GW - 125

INSPECTIONS & DATA

OCD ENVIRONMENTAL BUREAU

FACILITY INSPECTION SHEET

DATE: 6/18/02 Time In: 0915 Time Out: 1015

Type of Facility: Refinery ☐ Gas Plant ☐ Compressor St. ☒ Brine St. ☐ Oilfield Service Co. ☐
Surface Waste Mgt. Facility ☐ E&P Site ☐ Crude Oil Pump Station ☐
Other ☐ Description:

Discharge Plan GW# 125

FACILITY NAME: Penasco Compressor Station
PHYSICAL LOCATION:
Legal: QTR QTR Sec TS R County Eddy

OWNER/OPERATOR: Yates Petroleum Co.
Contact Person: Lisa Norton or Jerry Fanning Telephone#
MAILING ADDRESS:
Owner/Operator Representative(s):
OCD INSPECTORS: Ed Martin and Mike Stubblefield

Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
Comments: OK

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.
Comments: OK

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.
Comments: OK

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.
Comments: OK

Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
Comments: OK

Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
Comments: OK

Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
Comments: Need testing

Does the facility have an EPA hazardous waste number? No
Are all wastes characterized and disposed of properly? Yes If no, detail below.

Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

Class V wells on site? No IF YES DESCRIBE BELOW:

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.
Comments: OK

Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the proper OCD District Office.
Comments: OK

Does the facility have any other potential environmental concerns/issues? No

Does the facility have any other environmental permits - i.e. SPCC, storm water plan, etc.? No

Water wells on site? No

Comments:

Documents reviewed: None

Miscellaneous Comments:

Number of photos taken at this site: None

Documents reviewed:

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

GW-125

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: **E/2** **SE** /4 Section **26** Township **18S** Range **25E**
   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: Lisa Norton Date: **April 5, 2002**

DISCHARGE PLAN
GW-125
RENEWAL

Yates Petroleum Corporation

Penasco Compressor Station

April 5, 2002

General Information

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

2. Operator: Yates Petroleum Corporation (YPC)

   Address: 105 South 4th St. – Artesia, NM 88210

   Contact: Lisa Norton, Environmental Coordinator

   Phone: 505-748-4185

3. Location: E/2 SE/4
   Sec. 26 T18S R25E
   Eddy County, New Mexico
   (See attached Exhibit 1 - Topographic Map)

4. Landowner: Yates Petroleum Corporation

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)

7. Present Sources of Effluent and Waste Solids

   a. Fluid separators: Two hundred (200) barrels/day produced fluid (produced water and oil).

   b. Engine cooling water: 2,600 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: 8 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:

a. The Penasco Compressor Facility uses an array of inlet separators to handle gas from several sources. A separator located on the northeast corner of the site handles inlet gas from Mitchell Energy. Condensate from this separator is routed to two adjacent above ground steel 500 barrel storage tanks located inside a cement containment wall. Contents of these tanks are transported by Navajo Refinery.

The fluid dumps from all other inlet separators and all compressor inlet scrubbers are routed to a battery southwest side of the site. Hydrocarbons are separated out and stored in two above ground 250 barrel steel storage tanks. These tanks are also transported by Navajo Refinery. Produced water is separated out and stored in an above ground 250 barrel fiberglass storage tank. All lines from inlet separators and scrubbers are buried one to three inche steel lines under approximately five to fifteen pounds of pressure. Pressure gauges and line routes are inspected daily for leak indications.

b. The produced water is transferred via pipeline to the Dayton Townsite disposal system and in injected into Yates Petroleum's Dayton Townsite #1 well:

OCD approved Class II injection well

ORDER #R-7600 dated July 11, 1984

Injecting into the Morrow formation

Contingency plan is to transfer water to other OCD approved Class II injection wells in the disposal system. Example: Contingency disposal well – Compromise #1.

OCD approved Class II injection well

Order #SWD-400 dated September 11, 1990

Injecting into the Canyon formation

c. The catch pan is located under the compressor and will be in place on any expansion machinery. Effluent is piped via a two to four inch PVC line (buried with a ¼" per foot grade) to a double-hulled buried waste tank. The line will be flushed periodically and volume comparison along with visual inspection will be used to detect leaks.

If expansion projects cause piping to be disturbed, PVC pipe will be re-routed through a steel liner (for leak detection) and to an above ground storage tank.

d. Waste engine and tank oils are stored in an above ground 100-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. Fiberglass containment pans will be placed under the oil storage tanks to catch spills and contain leaks.

f. Any leaks discovered are repaired immediately. The OCD will be notified of major or serious leaks and/or spills. Any minor leaks or spills will be remedied in-situ.

g. A contract waste management company disposes of solid waste.

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

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

The current system has the capacity to handle additional waste.
(See attached Exhibit 4 - Site Plan)

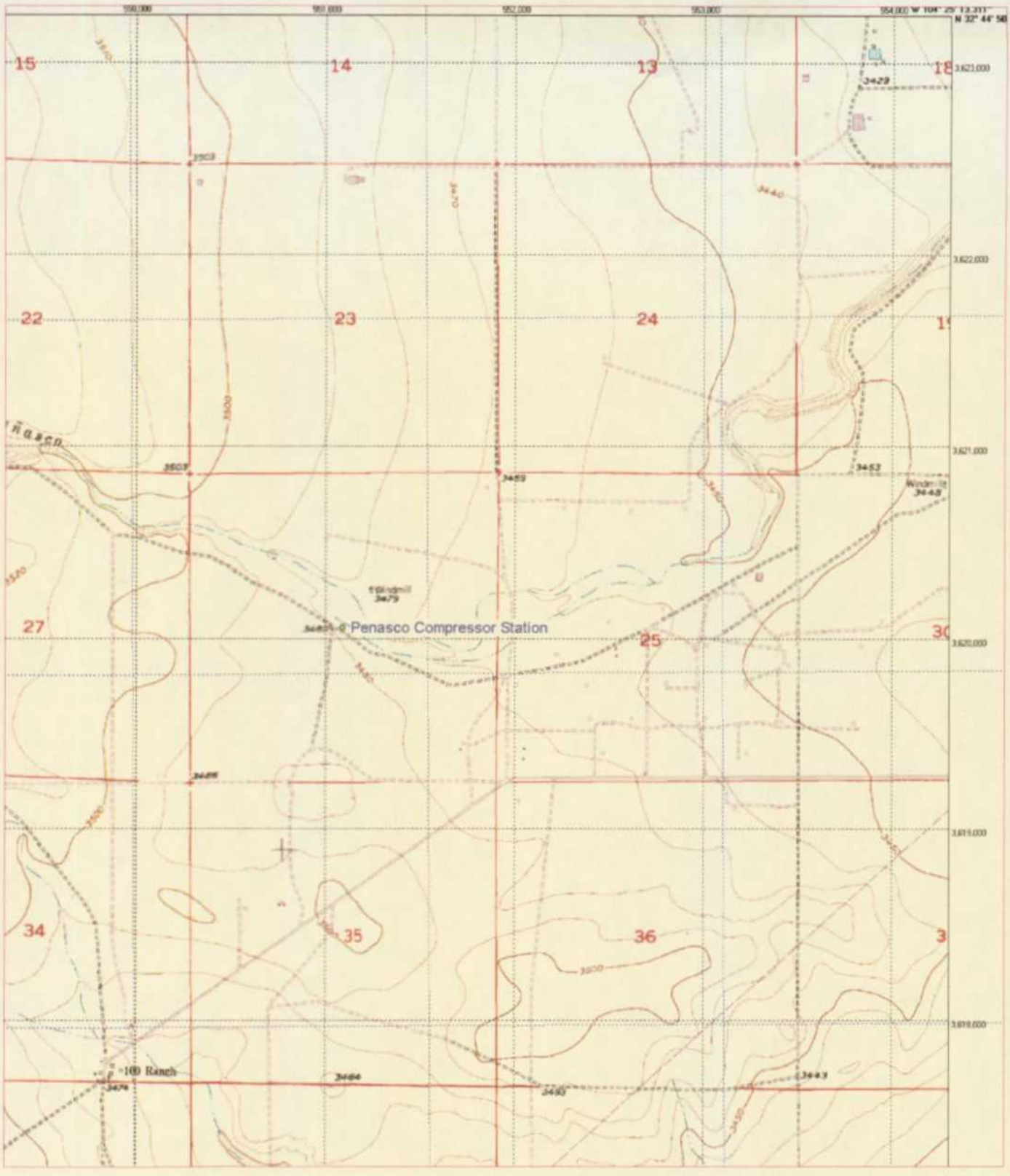
10. Inspection and Maintenance Plan
    a. Company personnel make daily inspections of the site. Malfunctions or breakdowns are noted and repaired.
    b. A regular monthly maintenance program is diligently carried out on all of the compressors and associated equipment.
    c. Any repair work that is needed is performed as required.
    d. Any 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 design.
    e. Any leak detection sumps will be inspected on a monthly basis.

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 two (2) fresh water wells near the site, one owned by Yates Petroleum Corporation and one owned by Agave Energy Company. Estimated depth to groundwater is 400 feet.
    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.



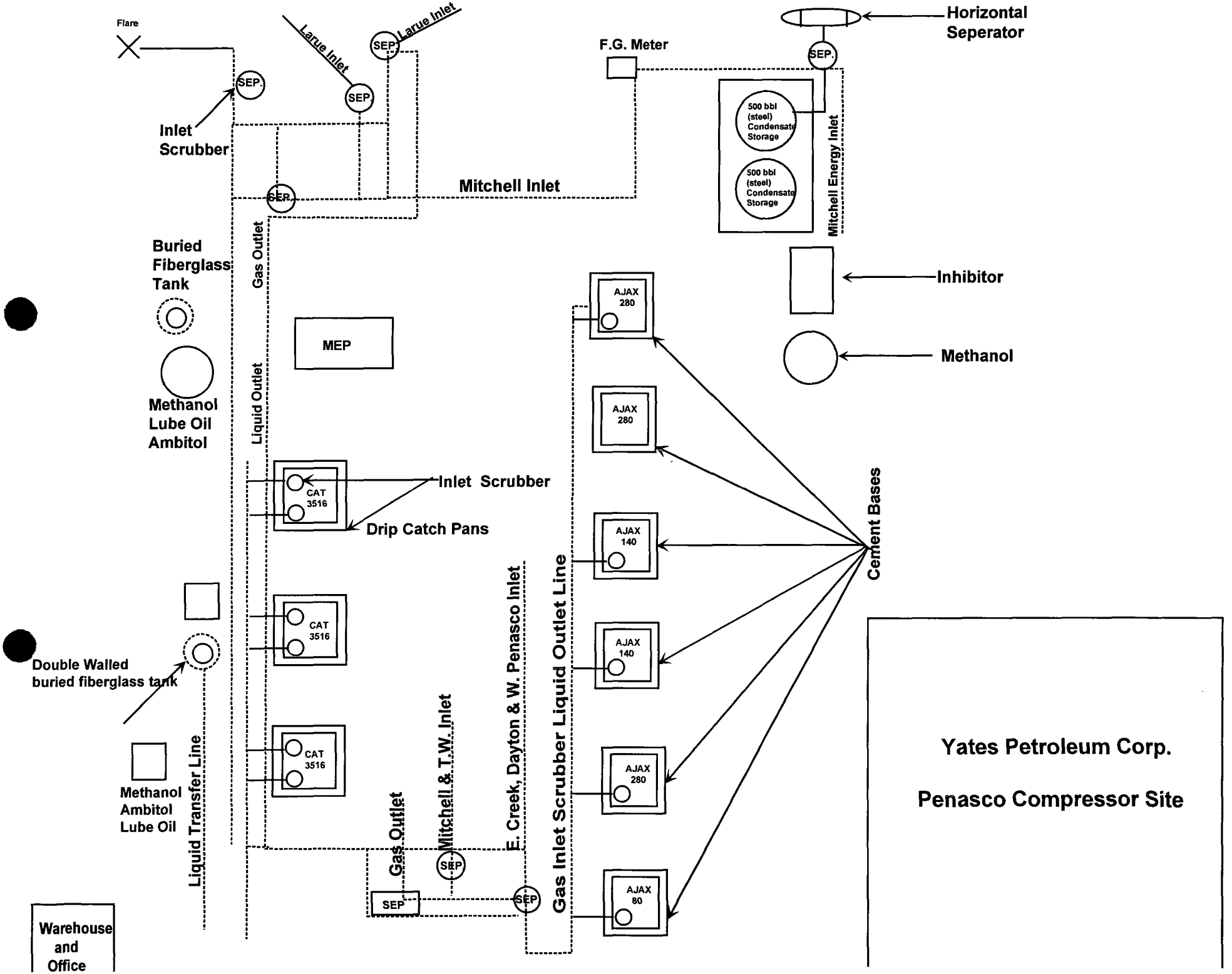
YATES PETROLEUM CORPORATION

Penasco Compressor Station

T18S R25E Sec.26

Dayton Quadrangle

Eddy County, NM


Flare
Larue Inlet
Larue Inlet
SEP.
SEP.
SEP.
SEP.
Inlet Scrubber
Mitchell Inlet
F.G. Meter
Horizontal Seperator
500 bbl (steel) Condensate Storage
500 bbl (steel) Condensate Storage
Mitchell Energy Inlet
Buried Fiberglass Tank
Gas Outlet
Liquid Outlet
MEP
Inhibitor
Methanol
Methanol Lube Oil Ambitol
AJAX 280
AJAX 280
AJAX 140
AJAX 140
AJAX 280
AJAX 80
CAT 3516
CAT 3516
CAT 3516
Inlet Scrubber
Drip Catch Pans
Cement Bases
Double Walled buried fiberglass tank
Methanol Ambitol Lube Oil
Liquid Transfer Line
Gas Outlet
Mitchell & T.W. Inlet
E. Creek, Dayton & W. Penasco Inlet
Gas Inlet Scrubber Liquid Outlet Line
SEP
SEP
SEP
Warehouse and Office
Yates Petroleum Corp.
Penasco Compressor Site

YATES PETROLEUM CORPORATION
PENASCO COMPRESSOR STATION SITE PLAN