

GW - 123

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**  
2007-1992

# 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	Permit Number
Penasco Compressor Station	GW 125
Seven Rivers Compressor Station	GW 123
La Rue Compressor Station	GW 105
Foster Ranch Compressor Station	GW 104
Red Bluff No 1 Compressor Station	GW 50-05
Red Bluff No 2 Compressor Station	GW 50-07
Red Bluff No 3 Compressor Station	GW 50-08
Bitter Lake Compressor Station	GW 50-01

## 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 ½" 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](mailto:jknowlton@ypcnm.com).

Sincerely,



Jennifer Knowlton  
Environmental Engineer

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No.  dated 6/27/07

or cash received on \_\_\_\_\_ in the amount of \$ 1700<sup>00</sup>

from AGAVE Energy Co

for GW-123

Submitted by: Lawrence Romero Date: 7/16/07

Submitted to ASD by: Lawrence Romero Date: 7/16/07

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 \_\_\_\_\_



# 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  
Agave Energy Company  
105 South Fourth Street  
Artesia, New Mexico 88210

**Re: Discharge Permit GW-123  
Agave Energy Company  
Seven Rivers 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 Agave Energy Company (owner/operator) 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, 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](mailto: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  
AGAVE ENERGY COMPANY, SEVEN RIVERS COMPRESSOR STATION  
(GW-123)  
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 July 28, 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 10, 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: Agave Energy Company, (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: \_\_\_\_\_

# AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

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: Seven Rivers Compressor Station  
Discharge Plan GW-123  
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 5, 2007 in the Artesia Daily News.

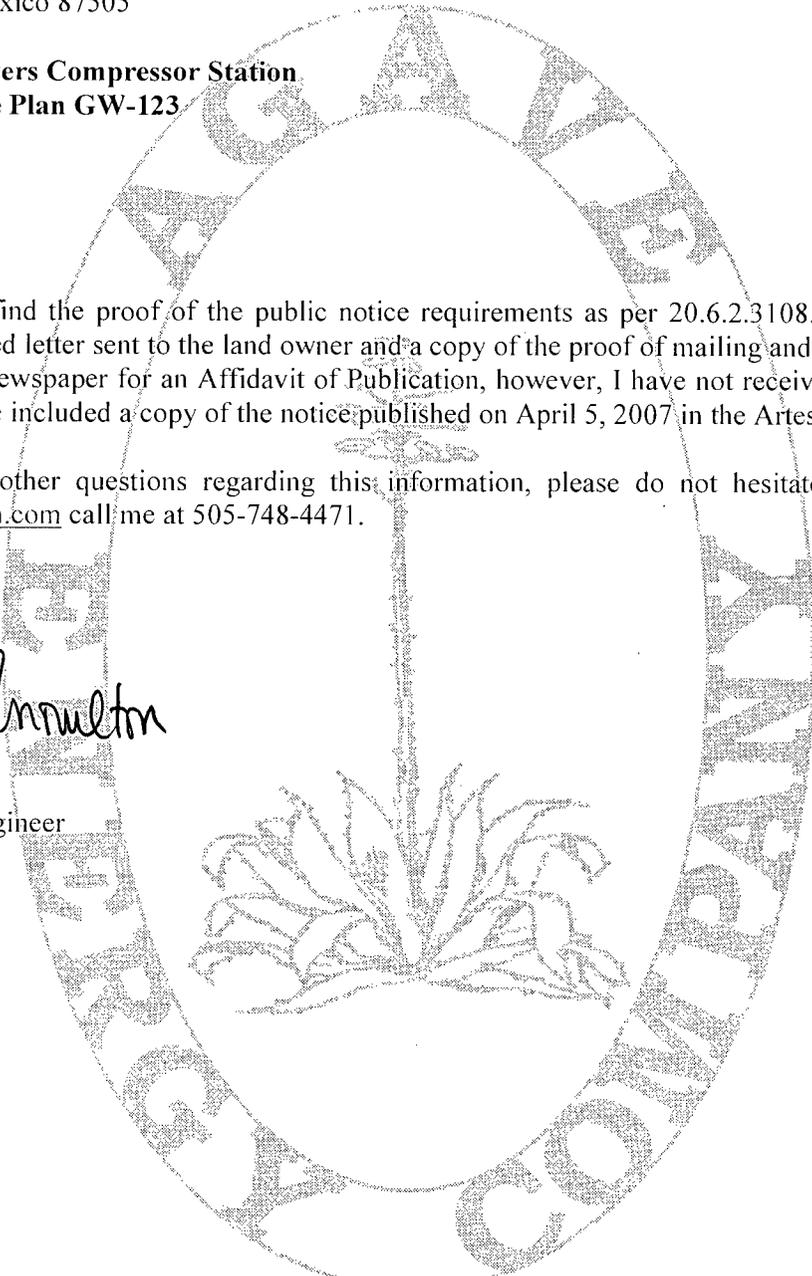
If you have any other questions regarding this information, please do not hesitate to email me at [jknowlton@ypcnm.com](mailto:jknowlton@ypcnm.com) call me at 505-748-4471.

Sincerely,



Jennifer Knowlton  
Environmental Engineer

(corres 041607.doc)



# AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

March 29, 2007

CERTIFIED MAIL 7006 2150 0000 3855 1384

Bureau of Land Management  
PO Box 1778  
Carlsbad, NM 88220-1778

To Whom It May Concern:

**Agave Energy Company** 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, Seven Rivers Compressor Station is the SE ¼ of the NE ¼ of Section 25, Township 19 S, Range 24 E in Eddy County. This facility is located south of Artesia, near Crossbuck off of Rocking R Red (County Road #21).

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 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 piped to fiberglass storage tanks. The produced water is injected into an approved disposal well. Waste engine oil and antifreeze are 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.

File: Seven Rivers Compressor Station  
 Re: Discharge Permit Public Notice  
 Date: March 30, 2007

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p><input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p><input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you.</p> <p><input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.</p>	<p>A. Signature  <input checked="" type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)  <i>E. Gomez</i></p> <p>C. Date of Delivery  <i>2-3-11</i></p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Bureau of Land Management          PO Box 1778          Carlsbad, NM 88220-1778</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes          If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type  <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number          (Transfer from service label)</p>	<p>7006 2150 0000 3855 1384</p>

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

49821 558E 0000 0512 9002

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

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

OFFICIAL USE

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	4.64

Agave: JHC  
 MAR 29 2007  
 Postmark  
 Here  
 88210

Sent To	BLM	7 Rivers
Street, Apt. No., or PO Box No.	PO Box 1778	
City, State, ZIP+4	Carlsbad NM 88220	

PS Form 3800, August 2006 See reverse for instructions

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The approximate location for the facility known as, Seven Rivers Compressor Station is the SE ¼ of the NE ¼ of Section 25, Township 19 S, Range 24 E in Eddy County. This facility is located south of Artesia, near Crossbuck off of Rocking R Red (County Road #21).

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 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 piped to fiberglass storage tanks. The produced water is injected into an approved disposal well. Waste engine oil and antifreeze are removed from the site by a reclaiming company and trucked to their facility for processing.

The owner and/or operator of the Plant is:

**Agave Energy Company**  
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.

**Agave Energy Company** 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, Seven Rivers Compressor Station es el SE ¼ del NE ¼ de la Sección 25, Township 19 S, Range 24 E en Eddy County. Esta facilidad se localiza al sur de Artesia, Crossbuck cercano saliendo de Rocking R Red (County Road #21).

Seven Rivers Compressor Station forma parte de un sistema pequeño de recolección de gas localizado que reúne gas dulce del múltiplo bien en el área y comprime 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 incluyen 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 wastewater-grasiento; y aproximadamente 50 filtros de aceite de motor por año. No hay pozos de agua dulce dentro de dos millas del sitio. El agua subterránea es estimada a 255 pies de profundidad; así, el agua subterránea no será afectada por este sitio. El suma aproximado de sólidos disueltos en el 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 vía un sistema de la disposición y es inyectada en una poza de inyección aprobada. El petróleo del desecho se almacena hasta que está 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:

**Agave Energy Company**  
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 específica para personas que desea recibir notas futuras.

# 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	PLEASE PAY:	196.19

*Legal 196.50*

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 104/105/123*

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September 23, 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,

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.

(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 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 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/o.c.d/>. 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, Minerales 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 S E A L 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 AM 6 55

NM EMNRD OIL CONSERV

ATTN: Brad Jones  
1220 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.

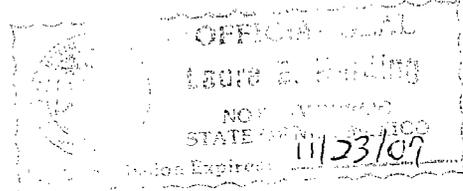
/s/ R. Lara  
LEGAL ADVERTISEMENT REPRESENTATIVE

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-

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**(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, Minerías 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  
S.E.A.L.  
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](mailto:brad.a.jones@state.nm.us)*  
*Office: (505) 476-3487*  
*Fax: (505) 476-3462*

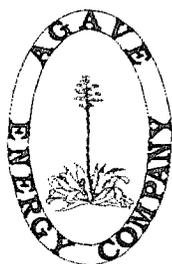
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**From:** Jennifer Knowlton [<mailto:jknowlton@YPCNM.COM>]  
**Sent:** Monday, March 26, 2007 9:29 AM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Public Notice

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-123 Public Notice  
Seven Rivers Compressor Station

**Agave Energy Company** 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, Seven Rivers Compressor Station is the SE ¼ of the NE ¼ of Section 25, Township 19 S, Range 24 E in Eddy County. This facility is located south of Artesia, near Crossbuck off of Rocking R Red (County Road #21).

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 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 piped to fiberglass storage tanks. The produced water is injected into an approved disposal well. Waste engine oil and antifreeze are 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  
Agave Energy Company  
105 South Fourth Street  
Artesia, New Mexico 88210

**Re: Discharge Plan Renewal Permit GW-123  
Agave Energy Company  
Seven Rivers Compressor Station  
Eddy County, New Mexico**

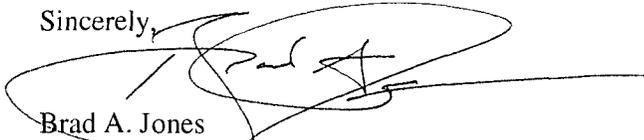
Dear Ms. Knowlton:

The New Mexico Oil Conservation Division (OCD) has received Agave Energy Company's request, dated January 10, 2007, to renew GW-123 for the Agave Energy Company's 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. 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](mailto: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

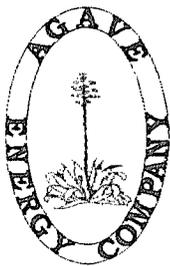
Brad,

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.

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GW-123 Public Notice  
Seven Rivers Compressor Station

**Agave Energy Company** 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, Seven Rivers Compressor Station is the SE ¼ of the NE ¼ of Section 25, Township 19 S, Range 24 E in Eddy County. This facility is located south of Artesia, near Crossbuck off of Rocking R Red (County Road #21).

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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 11/15/07

or cash received on \_\_\_\_\_ in the amount of \$ 100<sup>00</sup>

from AGAVE ENERGY CO.

for GW-123

Submitted by: Lawrence Romero Date: 11/19/07

Submitted to ASD by: Lawrence Romero Date: 11/19/07

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 \_\_\_\_\_

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# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor  
Betty Rivera  
Cabinet Secretary

September 4, 2002

Lori Wrotenbery  
Director  
Oil Conservation Division

CERTIFIED MAIL  
RETURN RECEIPT NO. 3929-9642

Ms. Lisa Norton  
Yates Petroleum Corp.  
105 South Fourth Street  
Artesia, NM 88210-2118

RE: Discharge Plan Renewal GW-123  
Yates Petroleum Corp.  
Seven Rivers Compressor Station  
Eddy County, New Mexico

Dear Ms. Norton:

The ground water discharge plan renewal GW-123 for the Yates Petroleum Corp. Seven Rivers Compressor Station located in the NW/4 of the NW/4 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe office within thirty (30) days of receipt of this letter.** New mailing address appears below.

The discharge plan renewal application letter, dated April 1, 2002, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations includes all earlier applications and approvals and all conditions later placed on those approvals. The discharge plan is renewed pursuant to Section 3109.C. Note Section 3109.G, which provides for possible future amendment of the plan. Be advised that approval of this plan does not relieve Yates Petroleum Corp. of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Yates Petroleum Corp. of its responsibility to comply with any other governmental authority's rules and regulations.

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

Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C, Yates Petroleum Corp. is required to notify the Director of any facility

Ms. Lisa Norton  
GW- 123  
September 4, 2002  
Page 2

expansion, production increase or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4, this renewal plan is for a period of five years. This renewal will expire on July 28, 2007, and Yates Petroleum Corp. should submit an application in ample time before this date. Section 3106.F of the regulations states that if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

The discharge plan renewal application for the Yates Petroleum Corp. Seven Rivers Compressor Station is subject to WQCC Regulation 3114. Every facility submitting a discharge plan application is assessed a filing fee of \$100.00. There is a renewal flat fee assessed for gas compressor station facilities with a rating of greater than 1,000 horsepower of \$1,700.00.

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

Sincerely,



Roger C. Anderson  
Chief, Environmental Bureau  
Oil Conservation Division

RCA/cem  
Attachment

Xc: OCD Artesia Office

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

<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here: SEP 09 2002 87505

Sent To: LISA NORTON, YATES PET.  
Street, Apt. No., or PO Box No.: 105 S. 47  
City, State, ZIP: ARTESIA, NM 87010-2210

PS Form 3800, January 2001

Vertical numbers on left: 2442, 9642, 6266, 4000, 0440, 0007

Vertical numbers on right: 60, 217, 6123, 60

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-123  
YATES PETROLEUM CORP.  
SEVEN RIVERS COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
September 4, 2002

1. Payment of Discharge Plan Fees: The \$100.00 filing fee and the \$1,700.00 flat fee have been received by the OCD.
2. Commitments: Yates Petroleum Corp. will abide by all commitments submitted in the discharge plan renewal application letter dated April 1, 2002 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis. Rule 712 Waste: Pursuant to Rule 712, disposal of certain non-domestic waste is permitted at solid waste facilities permitted by the New Mexico Environment Department as long as:
  1. the waste stream is identified, and authorized, as such in the discharge plan, and;
  2. existing process knowledge of such waste streams does not change without notification to the Oil Conservation Division.
4. Drum Storage: All drums containing material other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.

7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Artesia District Office.

14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
  
15. Storm Water Plan: Yates Petroleum Corp. shall maintain storm water runoff controls. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water run-off, then Yates Petroleum Corp. shall: take immediate actions to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge plan to include a formal storm water run-off containment plan and submit for OCD approval within 15 days.
  
16. Closure: The OCD will be notified when operations of the Seven Rivers Compressor Station are discontinued for a period in excess of six months. Prior to closure of the facility, the company will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
  
17. Conditions accepted by: Yates Petroleum Corp., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Yates Petroleum Corp. further acknowledges that the Division for good cause shown as necessary to protect fresh water, human health and the environment may change the conditions and requirements of this permit administratively.

Yates Petroleum Corp.

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

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

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

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

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: **NW/4 NW/4 Section 25 Township 19S 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.

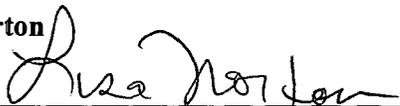
14. **CERTIFICATION**

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: **April 1, 2002**

GW-123

**DISCHARGE PLAN  
GW-123  
RENEWAL**

**Yates Petroleum Corporation**  
*Seven Rivers Compressor Station*

**April 1, 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 4<sup>th</sup> St. – Artesia, NM 88210  
Contact: Lisa Norton, Environmental Coordinator  
Phone: 505-748-4185
3. Location: NW/4 NW/4  
Sec. 25 T19S R24E  
Eddy County, New Mexico  
(See attached Exhibit 1 - Topographic Map)
4. Landowner: Bureau of Land Management
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) 500 gallon tank of anti-freeze (temporary/portable tank set on site during winter)
  - c. One (1) 500 gallon tank of methanol (temporary/portable tank set on site during winter)
  - d. One (1) 180 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: 1,000 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 Mimosa  
(Note: The same water is in the whole system)  
Sample analyzed by:  
Environmental Lab of Texas I, LTD  
12600 West I-20 East  
Odessa, TX 79765

- 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:

Produced fluid from the inlet separator and from the compressor scrubbers are piped via two inch steel lines to two 300 barrel above-ground fiberglass storage tank.

- a. The produced water is transferred via pipeline and injected into Yates Petroleum's State CO #1

OCD approved Class II injection well

ORDER #SWD-285 dated May 8, 1985

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 – Mimosa #1.

OCD approved Class II injection well

Order #SWD-408 dated January 4, 1991

Injecting into the Devonian formation

- b. The catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a four inch PVC line (buried with a 1/4" per foot grade) to the 300 barrel fiberglass tanks. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.
- c. A cement-lined containment structure is located on site to store fluids necessary for normal operations (lube oils, engine oils, etc)
- d. Waste engine and tank oils are stored in an underground 210-barrel fiberglass tank. Waste oil and anti-freeze are removed from the site by a reclaiming company and trucked to their facility for processing.
- e. 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.
- f. 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:

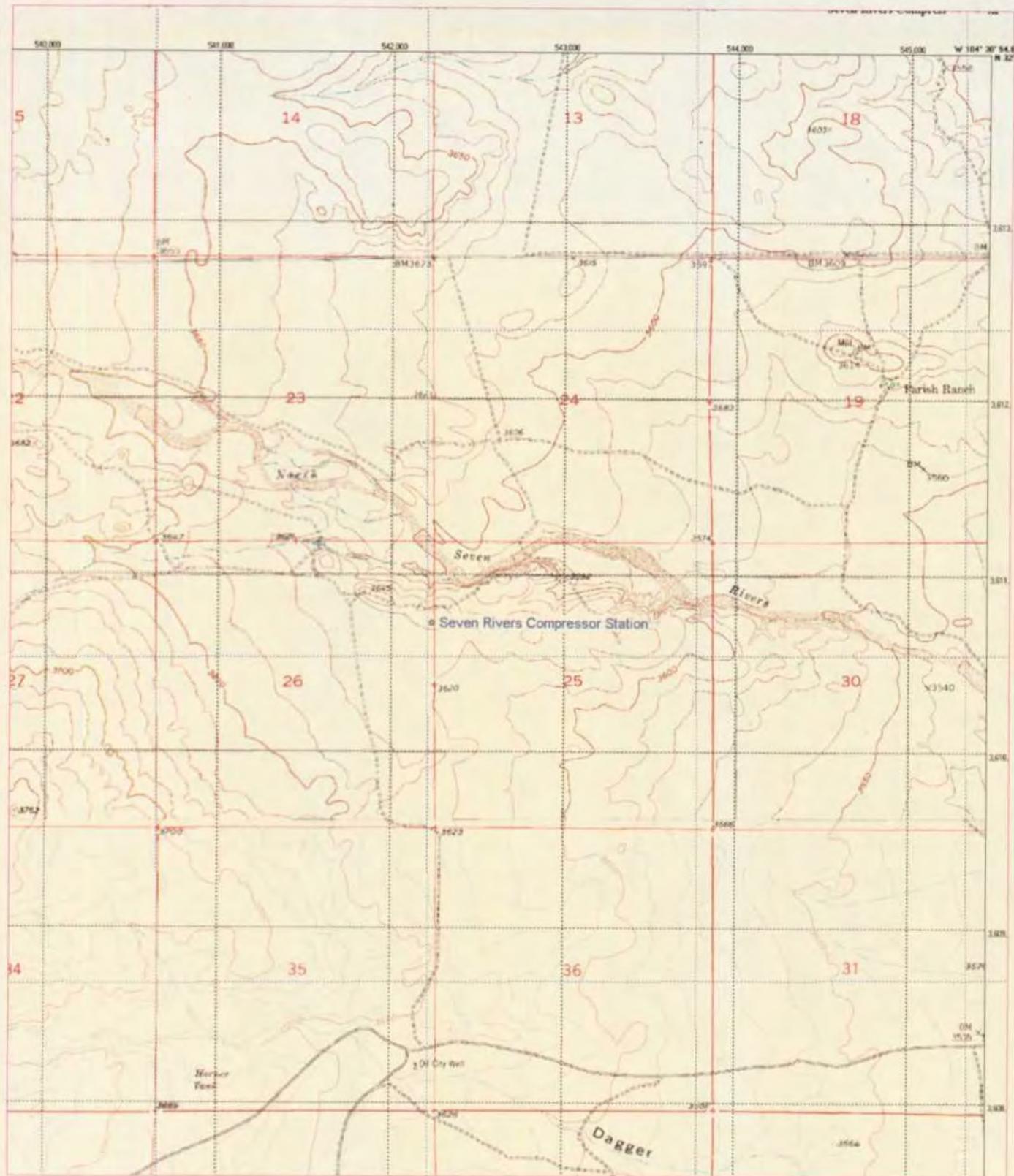
- a. Standard company procedure is to immediately secure the area to insure the safety of personnel and the public.
- b. Employees and contract personnel are dispatched to the spill area with material and equipment, including vacuum trucks, necessary to control and contain spill and initiate clean-up 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:

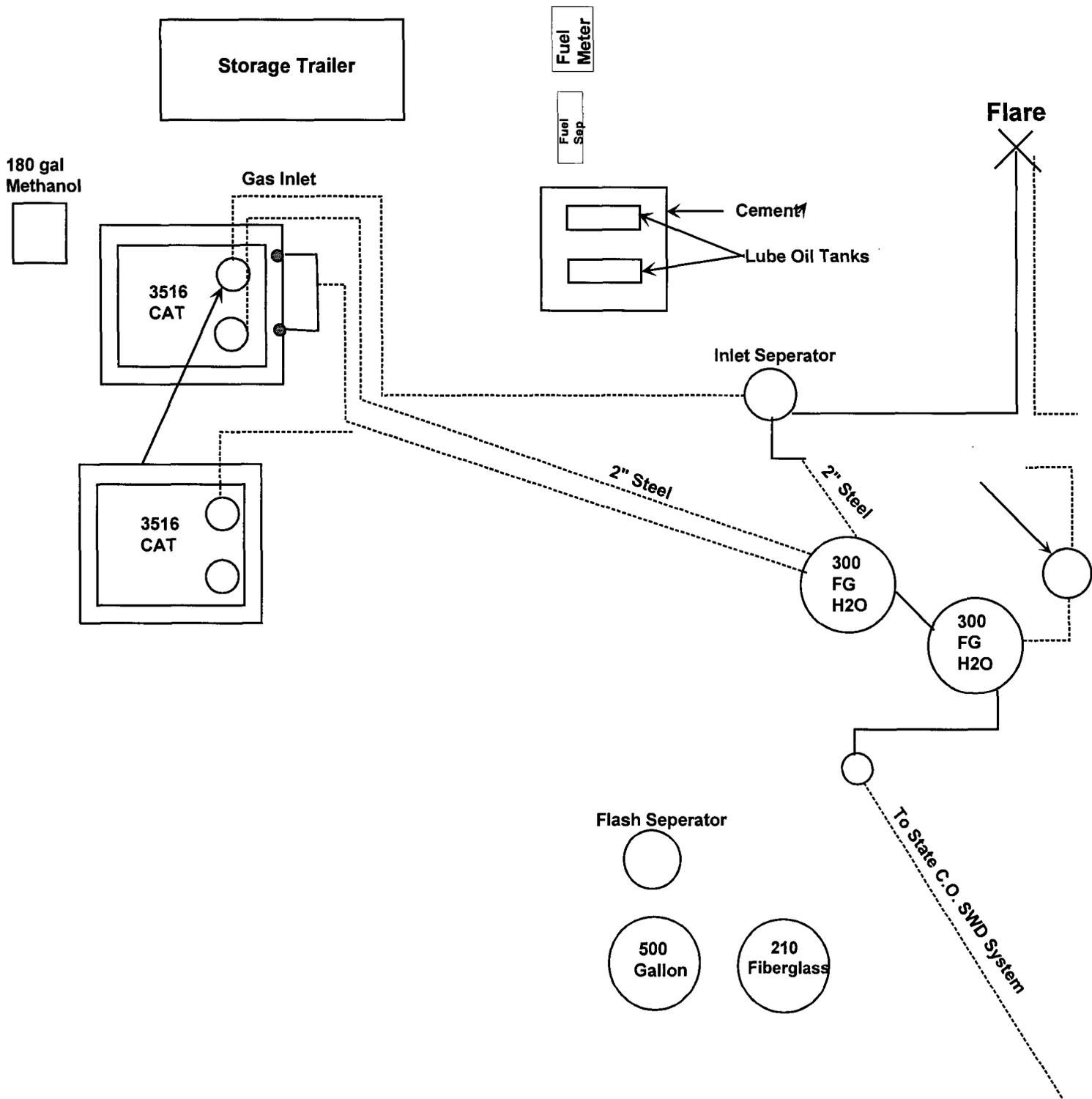
- a. There are no fresh water wells within two miles of the site. Estimated depth to groundwater is 800 feet. A sample from the Foster fresh water well is included which would be similar in quality as would be found beneath the compressor station
- b. The surrounding terrain consists of gentle rolling 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.

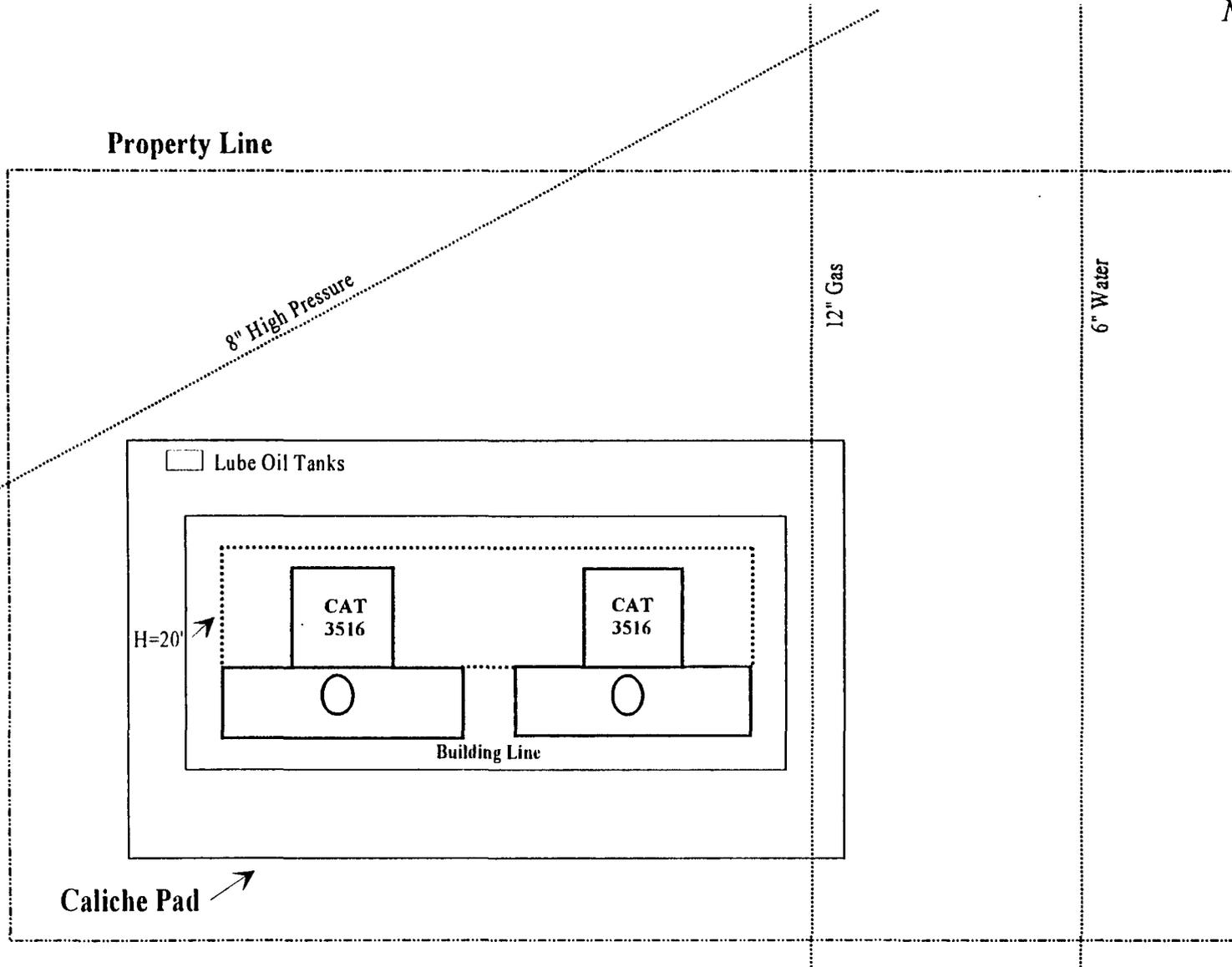


## Seven Rivers Compressor Station



**Yates Petroleum Corporation  
Seven Rivers Compressor Station**

# YATES PETROLEUM CORPORATION SEVEN RIVERS COMPRESSOR STATION



# ANALYTICAL REPORT

## Prepared for:

Jerry D. Fanning Jr.  
Yates Petroleum Corp.  
105 South 4th  
Artesia, NM 88210

**Project:** Larue Compressor

**Order#:** G0202677

**Report Date:** 03/06/2002

### Certificates

US EPA Laboratory Code TX00158

# ENVIRONMENTAL LAB OF TEXAS

## SAMPLE WORK LIST

Yates Petroleum Corp.  
 105 South 4th  
 Artesia, NM 88210  
 505-748-4585

Order#: G0202677  
 Project:  
 Project Name: Larue Compressor  
 Location: Dagger Draw

The samples listed below were submitted to Environmental Lab of Texas and were received under chain of custody. Environmental Lab of Texas makes no representation or certification as to the method of sample collection, sample identification, or transportation/handling procedures used prior to the receipt of samples by Environmental Lab of Texas.

<u>Lab ID:</u>	<u>Sample :</u>	<u>Matrix:</u>	<u>Date / Time</u> <u>Collected</u>	<u>Date / Time</u> <u>Received</u>	<u>Container</u>	<u>Preservative</u>
0202677-01	Mimosa SWD	WATER	02/25/2002	02/26/2002 11:19	500 ml HDPE	see COC
<u>Lab Testing:</u>		Rejected: No	Temp: -2.5 C			
METALS RCRA 8 Total						
Aluminum						
Boron						
Cobalt						
Copper						
Iron						
Manganese						
Metals Digestion - Total						
Molybdenum						
Nickel						
Strontium						
SULFIDE, 4500 F						
Zinc						
0202677-02	Foster Fresh Water	WATER	02/25/2002	02/26/2002 11:19	500 ml HDPE	see COC
<u>Lab Testing:</u>		Rejected: No	Temp: -2.5 C			
METALS RCRA 8 Total						
Aluminum						
Boron						
Cobalt						
Copper						
Iron						
Manganese						
Metals Digestion - Total						
Molybdenum						
Nickel						
Strontium						
SULFIDE, 4500 F						
Zinc						

# ENVIRONMENTAL LAB OF TEXAS

## ANALYTICAL REPORT

Jerry D. Fanning Jr.  
 Yates Petroleum Corp.  
 105 South 4th  
 Artesia, NM 88210

Order#: G0202677  
 Project:  
 Project Name: Larue Compressor  
 Location: Dagger Draw

Lab ID: 0202677-01  
 Sample ID: Mimososa SWD

### *METALS RCRA 8 Total*

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Analyst</u>
Arsenic	0.051	mg/L	1	0.008	6010B	03/03/2002	3/6/02	SM
Barium	0.069	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM
Cadmium	0.002	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM
Chromium	0.023	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Lead	0.018	mg/L	1	0.011	6010B	03/03/2002	3/6/02	SM
Mercury	0.003	mg/L	1	0.002	245.1, 7470	03/03/2002	3/4/02	SM
Selenium	0.034	mg/L	1	0.004	6010B	03/03/2002	3/6/02	SM
Silver	0.004	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM

### *Test Parameters*

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Analyst</u>
Aluminum	0.950	mg/L	1	0.015	6010B	03/03/2002	3/6/02	SM
Boron	1.98	mg/L	1	0.005	6010B	03/03/2002	3/6/02	SM
Cobalt	0.001	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Copper	0.005	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Iron	0.312	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Manganese	0.063	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM
Molybdenum	0.006	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Nickel	0.081	mg/L	1	0.006	6010B	03/03/2002	3/6/02	SM
Strontium	10.4	mg/L	10	0.010	6010B	03/03/2002	3/6/02	SM
Zinc	<0.001	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM

Lab ID: 0202677-02  
 Sample ID: Foster Fresh Water

### *METALS RCRA 8 Total*

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Analyst</u>
Arsenic	0.065	mg/L	1	0.008	6010B	03/03/2002	3/6/02	SM
Barium	0.010	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM
Cadmium	0.001	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM
Chromium	0.020	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Lead	0.029	mg/L	1	0.011	6010B	03/03/2002	3/6/02	SM
Mercury	<0.002	mg/L	1	0.002	245.1, 7470	03/03/2002	3/4/02	SM
Selenium	0.048	mg/L	1	0.004	6010B	03/03/2002	3/6/02	SM
Silver	<0.002	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM

### *Test Parameters*

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Analyst</u>
Aluminum	0.928	mg/L	1	0.015	6010B	03/03/2002	3/6/02	SM
Boron	0.118	mg/L	1	0.005	6010B	03/03/2002	3/6/02	SM
Cobalt	0.003	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM

N/A = Not Applicable      RL = Reporting Limit

# ENVIRONMENTAL LAB OF TEXAS

## ANALYTICAL REPORT

Jerry D. Fanning Jr.  
Yates Petroleum Corp.  
105 South 4th  
Artesia, NM 88210

Order#: G0202677  
Project:  
Project Name: Larue Compressor  
Location: Dagger Draw

Lab ID: 0202677-02  
Sample ID: Foster Fresh Water

### Test Parameters

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution</u> <u>Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date</u> <u>Prepared</u>	<u>Date</u> <u>Analyzed</u>	<u>Analyst</u>
Copper	0.006	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Iron	0.168	mg/L	1	50	6010B	03/03/2002	3/6/02	SM
Manganese	0.008	mg/L	1	0.2	6010B	03/03/2002	3/6/02	SM
Molybdenum	0.008	mg/L	1	0.002	6010B	03/03/2002	3/6/02	SM
Nickel	0.058	mg/L	1	0.006	6010B	03/03/2002	3/6/02	SM
Strontium	8.21	mg/L	5	0.0050	6010B	03/03/2002	3/6/02	SM
Zinc	0.122	mg/L	1	0.001	6010B	03/03/2002	3/6/02	SM

Approval: Raland K Tuttle 3-08-02  
Raland K. Tuttle, Lab Director, QA Officer      Date  
Celey D. Keene, Org. Tech. Director  
Jeanne McMurrey, Inorg. Tech. Director  
Irene Perry, QA Assistant  
Sandra Biezugbe, Lab Tech.  
Curt Cowdrey, Lab Tech.  
Sara Molina, Lab Tech.

# ENVIRONMENTAL LAB OF TEXAS

## ANALYTICAL REPORT

Jerry D. Fanning Jr.  
Yates Petroleum Corp.  
105 South 4th  
Artesia, NM 88210

Order#: G0202677  
Project:  
Project Name: Larue Compressor  
Location: Dagger Draw

Lab ID: 0202677-01  
Sample ID: Mimosa SWD

### Test Parameters

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Analyzed</u>	<u>Analyst</u>
SULFIDE, 4500 F	365	mg/L	1	5.0	SM4500 F	3/4/02	CC

Lab ID: 0202677-02  
Sample ID: Foster Fresh Water

### Test Parameters

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Dilution Factor</u>	<u>RL</u>	<u>Method</u>	<u>Date Analyzed</u>	<u>Analyst</u>
SULFIDE, 4500 F	< 5.0	mg/L	1	5.0	SM4500 F	3/4/02	CC

Approval: Raland K Tuttle 3-08-02  
Raland K. Tuttle, Lab Director, QA Officer  
Celey D. Keene, Org. Tech. Director  
Jeanne McMurrey, Inorg. Tech. Director  
Irene Perry, QA Assistant  
Sandra Biezugbe, Lab Tech.  
Curt Cowdrey, Lab Tech.  
Sara Molina, Lab Tech.

# ENVIRONMENTAL LAB OF TEXAS

## QUALITY CONTROL REPORT

### METALS RCRA 8 Total

Order#: G0202677

<b>BLANK</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Arsenic-mg/L	0000780-01			<0.008		
Barium-mg/L	0000780-01			<0.001		
Cadmium-mg/L	0000780-01			<0.001		
Chromium-mg/L	0000780-01			<0.002		
Lead-mg/L	0000780-01			<0.011		
Mercury-mg/L	0000780-01			<0.002		
Selenium-mg/L	0000780-01			<0.004		
Silver-mg/L	0000780-01			<0.002		
<b>MS</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Arsenic-mg/L	0202677-02	0.065	0.2	0.288	111.5%	
Barium-mg/L	0202677-02	0.01	1	1.02	101.%	
Cadmium-mg/L	0202677-02	0.001	0.2	0.194	96.5%	
Chromium-mg/L	0202677-02	0.02	1	0.933	91.3%	
Lead-mg/L	0202677-02	0.029	1	1.04	101.1%	
Mercury-mg/L	0202677-02	0	0.01	0.016	160.%	
Selenium-mg/L	0202677-02	0.048	0.2	0.269	110.5%	
Silver-mg/L	0202677-02	0	1	0.896	89.6%	
<b>MSD</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Arsenic-mg/L	0202677-02	0.065	0.2	0.298	116.5%	3.4%
Barium-mg/L	0202677-02	0.01	1	1.03	102.%	1.%
Cadmium-mg/L	0202677-02	0.001	0.2	0.199	99.%	2.5%
Chromium-mg/L	0202677-02	0.02	1	0.962	94.2%	3.1%
Lead-mg/L	0202677-02	0.029	1	1.06	103.1%	1.9%
Mercury-mg/L	0202677-02	0.016	0.01	0.016	160.%	100.%
Selenium-mg/L	0202677-02	0.048	0.2	0.277	114.5%	2.9%
Silver-mg/L	0202677-02	0.896	1	0.907	90.7%	1.2%
<b>SRM</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Arsenic-mg/L	0000780-04		1	1.04	104.%	0.%
Barium-mg/L	0000780-04		1	1.01	101.%	0.%
Cadmium-mg/L	0000780-04		1	1.04	104.%	0.%
Chromium-mg/L	0000780-04		1	1.02	102.%	0.%
Lead-mg/L	0000780-04		1	1.03	103.%	0.%
Mercury-mg/L	0000780-04		0.015	0.015	100.%	0.%
Selenium-mg/L	0000780-04		1	1.02	102.%	0.%
Silver-mg/L	0000780-04		1	0.960	96.%	0.%

# ENVIRONMENTAL LAB OF TEXAS

## QUALITY CONTROL REPORT

### Test Parameters

Order#: G0202677

<b>BLANK</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
Aluminum-mg/L	0000780-01			<0.015		
Boron-mg/L	0000780-01			<0.005		
Cobalt-mg/L	0000780-01			<0.002		
Copper-mg/L	0000780-01			<0.002		
Iron-mg/L	0000780-01			<0.002		
Manganese-mg/L	0000780-01			<0.2		
Molybdenum-mg/L	0000780-01			<0.002		
Nickel-mg/L	0000780-01			<0.006		
Strontium-mg/L	0000780-01			<0.001		
SULFIDE, 4500 F-mg/L	0000754-01			< 5.0		
Zinc-mg/L	0000780-01			<0.001		
<b>CONTROL</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
SULFIDE, 4500 F-mg/L	0000754-02		680	480	70.6%	
<b>CONTROL DUP</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
SULFIDE, 4500 F-mg/L	0000754-03		680	466	68.5%	3.0%
<b>DUPLICATE</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
SULFIDE, 4500 F-mg/L	0202677-01	365		374		2.4%
<b>MS</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
Aluminum-mg/L	0202677-02	0.928	1	2.09	116.2%	
Boron-mg/L	0202677-02	0.118	1	1.18	106.2%	
Cobalt-mg/L	0202677-02	0.003	1	0.976	97.3%	
Copper-mg/L	0202677-02	0.006	1	1.08	107.4%	
Iron-mg/L	0202677-02	0.168	0.5	0.686	103.6%	
Manganese-mg/L	0202677-02	0.008	0.5	0.493	98.6%	
Molybdenum-mg/L	0202677-02	0.008	1	0.98	97.2%	
Nickel-mg/L	0202677-02	0.058	1	1.03	97.2%	
Strontium-mg/L	0202677-02	8.21	1	9.31	110.0%	
Zinc-mg/L	0202677-02	0.122	0.5	0.6963	114.9%	
<b>MSD</b>	LAB-ID #	Sample Concentr.	Spike Concentr.	QC Test Result	Pct (%) Recovery	RPD
Aluminum-mg/L	0202677-02	0.928	1	2.12	119.2%	1.4%
Boron-mg/L	0202677-02	0.118	1	1.18	106.2%	0.0%
Cobalt-mg/L	0202677-02	0.003	1	0.989	98.6%	1.3%
Copper-mg/L	0202677-02	0.006	1	1.09	108.4%	0.9%
Iron-mg/L	0202677-02	0.168	0.5	0.698	106.0%	1.7%
Manganese-mg/L	0202677-02	0.008	0.5	0.502	100.4%	1.8%
Molybdenum-mg/L	0202677-02	0.008	1	1	99.2%	2.0%

# ENVIRONMENTAL LAB OF TEXAS

## QUALITY CONTROL REPORT

<b>MSD</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Nickel-mg/L	0202677-02	0.058	1	1.05	99.2%	1.9%
Strontium-mg/L	0202677-02	8.21	1	9.27	106.0%	0.4%
Zinc-mg/L	0202677-02	0.122	0.5	0.716	118.8%	2.8%
<b>SRM</b>	<b>LAB-ID #</b>	<b>Sample Concentr.</b>	<b>Spike Concentr.</b>	<b>QC Test Result</b>	<b>Pct (%) Recovery</b>	<b>RPD</b>
Aluminum-mg/L	0000780-04		1	0.964	96.4%	0.0%
Boron-mg/L	0000780-04		1	1.06	106.0%	0.0%
Cobalt-mg/L	0000780-04		1	1.03	103.0%	0.0%
Copper-mg/L	0000780-04		1	0.977	97.7%	0.0%
Iron-mg/L	0000780-04		1	1.04	104.0%	0.0%
Manganese-mg/L	0000780-04		1	1.02	102.0%	0.0%
Molybdenum-mg/L	0000780-04		1	1.04	104.0%	0.0%
Nickel-mg/L	0000780-04		1	1.03	103.0%	0.0%
Strontium-mg/L	0000780-04		1	1.08	108.0%	0.0%
Zinc-mg/L	0000780-04		1	1.08	108.0%	0.0%

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 4/5/02,

or cash received on 4/16/02 in the amount of \$ 3600.00

from YATES PETROLEUM

for GW-123 AND GW-125

Submitted by: Ed Martin (Facility Name) Date: 4/16/02 (DP No.)

Submitted to ASD by: Ed Martin Date: 4/16/02

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee  New Facility \_\_\_\_\_ Renewal

Modification \_\_\_\_\_ Other \_\_\_\_\_

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



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

DATE 4/05/2002 VENDOR NO. 670610  
\*\*\*\*\*3.600 DOLLARS\*\*\*00CENTS

PAY TO THE ORDER OF:  
NEW MEXICO OIL CONSERVATION  
DIVISION  
1220 S SAINT FRANCIS DRIVE  
SANTA FE NM 87505 4000

AMOUNT  
\*\*\*\*\*3,600.00

Gary E. Green

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

April 8, 2002

RE: Discharge Plan Renewals  
GW-123 Seven Rivers Compressor Station  
GW-125 Penasco Compressor Station

Dear Ed,

Enclosed is a check for the amount of \$3,600.00. The check covers both the facilities listed above.

If you need any additional information or have questions, please call me at 748-4223.

Sincerely,



Yvette Briseno  
Environmental Technician

**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 6/18/97,

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

from Yates Pet

for J Rivers C.S GW-123

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. Anderson Date: 7/31/97

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

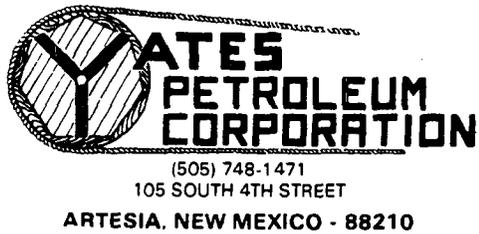
Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal   
Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment  or Annual Increment \_\_\_\_\_

NationsBank  
NationsBank of Texas, N.A.  
32-1  
1110



DATE 6/18/1997 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

[Signature]

# YATES PETROLEUM CORPORATION

(505) 748-1471

105 SO. 4TH - ARTESIA, NEW MEXICO - 882



CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	GW-123/SEVEN RIVERS	06/97	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.



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

June 12, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-606**

Mr. John F. Brown  
Yates Petroleum Corporation  
105 South 4th Street  
Artesia, NM 88210

**RE: Approval of Discharge Plan GW-123  
"7 Rivers" Compressor Station  
Eddy County, New Mexico**

Dear Mr. Brown:

The discharge plan renewal GW-123 for the Yates Petroleum Corporation 7 Rivers Compressor Station located in NW/4 NW/4, Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan renewal consists of the application dated March 25, 1997 from Yates Petroleum Corporation, the approval letter from OCD dated July 28, 1992, and this approval letter with conditions of approval from OCD dated June 12, 1997. 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 ten (10) working days of receipt of this letter.

The discharge plan renewal application was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission Regulations. Please note Sections 3109.E and 3109.F which provide for possible future amendments or modifications of the plan. Please be advised that the approval of this plan does not relieve Yates Petroleum Corporation of liability should the operations associated with this facility result in pollution of surface water, ground water, or the environment.

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

Mr. John F. Brown  
 Yates Petroleum Corporation  
 "7 Rivers" GW-123  
 June 12, 1997  
 Page 2

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

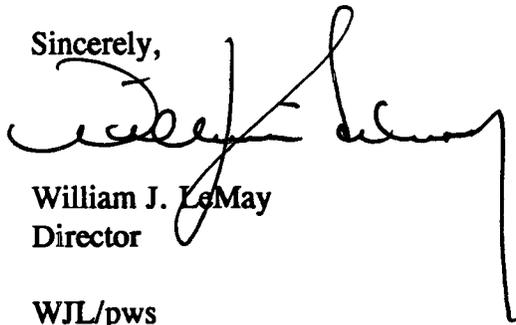
Pursuant to Section 3109.G.4, this plan is for a period of five (5) years. This approval will expire July 28, 2002, and an application for renewal should be submitted in ample time before that date. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan approval.

The discharge plan for the Yates Petroleum Corporation 7 Rivers Compressor Station GW-123 is subject to the WQCC Regulation 3114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty dollars (\$50) plus a flat fee in the amount of three-hundred and forty-five dollars (\$345) for compressor stations between 1,001 and 3,000 horsepower.

The \$50 filing fee has been received by the OCD. **The \$345 flat fee has not been received by the OCD and is due upon receipt of this approval letter.** The flat fee may be paid in one lump sum in the amount of \$345, or five equal annual installments of \$69 per installment, with the first installment due upon receipt of this approval letter. **All checks shall be made payable to NMED-Water Quality Management, and sent to OCD Santa Fe Division office.**

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

Sincerely,



William J. LeMay  
 Director

WJL/pws

Attachment

c: Artesia OCD District Office.

P 326 936 606

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

Sent to Yates - 7 Rivers	
Street & Number DP Renewal Letter	
Post Office, State, & ZIP Code	
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

Mr. John F. Brown  
Yates Petroleum Corporation  
"7 Rivers" GW-123  
June 12, 1997  
Page 3

**ATTACHMENT TO DISCHARGE PLAN GW-123**  
**Yates Petroleum Corporation 7 Rivers Compressor Station**  
**DISCHARGE PLAN REQUIREMENTS**  
(June 12, 1997)

1. **Payment of Discharge Plan Fees:** The \$345 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments of \$69 per installment over the duration of the plan, with the first payment due upon receipt of this approval.
2. **Yates Petroleum Corporation Commitments:** Yates Petroleum Corporation will abide by all commitments submitted in the application dated March 25, 1997 from Yates Petroleum Corporation, the approval letter from OCD dated July 28, 1992, and this approval letter with conditions of approval from OCD dated June 12, 1997.
3. **Waste Disposal:** All wastes shall be disposed of at an NMOCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous by characteristics may be disposed of at an NMOCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.
5. **Process Areas:** All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. **Above Ground Tanks:** All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad.
7. **Above Ground Saddle Tanks:** Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

Mr. John F. Brown  
Yates Petroleum Corporation  
"7 Rivers" GW-123  
June 12, 1997  
Page 4

9. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks that do not have secondary containment and leak detection must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks /or sumps.

10. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present, and then every 5 years there after. Companies may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD.

11. **Housekeeping:** All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any soils contaminated with a non-exempt waste at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.

12. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the Artesia OCD District Office at (505)-748-1283.

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

14. **Closure:** The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

15. **Certification:** Yates Petroleum Corporation, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Yates Petroleum Corporation, further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect groundwater, human health and the environment.

Accepted:  
Yates Petroleum Corporation

by \_\_\_\_\_  
Title

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/21/97

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

from Yates Pet

for 7 Rivers CS GW-123

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: B. C. [signature] Date: 5-23-97

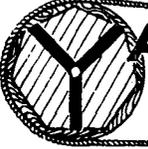
Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee XR New Facility \_\_\_\_\_ Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_

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. <u>32-1</u> 1110	 <b>YATES PETROLEUM CORPORATION</b> (505) 748-1471 105 SOUTH 4TH STREET ARTESIA, NEW MEXICO - 88210	[redacted]
DATE <u>3/21/97</u> VENDOR NO. <u>637315</u> *****50DOLLARS***00CENTS	PAY TO THE ORDER OF: NMED-WATER QUALITY MANAGEMENT NM OIL CONSERVATION DIVISION 2040 PACHERO STREET SANTA FE NM 87504	AMOUNT *****50.00
	<u>[signature]</u>	

**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	SEVEN RIVERS COMP.	03/97	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.

**NOTICE OF PUBLICATION**

APR 17 1997

4122  
UCFMS - RMESB

**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 application and 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-281) - Weatherford Enterra US, Ms. Lesa Griffin, (713)-693-4922, 515 Post Oak Blvd., Suite 600, Houston, TX, 77027, has submitted a Discharge Plan Application for their Farmington facility located in the SE/4 SW/4, Section 13, Township 29 North, Range 13 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 40 feet with a total dissolved solids concentration of approximately 1,000 to 2,000 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-123) - Yates Petroleum Corporation, Mr. John Brown, (505)-748-4219, 105 S. 4th Street, Artesia, NM, 88210, has submitted a Discharge Plan Renewal Application for their "Seven Rivers" compressor station located in the NW/4 NW/4, Section 25, Township 19 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 800 feet with a total dissolved solids concentration of approximately 2260 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-007) - Christie Gas Corporation, Mr. Mike Cramer, (512)-327-9510, Barton Oaks Plaza Two, Suite 515, 901 MoPac Expressway South, Austin, TX, 78746, has submitted a Discharge Plan Renewal Application for their "Jal #4" gas plant located in Section 31 and 32, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. Plant waste water will be disposed of offsite in an OCD permitted injection well. 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 7500 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

**RECEIVED**

APR 28 1997

Environmental Bureau  
Oil Conservation Division

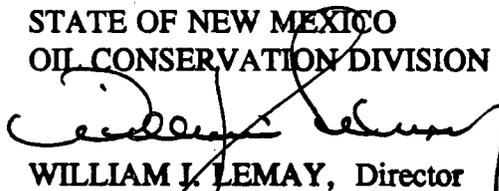
INDEXED  
REC'D  
J7 AP-211 APR 8 52

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 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 based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan 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 14th day of April, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY, Director

SEAL

NO EFFECT FINDING

WJL/pws

The described action will have no effect on listed species, wetlands, or other important wildlife resources.

Date April 21, 1997

Consultation # GW 97 OCD-1

Approved by 

U.S. FISH and WILDLIFE SERVICE  
NEW MEXICO ECOLOGICAL SERVICES FIELD OFFICE  
ALBUQUERQUE, NEW MEXICO

RECEIVED

APR 28 1997

Environmental Bureau  
Oil Conservation Division

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: 629628

ACCOUNT: 56689

LEGAL NO: 61564

P.O. #: 96-199-0029

252	LINES	ONCE	at	\$	100.80
Affidavits:					5.25
Tax:					6.63
Total:					\$ 112.68

RECEIVED

APR 28 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 # 61564 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 21 day of APRIL 1997 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

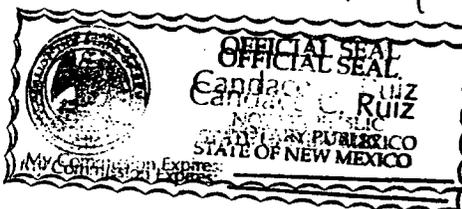
/S/

*Betsy Perner*

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 21 day of APRIL A. D., 1997

Notary *Candace C. Ruiz*  
Commission Expires 9/29/99



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 application and 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-281) - Weatherford Enterra US, Ms. Lisa Griffin, (713)-693-4922, 515 Post Oak Blvd., Suite 600, Houston, TX 77027, has submitted a Discharge Plan Application for their Farmington facility located in the SE/4 SW/4, Section 13, Township 29 North, Range 13 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 40 feet with a total dissolved solids concentration of approximately 1,000 to 2,000 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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(GW-007) - Christie Gas Cor-

poration, Mr. Mike Cramer, (512)-327-9510, Barton Oaks Plaza Two, Suite 515, 901 Mo-Pac Expressway South, Austin, TX, 78746, has submitted a Discharge Plan Renewal Application for their "Jal #4" gas plant located in Section 31 and 32, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. Plant waste water will be disposed of offsite in an OCD permitted injection well. 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 7500 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 applications may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to rolling 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 based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the 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 14th day of April 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
WILLIAM J. LEMAY,  
Director  
Legal #61564  
Pub. April 21, 1997

RECEIVED

APR 28 1997

Environmental Bureau  
Oil Conservation Division

# Affidavit of Publication

No. 15820

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

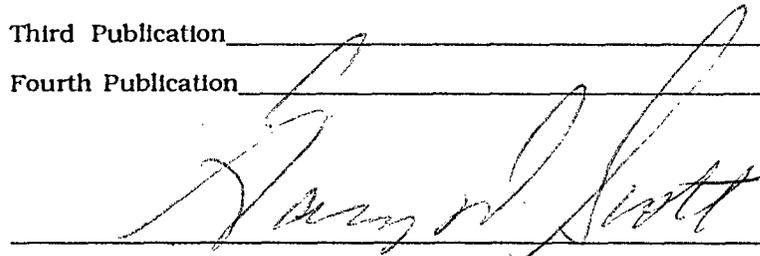
was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

First Publication April 22, 1997

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_



Subscribed and sworn to before me this 22nd day of April 19 97

  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

**RECEIVED**

APR 28 1997

Environmental Bureau  
Oil Conservation Division

# Copy of Publication

feet with a total dissolved solids concentration of approximately 1,000 to 2,000 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 14th day of April, 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. April 22, 1997.

Legal 15820

## LEGAL NOTICE

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

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Okay DUB  
4-28-97

## NOTICE OF PUBLICATION

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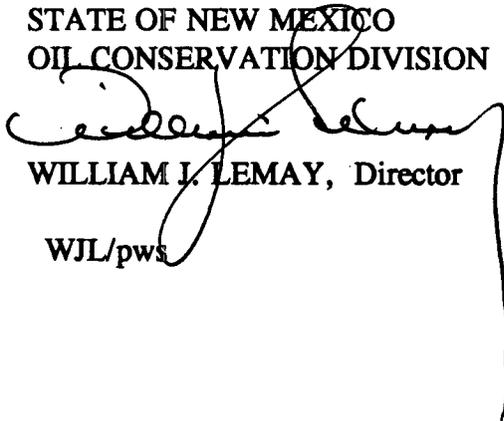
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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 14th day of April, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

WJL/pws

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

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

March 26, 1997

Roger Anderson  
New Mexico Energy Minerals and  
Natural Resources Department  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87504

Re: Discharge Plan GW-123  
Yates Petroleum Corporation  
7 Rivers Compressor Station  
Eddy County, New Mexico

Dear Mr. Anderson,

Enclosed please find the completed discharge plan for the 7 Rivers Compressor Station. All additions and changes to this station have been noted on the drawings.

If you require further information regarding this matter please do not hesitate to contact me at (505) 748-4219.

Sincerely,

John F. Brown  
Operations Engineer

~~RECEIVED  
MAR 09 1997  
Environmental Bureau  
Oil Conservation Division~~

RECEIVED

APR - 9 1997

Environmental Bureau  
Oil Conservation Division

RECEIVED

APR - 9 1997

Environmental Bureau  
Oil Conservation Division

**YATES PETROLEUM CORPORATION**

(505) 748-1471  
105 SO. 4TH - ARTESIA, NEW MEXICO - 88210

CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	SEVEN RIVERS COMP.	03/97	50.00	.00	50.00
			TOTAL FOR CHECK		50.00

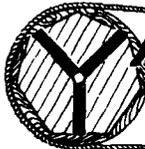
**CODES**

- 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.

**NationsBank**  
NationsBank of Texas, N.A.

32-1  
1110



**YATES  
PETROLEUM  
CORPORATION**

(505) 748-1471  
105 SOUTH 4TH STREET

ARTESIA, NEW MEXICO - 88210

DATE 3/21/97 VENDOR NO. 637315

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

PAY TO THE ORDER OF:

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

AMOUNT

\*\*\*\*\*50.00

*[Handwritten Signature]*

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

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

1. Type: Natural Gas Compressor Station
2. Operator: Yates Petroleum Corporation  
Address: 105 S. 4th Str., Artesia, NM 88210  
Contact Person: John F. Brown Phone: 505-748-4219
3. Location: NW /4 NW /4 Section 25 Township 19S 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

RECEIVED

APR - 9 1997

Environmental Branch  
Oil Conservation Division

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: *John F. Brown* Date: 3-25-97

**DISCHARGE PLAN GW-123 RENEWAL**

**YATES PETROLEUM CORPORATION  
SEVEN RIVERS COMPRESSOR STATION**

***March 27, 1997***

**RECEIVED**

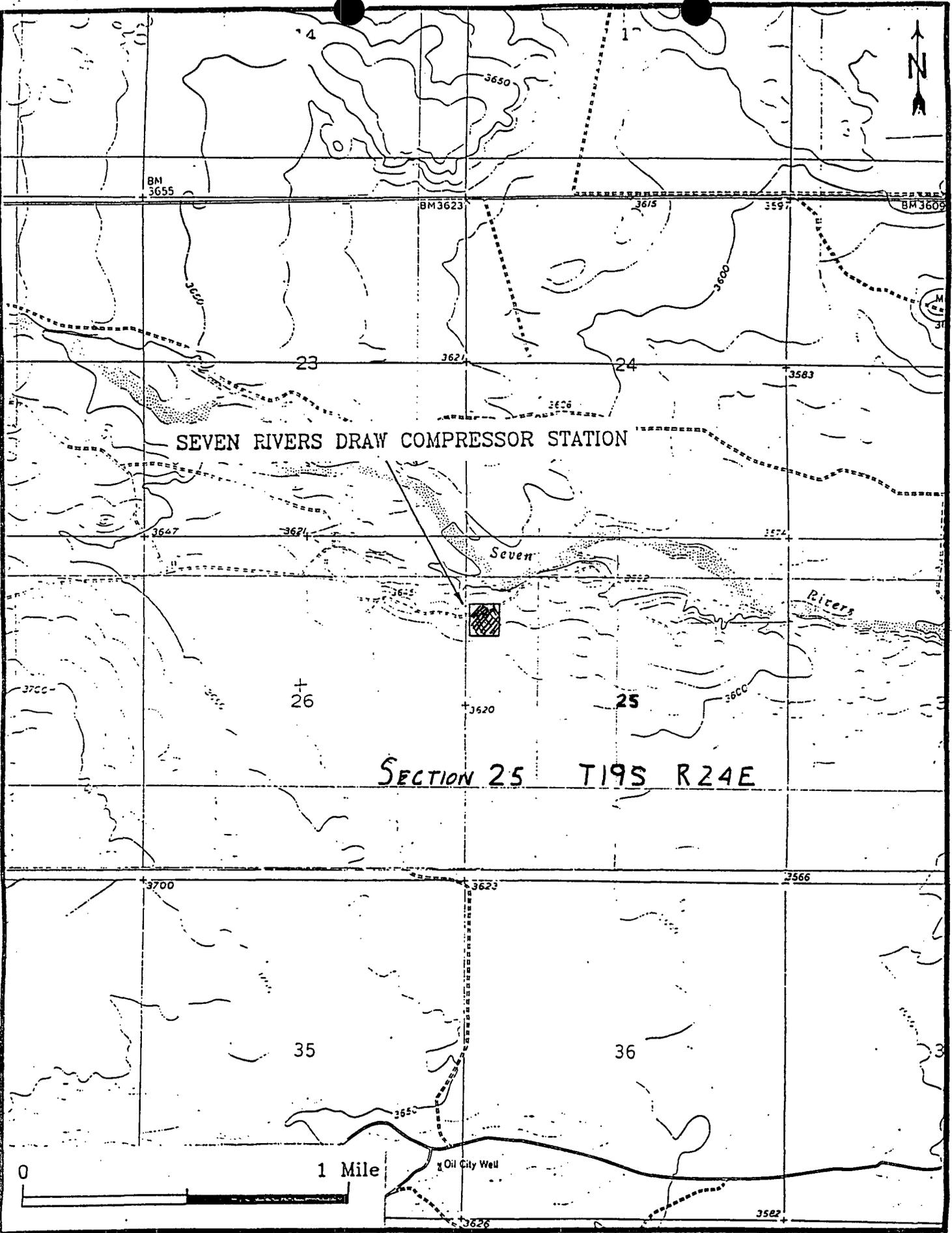
**APR - 9 1997**

**Environmental Bureau  
Oil Conservation Division**

***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: NW/4 NW/4  
Sec 25-T19S-R24E  
Eddy County, New Mexico
  
4. Landowner: Bureau of Land Management  
620 E. Greene Str.  
Carlsbad, NM 88220-6292



SEVEN RIVERS DRAW COMPRESSOR STATION

SECTION 25 T19S R24E

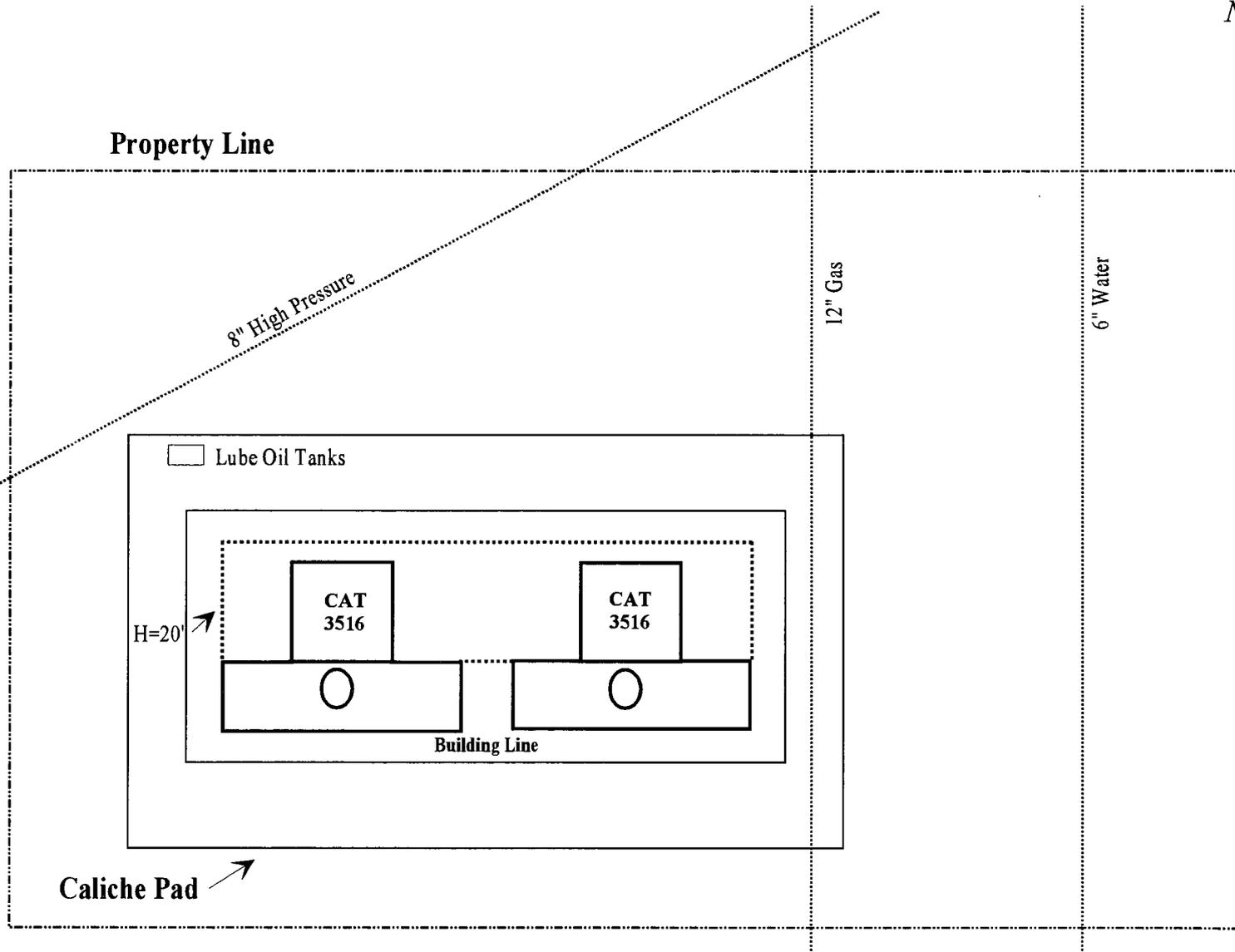


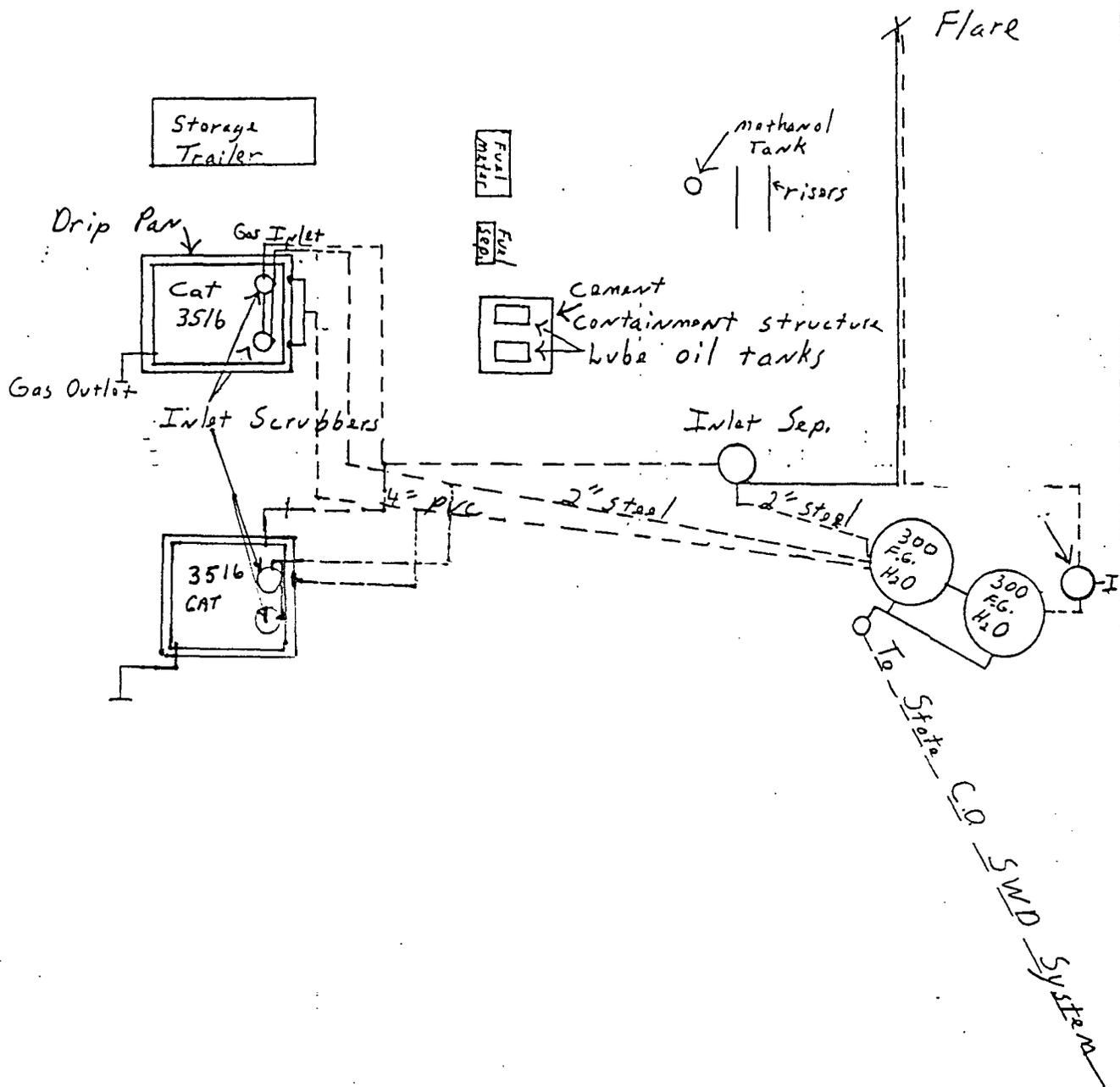
TITLE: YATES PETROLEUM CORPORATION  
SEVEN RIVERS DRAW COMPRESSOR STATION

***SECTION 5***

***Facility Description***

# YATES PETROLEUM CORPORATION SEVEN RIVERS COMPRESSOR STATION





Yates Petroleum Corp.  
 7-Rivers Compressor Station

Current Facility 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 well.

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	5.9			
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	176.6	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 50 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 piped via 2" steel lines to two 300 barrel above ground fiberglass tanks. Fluid from these tanks is then transferred via pipeline in Yates Petroleum's SWD system and injected into Yates Petroleum's State CO #1 injection well.
  - a. OCD approved Class II injection well
  - b. Order #SWD-285 dated May 8, 1985
  - c. Injecting into the Devonian formation

As a contingency plan, fluid is transferred to an alternate injection well in the SWD system. Yates Petroleum Mimosa #1. (Example)

- a. OCD approved Class II injection well
  - b. Order #SWD-408 dated January 4, 1991
  - c. Injecting into the Devonian formation
2. A catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a 4" PVC line (buried with a 1/4" per foot grade) to the 300 barrel fiberglass tanks. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.
3. A cement-lined-containment structure is located on site to store fluids necessary for normal operations (lube oils, engine oils, etc.)
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. All line routes and tanks will be inspected daily for leaks. Any leaks found are to be repaired immediately. The OCD will be notified of any major leaks or spills. Any minor leaks or spills will be remediated in-situ by aeration. Any accidental fluid discharge from the flare will be handled in a similar manner.
6. 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, the existing system will be expanded to handle additional wastes.

The system has the capacity available to handle additional waste.

## **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 absorbents 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 south and west 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	8.3
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:

Petrolite Oilfield Chemicals Group

Respectfully submitted,  
WAYNE PETERSON

## **SECTION 13**

### ***Facility Closure Plan***

No plans to close facility within 5 years.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

January 10, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-258-742**

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

**RE: Discharge Plan GW-123  
Yates Petroleum Corporation (YPC)  
7 Rivers Compressor Station  
Eddy County, New Mexico**

Dear Mr. Ragsdale:

On July 28, 1992, the groundwater discharge plan, GW-123, for the **7 Rivers Compressor Station** located in the NW/4, Section 25, Township 19 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 July 28, 1997.**

If the facility continues to have potential or actual effluent or leachate discharges and YPC wishes to continue operation, the discharge plan must be renewed. **Pursuant to WQCC Section 3106.F, if an application for renewal is submitted at least 120 days before the discharge plan expires ( on or before March 28, 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 YPC has made, or intends to make, any changes in the system, and if so, please include these modifications in the application for renewal.

The discharge plan renewal application for the **7 Rivers Compressor Station** is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 and a flat fee of \$345 for Compressor Stations between 1,000 and 3,000 horsepower. The \$50 filing fee is to be submitted with the discharge plan renewal application and is nonrefundable.

Mr. Paul Ragsdale  
YPC, GW-123  
6 Month Renewal Notice  
January 10, 1997  
Page 2

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

Please submit the original discharge plan renewal application 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 WQCC regulations, discharge plan application form, and guidelines have been provided to YPC in the past. If you require copies of these items notify the OCD at (505)-827-7152. A complete copy of the regulations is also available on OCD's website at [www.emnrd.state.nm.us/ocd.htm](http://www.emnrd.state.nm.us/ocd.htm).)

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

Sincerely,



For

Roger C. Anderson  
Environmental Bureau Chief

RCA/pws

xc: OCD Artesia District

P 288 258 742

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

Sent to	YATES-Ragsdale	
Street & Number	GW-123 6 MONTH RENEWAL	
Post Office, State, & ZIP Code		
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

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9/14/92  
or cash received on 9/21/92 in the amount of \$ 690.00  
from Yates Petroleum Corporation  
for 7-Rivers Compressor Station GW-123  
(Facility Name) (DP No.)

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: Kathy Brown Date: 9/21/92

Received in ASD by: Shirley C. Montoya Date: 9/21/92

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



(505) 748-1471  
105 SOUTH 4TH STREET

ARTESIA, NEW MEXICO - 88210

DATE 9/14/92 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

*[Handwritten Signature]*

# YATES PETROLEUM CORPORATION

(505) 748-1471

105 SO. 4TH - ARTESIA, NEW MEXICO - 88

CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	DISCHARGE PLAN GW	1209/92	690.00	.00	690.00
			TOTAL FOR CHECK		690.00

*7 Rivers  
GW 123*

### 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

July 28, 1992

POST OFFICE BOX 2086  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

CERTIFIED MAIL  
RETURN RECEIPT NO. P-667-242-127

Mr. Chuck Morgan  
Yates Petroleum Corporation  
104 S 4th Street  
Artesia, New Mexico 88210

RE: Discharge Plan GW-123  
7-Rivers Compressor Station  
Eddy County, New Mexico

Dear Mr. Morgan:

The groundwater discharge plan GW-123 for the Yates Petroleum 7-Rivers Compressor Station located in the NW/4 NW/4, Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico is **hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated June 8, 1992.

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

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

Please note that section 3-104 of the regulations requires that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.c. you are required to notify the Director of any facility

Mr. Chuck Morgan  
July 28, 1992  
Page -2-

expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3-109.g.4., this plan approval is for a period of five years. This approval will expire July 28, 1997 and you should submit an application for renewal in ample time before that date.

The discharge plan application for the Yates Petroleum 7-Rivers Compressor Station is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus the flat rate of six-hundred and ninety (690) dollars for compressor stations with between 1000 and 3000 Horsepower.

The OCD has received your \$50 filing 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 plan, with the first payment due upon receipt of this approval.

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

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

Sincerely,

*William J. LeMay*  
William J. LeMay  
Director

WJL/rca

xc: OCD Artesia Office

**ATTACHMENT TO DISCHARGE PLAN GW-123 APPROVAL  
YATES PETROLEUM 7-RIVERS COMPRESSOR STATION  
DISCHARGE PLAN REQUIREMENTS  
(July 28, 1992)**

1. Payment of Discharge Plan Fees: The \$690 flat fee (either total payment or installment) will be paid upon receipt of this approval.
2. Drum Storage: All drums will be stored on pad and curb type containment.
3. Sump Inspection: All pre-existing sumps at this facility will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade will be approved by the OCD prior to installation and will incorporate leak detection in their designs.
4. Berms: All tanks that contain materials other than fresh water will be bermed to contain one and one-third the volume of the tank or interconnected tanks within the berm.



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

June 23, 1992

CONSERVATION  
RE  
JUN 25 AM 9 39

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

Dear Mr. Lemay:

This responds to the notice of publication received by the U.S. Fish and Wildlife Service (Service) on June 19, 1992, regarding the Oil Conservation Division (OCD) discharge permits GW-119, GW-123, GW-89, and GW-110 on fish, shellfish, and wildlife resources in New Mexico.

The Service has determined there are no wetlands or other environmentally sensitive habitats, plants, or animals that will be adversely affected by the following discharge.

GW-119 - Phillips Petroleum Company, East Vacuum Liquids Recovery Plant, Section 33, T17S, Range 35E, NMPM, Lea County, New Mexico.  
Approximately 2,100 gallons per day of wastewater is to be discharged into a Class II well for beneficial reuse into a waterflood.

The Service has the following comments on the issuance of the following discharge permits.

GW-123 - Yates Petroleum Corporation, 7-Rivers Compressor Station, NW/4 NW/4, Section 25, T19S, R24E, NMPM, Eddy County, New Mexico.  
Approximately 260 gallons per day of wash down water stored in two 300 barrel above ground fiberglass tanks and then transferred via pipeline and injected into an OCD approved Class II injection well.

Natural gas pipeline condensates contain many organic constituents including benzene, C1 to C5 alkylated benzenes, and toluene. (G. Eiceman. 1986. Hazardous Organic Wastes From Natural Gas Production, Processing and Distribution: Environmental Fates). Polychlorinated bi-phenyls may also be incorporated into the condensate through some compressor lubricants. The Service is concerned that washdown water at the compressor site may contain any, or all, of these organic constituents and that accidental spills could result in potential toxicity to Department of the Interior (DOI) Trust

Resources over time. The Service suggest that a surface soil monitoring program be implemented. Such a monitoring program would ensure the compressor site would not represent a potential threat to endangered species or migratory birds that may be found in the area.

GW-89 - Transwestern Pipeline Company, Corona Compressor Station, NW/4, Section 36, T4S, R15E, NMPM, Lincoln County, New Mexico. Discharge plan modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted.

GW-110 - Transwestern Pipeline Company, Mountainair Compressor Station, NE/4, Section 3, T1S, R6E, NMPM, Torrance County, New Mexico. Discharge plan modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at this site.

The landfarm area should be underlain with impermeable plastic and bermed to prevent runoff of contaminants. If vegetation is to be planted to physically stabilize the soil, the Service is concerned that the vegetation might take up, from the soil, potentially toxic levels of contaminants and could create a potential risk to DOI Trust Resources. The Service recommends that, if planting does occur, the soil be analyzed for hazardous or toxic substances to ensure that a potential risk to endangered species or migratory birds does not exist.

The Service is the Federal agency responsible for the protection of migratory birds and endangered species. Please note the following legal mandates.

1. Endangered Species Act of 1973, as amended. Section 9 prohibits any "take" (harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct) of listed species without a special exemption. Harm is further defined to include specific habitat modification or degradation that results in death or injury to listed species by significantly impairing behavioral patterns such as breeding, feeding, or sheltering.
2. Migratory Bird Treaty Act (Act). Section 703 prohibits anyone at anytime or in any manner to capture, transport, or kill any migratory birds unless permitted by regulations promulgated under it. If migratory birds become exposed to and/or accumulated harmful levels of contaminants, this constitutes "take" under the Act. The courts have stated the Act can be constitutionally applied to impose penalties to persons, associations, partnerships, or corporations which did not intend to "kill" migratory birds and that the Act includes poisoning by any means. The unlawful killing of even one migratory birds is an offense.

Mr. William J. Lemay

3

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

Sincerely,

*Jr*   
Jennifer Fowler-Propst  
Field Supervisor

cc:

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

# Affidavit of Publication

No. 13984

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

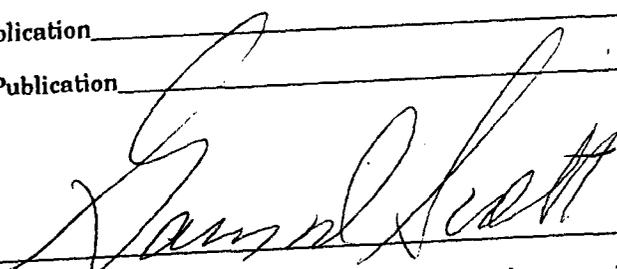
was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

First Publication June 24, 1992

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_



Subscribed and sworn to before me this 24th day

of June 18 92

Barbara Ann Beas  
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 and modifications 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-119) - Phillips Petroleum Company, Jeffrey Carlson, Safety and Environmental Analyst, 4001 Penbrook, Odessa, Texas 79762, has submitted a discharge plan application for their East Vacuum Liquids Recovery Plant (EVLRP) which is located in Section 33, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico. Approximately 2100 gallons per day of waste water with a total dissolved solids concentration of approximately 3715 mg/l is discharged into a Class II well for beneficial reuse into a waterflood. Groundwater most likely to be affected by an accidental discharge is at a depth ranging from 220 to 280 feet with a total dissolved solids concentration ranging from 300 mg/l to 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-123) - Yates Petroleum Corporation, Chuck Morgan, 105 South Fourth Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their 7-Rivers Compressor Station located in the NW/4 NW/4, Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 260 gallons per day of wash down water with a total dissolved solids concentration of approximately 56,800 mg/l is stored in two 300 barrel above ground fiberglass tanks and then transferred via pipeline and injected into an OCD approved Class II injection well. Ground water 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 1650 mg/l. The discharge plan ad-

roswell, New Mexico, 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Corona Compressor Station located in the NW/4, Section 36, Township 4 South, Range 15 East, NMPM, Lincoln County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 552 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-110) - Transwestern pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico, 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Mountainair Compressor Station located in the NE/4, Section 3, Township 1 South, Range 6 East, NMPM, Torrance County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 350 feet with a total dissolved solids concentration of approximately 2800 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 5:00 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 16th day of June, 1992.

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

SEAL

PUBLISHER'S AFFIDAVIT

STATE OF NEW MEXICO  
COUNTY OF  
LINCOLN

} SS.

Before me, the undersigned, personally appeared  
Ruth Hammond, who being sworn states:  
That she is the publisher of the Lincoln County News, a weekly  
newspaper of general paid circulation, which is entered under  
the second class privilege in Lincoln County, New Mexico; that  
said newspaper has been so published in Lincoln County, New  
Mexico, continuously and uninterruptedly during the period of  
more than twenty-six consecutive weeks next prior to the first  
issue containing the attached legal notice; that the notice  
attached hereto is Cause in the Court in and for Lincoln County,  
New Mexico, was published in said newspaper for  
ONE successive issues,  
the first publication being dated June 25, 19 92  
and the last publication being dated June 25, 19 92  
that such legal notice was published in a newspaper duly quali-  
fied for that purpose within the meaning of Chapter 167, New  
Mexico Session Laws of 1937; and the payment therefor in the  
sum of \$ 77.45

is to be assessed as court costs in said cause.  
Ruth Hammond  
PUBLISHER

Subscribed and sworn to before me this 26<sup>th</sup>  
day of June, 19 92  
Virginia L. Curtis  
NOTARY PUBLIC

My Commission Expires 2/26, 19 93  
OFFICIAL SEAL  
NOTARY PUBLIC  
NOTARY BOND FILED WITH SECRETARY OF STATE  
My Commission Expires

(GW-89) - Trans-  
western Pipeline Com-  
pany, Larry Campbell,  
Compliance Environ-  
mental, P.O. Box 1717,  
Roswell, New Mexico,  
88202-1717, has submit-  
ted a discharge plan  
modification applica-  
tion for the previously  
approved discharge plan  
for their Corona Com-  
pressor Station located  
in the NW/4, Section 36,  
Township 4 South,  
Range 15 East, NMPM,  
Lincoln County, New  
Mexico. The modifica-  
tion proposes the addi-  
tion of a landfarm which  
will accept non-  
hazardous hydrocarbon  
contaminated soil gener-  
ated at field operations  
owned by Transwestern.  
No liquids or hazardous  
waste will be accepted at

NOTICE OF  
PUBLICATION

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

Notice is hereby given  
that pursuant to New Mex-  
ico Water Quality Control  
Commission Regulations,  
the following discharge plan  
applications and modifica-  
tions 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-119)-Phillips Petro-  
leum Company, Jeffrey  
Carlson, Safety and  
Environmental Analyst,  
4001 Penbrook, Odessa,  
Texas 79762, has submit-

ted a discharge plan  
application for the East  
Vacuum Liquids Recov-  
ery Plant (EVL RP)  
which is located in Sec-  
tion 33, Township 17  
South, Range 35 East,  
NMPM, Lea County, New  
Mexico. Approximately  
2100 gallons per day of  
waste water with a total  
dissolved solids concen-  
tration of approximately  
3715 mg/l is discharged  
into a Class II well for  
beneficial reuse into a  
waterflood. Groundwa-  
ter most likely to be  
affected by an accidental  
discharge is at a depth  
ranging from 220 to 280  
feet with a total dissol-  
ved solids concentration  
ranging from 300 mg/l to  
500 mg/l. The discharge  
plan addresses how  
spills, leaks, and other  
accidental discharges to  
the surface will be  
managed.

(GW-123)-Yates Pet-  
roleum Corporation,  
Chuck Morgan, 105  
South Fourth Street,  
Artesia, New Mexico,  
88210, has submitted a  
discharge plan applica-  
tion for their 7-Rivers  
Compressor Station  
located in the NW/4NW/4,  
Section 25, Township 19  
South, Range 24 East,  
NMPM, Eddy County,  
New Mexico. Approxi-  
mately 260 gallons per  
day of wash down water  
with a total dissolved sol-  
ids concentration of  
approximately 56,800  
mg/l is stored in two 300  
barrel above ground  
fiberglass tanks and  
then transferred via  
pipeline and injected  
into an OCD approved  
Class II injection well.  
Ground water most like-  
ly to be affected by an  
accidental discharge is  
at a depth of approxi-  
mately 250 feet with a  
total dissolved solids  
concentration of approx-  
imately 1650mg/l. The  
discharge plan addres-  
ses how spills, leaks, and

the site. Groundwater  
most likely to be affected  
by an accidental dis-  
charge is at a depth of  
approximately 552 feet  
with a total dissolved sol-  
ids concentration of approx-  
imately 1500mg/l. The  
discharge plan addres-  
ses how spills, leaks  
and other accidental  
discharges to the sur-  
face will be managed.

(GW-110) - Trans-  
western Pipeline Com-  
pany, Larry Campbell,  
Compliance Environ-  
mental, P.O. Box 1717,  
Roswell, New Mexico,  
88202-1717, has submit-  
ted a discharge plan  
modification applica-  
tion for the previously  
approved discharge plan  
for their Mountainair  
Compressor Station  
located in the NE/4,  
Section 3, Township 1  
South, Range 6 East,  
NMPM, Torrance County,  
New Mexico. The modifica-  
tion proposes the addi-  
tion of a landfarm which  
will accept non-  
hazardous hydrocarbon  
contaminated soil gener-  
ated at field operations  
owned by Transwestern.  
No liquids or hazardous  
waste will be accepted at  
the site. Groundwater  
most likely to be affected  
by an accidental dis-  
charge is at a depth of  
approximately 350 feet  
with a total dissolved sol-  
ids concentration of  
approximately 2800mg/l.  
The discharge plan  
addresses how spills,  
leaks and other acciden-  
tal discharges to the sur-  
face will be managed.

Any interested person  
may obtain further informa-  
tion from the Oil Conserva-  
tion Division and may sub-  
mit written comments to  
the Director of the Oil Con-  
servation Division at the  
address given above. The  
discharge plan applica-  
tion may be viewed at the  
above address between 8:00  
a.m. and 5:00 p.m., Mon-  
day through Friday. Prior  
to ruling on any proposed  
discharge plan or its modifi-  
cation, 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 re-  
quested 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 deter-  
mines 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 Con-  
servation Commission at San-

# 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 XXXXXXXXXX

County, New Mexico, was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, on each week

same day XXXXXXXXXX for one (1) day

consecutive XXXXXXXXXX beginning with the issue of

June 24, 1992

and ending with the issue of

June 24, 1992

And that the cost of publishing said notice is the sum of \$ 50.76

which sum has been (Paid) XXXXXXXXXX as Court Costs

Joyce Clemens  
 Subscribed and sworn to before me this 25th

day of June, 1992

Mrs. Jean Jensen  
 Notary Public, Lea County, New Mexico

Sept. 28 94

My Commission Expires 19

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 and modifications 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-119) Phillips Petroleum Company, Jeffrey Carlson, Safety and Environmental Analyst, 4001 Penbrook, Odessa, Texas 79762, has submitted a discharge plan application for their East Vacuum Liquids Recovery Plant (EVLRP) which is located in Section 33, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico. Approximately 2100 gallons per day of waste water with a total dissolved solids concentration of approximately 3715 mg/l is discharged into a Class II well for beneficial reuse into a waterflood. Groundwater most likely to be affected by an accidental discharge is at a depth ranging from 220 to 280 feet with a total dissolved solids concentration ranging from 300 mg/l to 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-123) Yates Petroleum Corporation, Chuck Morgan, 105 South Fourth Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their 7-Rivers Compressor Station located in the NW/4 NW/4, Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 260 gallons per day of wash down water with a total dissolved solids concentration of approximately 56,800 mg/l is stored in two 300 barrel above ground fiberglass tanks and then transferred via pipeline and injected into an OCD approved Class II injection 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 1650 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-89) Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico, 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Corona Compressor Station located in the NW/4

Section 38, Township 4 South, Range 15 East, NMPM, Lincoln County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 552 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-110) Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico, 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Mountainair Compressor Station located in the NE/4, Section 3, Township 1 South, Range 6 East, NMPM, Torrance County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 350 feet with a total dissolved solids concentration of approximately 2800 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 5:00 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 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  
 New Mexico Oil Conservati  
 Commission at Santa Fe, N  
 Mexico, on this 16th day  
 June, 1992.  
 STATE OF NEW MEXIC  
 OIL CONSERVATION  
 DIVISIC  
 WILLIAM J. LEMAY, Direct  
 SEAL  
 Published in the Lovington Da  
 Leader June 24, 1992.

STATE OF NEW MEXICO  
County of Bernalillo ss

Thomas J. Smithson being duly sworn declares and says that he is National Advertising 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 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, a copy of which is hereto attached, was published in said paper in the regular daily edition,

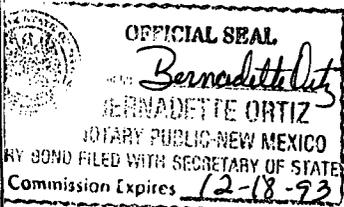
for.....1.....times, the first publication being on the....26...day  
of.....June....., 1992, and the subsequent consecutive  
publications on....., 1992.

*Thomas J. Smithson*  
Sworn and subscribed to before me, a Notary Public in  
and for the County of Bernalillo and State of New  
Mexico, this ....26... day of .....June....., 1992.

PRICE.....\$ 47.11.....

Statement to come at end of month.

ACCOUNT NUMBER.....C31184.....



CLA-22-A (R-12/92)

**NOTICE OF PUBLICATION**  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES  
DEPARTMENT OIL  
CONSERVATION DEPARTMENT  
Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan applications and modifications have been submitted to the Director of the Oil Conservation District, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:  
(GW-119) - Phillips Petroleum Company, Jeffrey Carlson, Safety and Environmental Analyst, 4001 Penbrook, Odessa, Texas 79762, has submitted a discharge plan application for their East Vacuum Liquids Plant (EVLRP) which is located in Section 33, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico. Approximately 2100 gallons per day of waste water with a total dissolved solids concentration of approximately 3718 mg/l is discharged into a Class II well for beneficial reuse. Groundwater most likely to be affected by an accidental discharge is at a depth ranging from 220 to 290 feet with a total dissolved solids concentration ranging from 300 mg/l to 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.  
(GW-123) - Yates Petroleum Corporation, Chuck Morgan, 105 South Fourth Street, Artesia, New Mexico, 88210, has submitted a discharge plan application for their 7-Rivera Compressor Station located in the NW/4 NW/4, Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. Approximately 250 gallons per day of wash down with a total dissolved solids concentration of approximately 58,800 mg/l is stored in two 300 barrel above ground fiberglass tanks and then transferred via pipeline and injected into an OGD approved Class II injection well. Ground water 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 1650 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.  
(GW-89) - Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Corona Compressor Station located in the NW/4, Section 35, Township 4 South, Range 15 East, NMPM, Lincoln County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 552 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-110) - Transwestern Pipeline Company, Larry Campbell, Compliance Environmentalist, P.O. Box 1717, Roswell, New Mexico 88202-1717, has submitted a discharge plan modification application for the previously approved discharge plan for their Mountain Compressor Station located in the NE/4, Section 3, Township 1 South, Range 8 East, NMPM, Torrance County, New Mexico. The modification proposes the addition of a landfarm which will accept non-hazardous hydrocarbon contaminated soil generated at field operations owned by Transwestern. No liquids or hazardous waste will be accepted at the site. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 350 feet with a total dissolved solids concentration of approximately 2800 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 5:00 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 18th day of June, 1992  
STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
WILLIAM J. LEMAY, Director  
Journal: June 26, 1992



## 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 and modifications 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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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 16th day of June, 1992.

S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 6/9/92  
or cash received on 6/15/92 in the amount of \$ 50.00  
from YATES PETROLEUM CORP  
for 7-RIVERS Comp Sta GW-123  
(Facility Name) (DP No.)

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: Roger A. Anderson Date: 6/15/92

Received in ASD by: Monica [Signature] Date: 6/15/92

Filing Fee  New Facility  Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
(specify)

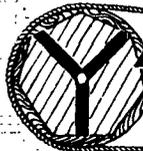
Organization Code 521.07 Applicable FY 80

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 6/09/92 VENDOR NO. 666930

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

PAY TO THE ORDER OF:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE NM 87501

AMOUNT

\*\*\*\*\*50.00

John Yates

MARTIN YATES, III  
1932-1985  
OIL CONSERVATION DIVISION  
FRANK W. YATES RECEIVED  
1936-1986

'92 JUN 15 AM 9 08



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

June 10, 1992

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

ATTN: Robert Anderson

RE: 7-Rivers Compressor Site  
State Discharge Plan

Dear Mr. Anderson:

A discharge plan on our 7-Rivers 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

# YATES PETROLEUM CORPORATION

(505) 741-0771

105 SO. 4TH - ARTESIA, NEW MEXICO - 88210



CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	FILING FEE/7-RIVERSO6/92 <i>GW-123</i>		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.

RECEIVED

JUN 15 1992

OIL CONSERVATION DIV.  
SANTA FE

*GW-123*

Proposed Discharge Plan

7-Rivers Compressor Site

Yates Petroleum Corporation

June, 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 7-Rivers 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 25 T19S R24E  
NW NW

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* 6/8/92  
(Signature) (Date)

Chuck Morgan 6/8/92  
(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. 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 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 piped via 2" steel lines to two 300 barrel above ground fiberglass tanks. Fluid from these tanks is then transferred via pipeline in Yates Petroleum's SWD system and injected into Yates Petroleum's State CO #1 injection well.

- a. OCD approved Class II injection well
- b. Order # SWD 285 dated May 8, 1985 (Exhibit VII)
- c. Injecting into the Devonian formation.

As a contingency plan, fluid is transferred to an alternate injection well in the SWD system. Yates Petroleum Osage #1. (example)

- a. OCD approved Class II injection well
- b. Order # SWD 336 dated March 3, 1988
- c. Injecting into the Canyon formation

2. A catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a 4" PVC line (buried with a 1/4"/ft. grade) to the 300 barrel fiberglass tanks. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.

3. A cement lined containment structure is located on site to store all fluids necessary for normal operations. (lube oils, engine oils, etc.)

4. Waste engine and lube oils are to be transferred to Yates Petroleum's Larue Compressor Site and disposed of along with waste oils from that site.

5. All line routes and tanks will be inspected daily for leaks. Any leaks found are to be repaired immediately. The OCD will be notified of any major leaks or spills. Any minor leaks or spills will be remediated in-situ by aeration. Any accidental fluid discharge from the flare will be handled in a similar manner.

**Section IV**

**Site Characteristics**

Site Characteristics:

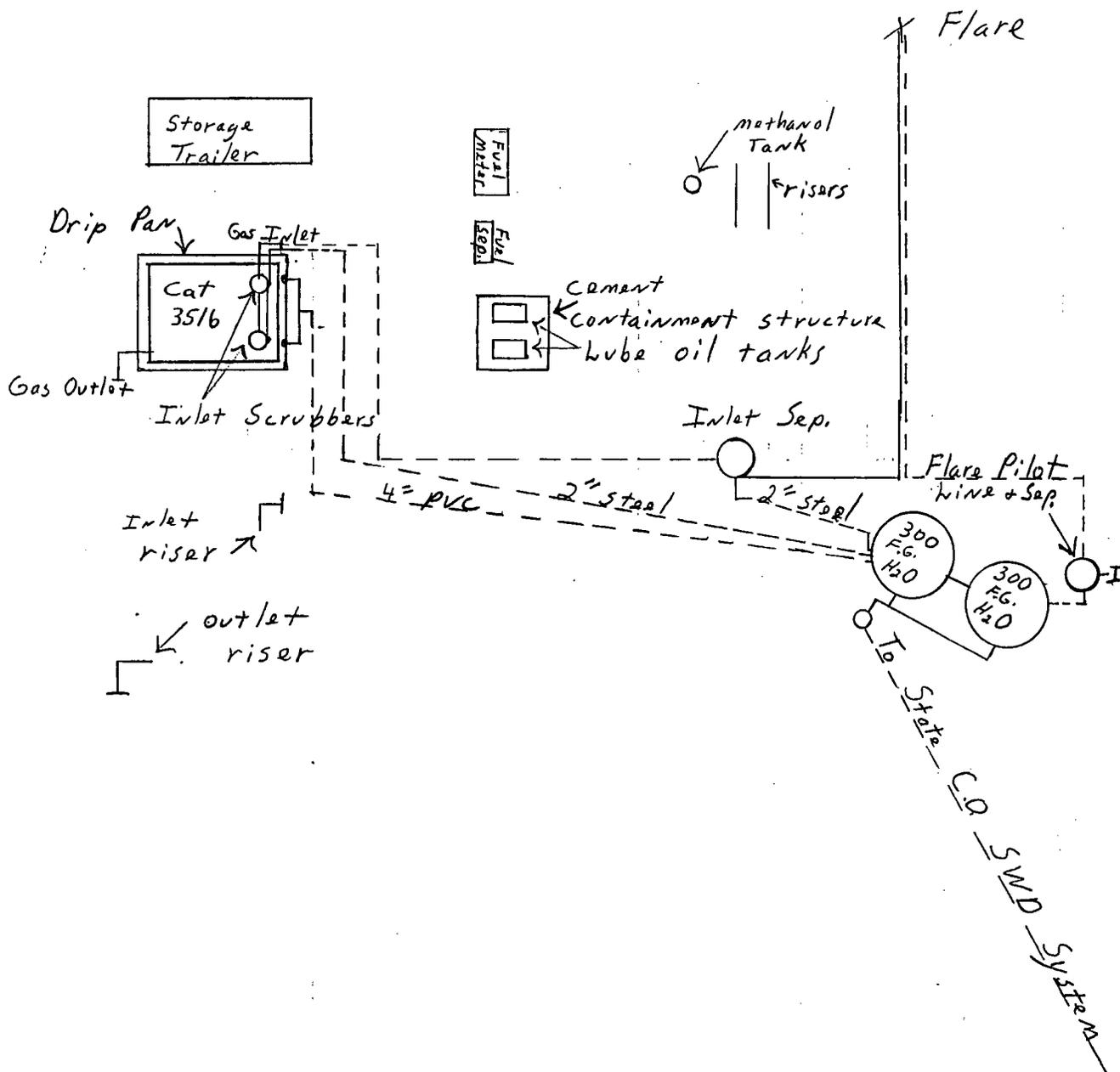
An application for approval of salt water disposal for Yates Petroleum Corporation's State CO #1 injection well accompanies this application (Exhibit VII). This well is in the same proximity as the 7-Rivers Compressor site, and all pertinent site characteristic data should be outlined in this application.

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 collorial process and drainage is to the North-East. 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**

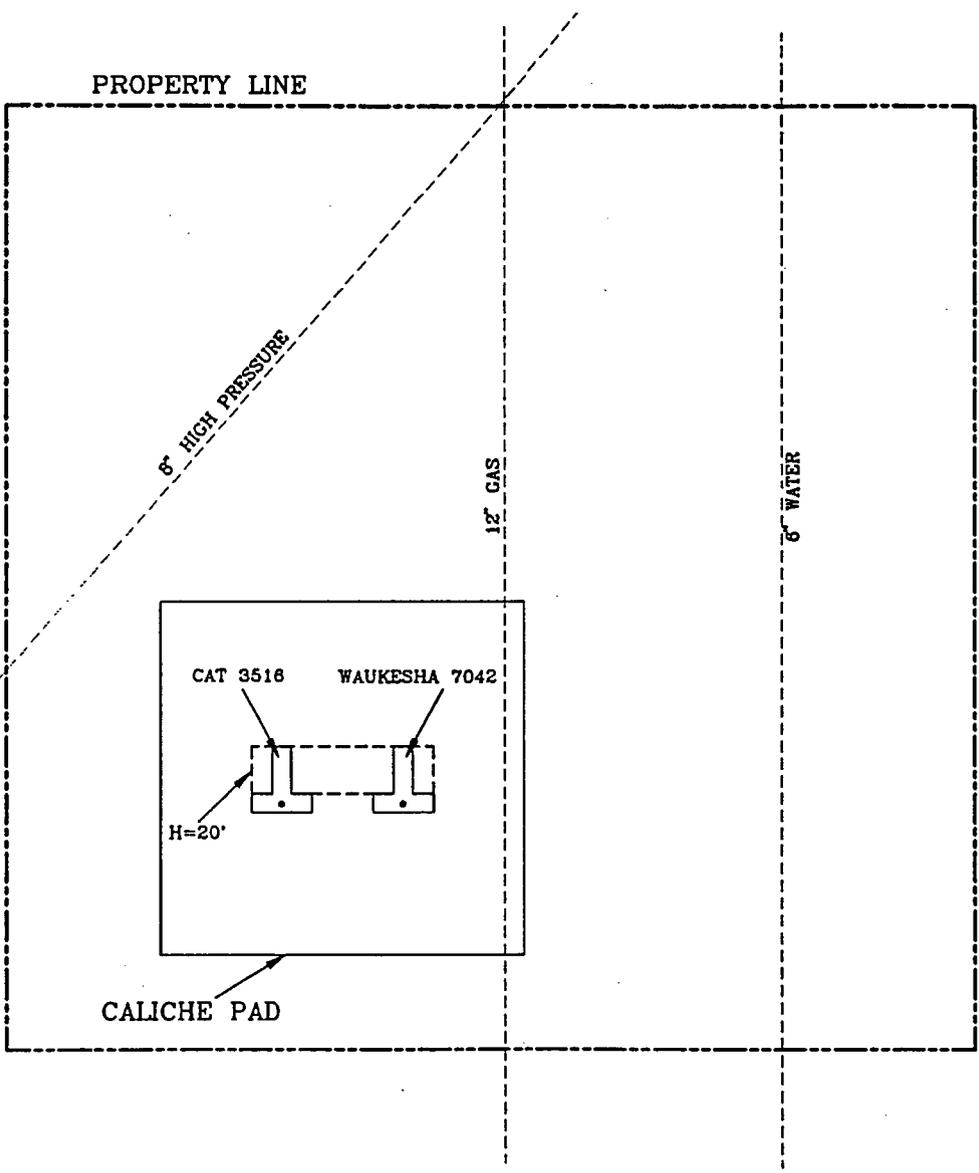
**Site Diagrams**

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



Yates Petroleum Corp.  
 7-Rivers Compressor Station

Current Facility Diagram



0 80  
SCALE IN FEET

TITLE:

YATES PETROLEUM CORPORATION  
SEVEN RIVERS DRAW COMPRESSOR STATION

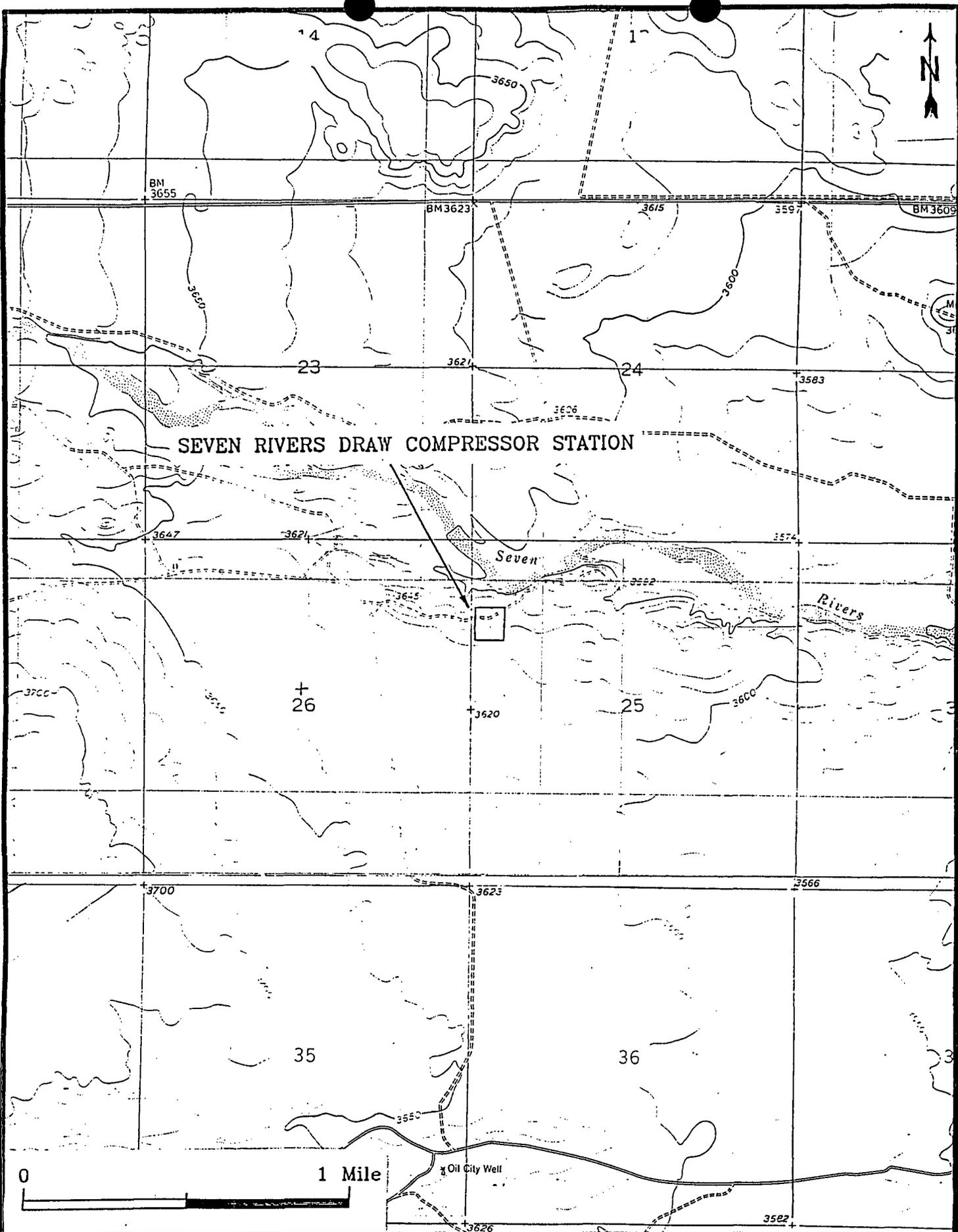
EXHIBIT V-B

PROPOSED EXPANSION

**Section VI**

**Area Maps**

- a) Topographic Map
- b) General Area



TITLE: YATES PETROLEUM CORPORATION  
 SEVEN RIVERS DRAW COMPRESSOR STATION

EXHIBIT V1-A



Section VII

Injection Well Permit

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: 207 South Fourth Street - Artesia, NM 88210  
Contact party: Mr. David Boneau Phone: 505-748-1331
- 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: David Boneau Title Engineering Manager

Signature: David Boneau Date: April 12, 1985

- \* 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.

## III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

## XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

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NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

APPLICATION FOR YATES PETROLEUM CORPORATION  
FOR CONSTRUCTING A DISPOSAL WELL  
LOCATED IN UNIT K, SEC. 36-T19S-R24E  
EDDY COUNTY, NEW MEXICO

- I. The purpose of recompleting this well is to make a disposal well for produced water. Yates Petroleum plans to deepen the subject well to the top of the Devonian formation and test for oil production. If commercial oil production is not established, Yates will drill to 10,400' (about 580 feet into the Devonian) and convert the well to disposal. Injected water will come from a proposed well or wells to be drilled in the Dagger Draw Upper Penn pool.
- II. Operator: Yates Petroleum Corporation, 207 South Fourth Street, Artesia, New Mexico 88210
- III. Well Data: See Attachment A
- IV. This is not an expansion of an existing project.
- V. See attached map, Attachment B.
- VI. No wells within the area of review penetrate the proposed Devonian injection zone. The nearest Devonian well is the Conoco Foster #1 located about 2 miles away in Unit D of Section 5, Township 20S, Range 25E. The Foster #1 well is used for disposal of produced water as authorized by Order R-4158.
- VII.
  1. Proposed average daily injection volume approximately 3000 BPD. Maximum daily injection volume will not exceed 6000 BPD.
  2. This will be an open system.
  3. Average injection pressure estimated at 1500 psi. Maximum injection pressure not to exceed 1990 psi.
  4. Source of injected water would be produced water from the Penn formation. To date we do not have any information concerning this well but information should be similar to the following two cases:  
  
Case 4550 R-4158 6-21-71  
Hanks-Foster, which is now Conoco  
Devonian - 10220-10504  
  
Case 5708 R-5250 8-3-76  
Hanks King Disposal, which is now Conoco  
Devonian 10300-10550'
  5. Information not available for this well.

Yates Petroleum Corporation  
Application for Constructing  
A Disposal Well  
Unit K, Sec. 36-T19S-R24E  
Eddy County, New Mexico

- VIII. 1. The proposed injection interval is the part of the Devonian formation consisting of porous dolomite from 10,100 to 10,400'. Actual open-hole interval will be from 9950' to 10400'.
2. Fresh or brackish water zones overlying the Devonian include (a) the Canyon Pennsylvanian zone at a depth of about 6500' where the produced water contains about 10,000 ppm solids, and (b) shallow zones down to about 800 feet containing fresh water. No producing zones below the Devonian are known in this area.
- IX. The proposed disposal interval will be acidized with 10,000 gallons of 15% HCL acid.
- X. There are no logs available on this formation. Logs will be furnished when Devonian is penetrated.
- XI. Two windmills exist within about a mile of the subject location. The nearer is located about 0.5 mile southwest in the SE/4 SE/4 of Section 35-T19S-R24E. The depth is not recorded. The other shallow water well is located about one mile south of the proposed SWD well in NW/4 SE/4 of Section 1-T20S-R24E. This shallow well produced water from a depth of 500-525 feet. The locations of the shallow wells are indicated on Attachment C. Information on the shallow wells in the area was obtained from the State Engineers Office in Roswell, New Mexico. Neither of the shallow wells were producing when visited by Yates representatives.
- XII. Yates Petroleum Corporation has examined available geologic and engineering data and have found that there is no faulting in the proposed disposal interval.
- XIII. Proof of Notice:
- A. Certified mail receipts enclosed sent to surface grazee and offset operators.
- B. Copy of legal advertisement is enclosed.
- XIV. Certification is signed.

Yates Petroleum Corporation  
Application for Constructing  
A Disposal Well  
Unit K, Sec. 36-T19S-R24E  
Eddy County, New Mexico

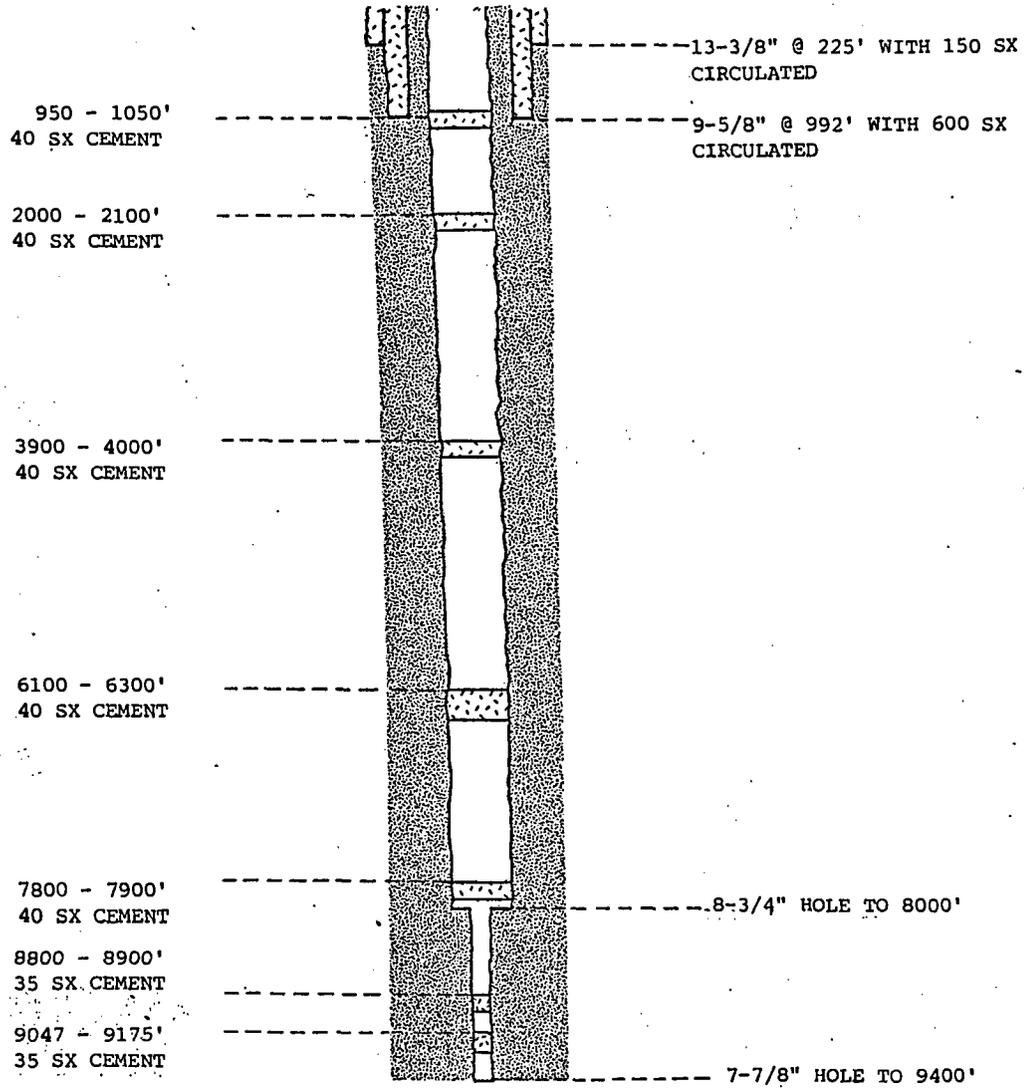
ATTACHMENT A  
Page 1

III. WELL DATA

- A. 1. Lease Name: State CO #1 located 1980' FSL & 1980' FWL of Section 36-T19S-R24E, Eddy County, New Mexico.
2. Casing Strings: 13-3/8" at 225' with 150 sacks - circulated  
9-5/8" at 992' with 600 sacks - circulated  
Present TD = 9400'. Will deepen to 9950' and run 7" casing, then drill hole to 10,400'.
3. Approximately 9950' of 7" 23#, 26# & 29# J-55 will be cemented back to the 9-5/8" casing. 3-1/2" 9.3# J-55 tubing will be plastic lined internally and set.
4. Plastic lined internally Model "R" packer will be set at 9925' with inert fluid with inhibitors in the annulus.
- B. 1. Devonian Pool: Undesignated
2. Injection interval will be approximately 450' of open hole from 9950' to 10,400'.
3. Well was drilled originally as a Morrow gas well.
4. Perforations: None
5. Next higher oil and gas is Morrow formation. There are no lower oil or gas zones.

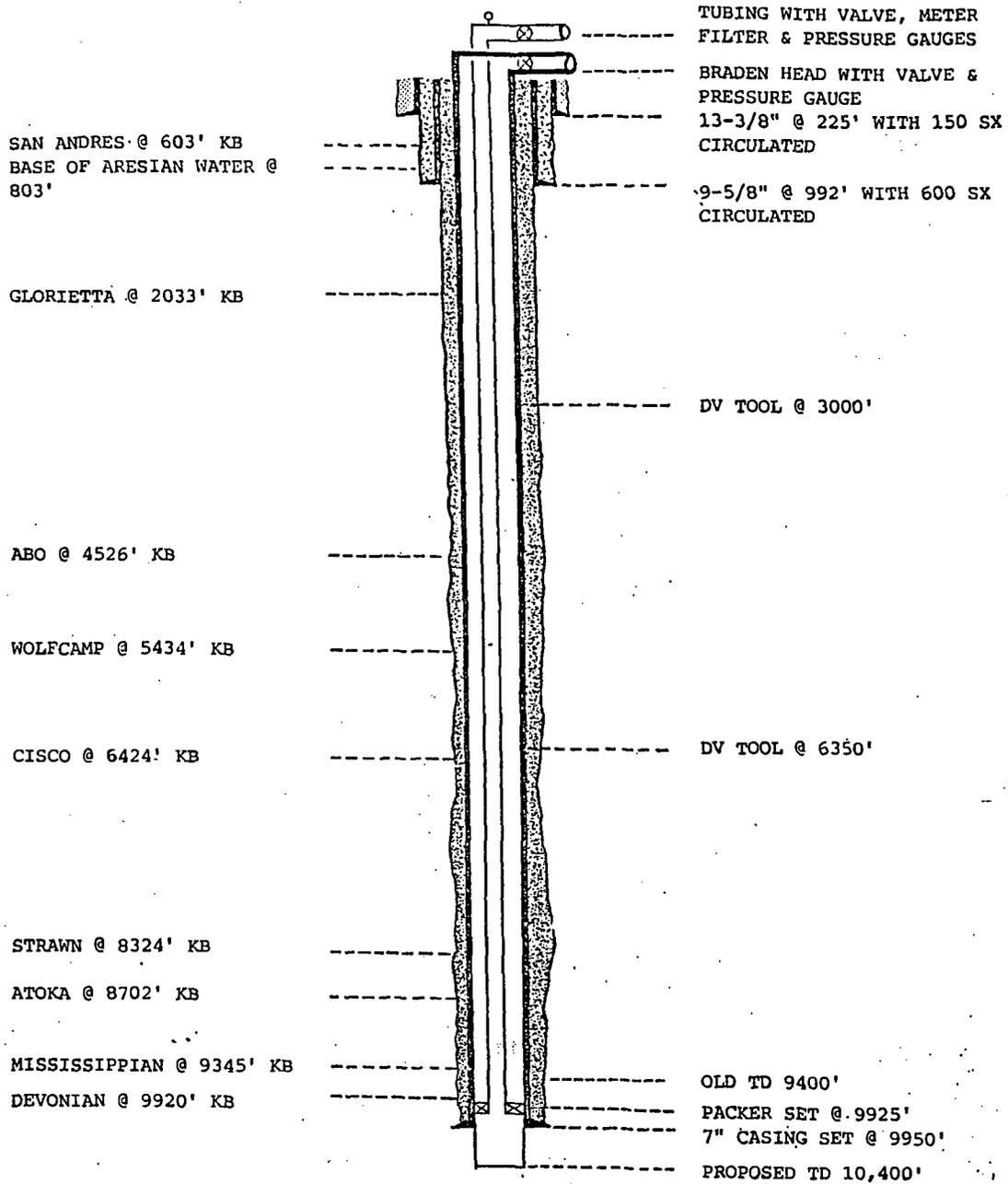
YATES PETROLEUM CORP.  
STATE "CO" #1  
SEC. 36 - T19S - R24E  
1980 FSL & 1980 FWL  
DEVONIAN FORMATION  
EDDY COUNTY, NEW MEXICO  
ELEVATION - 3610' GL  
3622' KB

DIAGRAMATIC SKETCH OF  
PRESENT WELL CONDITION  
STATE "CO" #1



YATES PETROLEUM CORP.  
 STATE "CO" #1  
 SEC. 36 - T19S - R24E  
 1980 FSL & 1980 FWL  
 DEVONIAN FORMATION  
 EDDY COUNTY, NEW MEXICO  
 ELEVATION - 3610' GL  
 3622' KB

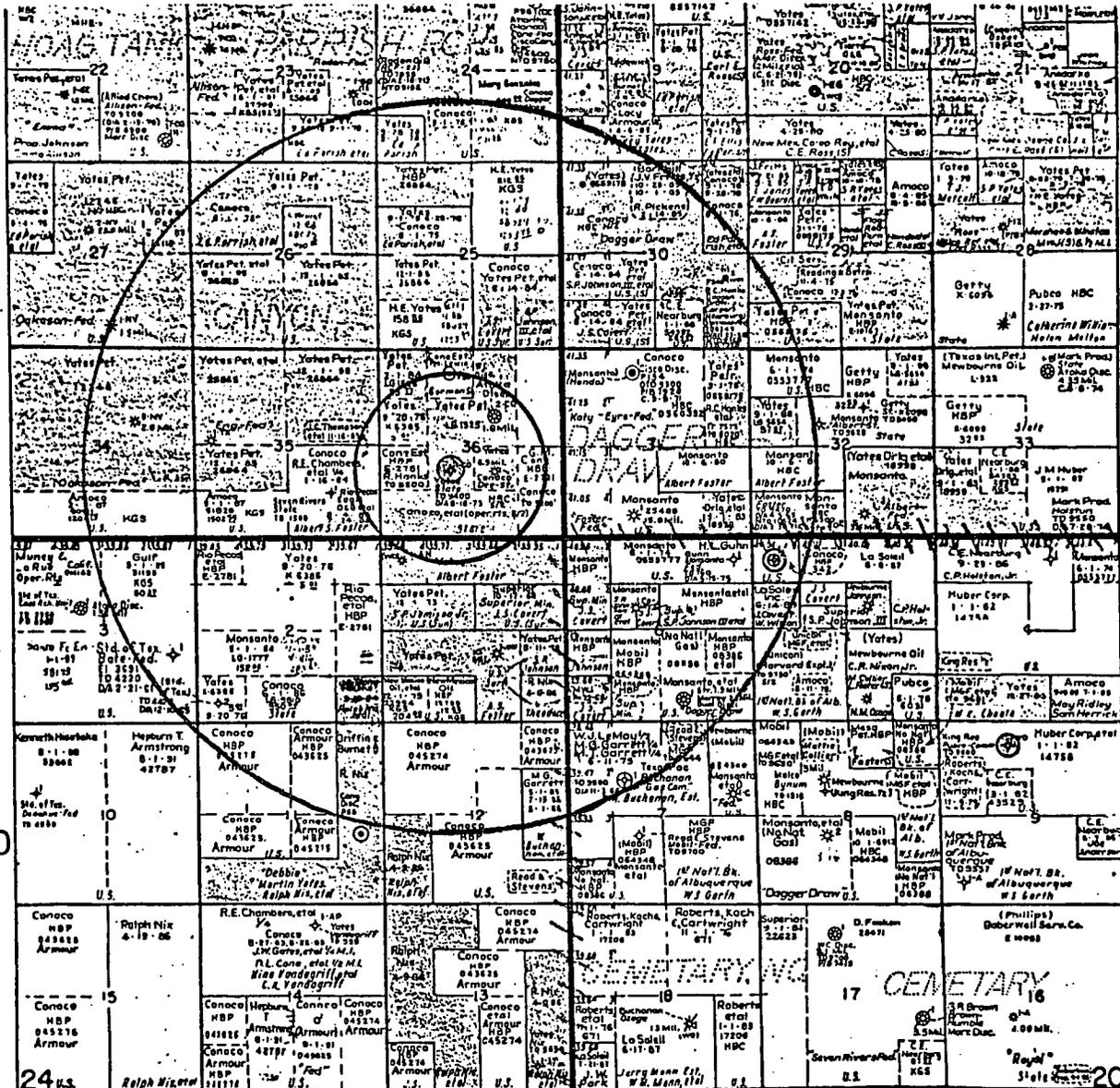
DIAGRAMATIC SKETCH OF  
 PROPOSED SALT WATER  
 DISPOSAL WELL



PROPOSE TO OPEN 7-7/8" HOLE TO 8-3/4" FROM 8000' TO OLD TD OF 9400' AND TO DRILL APPROXIMATELY 550' OF NEW HOLE; RUN APPROXIMATELY 9950' OF 7", 23#, 26#, AND 29# CASING WITH DV TOOLS AT 6350' AND 3000'; 7" CASING WILL BE CEMENTED BACK INTO THE 9-5/8" CASING; WILL THEN DRILL A 6-1/8" HOLE TO 10,100' AND WILL DST AT TOP OF DEVONIAN; IF NO HYDROCARBONS ARE RECOVERED, WILL DEEPEN TO 10,400' AND COMPLETE WELL FOR SALT WATER DISPOSAL WITH 3-1/2", 9.3# J-55 PLASTIC-COATED TUBING AND PLASTIC-COATED MODEL R PACKER SET AT 9925'; AND AN INERT FLUID WITH INHIBITORS IN THE ANNULUS.

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**YATES PETROLEUM**

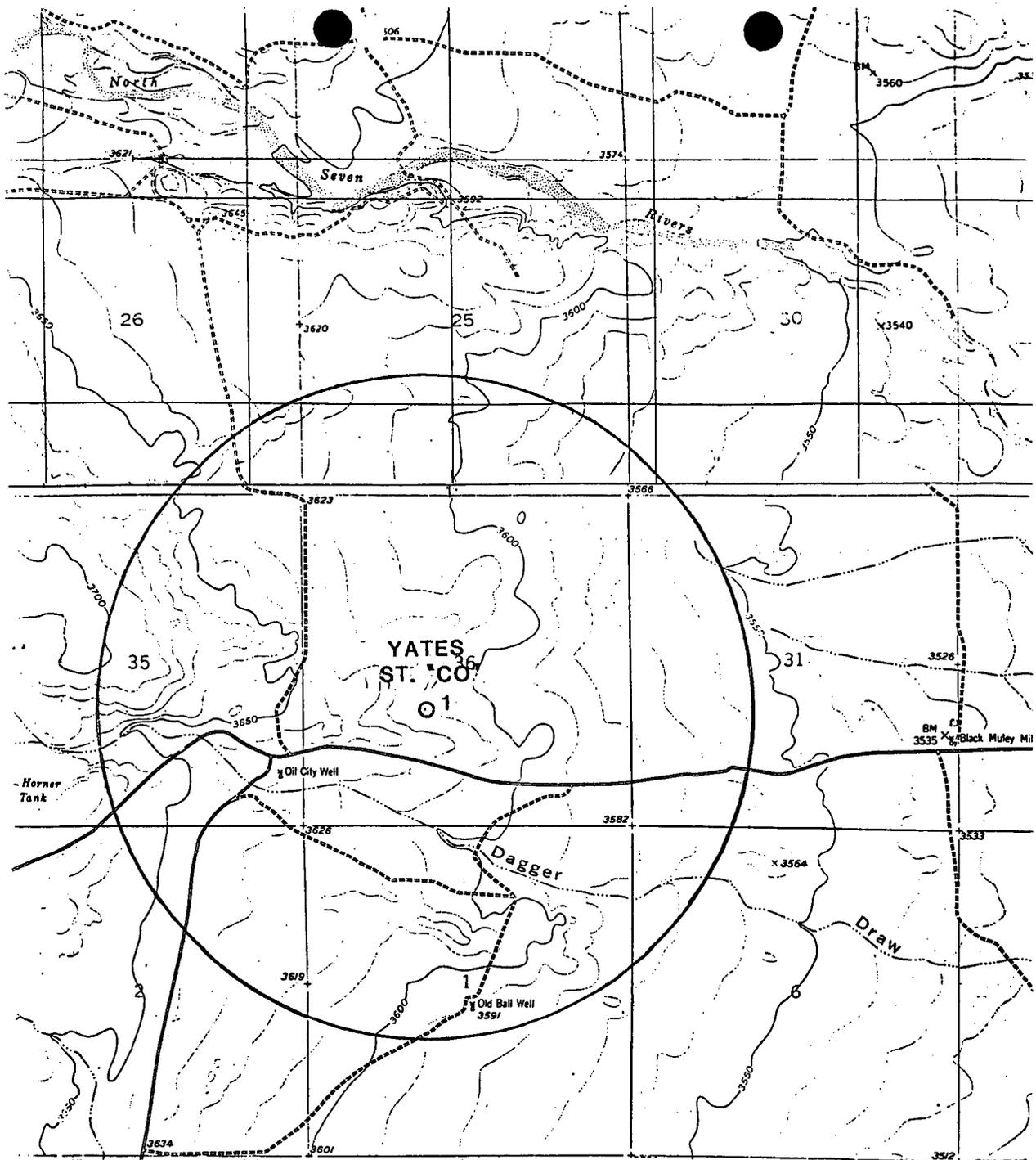
STATE CO #1

PROPOSED SALT WATER DISPOSAL WELL

SEC. 36 T-19-S R-24-E

1980' FSL 1980 FWL

EDDY CO., NM



**YATES PETROLEUM**

**WATER WELLS WITHIN A 1 MILE RADIUS  
OF PROPOSED INJECTION WELL**

SCALE : 1" : 2000'

**Section VIII**

**Sample Analysis Reports**

WATER ANALYSIS REPORT

Company : YATES PETROLEUM  
 Address : ARTESIA NM  
 Lease : SEVEN RIVERS COM. ST  
 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	6.9	
2. H2S	30	
3. Specific Gravity	1.035	
4. Total Dissolved Solids	56811.6	
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 427.0	HCO3 7.0
12. Chloride	Cl 33441.0	Cl 943.3
13. Sulfate	SO4 1250.0	SO4 26.0
14. Calcium	Ca 1320.0	Ca 65.9
15. Magnesium	Mg 851.0	Mg 70.0
16. Sodium (calculated)	Na 19322.6	Na 840.5
17. Iron	Fe 200.0	
18. Barium	Ba 0.0	
19. Strontium	Sr 0.0	
20. Total Hardness (CaCO3)	6800.0	

PROBABLE MINERAL COMPOSITION

\*milli equivalents per Liter

66	*Ca <----- *HCO3	7
70	*Mg -----> *SO4	26
840	*Na -----> *Cl	943

Compound      Equiv wt X meq/L      =      mg/L

Ca(HCO3)2	81.0	7.0	567
CaSO4	68.1	26.0	1772
CaCl2	55.5	32.8	1822
Mg(HCO3)2	73.2		
MgSO4	60.2		
MgCl2	47.6	70.0	3333
NaHCO3	84.0		
Na2SO4	71.0		
NaCl	58.4	840.5	49118

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



SCALE TENDENCY REPORT

Company : YATES PETROLEUM Date : 4-7-92
Address : ARTESIA NM Date Sampled : 4-6-92
Lease : SEVEN RIVERS COM. ST Analysis No. : 1
Well : COMPRESSOR STATION Analyst : S. TIGERT
Sample Pt. : SEPARATOR

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

S.I. = 0.3 at 60 deg. F or 16 deg. C
S.I. = 0.4 at 80 deg. F or 27 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
S.I. = 0.7 at 160 deg. F or 71 deg. C

\*\*\*\*\*

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

S = 4553 at 60 deg. F or 16 deg C
S = 4817 at 80 deg. F or 27 deg C
S = 5011 at 120 deg. F or 49 deg C
S = 5032 at 140 deg. F or 60 deg C
S = 4961 at 160 deg. F or 71 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
S. TIGERT

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. \_\_\_\_\_

Date 4-6-92

TO Mr. Chuck Morgan  
Gates Petroleum Corp.

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Submitted by \_\_\_\_\_ Date Rec. 4-5-92

Well No. 7 Rivers Comp. Depth \_\_\_\_\_ Formation \_\_\_\_\_

Field \_\_\_\_\_ County \_\_\_\_\_ Source \_\_\_\_\_

Resistivity ..... 0.106 @ 70°

Specific Gravity .. 1.0536 @ 70°

pH ..... 7.0

Calcium ..... 3213

Magnesium ..... 2382

Chlorides ..... 40000

Sulfates ..... Heavy

Bicarbonates ..... 366

Soluble Iron ..... 500

Remarks:

E. D. Jackson  
Respectfully submitted

Analyst: \_\_\_\_\_

HALLIBURTON SERVICES

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HALLIBURTON DIVISION LABORATORY

ATTACHMENT D  
Page 2

LABORATORY REPORT

No. \_\_\_\_\_

TO Yates Petroleum  
attn Theresa Padilla  
\_\_\_\_\_  
\_\_\_\_\_

Date 7-2-90

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Submitted by \_\_\_\_\_ Date Rec. June 30, 1990

Well No. Foster Water Well Depth \_\_\_\_\_ Formation \_\_\_\_\_

Field \_\_\_\_\_ County Eddy Source \_\_\_\_\_

Resistivity .....	<u>15.8 @ 70</u>	_____	_____
Specific Gravity ..	<u>1.001 @ 70</u>	_____	_____
pH .....	<u>7.1</u>	_____	_____
Calcium .....	<u>465</u>	_____	_____
Magnesium .....	<u>212</u>	_____	_____
Chlorides .....	<u>200</u>	_____	_____
Sulfates .....	<u>500</u>	_____	_____
Bicarbonates .....	<u>214</u>	_____	_____
Soluble Iron .....	<u>0</u>	_____	_____
-----	_____	_____	_____
-----	_____	_____	_____
-----	_____	_____	_____

Remarks:

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

  
Respectfully submitted

Analyst: Eric Jacobson Field Engineer

HALLIBURTON SERVICES

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