assistance in completing the application)

New

Renewal

Modification

5/15/97 - Per Mr. Paul Ragsdale
w/ Yates 3,000 < HP < 1,000
pwb

1. Type: Natural Gas Compressor Station
2. Operator: Yates Petroleum Corporation
Address: 105 S. 4th Str., Artesia, NM 88210
Contact Person: John Brown Phone: 505-748-4219
3. Location: SE /4 NE /4 Section 16 Township 20S Range 24E
Submit large scale topographic map showing exact location.
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 quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
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 OCD 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: John F. Brown Title: Operations Engineer
Signature: [Signature] Date: 2-19-97

DISCHARGE PLAN GW-104 RENEWAL

YATES PETROLEUM CORPORATION
ALGERITA COMPRESSOR STATION

February 20, 1997

FEB 21 1997

Department of
Environmental Protection

SECTIONS 1, 2, 3, 4

General Information

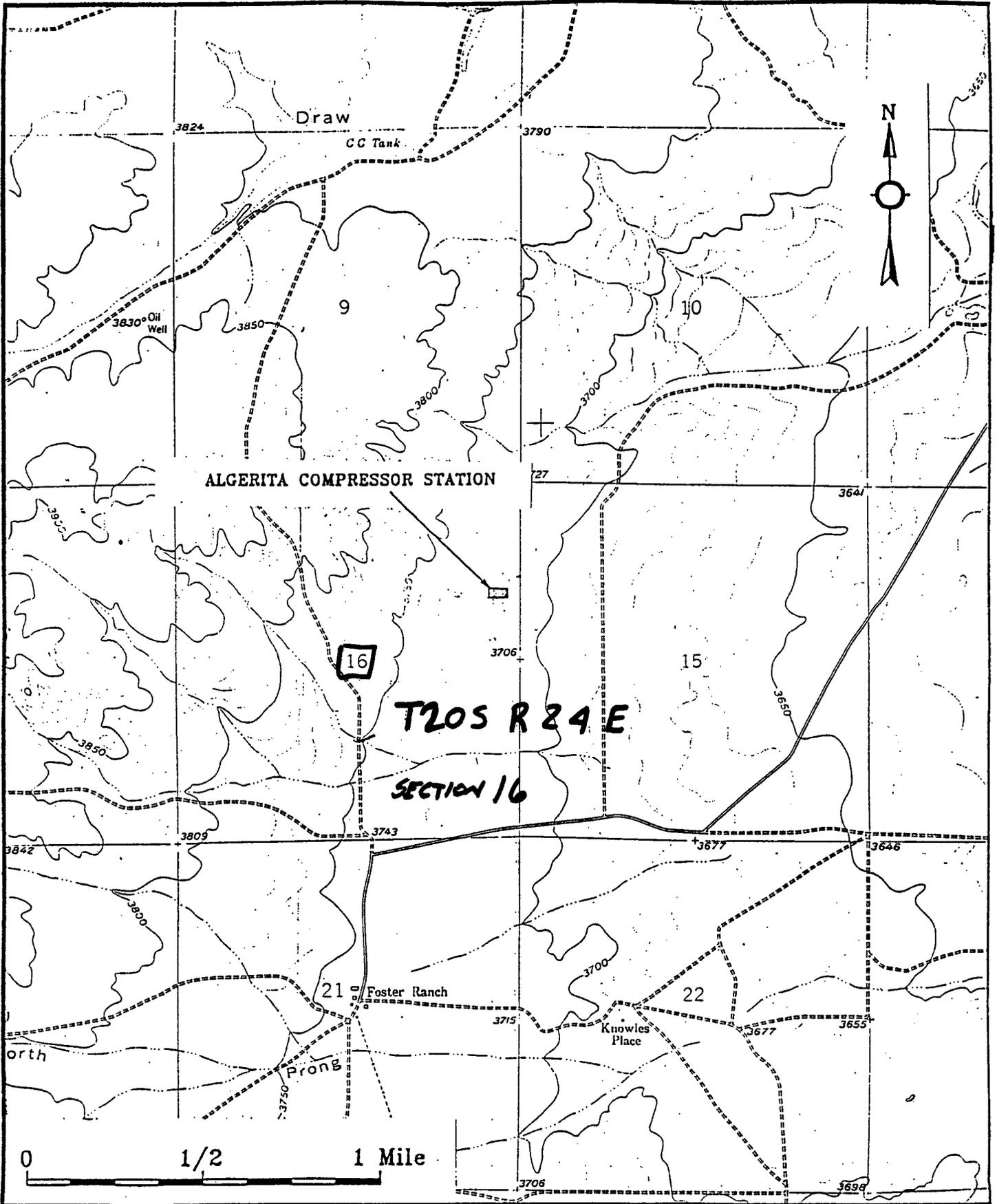
1. Type: Natural Gas Compression; Low pressure natural gas is compressed and metered into high pressure sales line.

2. Operator: Yates Petroleum Corporation
Address: 105 S. 4th
Artesia, NM 88210

Contact: John Brown, Operations Engineer
Phone: 505-748-4219

3. Location: SE/4 NE/4
Sec 16-T20S-R24E
Eddy County, New Mexico

4. Landowner: State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

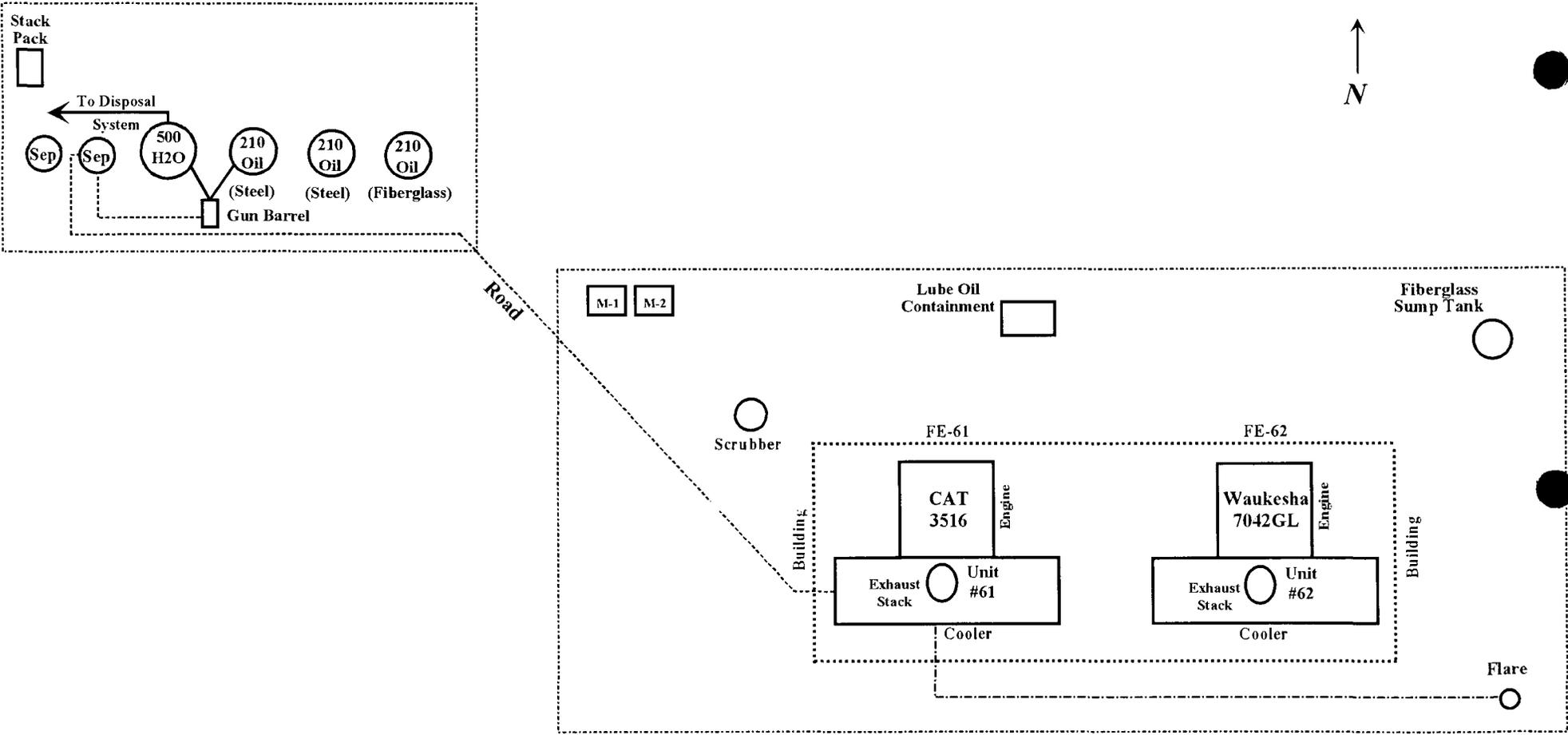


TITLE: YATES PETROLEUM CORPORATION
 ALGERITA COMPRESSOR STATION
 SITE VICINITY MAP

SECTION 5

Facility Description

YATES PETROLEUM CORPORATION ALGERITA COMPRESSOR STATION SITE DIAGRAM



SECTION 6

Materials Stored or Used at Facility

- 1 - 500 Gallon tank engine lubrication oil
- 1 - 500 Gallon tank anti-freeze - ethylene glycol
- 1 - 500 Gallon tank methanol - (This is a temporary/portable tank that is set on site during winter months.)

SECTION 7

Present Sources of Effluent and Waste Solids

Plant Processes

1. Fluid separators: 6 BPD produced fluid (produced water and oil).
2. Engine cooling waters: 500 gallons/year.
3. Waste engine oils: 1000 gallons/year.
4. Catch pan effluent
 - a. Cleaning operations (fresh water with surfactants used for cleaning of facility and equipment): 100 bbl/year.
 - b. Miscellaneous: drips, spills, leaks, overflows, etc. (<100 gallons/year)
5. Flare (accidental liquid discharge): 2 BPYR

Attached sample was collected as follows:

Produced water: Sample pulled off of the SWD tank at Algerita.

Note: This is the same water in the whole system.

Sample sent for analysis to:

Petrolite
510 Texas Avenue
Artesia, NM 88210

6. Solid wastes are incidental to transient occupation by YPC and contract personnel. (ie. cardboard boxes, plastic and paper sacks, styrofoam and paper packing, wooded skids, etc.)

WATER ANALYSIS REPORT

Company	: YATES PETROLEUM	Date	: 02/18/97
Address	: ARTESIA, NM	Date Sampled	: 02/18/97
Lease	: ALGERITA	Analysis No.	: 0384
Well	:		
Sample Pt.	: WATER TANK		

ANALYSIS		mg/L		* meq/L
-----		----		-----
1. pH	6.9			
2. H2S	20 PPM			
3. Specific Gravity	1.013			
4. Total Dissolved Solids		13170.8		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	560.0	HCO3	9.2
12. Chloride	Cl	7668.0	Cl	216.3
13. Sulfate	SO4	4.0	SO4	0.1
14. Calcium	Ca	700.0	Ca	34.9
15. Magnesium	Mg	170.7	Mg	14.0
16. Sodium (calculated)	Na	4059.8	Na	176.6
17. Iron	Fe	8.2		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		2451.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter		Compound	Equiv wt	X meq/L	=	mg/L
+-----+						
35 *Ca <----- *HCO3	9	Ca(HCO3)2	81.0	9.2		744
----- /----->	-----	CaSO4	68.1	0.1		6
14 *Mg -----> *SO4	0	CaCl2	55.5	25.7		1424
----- <-----/	-----	Mg(HCO3)2	73.2			
177 *Na -----> *Cl	216	MgSO4	60.2			
+-----+	+-----+	MgCl2	47.6	14.0		669
Saturation Values Dist. Water 20 C		NaHCO3	84.0			
CaCO3	13 mg/L	Na2SO4	71.0			
CaSO4 * 2H2O	2090 mg/L	NaCl	58.4	176.6		10320
BaSO4	2.4 mg/L					

REMARKS:

TRETOLITE DIVISION

(505) 746-3588
 Fax (505) 746-3580

Reply to:
 P.O. Box 1140
 Artesia, NM
 88211-1140

SCALE TENDENCY REPORT

Company	: YATES PETROLEUM	Date	: 02/18/97
Address	: ARTESIA, NM	Date Sampled	: 02/18/97
Lease	: ALGERITA	Analysis No.	: 0384
Well	:	Analyst	: WAYNE PETERSON
Sample Pt.	: WATER TANK		

STABILITY INDEX CALCULATIONS
 (Stiff-Davis Method)
 CaCO3 Scaling Tendency

S.I. =	0.4	at	60 deg. F	or	16 deg. C
S.I. =	0.5	at	80 deg. F	or	27 deg. C
S.I. =	0.5	at	100 deg. F	or	38 deg. C
S.I. =	0.5	at	120 deg. F	or	49 deg. C
S.I. =	0.6	at	140 deg. F	or	60 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
 (Skillman-McDonald-Stiff Method)
 Calcium Sulfate

S =	2091	at	60 deg. F	or	16 deg C
S =	2203	at	80 deg. F	or	27 deg C
S =	2252	at	100 deg. F	or	38 deg C
S =	2255	at	120 deg. F	or	49 deg C
S =	2248	at	140 deg. F	or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
 WAYNE PETERSON

SECTION 8

***Current Liquid and Solid Waste
Collection/Treatment/Disposal Procedures***

1. Produced fluid from the inlet separator and from the compressor scrubbers are connected together and piped via a 2" steel underground line to a separator located in the Algerita AHR State #1 tank battery, which occupies an adjacent site. The site diagram includes this adjacent site. All lines are under approximately 2-15# pressure. Pressure gauges, line routes, and tanks are inspected daily for leak indications. The separator at the Algerita AHR State #1 tank battery routes hydrocarbons to an oil storage tank and produced water is sent to the well's disposal system.
2. The produced water is transferred via the Algerita AHR State #1 disposal system, and is injected into Yates Petroleum's State D injection well.
 - a. OCD approved Class II injection well
 - b. Order #SWD-395 dated July 31, 1990
 - c. Injecting into the Devonian formation

Contingency plan is to truck produced water to Yates Petroleum's Donahue Fed #1 injection well.

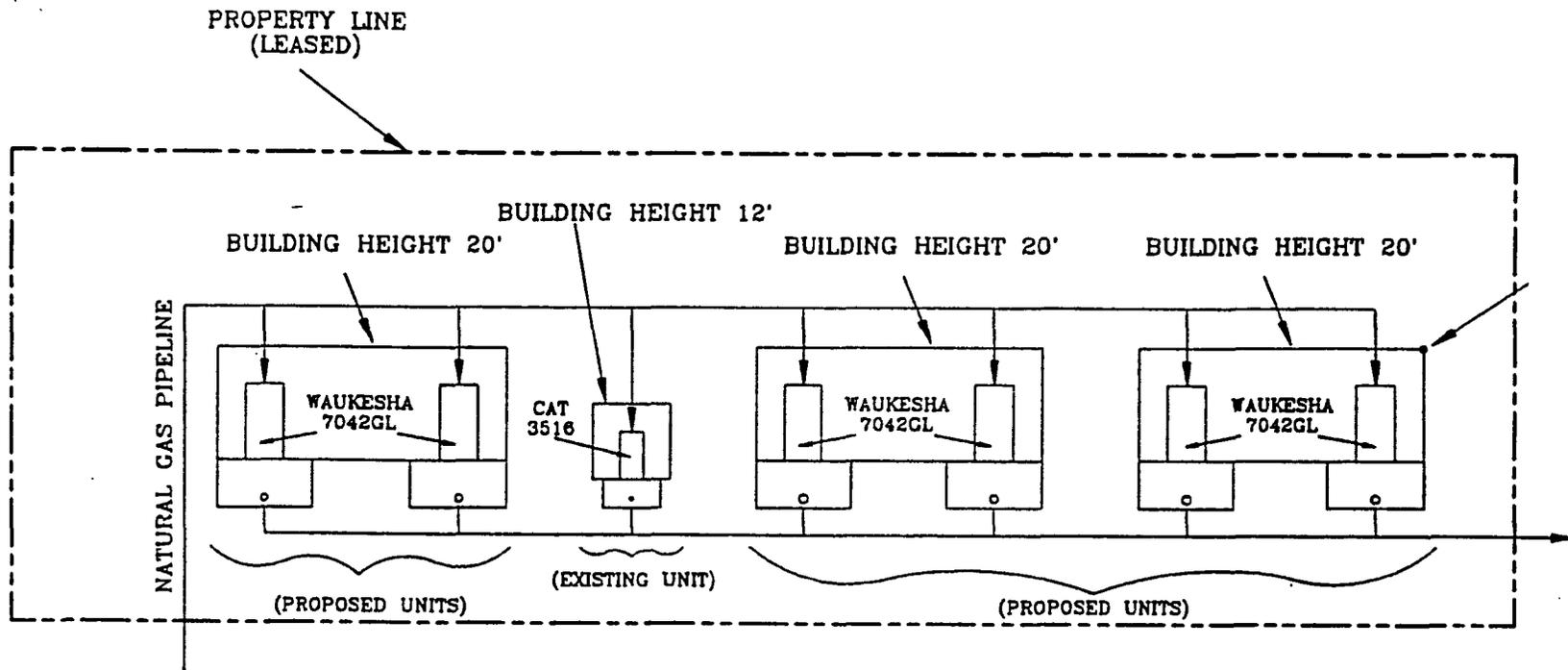
- a. OCD approved Class II injection well
 - b. Order #SWD-377 dated September 7, 1989
 - c. Injecting into the Canyon formation
3. A catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a 6" PVC line (buried with a 1/4" per foot grade) to a double hulled buried waste tank. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.
4. Waste engine and tank oils are stored in an underground 210 bbl fiberglass oil slop tank. Waste oil and anti-freeze are removed from the site by a reclaiming company and trucked to their facility for processing.
5. A self-containment structure is located on site to store fluids necessary for normal operations (lube oils, engine oils, etc.).
6. Any leaks found are to be repaired immediately. The OCD will be notified of any major or serious leaks, and/or spills. Any minor leaks or spills will need to be remediated in-situ by aeration. Any accidental fluid discharge from the flare will be handled in a similar manner.
7. Solid waste is picked up by waste management contract hauler and disposed of at a permitted landfill.

SECTION 9

Proposed Modifications to Existing Collection/Treatment/Disposal Systems

There are no plans to change the existing systems. If new compressors are installed, they will tie in to the existing system.

The system has the capacity available to handle additional waste.



0 50
SCALE IN FEET

TITLE:
YATES PETROLEUM CORPORATION
ALGERITA COMPRESSOR STATION

PROPOSED EXPANSION

SECTION 10

Inspection and Maintenance Plan

1. Yates Petroleum Corporation personnel make a daily inspection of the site and any malfunction or breakdown is noted and repaired.
2. Yates Petroleum Corporation has a regular monthly maintenance program that is diligently carried out on all of the compressors and associated equipment.
3. Any repair work that is needed is performed as required.

SECTION 11

Plan for Reporting and Clean-Up of Spills or Releases

1. S.O.P. for spill is to immediately call a vacuum truck.
2. Notify BLM and/or OCD per regulations.
3. Contain spill as necessary.
4. Apply absorbants and/or bio-remediation materials.
5. Send follow-up reports to the agencies as required.

SECTION 12

Geological/Hydrological Information

1. There is no fresh water well within 2 miles of this site.
Estimated depth to ground water = 800 ft.
2. Included in this section is a water analysis of the nearest fresh water well. This water well is approximately 2-1/2 miles north of the station, and the aquifer formation is the same as would be found beneath the compressor station.
3. The surrounding terrain consists of gentle rolling hills marked with outcrops of caliche. The soils consist of silty clay loams and silt loams. The present surface is subject to colluvial process and drainage is to the South. The area is primarily rangeland consisting of tar brush, creosote brush, yucca, broom snakeweed, dogweed, fluff grass, burrograss, and blue grama. The site is not located in a flood plane, and no danger of flooding exist.

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

WATER ANALYSIS REPORT

Reply to:
P.O. Box 1140
Artesia, NM
88211-1140

Company : YATES PETROLEUM Date : 02/18/97
Address : ARTESIA, NM Date Sampled : 02/18/97
Lease : LARUE Analysis No. : 0383
Well :
Sample Pt. : WATER WELL

ANALYSIS		mg/L		* meq/L
1. pH	7.3			
2. H2S				
3. Specific Gravity	1.005			
4. Total Dissolved Solids		2260.6		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	160.0	HCO3	2.6
12. Chloride	Cl	1278.0	Cl	36.1
13. Sulfate	SO4	53.0	SO4	1.1
14. Calcium	Ca	480.0	Ca	24.0
15. Magnesium	Mg	85.6	Mg	7.0
16. Sodium (calculated)	Na	202.0	Na	8.8
17. Iron	Fe	2.1		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		1551.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	= mg/L
24 *Ca <----- *HCO3 3	Ca (HCO3) 2	81.0	2.6 213
----- /-----> -----	CaSO4	68.1	1.1 75
7 *Mg -----> *SO4 1	CaCl2	55.5	20.2 1122
----- <-----/ -----	Mg (HCO3) 2	73.2	
9 *Na -----> *Cl 36	MgSO4	60.2	
+-----+	MgCl2	47.6	7.0 335
Saturation Values Dist. Water 20 C	NaHCO3	84.0	
CaCO3 13 mg/L	Na2SO4	71.0	
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	8.8 513
BaSO4 2.4 mg/L			

REMARKS:

SCALE TENDENCY REPORT

Company	: YATES PETROLEUM	Date	: 02/18/97
Address	: ARTESIA, NM	Date Sampled	: 02/18/97
Lease	: LARUE	Analysis No.	: 0383
Well	:	Analyst	: WAYNE PETERSON
Sample Pt.	: WATER WELL		

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(Stiff-Davis Method)
CaCO3 Scaling Tendency

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S.I. =	0.5	at	100 deg. F	or	38 deg. C
S.I. =	0.6	at	120 deg. F	or	49 deg. C
S.I. =	0.6	at	140 deg. F	or	60 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	1008	at	60 deg. F	or	16 deg C
S =	1046	at	80 deg. F	or	27 deg C
S =	1050	at	100 deg. F	or	38 deg C
S =	1042	at	120 deg. F	or	49 deg C
S =	1030	at	140 deg. F	or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
WAYNE PETERSON

SECTION 13

Facility Closure Plan

No plans to close facility within 5 years.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 1/2/97.

or cash received on _____ in the amount of \$ 50.00

from Yates Pet

for Algerita C.S GW-104

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

Submitted to ASD by: R. Anderson Date: 3/19/97

Received in ASD by: _____ Date: _____

Filing Fee ^R New Facility _____ Renewal _____

Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

NationsBank
NationsBank of Texas, N.A.

32-1
1110



(505) 748-1471
105 SOUTH 4TH STREET

ARTESIA, NEW MEXICO - 88210

DATE 1/02/97 VENDOR NO. 666850

*****50DOLLARS***00CENTS

PAY TO THE ORDER OF:

OIL CONSERVATION DIVISION
2040 SOUTH PACHECO
SANTA FE, NM 87505

AMOUNT

*****50.00

R. Anderson

YATES PETROLEUM CORPORATION

(505) 748-1471
105 SO. 4TH - ARTESIA, NEW MEXICO - 887



CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	FILING FEE ALGERITA	12/96	50.00	.00	50.00
			TOTAL FOR CHECK		50.00

CODES

- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.

The Santa Fe New Mexican

Since 1849. We Read You.

NM OIL DIVISION
ATTN: SALLY MARTINEZ
2040 S. PACHECO ST
SANTA FE, NM 87505

AD NUMBER: 612085

ACCOUNT: 56689

LEGAL NO: 61299

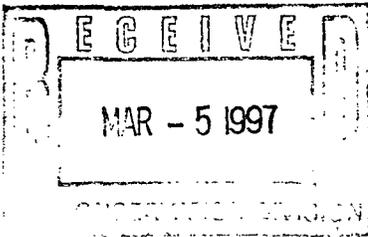
P.O. #: 96-199-002997

294 LINES ONCE at \$ 117.60

Affidavits: 5.25

Tax: 7.68

Total: \$ 130.53



RECEIVED

MAR - 5 1997

Environmental Bureau
Oil Conservation Division

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, BETSY PERNER being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily news paper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 61299 a copy of which is hereto attached was published in said newspaper once each WEEK for ONE consecutive week(s) and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 4 day of MARCH 1996 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ Betsy Perner
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 4 day of MARCH A.D., 1996



OFFICIAL SEAL

Candace C. Ruiz

NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires: 9/27/99

Candace C. Ruiz

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, the following discharge plan renewal applications have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico, 87505, Telephone (505) 827-7131:

(GW-107) - Sid Richardson Gasoline, Co., Mr. Wayne Farley, (817)-390-8686, 201 N. Main, Fort Worth, TX, 76102, has submitted a Discharge Plan Renewal Application for their Jal #4 Compressor Station located in the SE/4, Section 31, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 105 feet with a total dissolved solids concentration of approximately 331 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of February 1997.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
WILLIAM J. LEMAY,
Director
Legal #61299
Pub. March 4, 1997

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MAR - 5 1997

Environmental Bureau
Oil Conservation Division



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

December 9, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-713

Mr. Paul Ragsdale
Operations Manager
Yates Petroleum Corp.
104 S. 4th Street
Artesia, NM 88210

**RE: Discharge Plan GW-104 Renewal
Algerita Compressor Station
Eddy County, New Mexico**

Dear Mr. Ragsdale:

On June 22, 1992, the groundwater discharge plan, GW-105, for the **Algerita Compressor Station** located in the SE/4 NE/4, Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, was approved by the Director of the New Mexico Oil Conservation Division (OCD). This discharge plan was required and submitted pursuant to Water Quality Control Commission (WQCC) regulations and was approved for a period of five years. **The approval will expire on June 22, 1997.**

If your facility continues to have potential or actual effluent or leachate discharges and you wish to continue operation, you must renew your discharge plan. **If Yates Petroleum Corp. submits an application for renewal at least 120 days before the discharge plan expires (on or before February 22, 1997), then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved.** The OCD is reviewing discharge plan submittals and renewals carefully and the review time can extend for several weeks to months. Please indicate whether you have made, or intend to make, any changes in your system, and if so, please include these modifications in your application for renewal.

Please submit the original and one copy to the OCD Santa Fe Office and one copy to the OCD Artesia District Office. Note that the completed and signed application form must be submitted with your discharge plan renewal request. (Copies of the discharge plan application form and guidelines are enclosed. If you require additional copies of these items notify the OCD at (505)-827-7152. A complete copy of the regulations/guidelines is also available on OCD's website at www.emnrd.state.nm.us/ocd.htm.)

Mr. Paul Ragsdale
Yates Petroleum Corp., GW-104
December 9, 1996
Page 2

The discharge plan renewal application for the Algerita Compressor Station is subject to the WQCC Regulations 3114 discharge plan fee. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of fifty (\$50) dollars plus a flat fee of three-hundred and forty five (\$345) dollars for Compressor Stations between 1,000 and 3,000 horsepower.

The fifty (\$50) dollar filing fee is to be submitted with discharge plan renewal application and is nonrefundable. The flat fee for an approved discharge plan renewal 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.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you no longer have any actual or potential discharges a discharge plan is not needed, please notify this office. If you have any questions regarding this matter, please do not hesitate to contact Pat Sanchez at (505) 827-7156.

Sincerely,

RCA for RCA

Roger C. Anderson
Environmental Bureau Chief

RCA/pws

xc: Artesia OCD District

P 288 258 713

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

Sent to	Yates - Mr Ragsdale	
Street & Number	Renewal - 6 months	
Post Office, State, & ZIP Code	62-104	
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	
Postmark or Date		

PS Form 3800, April 1995



UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Ecological Services

Suite D, 3530 Pan American Highway, NE
Albuquerque, New Mexico 87107

May 29, 1992

OIL CONSERVATION DIVISION
REC: JED

1992 JUN 2 AM 9 27

H - Rose

Mr. William J. Lemay
Director
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Dear Mr. Lemay:

This responds to the notice of publication dated April 29, 1992, regarding the Oil Conservation Division discharge permit applications GW-113, GW-104, GW-105, GW-112, GW-116, GW-117, and GW-118 on fish, shellfish, and wildlife resources in New Mexico.

The U.S. Fish and Wildlife Service (Service) has determined there are no wetlands or other environmentally sensitive habitats, plants, or animals that will be adversely affected by the following discharges.

GW-113 - Transwestern Pipeline Company Eunice Compressor Station located in the NW 1/4 of Section 27, T22S, R37E, Lea County, New Mexico.

GW-104 - Yates Petroleum Corporation Algerita Compressor Station located in the SE 1/4, NE 1/4 of Section 16, T20S, R24E, Eddy County, New Mexico.

GW-105 - Yates Petroleum Corporation Larue Compressor Station located in the SE 1/4, NW 1/4 of Section 3, T20S, R24E, Eddy County, New Mexico.

GW-112 - Williams Field Services C.D.P. Alt. #1 Compressor Station located in the SE 1/4, NW 1/4 of Section 34, T32N, R5W, Rio Arriba County, New Mexico.

GW-116 - Williams Field Services San Juan 32-8 No. 3 CDP Compressor Station located in the SE 1/4, NE 1/4 of Section 9, T31N, R8W, San Juan County, New Mexico.

GW-117 - Williams Field Services San Juan 32-7 No. 1 CDP Compressor Station located in the SW 1/4, SW 1/4 of Section 34, T32N, R7W, San Juan County, New Mexico.

Mr. William J. Lemay

2

GW-118 - Williams Field Services San Juan 31-6 No. 1 CDP Compressor Station located in the SW 1/4, SW 1/4 of Section 1, T30N, R6W, Rio Arriba County, New Mexico.

If you have any questions concerning our comments, please contact Laurie S. Shomo at (505) 883-7877.

Sincerely,



Jennifer Fowler-Propst
Field Supervisor

cc:

Director, New Mexico Department of Game and Fish, Santa Fe, New Mexico
Regional Director, U.S. Fish and Wildlife Service, Fish and Wildlife
Enhancement, Albuquerque, New Mexico.

(GW-110) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah, 84158-0900, has submitted a discharge plan application for their San Juan 32-8 No. 3 CDP Compressor Station located in the SE/4, NE Section 8, Township 31 North, Range 6 West, NMPM, San Juan County, New Mexico. Approximately 5 gallons per day of wastewater with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 200 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-117) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900 has submitted a discharge plan application for their San Juan 32-1 No. 1 CDP Compressor Station located in the SW/4 SW/4, Section 34, Township 34 North, Range 6 West, NMPM, San Juan County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 320 feet with a total dissolved solids concentration of approximately 1800 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-118) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their San Juan 31-8 No. 1 CDP Compressor Station located in the SW/4 SW/4, Section 1, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 200 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 28th day of April, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
WILLIAM J. LEMAY, Director
Journal: May 14, 1992

OIL CONSERVATION DIVISION
RECEIVED

'92 MAY 15 AM 8

STATE OF NEW MEXICO
County of Bernalillo

ss

Thomas J. Smithson being duly sworn declares and says that he is National Account Manager of the Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 10, Session Laws of 1937, and that payment therefore has been made or assessed therefor; that the notice, a copy of which is hereto attached, was published in its regular daily edition,

for.....1.....times, the first publication being on the.....14.....

of.....May....., 1992, and the subsequent consecutive

publications on.....

Thomas J. Smithson

Sworn and subscribed to before me, a Notary Public and for the County of Bernalillo and State of New Mexico, this.....14..... day of.....May.....

PRICE.....\$65.10.....

Statement to come at end of month.

ACCOUNT NUMBER.....C 81184.....

Bernadette Ortiz

12-18-93

CLA-22-A (R-1292)

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, the following discharge plan renewal applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5900:

(GW-113) - Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted a discharge plan application for their Eunice Compressor Station located in the NW/4, Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Approximately 50 gallons per day of washdown water with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-104) - Yates Petroleum Corporation, Chuck Morgan, Compliance Engineer, 105 South 4th Street, Artesia, New Mexico 88210, has submitted a discharge plan application for their Algeria Compressor Station located in the SE/4, NE/4, Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 10 gallons per day of wastewater is piped to a field tank battery prior to disposal in an OCD permitted Class II disposal well. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-105) - Yates Petroleum Corporation, Chuck Morgan, Compliance Engineer, 105 South 4th Street, Artesia, New Mexico, 88210, has submitted a discharge plan for their Larue Compressor Station located in the SE/4, NW/4, Section 3, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 10 gallons per day of wastewater is piped to a field tank battery prior to disposal in an OCD permitted Class II disposal well. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-112) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their Carracas C.D.P. AR #1 Compressor Station located in the SE/4, NW/4, Section 34, Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 100 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Affidavit of Publication

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

Joyce Clemens being first duly sworn on oath deposes and says that he is Adv. Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled
Notice Of Publication

and numbered ~~XXXXX~~

~~COURT COSTS~~
~~XXXXX NEW MEXICO~~ was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, ~~on each week for the~~

~~XXXXX XXXXX~~ for one (1) day

~~XXXXX XXXXX~~ beginning with the issue of

May 6, 1992

and ending with the issue of

May 6, 1992

And that the cost of publishing said notice is the

sum of \$ 29.42

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

Joyce Clemens

Subscribed and sworn to before me this 18th

day of May, 1992

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

My Commission Expires Sept. 28, 1994

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

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

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(GW-104) - Yates Petroleum Corporation, Chuck Morgan, Compliance Engineer, 105 South 4th Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their Algerita Compressor Station located in the SE/4 NE/4, Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 10 gallons per day of wastewater is piped to a field tank battery prior to disposal in an OCD permitted Class II disposal well. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-105) - Yates Petroleum Corporation, Chuck Morgan, Compliance Engineer, 105 South 4th Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their Larue Compressor Station located in the SE/4 NW/4, Section 3, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 10 gallons per day of wastewater is piped to a field tank battery prior to disposal in an OCD permitted

Class II disposal well. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 29th day of April, 1992.

STATE OF NEW MEXICO
 OIL CONSERVATION
 DIVISION
 WILLIAM J. LEMAY,
 Director

SEAL
 Published in the Lovington Daily Leader May 6, 1992.

Affidavit of Publication

No. 13940

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general circulation,

published in English at Artesia, said county and state, and that

the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia

Daily Press, a daily newspaper duly qualified for that purpose

within the meaning of Chapter 167 of the 1937 Session Laws of

the state of New Mexico for 1 consecutive weeks on

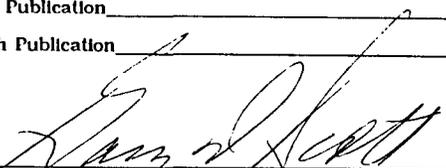
the same day as follows:

First Publication May 7, 1992

Second Publication _____

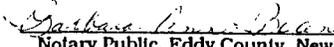
Third Publication _____

Fourth Publication _____



Subscribed and sworn to before me this 7th day

of May 19 92


Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1996

LEGAL NOTICE

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

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

(GW-113) - Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico, 88202-1717, has submitted a discharge plan application for their Butte Compressor Station located in the NW/4, Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Approximately 50 gallons per day of washdown water with a total dissolved solids concentration of approximately 2100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-104) - Yates Petroleum Corporation, Chuck Morgan, Compliance Engineer, 105 South 4th Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their Algorta Compressor Station located in the SE/4 NE/4, Section 16, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 10 gallons per day of wastewater is piped to a field tank battery prior to disposal in an OCD permitted Class II disposal well. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 250 feet with a total dissolved solids concentration of approximately 1500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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(GW-112) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their Carracas C.D.P. Alt. #1 Compressor Station lo-

Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 100 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-116) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their San Juan 32-8 No. 3 CDP Compressor Station located in the SE/4 NE/4, Section 9, Township 31 North, Range 8 West, NMPM, San Juan County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 200 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-117) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their San Juan 32-7 No. 1 CDP Compressor Station located in the SW/4 SW/4, Section 34, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 320 feet with a total dissolved solids concentration of approximately 1800 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 29th day of April, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
- William J. LeMay
WILLIAM J. LEMAY,
Director

S B A L
Published in the Artesia Daily Press, Artesia, N.M. May 7, 1992.

Legal 13940

NOTICE OF PUBLICATION

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

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(GW-117) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their San Juan 32-7 No. 1 CDP Compressor Station located in the SW/4 SW/4, Section 34, Township 32 North, Range 7 West, NMPM, San Juan County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 320 feet with a total dissolved solids concentration of approximately 1800 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-118) - Williams Field Services, Robert Peacock, Project Manager, P.O. Box 58900, M.S. 10368, Salt Lake City, Utah 84158-0900, has submitted a discharge plan application for their San Juan 31-6 No. 1 CDP Compressor Station located in

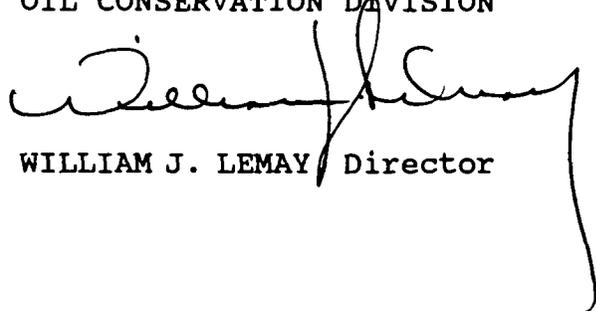
the SW/4 SW/4, Section 1, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Approximately 5 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 200 feet with a total dissolved solids concentration of approximately 2000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held., A hearing will be held if the Director determines there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 29th day of April, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

S E A L

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

OIL CONSERVATION DIVISION
S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER
APR 5 1992

April 4, 1992

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

RE: Algerita Compressor Site
State Discharge Plan

ATTN: Roger Anderson

Dear Mr. Anderson:

A discharge plan on our Algerita Compressor site is hereby submitted for your approval. This application is accompanied with a check for the \$50 filing fee. The current horsepower on site is 1150 HP. Proposed expansion may make 2550 HP available and future expansions are doubtful. A diagram of all proposed expansions is included in the discharge plan. The 1000-3000 HP flat fee facility category should be the applicable billing rate. An amount of \$690 will be remitted to you upon our notification of the Discharge Plan approval and acceptance. If you have any questions or need any additional information, please contact me at 505-748-1471.

Sincerely,

Chuck Morgan, PE

CM/cvg

Enclosures

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/2/92,
or cash received on 4/13/92 in the amount of \$ 50.00
from YATES PETROLEUM CORP

for ALGERITA Compressor STA GW-104

Submitted by: Ryan Anderson (Facility Name) Date: 4/13/92 (DP No.)

Submitted to ASD by: _____ Date: _____

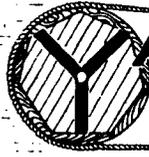
Received in ASD by: [Signature] Date: 4/13

Filing Fee New Facility _____ Renewal _____
Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 80

To be deposited in the Water Quality Management Fund.
Full Payment _____ or Annual Increment _____

NCNB TEXAS
32-2
1110

 **YATES
PETROLEUM
CORPORATION**

(505) 748-1471
105 SOUTH 4TH STREET
ARTESIA, NEW MEXICO - 88210

DATE 4/02/92 VENDOR NO. 637315
*****50DOLLARS**00CENTS

PAY TO THE ORDER OF:
NMED-WATER QUALITY MANAGEMENT
P. O. BOX 2088
SANTA FE NM 87504

AMOUNT
*****50.00

[Signature]

OIL CONSERVATION DIVISION
RECEIVED

'92 APR 9 AM 9 05

Proposed Discharge Plan
Algerita Compressor Site
Yates Petroleum Corporation

March, 1992

Table of Contents

<u>Section</u>	<u>Title</u>
I.	General Information and Affirmation
II.	Plant Processes
III.	Transfer, Storage, & Disposal Procedures
IV.	Site Characteristics
V.	Facility Diagrams
	a. Current
	b. Proposed Expansion
VI.	Area Maps
	a. Topographic
	b. General Area
VII.	Injection Well Permit
VIII.	Sample Analysis

Section I

General Information and Affirmation

Discharge Plan

Facility: Yates Petroleum Algeria Compressor Site

Operator: Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210
(505) 748-1471

Company Norbert McCaw Foreman
Representatives: Darrell Atkins Superintendent
Chuck Morgan Engineer

(Address and Phone Same as Above)

Location: Sec 16 T20S R24E
SE/4 NE/4

Operation: Natural Gas Compression:
Low pressure natural gas in compressed
and metered into high pressure sales line.

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

Chuck Morgan 4/7/92
(Signature) (Date)

Chuck Morgan 4/7/92
(Printed Name) (Date)

Section II

Plant Processes

Plant Processes

Effluent Sources:

1. Fluid Separators: 6 BPD produced fluid (produced water & oil).
2. Engine Cooling Waters: 500 gallons/year.
3. Waster Engine Oils: 1000 gallons/year.
4. Catch pan effluent
 - a. Cleaning operations (fresh water with surfactants used for cleaning of facility and equipment): 100 BBl/year.
 - b. Miscellaneous: Drips, spills, leaks, overflows, etc.) <100 gallons/year.
5. Flare (accidental liquid discharge): 2 BPYR.

Attached samples (Exhibit VIII) were collected as follows:

Produced water: Sample pulled off of separator and delivered for analysis to:

- a. Halliburton
2311 S. 1st Street
Artesia, NM 88210
- b. Petrolite
510 Texas Avenue
Artesia, NM 88210

Section III

Transfer, Storage, and Disposal Procedures

Transfer, Storage, & Disposal Procedures

1. Produced fluid from the inlet separator and from the compressor scrubbers are connected together and piped via a 2" steel underground line to a separator located in the Algerita "AHR" State #1 tank battery, which occupies an adjacent site. The site diagram (Exhibit V-A) includes this adjacent site and the line paths are outlined in red. All lines are under approximately 2-15# pressure. Pressure gauges, line routes, and tanks are inspected daily for leak indications. The separator at the Algerita "AHR" State #1 tank battery routes hydrocarbons to an oil storage tank and produced water is sent to the well's disposal system.
2. The produced water is transferred via the Algerita "AHR" State #1 disposal system, and is injected into Yates Petroleum's State D injection well.
 - a. OCD approved Class II injection well
 - b. Order # SWD 395 dated July 31, 1990 (Exhibit VII).
 - c. Injecting into the Devonian formation

Contingency plan is to truck produced water to Yates Petroleum's Donahue Fed #1 injection well

- a. OCD approved Class II injection well
 - b. Order #377 SWD dated September 7, 1989
 - c. Injecting into the Canyon Formation
3. A catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a 6" PVC line (buried with a 1/4"/ft grade) to a double hulled buried waste tank. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.
 4. Waste engine and tank oils are stored in an above ground 210 bbl. Fiberglass oil slop tank. Contents are to be removed from the site by a licensed transporter and sent to a permitted oil refiner.
 5. A cement lined containment structure is located on site to store all fluids necessary for normal operations (lube oils, engine oils, etc.).
 6. Any leaks found are to be repaired immediately. The OCD will be notified of any major or serious leaks, and/or spills. Any minor leaks or spills will need to be remedied in-situ by aeration. Any accidental fluid discharge from the flare will be handled in a similar manner.

Site Characteristics:

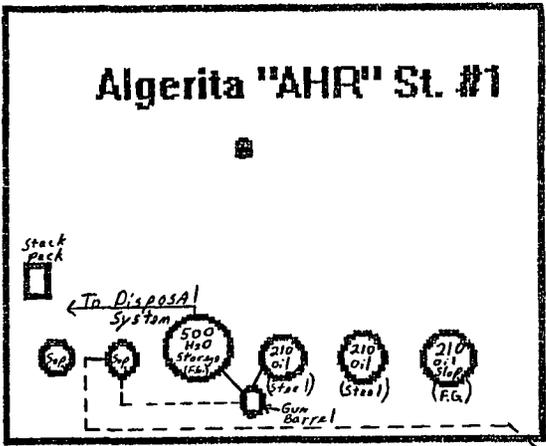
An application for approval of salt water disposal for Yates Petroleum Corporation's State D injection well accompanies this application (Exhibit VII). This well is in the same proximity as the Algerita Compressor site, and all pertinent site characteristic data should be outlined in this application.

The surrounding terrain consist of gentle rolling hills marked with out crops of caliche. The soils consists of silty clay loams and silt loams. The present surface is subject to collurial process and drainage is to the South. The area is primarily rangeland consisting of tar brush, creosote brush, yucca, broom snakeweed, dogweed, fluff grass, burrograss, and blue grama. The site is not located in a flood plane, and no danger of flooding exist.

Section V

Site Diagrams

- a) Current Facility Diagram
- b) Proposed Expansion Project Diagram



**Yates Petroleum
Algerita Compressor Site
(Foster Ranch)
Existing Facility Diagram**

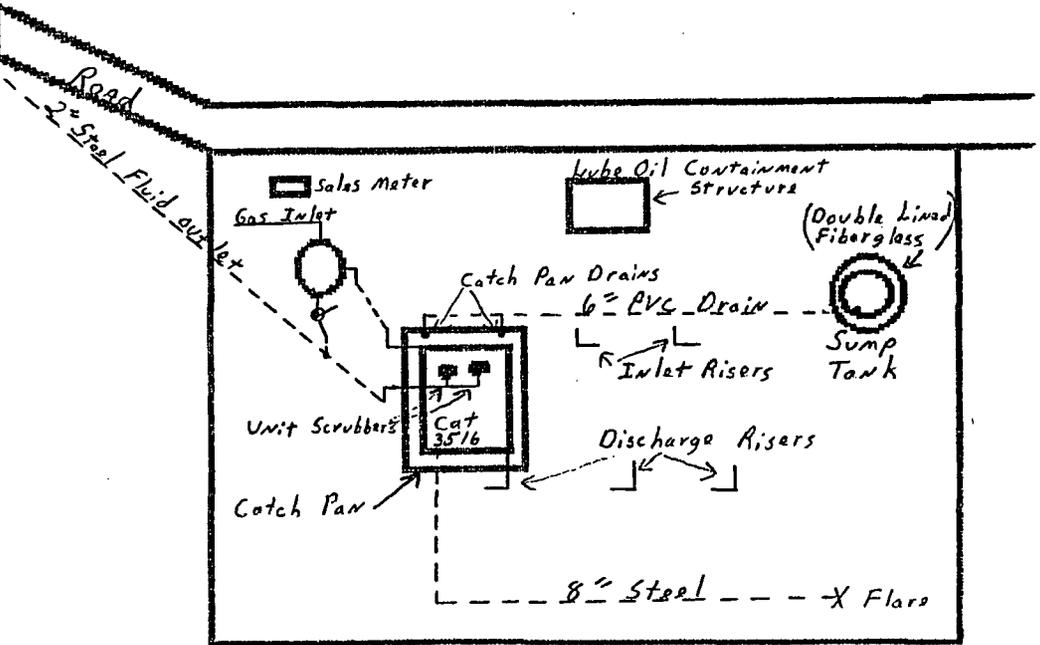
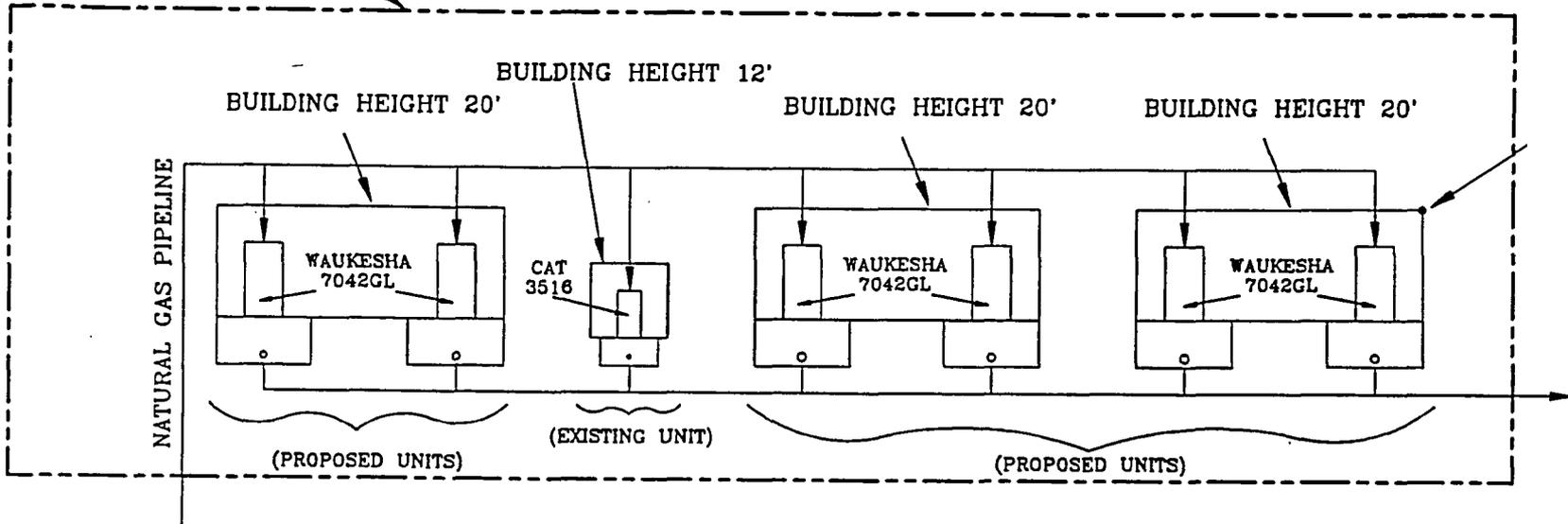


EXHIBIT V-A



PROPERTY LINE
(LEASED)



0 50
SCALE IN FEET

TITLE:
YATES PETROLEUM CORPORATION
ALGERITA COMPRESSOR STATION

PROPOSED EXPANSION

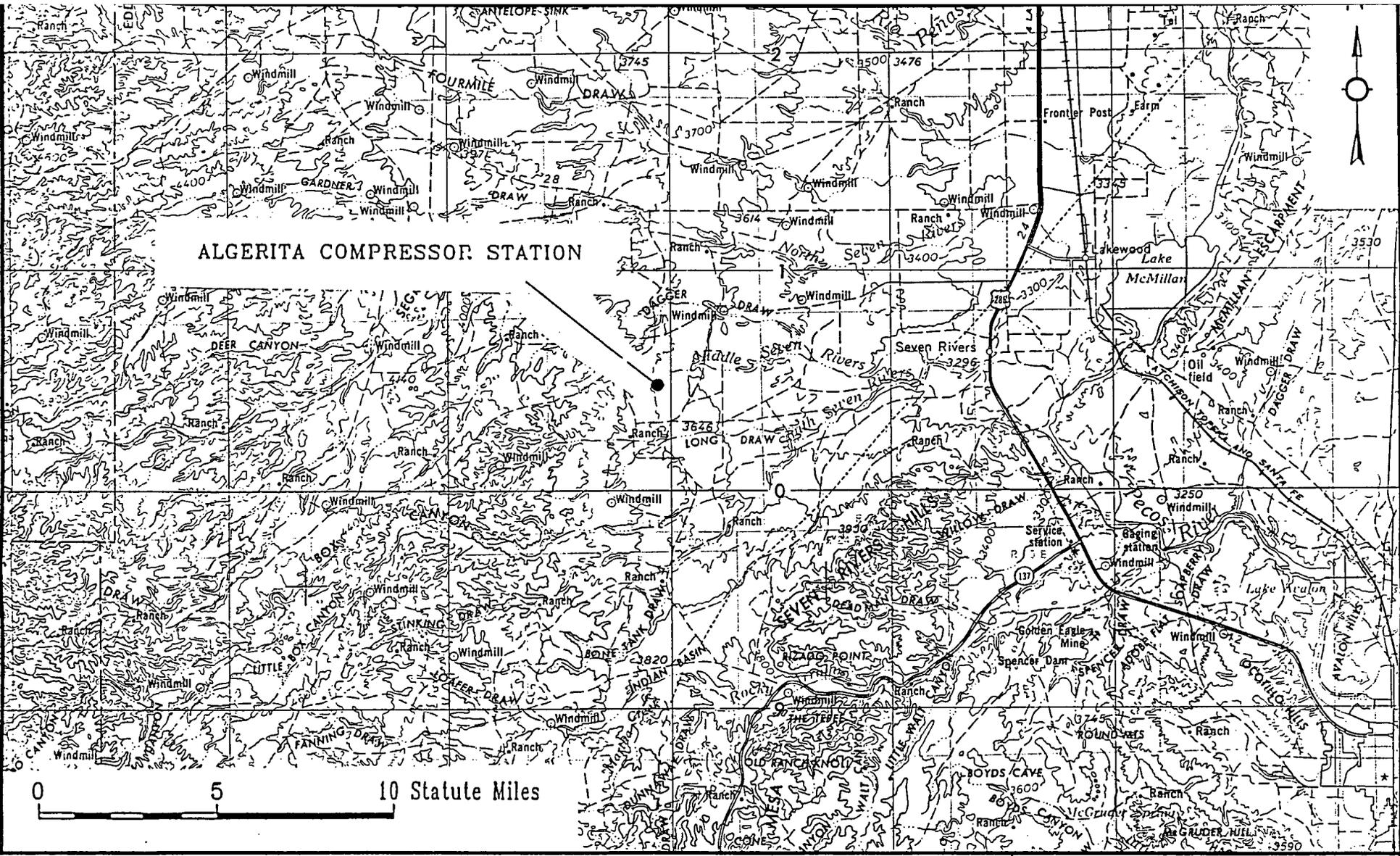
EXHIBIT V-B

Section VI

Area Maps

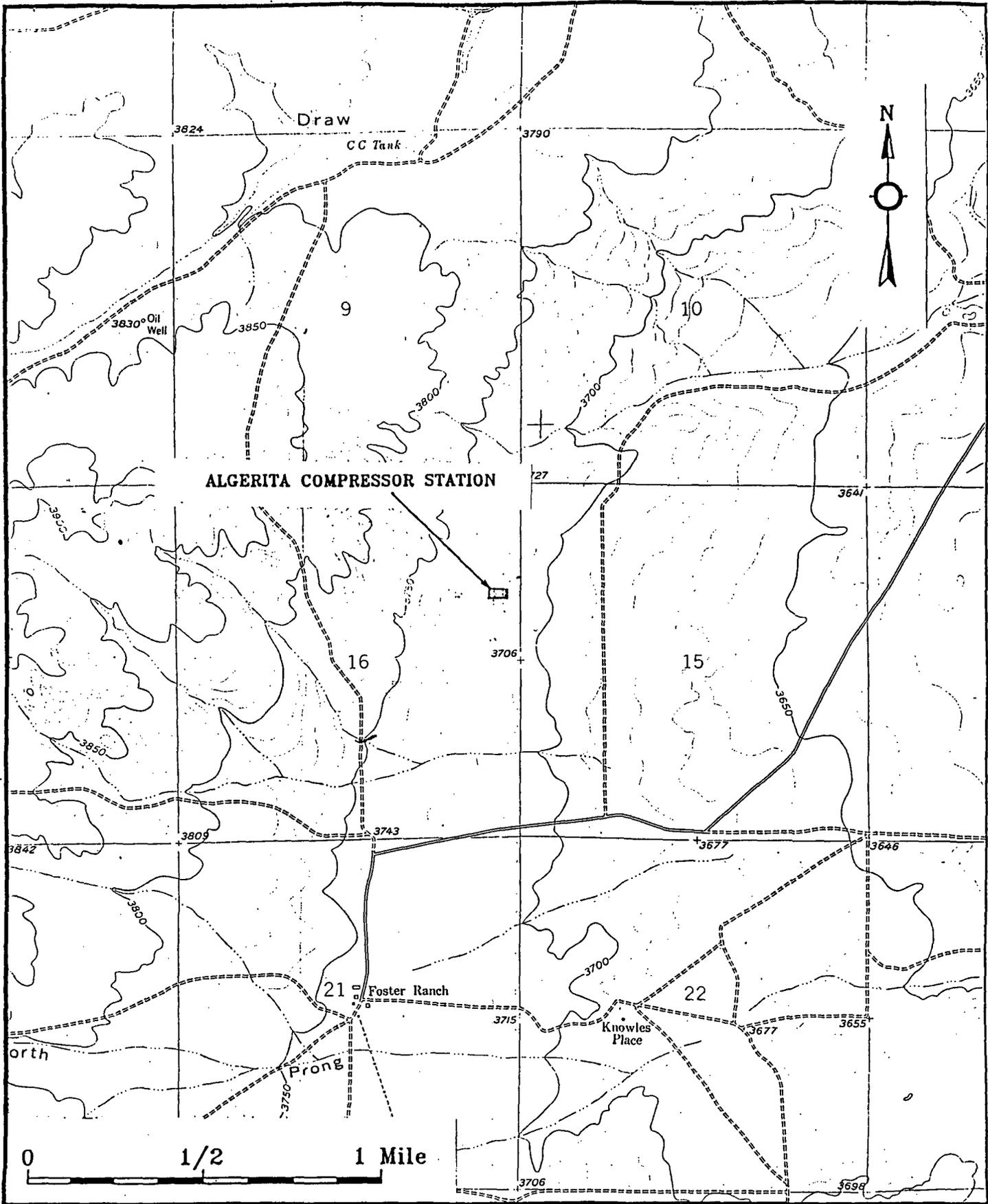
- a) Topographic Map
- b) General Area

ALGERITA COMPRESSOR STATION



TITLE: YATES PETROLEUM CORPORATION
ALGERITA COMPRESSOR STATION

EXHIBIT V1-A



TITLE: YATES PETROLEUM CORPORATION
 ALGERITA COMPRESSOR STATION
 SITE VICINITY MAP

EXHIBIT V1-B

Section VII

Injection Well Permit

Exhibit VII

State D Com #1

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? yes no

II. Operator: YATES PETROLEUM CORPORATION

Address: 105 S. 4 TH STREET ARTESIA, NEW MEXICO 88210

Contact party: THERESA PADILLA Phone: (505) 748-1471

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? yes no
If yes, give the Division order number authorizing the project _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Theresa Padilla Title Petroleum Engineer

Signature: Theresa Padilla Date: July 2, 1990

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

C-108
APPLICATION FOR AUTHORIZATION TO INJECT
YATES PETROLEUM CORPORATION
STATE "D" COM. #1
N SEC 16-T20S-R24E
EDDY COUNTY, NEW MEXICO

- I. The purpose of re-entering this well is to dispose of Dagger Draw--Upper Pennsylvanian produced waters into the Devonian formation.

Yates Petroleum proposes to deepen the subject well through the Devonian and convert the well to a salt water disposal well.
- II. Operator: Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Theresa Padilla (505) 748-1471
- III. Well Data: See Attachment A.
- IV. This is not an expansion of an existing project.
- V. See attached map, Attachment B.
- VI. There are no wells within the one-half mile radius of the State D #1 which penetrate the Devonian.
- VII.
 1. Proposed average daily injection volume approximately 8,000 BWPD.
Maximum daily injection volume approximately 10,000 BWPD.
 2. This will be a closed system.
 3. Proposed average injection pressure--unknown.
Proposed maximum injection pressure--2200 psi.
 4. Sources of injected water would be produced water from the Dagger Draw--Upper Pennsylvanian.(See Attachment C).
 5. A chemical analysis of the Devonian formation water is not available on this well.

- VIII. 1. The proposed injection interval is the portion of the Devonian formation consisting of porous dolomite from estimated depths of 10,000 ft to 11,250 ft.
2. Fresh water zones overlie the Devonian formation at depths to approximately 1100'.

IX. The proposed disposal interval will be acidized with 10,000 gallons of 15% HCL acid.

X. Logs were filed at the Oil Commission when the State "D" #1 was drilled by Mark Production Company of Tyler, Texas to a total depth of 9100'.

Logs will be furnished when the re-entry is completed.

XI. The approximate location of the nearest fresh water well is in the NW corner of section 21-20S-24E.

The location of this well is indicated on the map in Attachment D. A water analysis is also attached, with the sample collected June 30, 1990.

XII. Yates Petroleum Corporation has examined available geologic and engineering data and has found that there is no evidence of faulting in the proposed interval.

XIII. A. Certified mail receipts sent to surface owner and offset operators--attached.
(Attachment E)

B. Copy of legal advertisement attached.
(Attachment F)

XIV. Certification is signed.

YATES PETROLEUM CORPORATION

State "D" Com. #1

N Sec 16-T205-R24E

Attachment A

Page 1

- III. A. 1. Lease Name/Location:
State "D" Com #1
N Sec 16-205-24E
660' FSL & 1980' FWL
2. Casing Strings:
12-3/4" 50# set at 370' with 450 sacks
cement. Circulated 25 sacks to surface.

8-5/8" 24# K-55 set at 1225' with 700 sacks
cement circulated.

Present TD: 9100'. Will deepen to an
estimated depth of 11,300' and run 5-1/2"
17# N-80 and S-95 casing, cementing back
to surface.
3. Tubing:
Propose to use 2-7/8" 6.5# J-55 plastic
coated tubing set at approximately 9950'.
4. Packer:
Propose to use Guiberson Uni VI or Baker
plastic-coated or nickel-plated packer
set at 9950'.
- B. 1. Injection Formation: Devonian Undesignated
2. Injection Interval will be through
perforations from approximately
10,000' to 11,250'.
3. Well was originally drilled as a Morrow
test.
4. Perforations: NONE
5. Next higher (shallower) gas zone is the
Morrow. There is not a lower (deeper) oil or
gas zone.

MARK PRODUCTION COMPANY

STATE "D" COM. #1

SEC. 16 - 20S - 24E

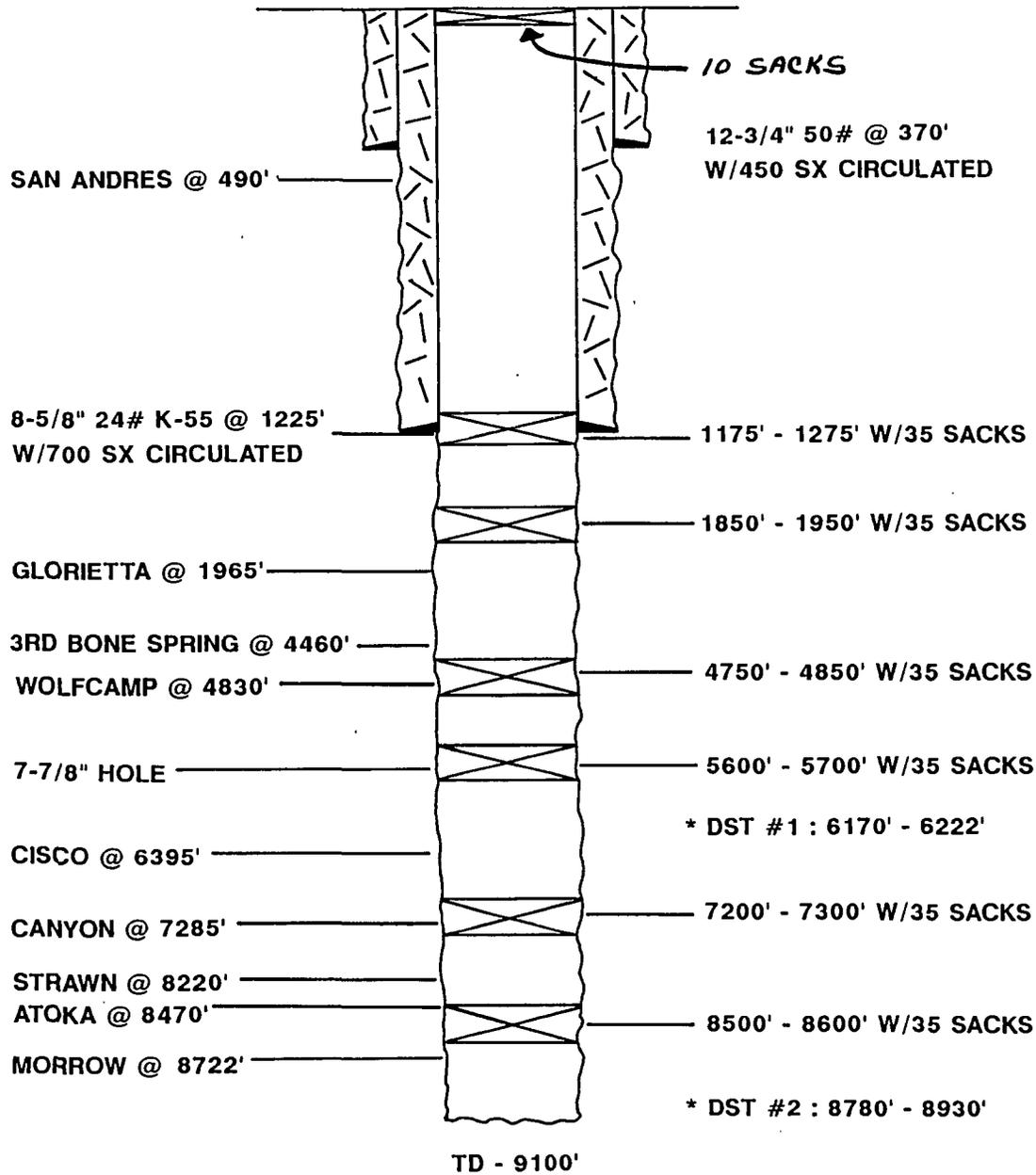
UNIT N

660' FSL & 1980' FWL

SPUD : 6-26-75

P & A : 8-01-75

DIAGRAMATIC SKETCH OF PRESENT WELL CONDITION



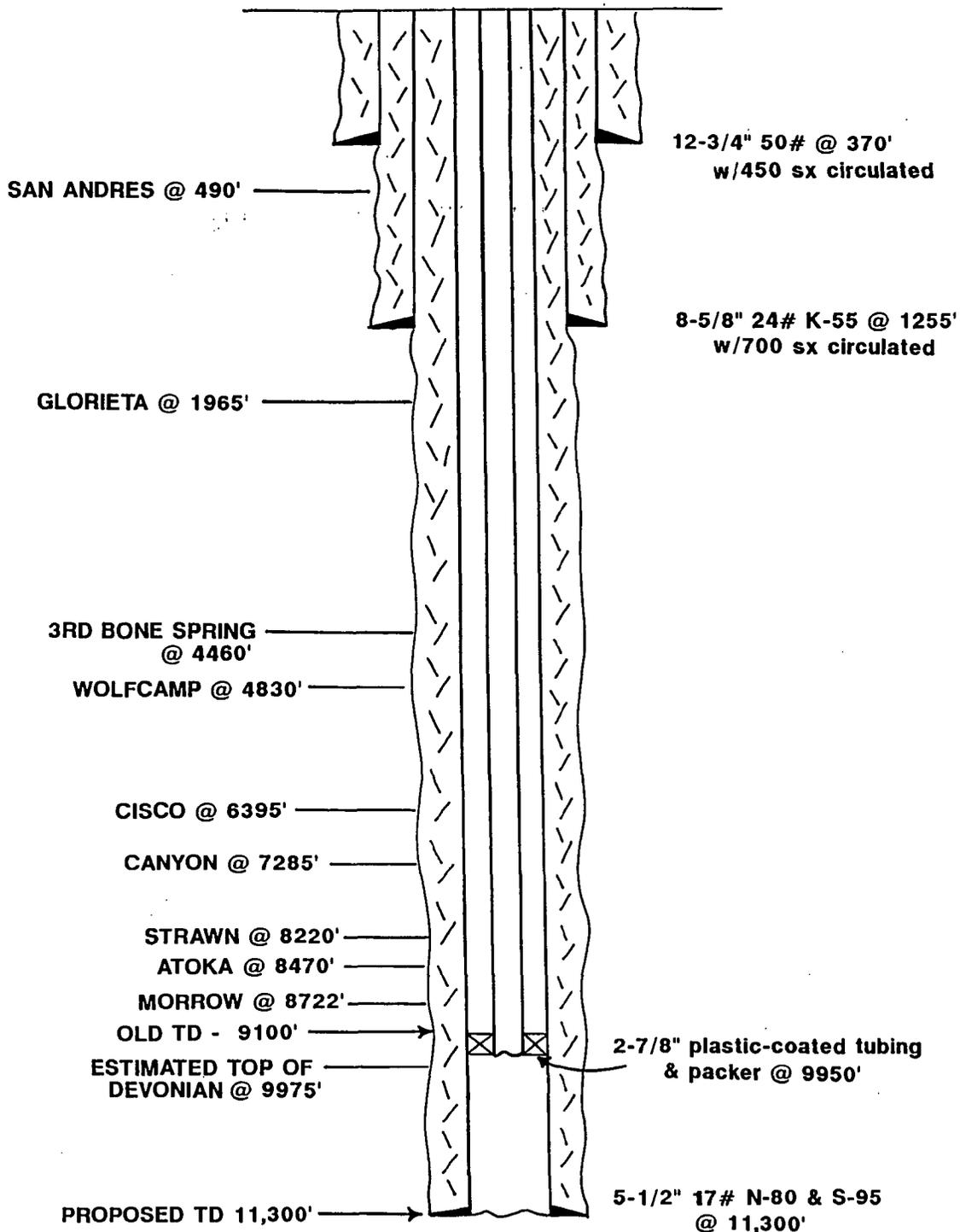
* DRILL STEM TEST #1 : 6,170' - 6,222' OPENED 1 HR. 15 MIN., WEAK SHOW OF GAS INCREASING TO STRONG. CLOSED 1HR., OPENED 1 HR., LITE GAS TO SURFACE IN 48". RECOVERED 110' OF DRILLING MUD. ISIP 2253# FP 94-102# FSIP 2468# HP 2845-2835#

* DRILL STEM TEST #2 : 8,780' - 8,930' OPENED W/FAIR BLOW TO GOOD BLOW OF AIR, NO GAS, THROUGH THE 15' PREFLOW. SHUT IN 1 HR., RE-OPENED W/VERY WEAK BLOW TO GOOD BLOW OF AIR, NO GAS. CLOSED TOOL FOR 90", PULLED LOOSE TO COME OUT OF HOLE ISIP 584# FP 256-271# FSIP 587# HP 4430-4399# RECOVERED 600' FLUID (DRILLING MUD). CL 39,000. SAMPLER: 350# PSI, 2.20 CFG, 100 CC OF DRILLING MUD.

**YATES PETROLEUM CORPORATION
 PROPOSED SALT WATER DISPOSAL WELL
 DEVONIAN FORMATION**

**STATE "D" COM. #1
 SEC. 16-20S-24E
 UNIT N
 660' FSL & 1980' FWL**

DIAGRAMATIC SKETCH OF PROPOSED SALT WATER DISPOSAL WELL



Propose to drill out plugs and open 7-7/8" hole to old TD of 9100' and drill approximately 2200' of new hole. Plan to run approximately 11,300' of 5-1/2" 17# N-80 & S-95 casing, circulating cement back to surface. Will complete for Salt Water Disposal with 2-7/8" 6.5# J-55 plastic-coated tubing and Guiberson VI or Baker plastic-coated or nickel-plated packer set @ approximately 9950' with an inert fluid with inhibitors in the annulus. Propose to inject Dagger Draw - upper Pennsylvanian produced waters through Devonian perforations from approximately 10,000-11,250'

HALLIBURTON DIVISION LABORATORY
HALLIBURTON SERVICES
MIDLAND DIVISION
ARTESIA, NEW MEXICO 88210
LABORATORY WATER ANALYSIS

No. W65, W66, & W67-88

To Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Date _____

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____ Date Rec. _____

Well No. _____ Depth _____ Formation _____

County _____ Field _____ Source _____

	Ross EG Fed. #2	Foster AN Com. #1	Parish IV Comm.
Resistivity91 @ 60°	.9 @ 60°	.89 @ 60°
Specific Gravity	1.005 @ 60°	1.005 @ 60°	1.005 @ 60°
pH	7.5	7.3	7.0
Calcium (Ca)	1,000	1,000	1,000 *MPL
Magnesium (Mg)	600	500	650
Chlorides (Cl)	4,000	5,000	5,000
Sulfates (SO ₄)	Heavy	Heavy	Heavy
Bicarbonates (HCO ₃)	1,200	1,000	1,100
Soluble Iron (Fe)	Nil	Nil	Nil
.....			
.....			
.....			

Remarks: _____ *Milligrams per liter

Respectfully submitted,

Analyst: Art Carrasco - District Engineer
cc:

HALLIBURTON COMPANY

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether direct or indirect, resulting from the use of this report.

LABORATORY REPORT

No. W337-90

TO Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Date June 13, 1990

The report is the property of Halliburton Services and neither it nor any part thereof, nor a copy thereof, is to be published or disclosed without first securing the express written approval of laboratory management, it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services

Submitted by Date Rec. June 13, 1990

Well No. Saguaro #2 Depth Formation

Field County Source

Resistivity 1.22 @ 70°

Specific Gravity .. 1.0040 @ 70°

pH 9.1

Calcium 814

Magnesium 353

Chlorides 3,000

Sulfates 1,200

Bicarbonates 275

Soluble Iron 0

Remarks:

Respectfully submitted

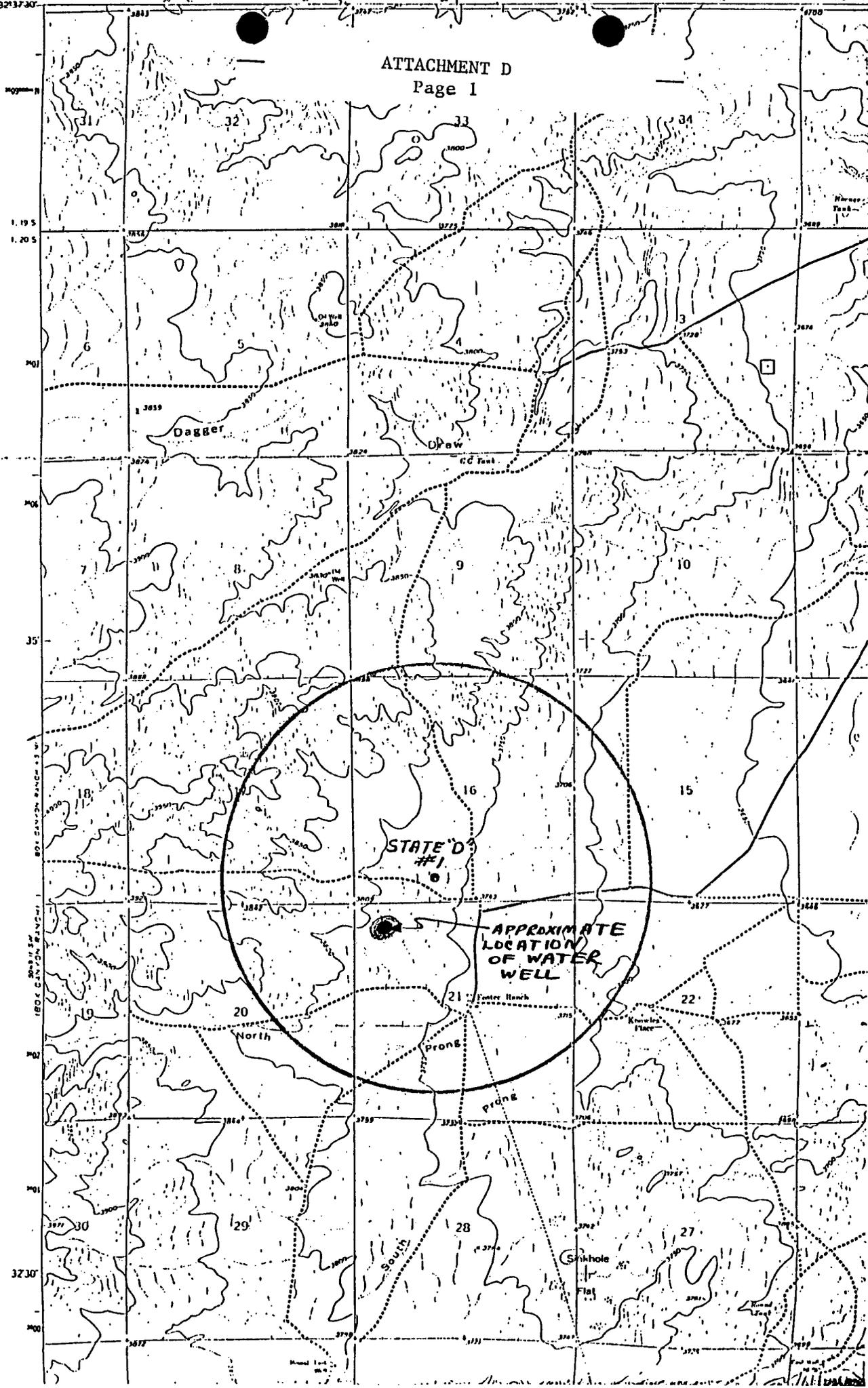
Analyst: Eric Jacobson - EIT

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof

ATTACHMENT D
Page 1



STATE D #1

APPROXIMATE
LOCATION
OF WATER
WELL

20

21

22

30

29

28

27

Dagger

Dew

North

Prong

Prong

South

Shihole

Flat

HALLIBURTON DIVISION LABORATORY

ATTACHMENT D

Page 2

LABORATORY REPORT

No. _____

TO Yates Petroleum

Date 7-2-90

attn Theresa Padilla

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services

Submitted by _____ Date Rec. June 30, 1990

Well No. Foster Water Well Depth _____ Formation _____

Field _____ County Eddy Source _____

Resistivity 15.8 @ 70

Specific Gravity .. 1.001 @ 70

pH 7.1

Calcium 465

Magnesium 212

Chlorides 200

Sulfates 500

Bicarbonates 214

Soluble Iron 0

Remarks:

NW corner of sec 21 - near State "D" Co. #1


Respectfully submitted

Analyst: Eric Jacobson Field Engineer

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable

— ATTACHMENT E —

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 7/6/92,
or cash received on 7/14/92 in the amount of \$ 690.00
from Yates Petroleum
for Algerita GW-104
(Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Roger Anderson Date: 7/14/92

Received in ASD by: Anna Porter Date: 7/14/92

Filing Fee _____ New Facility Renewal _____
Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 93

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

NCNB TEXAS
32-2
1110



**YATES
PETROLEUM
CORPORATION**
(505) 748-1471
105 SOUTH 4TH STREET
ARTESIA, NEW MEXICO - 88210



DATE 7/06/92 VENDOR NO. 637315
*****690DOLLARS**00CENTS

PAY TO THE ORDER OF:
NMED-WATER QUALITY MANAGEMENT
P. O. BOX 2088
SANTA FE NM 87504

AMOUNT
*****690.00

John Yates
John Yates



YATES PETROLEUM CORPORATION

(505) 748-1471

105 SO. 4TH - ARTESIA, NEW MEXICO - 8. XXXXXXXXXX

CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	GW-104 ALGERITA	07/92	690.00	.00	690.00
			TOTAL FOR CHECK		690.00

CODES

- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

February 3, 1992

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

CERTIFIED MAIL
RETURN RECEIPT NO. P-670-683-487

Mr. John A. Yates
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

**RE: DISCHARGE PLAN REQUIREMENT
LaRUE & ALGERITA COMPRESSOR STATIONS
EDDY COUNTY, NEW MEXICO**

Dear Mr. Yates:

Under the provisions of the New Mexico Water Quality Control Commission (WQCC) Regulations, you are hereby notified that the filing of discharge plans is required for your two existing compressor stations, which recently applied for expansion projects with the New Mexico Environment Department, Air Quality Bureau. The Oil Conservation Division (OCD) requires discharge plans for your existing LaRue Compressor Station located in Section 3, Township 20 South, Range 24 East, Eddy County, New Mexico, and for your existing Algerita Compressor Station located in Section 16, Township 20 South, Range 24 East, Eddy County, New Mexico.

This notification of discharge plan requirement is pursuant to Part 3-104 and Part 3-106 of the WQCC Regulations. The discharge plans as defined in Part 1.101.P. of the WQCC Regulations, should cover all discharges of effluent or leachate at the facilities or adjacent to the facility sites. Included in the applications should be plans for controlling spills and accidental discharges at the facilities (including detection of leaks in below grade sumps, buried underground process tanks and/or piping), and closure plans for any pits or ponds whose use will be discontinued.

A copy of the regulations is enclosed for your convenience. Also enclosed is a copy of OCD Guidelines for the Preparation of Ground Water Discharge Plans at Natural Gas Processing Plants. Three copies of each discharge plan should be submitted for review purposes.

Mr. John A Yates
February 3, 1992
Page - 2

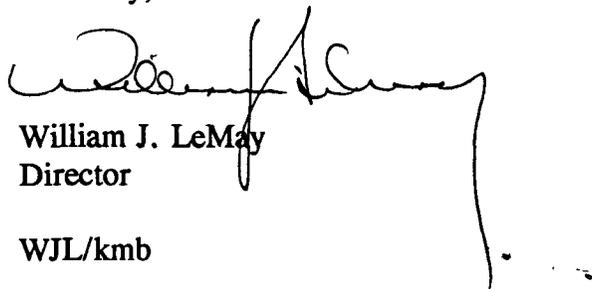
Section 3-106.A. of the regulations requires a submittal of the discharge plan within 120 days of receipt of this notice unless an extension of this time period is sought and approved for good cause. Part 3-106.A. also allows the discharge to continue without an approved discharge plan until 240 days after written notification by the Director of the OCD that a discharge plan is required. An extension of this time may be sought and approved for good cause.

Pursuant to the New Mexico Water Quality Control Commission (WQCC) Regulation 3-114 "every billable facility submitting a discharge plan for approval, modification or renewal shall pay the fees specified in this section to the Water Quality Management Fund". WQCC Rule 3-114 became effective as of August 18, 1991, and is found on page 33.1 of the enclosed WQCC Rules and Regulations.

Every billable facility submitting a new discharge plan will be assessed a fee equal to the filing fee plus either a flat fee or discharge fee. The filing fee is fifty (50) dollars and shall be submitted with the discharge plan application (nonrefundable). The remainder of the "total fee" for gas compressor stations falls under the "flat fee" category and is determined by the maximum number of horsepower available. Please provide to the OCD the maximum number of horsepower available at both your LaRue Compressor Station and your Algerita Compressor Station to determine the correct flat fee. 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 discharge plan, with the first payment due at the time of approval. Please make all checks out to the NMED - Water Quality Management.

If there are any questions on this matter, please feel free to contact Roger Anderson at (505) 827-5812 or Kathy Brown at (505) 827-5884 as they have the assigned responsibility for review of all discharge plans.

Sincerely,



William J. LeMay
Director

WJL/kmb

xc: Chris Eustice - OCD Hobbs Office
OCD Artesia Office

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

December 23, 1991

CERTIFIED MAIL -- RETURN RECEIPT REQUESTED

State of New Mexico - Oil Conservation Division
State Land Office Building
P.O. Box 2088
Santa Fe, NM 87504

ATTN: William LeMay, Director

Dear Mr. LeMay,

The letter and attachment is to inform you that Yates Petroleum Corporation is applying to the New Mexico Health and Environment Department, Air Quality Bureau for an expansion project on the Algerita Compressor Station. Yates Petroleum Corporation anticipates submitting the permit application on or about December 11, 1991. For further details and information, please refer to the enclosed notice.

The owners and operators of the facility are:
Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Comments and inquiries regarding this permit application or the permitting process may be directed to:

Program Manager, Technical Analysis and Permits Section
New Mexico Environment Department - Air Quality Bureau
1190 St. Francis Drive - P.O. Box 26110
Santa Fe, New Mexico 87502

Sincerely,

A handwritten signature in cursive script that reads 'Paul Ragsdale'.

Paul Ragsdale
Operations Engineer

PR/pbs

Enclosure

xc: Mike Williams, OCD-Artesia

**Notice of
Yates Petroleum Corporation
Algerita Compressor Station Expansion Project**

Yates Petroleum Corporation, located at 105 South Fourth Street in Artesia, New Mexico, 88210, is making application with the New Mexico Environment Department for authorization of an expansion project at the Algerita Compressor Station. Yates Petroleum Corporation anticipates submitting the permit application to the New Mexico Environment Department on or about December 11, 1991. The affected facility, a natural gas compressor station owned by Yates Petroleum Corporation, is located in Section 16, Township 20 South, Range 24 East, Eddy County, New Mexico. This facility is used to compress and transfer natural gas via pipeline, and is scheduled to operate continuously throughout the year (24 hrs/day, 7 days/week, 52 wks/year).

The proposed expansion project will consist of the installation of six new compressors, and various auxiliary equipment. This project will result in increases of allowable emissions from the facility of 196.32 ton/yr of nitrogen oxides (NO_x), 196.32 ton/yr of carbon monoxide (CO), and 98.30 ton/yr of non-methane hydrocarbons (NMHC). Upon completion of the proposed project, the compressor station will be authorized to emit a total of 218.53 ton/yr of NO_x, 211.87 ton/yr of CO, and 102.28 ton/yr of NMHC to the atmosphere.

Any comments or inquiries should be directed to the New Mexico Environment Department at the following address:

New Mexico Environment Department
Air Quality Bureau
Technical Analysis and Permits Section
1190 St. Francis Drive
P.O. Box 26110
Santa Fe, New Mexico 87502
(505) 827-0070

December 23, 1991

MARTIN YATES, III
1912 - 1985
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105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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TREASURER

July 2, 1990

CERTIFIED RETURN RECEIPT

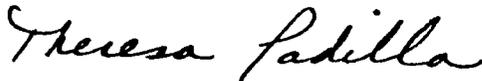
Bureau of Land Management
P.O. Drawer 1857
Roswell, New Mexico 88201

Attention: Armando Lopez

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' STATE "D" COM. #1 located in unit N of Section 16-T20S-24E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,



Theresa Padilla
Petroleum Engineer

TP/mw

Enclosure

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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DENNIS G. KINSEY
TREASURER

July 2, 1990

CERTIFIED RETURN RECEIPT

Exxon Company, USA
P.O. Box 1600
Midland, Texas 79702-1600

Dear Sir:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' STATE "D" COM. #1 located in unit N of Section 16-T20S-24E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Theresa Padilla
Petroleum Engineer

TP/mw

Enclosure

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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DENNIS G. KINSEY
TREASURER

July 2, 1990

CERTIFIED RETURN RECEIPT

Pauline Trigg
P.O. Box 520
Roswell, New Mexico 88201

Dear Ms. Trigg:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' STATE "D" COM. #1 located in unit N of Section 16-T20S-24E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

A handwritten signature in cursive script that reads 'Theresa Padilla'.

Theresa Padilla
Petroleum Engineer

TP/mw

Enclosure

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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DENNIS G. KINSEY
TREASURER

July 2, 1990

CERTIFIED RETURN RECEIPT

Gladys Price
P.O. Box 76
Lakewood, New Mexico 88254-0076

Dear Ms. Price:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' STATE "D" COM. #1 located in unit N of Section 16-T20S-24E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Theresa Padilla
Petroleum Engineer

TP/mw

Enclosure

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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DENNIS G. KINSEY
TREASURER

July 2, 1990

CERTIFIED RETURN RECEIPT

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Dear Sir:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' STATE "D" COM. #1 located in unit N of Section 16-T20S-24E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Theresa Padilla

Theresa Padilla
Petroleum Engineer

TP/mw

Enclosure

— ATTACHMENT F —

Legal Notice

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "State "D" Com #1" is located 660' FSL & 1980' FWL of Section 16, Township 10 South, Range 24 East of Eddy County, New Mexico. Yates Petroleum Corporation proposes to re-enter and deepen this well and convert it to a salt water disposal well in the Devonian formation. Disposal waters from the Canyon formation will be injected into the Devonian formation at estimated depths of 10,000 feet to 11,300 feet, with an expected maximum injection rate of 10,000 BWPD and maximum injection pressure of 2200 psi.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87501, within 15 days. Additional information can be obtained by contacting Theresa Fadilla at (505) 748-1471.

Affidavit of Publication

No. 13188

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The
Artesia Daily Press, a daily newspaper of general circulation,
published in English at Artesia, said county and state, and that
the hereto attached Legal Notice

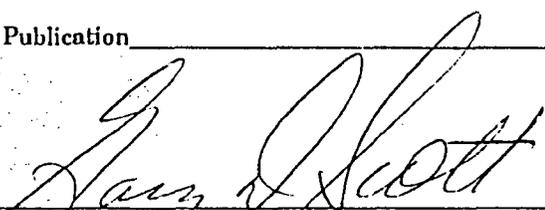
was published in a regular and entire issue of the said Artesia
Daily Press, a daily newspaper duly qualified for that purpose
within the meaning of Chapter 167 of the 1937 Session Laws of
the state of New Mexico for 1 days
consecutive weeks on
the same day as follows:

First Publication July 1, 1990

Second Publication _____

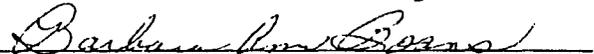
Third Publication _____

Fourth Publication _____



Subscribed and sworn to before me this 2nd day

of July 19 90



Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

Copy of Publication

Eddy County, New Mexico. Yates Petroleum Corporation proposes to re-enter and deepen this well and convert it to a salt water disposal well in the Devonian formation. Disposal waters from the Canyon formation will be injected into the Devonian formation at estimated depths of 10,000 feet to 11,300 feet, with an expected maximum injection rate of 10,000 BWPD and maximum injection pressure of 2200 psi. All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87501, within 15 days. Additional information can be obtained by contacting Theresa Padilla at (505) 748-1471.

LEGAL NOTICE

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "State "D" Com #1" is located 660' FSL & 1980' FWL of Section 16, Township 10 South, Range 24 East of

Published in the Artesia Daily Press, Artesia, N.M. July 1, 1990.

Legal 13188

Section VIII

Sample Analysis Reports

WATER ANALYSIS REPORT

Company : YATES PETROLEUM
 Address : ARTESIA NM
 Lease : FOSTER COMP. STATION
 Well : COMPRESSOR STATION
 Sample Pt. : SEPARATOR

Date : 4-7-92
 Date Sampled : 4-6-92
 Analysis No. : 1

ANALYSIS		mg/L		* meq/L
-----		-----		-----
1. pH	7.2			
2. H2S	30			
3. Specific Gravity	1.000			
4. Total Dissolved Solids		530.2		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	61.0	HCO3	1.0
12. Chloride	Cl	256.0	Cl	7.2
13. Sulfate	SO4	25.0	SO4	0.5
14. Calcium	Ca	28.0	Ca	1.4
15. Magnesium	Mg	9.7	Mg	0.8
16. Sodium (calculated)	Na	150.4	Na	6.5
17. Iron	Fe	0.0		
18. Barium	Ba	0.0		
19. Strontium	Sr	0.0		
20. Total Hardness (CaCO3)		110.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter		Compound	Equiv wt	X meq/L	= mg/L
-----		-----			-----
1	*Ca <----- *HCO3	Ca(HCO3)2	81.0	1.0	81
	/----->	CaSO4	68.1	0.4	27
1	*Mg -----> *SO4	CaCl2	55.5		
	<-----/	Mg(HCO3)2	73.2		
7	*Na -----> *Cl	MgSO4	60.2	0.1	7
		MgCl2	47.6	0.7	32
		NaHCO3	84.0		
		Na2SO4	71.0		
		NaCl	58.4	6.5	382

Saturation Values Dist. Water 20 C
 CaCO3 13 mg/L
 CaSO4 * 2H2O 2090 mg/L
 BaSO4 2.4 mg/L

REMARKS:

----- MLAB-HOBBS L. MALLETT

Petrolite Oilfield Chemicals Group

Respectfully submitted,
 S. TIGERT

LIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. _____

TO Mr. Chuck Morgan
YATES PETROLEUM CORP.

Date 4-6-92

This report is the property of Halliburton Services and neither it nor any part thereof, nor a copy thereof, is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services

Submitted by _____ Date Rec. 4-5-92

Well No. FOSTER RANCH Comp. Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	<u>2.77 @ 70</u>	_____	_____
Specific Gravity ..	<u>1.024 @ 70</u>	_____	_____
pH	<u>6.5</u>	_____	_____
Calcium	<u>2856</u>	_____	_____
Magnesium	<u>260</u>	_____	_____
Chlorides	<u>1400</u>	_____	_____
Sulfates	<u>light</u>	_____	_____
Bicarbonates	<u>488</u>	_____	_____
Soluble Iron	<u>0</u>	_____	_____
-----	_____	_____	_____
-----	_____	_____	_____
-----	_____	_____	_____

Remarks:

E. D. Anderson
Respectfully submitted

Analyst: _____

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof