GW - 127

GENERAL CORRESPONDENCE

YEAR(S): 2004 - 1992

GW-127

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

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☑
Type of action: Registration of a pit or below-grade tank ☑ Closure of a pit or below-grade tank ☐

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address:
Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220
Facility or well name: Magnum Compressor Station API #: U/L or Qtr/Qtr SW/NE Sec 19 T 20S R 29E
County: Eddy Latitude 32.5860939 Longitude -104.07753 NAD: 1927 ☐ 1983 ☑ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

Pit	**Below-grade tank**	
Type: Drilling ☐ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☐ Thickness ____mil Clay ☐ Pit Volume ____bbl	Volume: 21 bbl Type of fluid: Water, non-hazardous biodegradable detergent, compressor lube oil (incidental volume), antifreeze (incidental volume), storm water Construction material: Fiberglass Double-walled, with leak detection? Yes ☑ If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet ✔ 100 feet or more	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No ✔	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more ✔	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	10

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☐ offsite ☐ If offsite, name of facility_____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☑, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**
Date: 9/28/04
Printed Name/Title Johnny Lamb/Field Supervisor Signature

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title Signature Date:

Duke Energy®
Field Services

DUKE ENERGY FIELD SERVICES
370 17th Street
Suite 900
Denver, CO 80202

303 595 3331

June 9, 2003

CERTIFIED MAIL
RETURN RECEIPT REQUESTED *(Article No. 7002 2030 0006 2400 0372)*

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Magnum Compressor Station *(formerly known as Burton Flats Gas Plant)*
Discharge Plan GW-127
Eddy County, New Mexico

Dear Mr. Ford:

As agreed upon in the meeting with Duke Energy Field Services, LP (DEFS) and the New Mexico Oil Conservation Division (NMOCD) on May 5, 2003, DEFS will postpone returning a signed copy of the Discharge Plan Conditions of Approval and discharge plan fee for the recently approved Magnum Compressor Station Discharge Plan until receiving further instructions from NMOCD.

If you have any questions concerning the Magnum Compressor Station Discharge Plan, please contact me at (303) 605-1717. Please send all correspondence regarding this North Compressor Station Discharge Plan renewal to me at 370 17th Street, Suite 900, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

Karin Char Kimura
Senior Environmental Specialist

cc: NMOCD District 2 Office *(via Certified Mail Return Receipt Requested 7002 2030 0006 2400 2314)*
1301 W. Grand Ave.
Artesia, New Mexico 88210

Duke Energy. Field Services
A New Kind of Energy™

Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

January 24, 2003

FEDERAL EXPRESS
PRIORITY OVERNIGHT *(Tracking Number 8336 19547055)*

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Magnum Compressor Station *(formerly known as Burton Flats Gas Plant)*
Discharge Plan GW-127
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) has provided public notice, in accordance with the Water Quality Control Commission regulations (20.6.2.3108 NMAC), for the Magnum Compressor Station discharge plan renewal application.

DEFS submits the following as proof of notice:
- Affidavit of posting in the following newspaper: Carlsbad Current Argus
- Copy the notice and certified mail return receipt for the notice provided to the landowner
- Photograph of the sign posted in English and Spanish on the facility front gate
- Copy of the synopsis of public notice in English and Spanish posted on the facility front gate

If you have any questions concerning the Magnum Compressor Station discharge plan renewal application, please contact me at (303) 605-1717. Please send all correspondence regarding this Magnum Compressor Station Discharge Plan renewal to me at 370 17th Street, Suite 900, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

Karin Char Kimura
Senior Environmental Specialist

Attachments

cc: NMOCD District 2 Office *(via FedEx Priority Overnight Tracking No. 8336 1954 7066)*
1301 W. Grand Ave.
Artesia, New Mexico 88210

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins,
being first duly sworn, on oath says:

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

January 15, 2003

, 2003

, 2003

, 2003

, 2003

, 2003

That the cost of publication is $ 189.50 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

16 day of January, 2003

Stephanie Dobson

My commission expires 12/13/05
Notary Public

Duke Energy Field Services, LP, 370 17th Street, Suite 900, Denver, Colorado 80202 has submitted a discharge plan renewal application for its Magnum Compressor Station located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 East, Eddy County, New Mexico to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. DEFS does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 800 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, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

Duke Energy.
Field Services
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Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

January 13, 2003

CERTIFIED MAIL
RETURN RECEIPT REQUESTED *(Article No. 7001 1140 0003 5916 6305)*

U.S. Department of Interior
Bureau of Land Management
P.O. Box 27115
Santa Fe, NM 87502-0115

Subject: Duke Energy Field Services, LP
Notice of Magnum Compressor Station Discharge Plan Renewal Application

Dear Bureau of Land Management:

Duke Energy Field Services, LP, 370 17th Street, Suite 900, Denver, Colorado 80202 has submitted a discharge plan renewal application for its Magnum Compressor Station located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 East, Eddy County, New Mexico to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. DEFS does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 800 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, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

Sincerely,
Duke Energy Field Services, LP

Karin Char Kimura
Senior Environmental Specialist

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

U.S. Department of Interior
Bureau of Land Management
P.O. Box 27115
Santa Fe, NM 87502-0115

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* | C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

JAN 15 2003

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7001 1140 0003 5916 6305

PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-0381

Magnum

UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Duke Energy Field Services, LP
370 17th Street, Suite 900
Denver, CO 80202
Attn: Karin Char Kimura, Env. Dept.

07

Synopsis of public notice in English and Spanish posted on the Magnum Compressor Station front gate.

Duke Energy Field Services, LP, 370 17th Street, Suite 900, Denver, Colorado 80202 has submitted a discharge plan renewal application for its Magnum Compressor Station located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 East, Eddy County, New Mexico to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. DEFS does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 800 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, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

Duke Energy Field Services, LP, 370 17th Street, Suite 900, Denver, Colorado 80202 se han sometido una aplicación de la renovación del plan de la descarga para su Estación de Compresor de Botella doble localizada en el SW/4 NE/4, la Sección 9, Municipio 20 al sur, Recorren 29 al este, Condado de Lea, Nuevo México a la División de la Conservación del Aceite, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, el Teléfono (505) 476-3440. DEFS no propone descargar efluente ni los sólidos del desecho locales; todo efluente y los sólidos del desecho engendrados en la facilidad se quitan de la facilidad para de la disposición del sitio de acuerdo con División aplicable de la Conservación de Aceite de Nuevo México, del Departamento del Ambiente de Nuevo México, y de las regulaciones de EPA. El suelo rega muy probable de ser afectado en un acontecimiento de una descarga accidental en la superficie está en una profundidad de aproximadamente 80 pies con un suma la concentración disuelta de sólidos de aproximadamente 800 mg/L. Las direcciones del plan de la descarga cómo los derramamientos, los escapes, y otras descargas accidentales a la superficie seran manejados. Qualquier persona interesada puede obtener información adicional, someter comentarios, y la peticion de ser colocado en una dirección facilidad-especifica del correo para recibir avisos futuros a la División de la Conservación del Aceite en la dirección o el numero de telefono dado arriba. La División de la Conservación del Aceite aceptará los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creará una lista de envío específica de la facilidad para personas que desean para recibir notas futuras.

Duke Energy.
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Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

December 19, 2002

FEDERAL EXPRESS
PRIORITY OVERNIGHT *(Tracking Number 8336 1954 5497)*

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Magnum Compressor Station *(formerly known as Burton Flats Gas Plant)*
Discharge Plan GW-127
Eddy County, New Mexico

Dear Mr. Ford:

As we have discussed previously, DEFS does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Specifically, NMSA 1978, §74-6-12.G (1999) provides that "[t]he Water Quality Act does not apply to any activity or condition subject to the authority of the oil conservation commission pursuant to the provisions of the Oil and Gas Act, Section 70-2-12 NMSA 1978 and other laws conferring power on the oil conservation commission to prevent or abate water pollution." NMSA 1978, §70-2-12.B(21) (1996) provides that the OCC has the authority to regulate "the disposition of nondomestic wastes resulting from the exploration, production or storage of crude oil or natural gas to protect public health and the environment." The language of Section 70-2-12.B(21), DEFS believes, precludes the application of the Water Quality Act to the disposal of wastes from compressor stations. Therefore, DEFS is under no obligation to comply with the discharge plan renewal requirements of the WQCC regulations.

Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. According to the WQCC regulations, 20.6.2.3106B NMAC, a facility must have an approved discharge plan if the facility intends to or has a discharge or discharges that may move directly or indirectly into groundwater.

The Magnum Compressor Station, *f.k.a. Burton Flats Gas Plant,* provides separation of liquid hydrocarbons from the natural gas stream, natural gas dehydration, and compression for the gathering system. The facility does not have any discharges that may move directly or indirectly into groundwater. Therefore, DEFS does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DEFS is under no legal obligation to renew Discharge Plan GW-128. DEFS disagrees that any discharge plan is required for this facility under the WQCC's regulations.

Although DEFS believes that it is not required to have a discharge plan for Magnum Compressor Station, DEFS submits the following for Magnum Compressor Station:

- Enclosed discharge plan renewal application (original and a copy);
- Enclosed check in the amount of $100 for the discharge plan renewal application filing fee.

Pleased be advised that DEFS' submittal of the renewal application and application filing fee does not waive DEFS' objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DEFS' position or the renewal application, please contact me at (303) 605-1717. Please send all correspondence regarding this Magnum Compressor Station Discharge Plan renewal to me at 370 17th Street, Suite 900, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

Karin Char Kimura
Senior Environmental Specialist

Enclosures

cc: NMOCD District 2 Office *(via FedEx Priority Overnight Tracking No. 8336 1954 5501)*
1301 W. Grand Ave.
Artesia, New Mexico 88210

Duke Energy. Field Services
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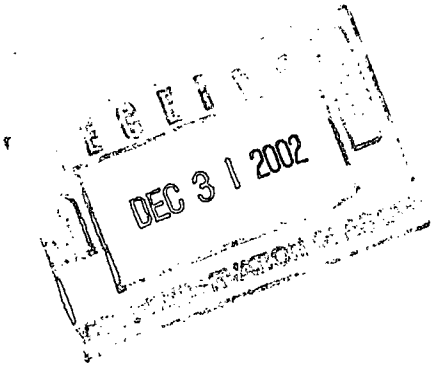
Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

December 30, 2002



FEDERAL EXPRESS SAVER (Tracking Number 8336 1954 7607)

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Magnum Compressor Station *(formerly known as Burton Flats Gas Plant)*
Discharge Plan GW-127
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits a revision to the landowner information for the Magnum Compressor Station discharge plan renewal application dated December 19, 2002 and submitted to NMOCD.

The landowner for the Magnum Compressor Station located in the SW/4 NE/4 Section 9, Township 20 South, Range 29 East is the U.S. Department of Interior Bureau of Land Management (BLM). The address for the BLM New Mexico State Office is P.O. Box 27115, Santa Fe, New Mexico 87502-0115.

If you have any questions concerning this discharge plan renewal, please contact me at (303) 605-1717. Please send all correspondence regarding the Magnum Compressor Station Discharge Plan renewal to me at 370 17th Street, Suite 900, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

Karin Char Kimura
Senior Environmental Specialist

cc: NMOCD District 2 Office *(via FedEx Express Saver Tracking No. 8336 1954 7103)*
1301 W. Grand Ave.
Artesia, New Mexico 88210

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

November 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 9277

Ms. Karin Char
Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217

RE: Discharge Plan Renewal Notice for Duke Energy Field Services Facilities

Dear Ms. Char:

The OCD is providing Duke Energy Field Services a notice that the following discharge plans expire at various dates during the year 2003.

GW-127 expires 2/3/2003 – Burton Flats Gas Plant
GW-139 expires 4/28/2003 – CP-1 Compressor Station
GW-142 expires 5/17/2003 – Sand Dunes Compressor Station
GW-144 expires 8/19/2003 - West Fall (North) Compressor Station
GW-145 expires 7/6/2003 - Zia Gas Plant

WQCC 20.6.2.3106.F. If the holder of an approved discharge plan submits an application for discharge plan renewal at least 120 days before the discharge plan expires, and the discharger is not in violation of the approved discharge plan on the date of its expiration, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. A discharge plan continued under this provision remains fully effective and enforceable. An application for discharge plan renewal must include and adequately address all of the information necessary for evaluation of a new discharge plan. Previously submitted materials may be included by reference provided they are current, readily available to the secretary and sufficiently identified to be retrieved. [12-1-95]

The discharge plan renewal application for each of the above facilities is subject to WQCC Regulation 20.6.2.3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of $100.00 plus a flat fee based upon the horsepower rating or type of facility for gas processing facilities. The $100.00 filing fee for each facility is to be submitted with the discharge plan renewal application and is nonrefundable.

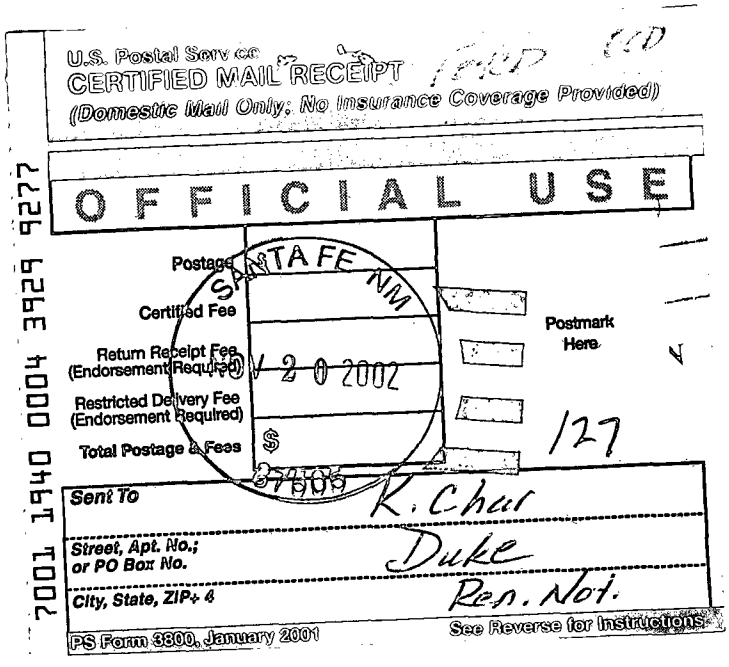
Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office. Please submit the original discharge plan renewal application and one copy to the OCD Santa Fe Office and one copy to the OCD Aztec District Office. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.** A complete copy of the regulations is also available on OCD's website at **www.emnrd.state.nm.us/ocd/**).

If any of the above sited facilities no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the Duke Energy Field Services has any questions, please do not hesitate to contact Mr. W. Jack Ford at (505) 476-3489.

Sincerely,

Roger C. Anderson
Oil Conservation Division

cc: OCD Artesia District Office
OCD Hobbs District Office



FULBRIGHT & JAWORSKI L.L.P.
A REGISTERED LIMITED LIABILITY PARTNERSHIP
1301 MCKINNEY, SUITE 5100
HOUSTON, TEXAS 77010-3095

TELEPHONE: 713/651-5151
FACSIMILE: 713/651-5246

WRITER'S INTERNET ADDRESS:
elewis@fulbright.com

WRITER'S DIRECT DIAL NUMBER:
713/651-3760

HOUSTON
WASHINGTON, D.C.
AUSTIN
SAN ANTONIO
DALLAS
NEW YORK
LOS ANGELES
MINNEAPOLIS
LONDON
HONG KONG

May 10, 2001

Re: Notification of Name Change to Duke Energy Field Services, LP

Mr. Roger Anderson
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Anderson:

As a result of a recent internal corporate reorganization, New Mexico facilities previously operated under the name of Duke Energy Field Services, LLC are now being operated under the name of Duke Energy Field Services, LP. Please update your records to reflect that Duke Energy Field Services, LP is the permit holder for the following groundwater permits:

- Burton Flats Gas Plant GW-127
- Carlsbad Gas Plant GW-069
- Carrasco Booster Station GW-137
- CP-1 Compressor Station GW-139
- Dagger Draw Gas Plant GW-185
- Pecos Diamond Gas Plant GW-237
- West Fall (North) Compressor Station GW-144

Fulbright & Jaworski L.L.P. is assisting Duke Energy Field Services, LP with various filings and agency notices that relate to the company's recent internal reorganization. Please feel free to call me at (713) 651-3760 if you have any questions.

Very truly yours,

Eddie Lewis

Edward C. Lewis

ECL/jnr

Duke Energy® Field Services

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
Direct: 303-595-3331
Fax: 303-389-1957

May 30, 2000

CERTIFIED MAIL
RETURN RECEIPT Z 407 761 470

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

RE: Request for Name/Plan Holder Change
NM OCD Discharge Plans

Dear Mr. Ford:

Based upon our conversation on May 10, 2000, it is my understanding that this letter suffices to transfer the seven discharge plans, referenced below, due to a change in plan holder status. The change in plan holder status is a result of a recent internal corporate restructuring and convergence, including a name change. The old company was known as Duke Energy Field Services, Inc., which has now been changed, and the new entity is Duke Energy Field Services, LLC. Please transfer the following discharge plans to above-referenced new entity, effective immediately:

- Burton Flats Gas Plant GW-127
- Carlsbad Gas Plant GW-069
- Carrasco Compressor Station GW-137
- CP-1 Compressor Station GW-139
- Dagger Draw Gas Plant GW-185
- Pecos Diamond Gas Plant GW-237
- Westall (North) Compressor Station GW-144

Duke Energy Field Services, LLC will continue to comply with the terms and conditions of the previously approved discharge plan for each of the above referenced facilities.

If you have any questions or need any additional information, please contact me at (303) 605-1717.

Sincerely,

Karin Char
Environmental Specialist

cc: Jack Braun
Harley Temple
Grey Hyde
Mel Driver

Facility Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS, Dagger Draw GP, Pecos Diamond GP, Westall (North) CS
Region Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS, Dagger Draw GP, Pecos Diamond GP, Westall (North) CS
Corp. Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS, Dagger Draw GP, Pecos Diamond GP, Westall (North) CS

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 26, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-545

Mr. Robert L. Pearson
Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

RE: Discharge Plan GW-127 Compliance
Burton Flats Gas Plant
Eddy County, New Mexico

Dear Mr. Pearson:

Duke Energy Field Services, Inc. received the approved ground water discharge plan GW-127, for the Duke Energy Field Services, Inc. Burton Flats Gas Plant located in the SW/4 NE/4 of Section 9, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, on February 24, 1998. The approved discharge plan consisted of the original discharge plan as approved February 3, 1993, the renewal application dated October 1, 1997 **and** the attachment of discharge plan conditions dated February 6, 1998.

A review of the file indicates that Duke Energy Field Services, Inc. may be in violation of its discharge plan. Condition number 10 requires that underground process/wastewater lines must be tested to demonstrate their mechanical integrity every five years or prior to discharge plan renewal. The OCD has no record that the underground lines were tested prior to renewal nor since renewal. If the underground lines have been tested furnish the OCD with test results and certification that the lines have met the required mechanical integrity conditions. If this testing has not been conducted a test must be performed prior to December 31, 1999 with the results and certification of their condition submitted to this office.

If you have any questions contact me at (505) 827-7156.

Sincerely,

W. Jack Ford, C.P.G.
Environmental Bureau
Oil Conservation Division

xc: OCD Artesia District Office

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

February 6, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-919

Mr. Robert L. Pearson
Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

RE: Discharge Plan GW-127 Renewal
Burton Flats Gas Plant
Eddy County, New Mexico

Dear Mr. Pearson:

The ground water discharge plan GW-127, for the Duke Energy Field Services, Inc. Burton Flats Gas Plant located in the SW/4 NE/4 of Section 9, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan as approved February 3, 1993, and the discharge plan renewal application dated October 1, 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 10 working days of receipt of this letter.**

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve Duke Energy Field Services, Inc. of liability should operations result in pollution of surface water, ground water, or the environment.

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

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. Duke Energy Field Services, Inc. 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 years. This approval will expire on February 3, 2003, and Duke Energy Field Services, Inc. should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan renewal application for the Duke Energy Field Services, Inc. Burton Flats Gas Plant 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 plus a flat fee equal to one-half of the original flat fee. The OCD has received the filing fee.

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

Sincerely,

Kathleen A. Garland
Acting Director

KAG/wjf
Attachment

xc: OCD Artesia District Office

Z 357 869 919

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

Sent to Robert Pearson	
Street & Number Duke Energy	
Post Office, State, & ZIP Code Denver	
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 GW-127	

PS Form 3800, April 1995

ATTACHMENT TO THE DISCHARGE PLAN GW-127 RENEWAL
DUKE ENERGY FIELD SERVICES, INC.
BURTON FLATS GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(February 6, 1998)

1. Payment of Discharge Plan Renewal Fees: The $50.00 filing fee has been received. A flat fee for gas processing plant facilities is equal to one-half of the original flat fee or $1,667.50.

2. Duke Energy Field Services, Inc.: Duke Energy Field Services, Inc. will abide by all commitments submitted in the discharge plan application dated October 1, 1997.

3. Waste Disposal: All wastes shall 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 by characteristics may be disposed of at an OCD 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 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 facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.

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 should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

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

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

11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.

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

13. Spill Reporting: All spills/releases shall 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. 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.

16. Certification: Duke Energy Field Services, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Duke Energy Field Services, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

DUKE ENERGY FIELD SERVICES, INC

by_____
Title

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 2/20/98,

or cash received on _____ in the amount of $ 1667.50

from Duke

for Burton Flats G.P (Facility Name) GW-127 (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: [signature] Date: 3/12/98

Received in ASD by: _____ Date: _____

Filing Fee ___ New Facility ___ Renewal X

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment ___ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

THE CHASE MANHATTAN BANK, N.A.
SYRACUSE, NEW YORK

50-937/213

VENDOR NO.	CHECK DATE	CHECK NUMBER
004804	02/20/98	[redacted]

NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT
********$1,667.50

PAY *One thousand six hundred sixty seven and 50/100 Dollars*

TO THE ORDER OF
NEW MEXICO-
WATER QUALITY MANAGEMENT DIV
2040 S PACHECO
SANTA FE,NM 87505

Paul F Ferguson Jr
AUTHORIZED SIGNATURE

THIS DOCUMENT CONTAINS A TRUE WATERMARK AND VISIBLE FIBERS

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

[redacted]

VENDOR NUMBER
004804
[redacted]
VENDOR NAME
NEW MEXICO-

CHECK NUMBER
[redacted]

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
022098	02/20/98	1,667.50	GW-127
		TOTAL PAID	**$1,667.50**

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

Duke Energy Field Services Inc.
A Duke Energy Company

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303 595-3331
Fax: 303 595-0480

February 20, 1998

Mr. Jack Ford
State of New Mexico
Energy, Minerals and
Natural Resources Department
Oil Conservation Department
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Discharge Plan Renewal Fee for the Duke Energy Field Services, Inc. ("Duke Energy") Burton Flats Gas Plant

Dear Jack:

Enclosed is the $1,667.50 check pertaining to the Discharge Plan Approval fee for the Duke Energy Burton Flats Gas Plant. If you need further assistance, please feel free to call me at 303-595-3331.

Sincerely,
Duke Energy Field Services, Inc.

Kristin M. Koblis
Environmental Scientist

enclosure:

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

VENDOR NUMBER
004804
VENDOR [redacted]E
NEW MEXICO-

CHECK NUMBER
[redacted]

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
022098	02/20/98	1,667.50	
		TOTAL PAID	$1,667.50

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

THE CHASE MANHATTAN BANK, N.A.
SYRACUSE, NEW YORK
50-937/213

VENDOR NO.	CHECK DATE	CHECK NUMBER
004804	02/20/98	[redacted]

NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT
********$1,667.50

PAY *One thousand six hundred sixty seven and 50/100 Dollars*

TO THE ORDER OF
NEW MEXICO-
WATER QUALITY MANAGEMENT DIV
2040 S PACHECO
SANTA FE,NM 87505

Paul F Thompson Jr
AUTHORIZED SIGNATURE

THIS DOCUMENT CONTAINS A TRUE WATERMARK AND VISIBLE FIBERS

[redacted]

Duke Energy Field Services Inc.
A Duke Energy Company

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303 595-3331
Fax: 303 595-0480

February 16, 1998

Ms. Kathleen A. Garland
State of New Mexico
Energy, Minerals and
Natural Resources Department
Oil Conservation Department
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Discharge Plan Approval Conditions for the Duke Energy Field Services, Inc. ("Duke Energy") Burton Flats Gas Plant

Dear Kathleen:

Enclosed is the signed Discharge Plan Approval Conditions for the Duke Energy Burton Flats Gas Plant. If you need further assistance, please feel free to call me at 303-595-3331.

Sincerely,
Duke Energy Field Services, Inc.

Robert L. Pearson
Manager of Environmental Affairs

enclosure:

2-18-98
Flat fee not received w/signed DP approval conditions -

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASE

I hereby acknowledge receipt of check No. [redacted] dated 10/2/97

or cash received on _____ in the amount of $ 50.00

from Duke Energy Field Services

for Burton Flats Gas Plant (Facility Name) GW 127 (OP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: R C Anderson Date: 10/20/97

Received in ASD by: _____ Date: _____

Filing Fee X_R New Facility ___ Renewal ___

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment ___ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER.

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

THE CHASE MANHATTAN BANK, N.A.
SYRACUSE, NEW YORK

50-937/213

VENDOR NO.	CHECK DATE	CHECK NUMBER
004833	10/02/97	[redacted]

NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT
**********$50.00

PAY *Fifty and 00/100 Dollars*

TO THE ORDER OF
NMED WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
2040 S PACHECO ST
SANTA FE,NM 87505

Sandra D Meyer
AUTHORIZED SIGNATURE

THIS DOCUMENT CONTAINS A TRUE WATERMARK AND VISIBLE FIBERS.

Duke Energy Field Services, Inc.
P.O. Box 5493
Denver, Colorado 80217

VENDOR NUMBER
004833
VENDOR NAME
NMED WATER QUALITY MANAGEMENT

CHECK NUMBER

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1097-FEE	10/02/97	50.00	GW-127
			TOTAL PAID **$50.00**

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

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

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

Revised 12/1/
Submit Origi
Plus 1 Cop
to Santa
1 Copy to appropri
District Off

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)

GW-127
W.C.

☐ New ☒ Renewal ☐ Modification

1. Type: Gas Plant
2. Operator: Duke Energy Field Services, Inc. (formerly PanEnergy Field Services, Inc.)

   Address: P.O. Box 5493 Denver, CO 80217

   Contact Person: Robert L. Pearson Phone: (303) 595-3331
3. Location: SW /4 NE /4 Section 9 Township 20 South Range 29 East

   Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.

   Same as operator above
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
14. CERTIFICATION

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

NAME: Robert L. Pearson Title: Manager of Environmental Affairs

Signature: [signature] Date: 10/1/97

NOTICE OF PUBLICATION

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

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

(GW-288) - LG&E Natural Gathering and Processing Co., Ed Sloman, (505) 393-2153, 921 West Sanger, Hobbs, New Mexico 88240, has submitted a discharge application for the Pardue Compressor Station located in the SE/4 NW/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. All wastes generated will be stored in closed top receptacles prior to offsite disposal or recycling at an OCD approved site. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 20 feet with a total dissolved solids concentration of approximately 549 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-127) - Duke Energy Field Services, Robert L. Pearson, (303) 595-3331, P.O. Box 5493, Denver, Colorado 80217, has submitted a discharge application for its previously approved discharge plan for the Burton Flats Gas Plant located in the SW/4 NE/4 of Section 9, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. All wastes generated will be stored in closed top receptacles prior to offsite disposal or recycling at an OCD approved site. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 800 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(s) 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 application(s), 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(s) based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan(s) based on the information in the discharge plan application(s) and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 17th day of October 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

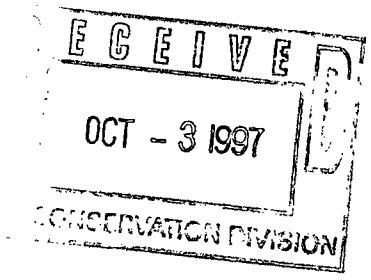
S E A L

WILLIAM J. LEMAY, Director

Duke Energy Field Services Inc.
A Duke Energy Company

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303 595-3331
Fax: 303 595-0480

GW-127



September 30, 1997

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505
Attn: Mr. Roger C. Anderson
(505) 827-7131

Dear Mr. Anderson,

Please find attached the original and one copy of our discharge plan renewal application for the Burton Flats Gas Plant in Eddy County, New Mexico. Please note that the owner/operator of this facility has been changed to Duke Energy Field Services, Inc.

In response to questions 5-13 of the renewal application, this information can be found in the copy of this facilities' 1993 discharge plan on file with your office.

If you have any questions or require further clarification, please feel free to contact our office.

Sincerely,

Robert L. Pearson
Manager of Environmental Affairs

\\NICKLAUS\HOME$\jhjones\SWMP\NMrenewal.doc

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

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

Revised 12/1/

RECEIVED
OCT - 3 1997
ENVIRONMENTAL DIVISION

Submit Origi
Plus 1 Cop
to Santa
1 Copy to appropri
District Off

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)

GW-127

☐ New ☒ Renewal ☐ Modification

1. Type: Gas Plant

2. Operator: Duke Energy Field Services, Inc. (formerly PanEnergy Field Services, Inc.)

   Address: P.O. Box 5493 Denver, CO 80217

   Contact Person: Robert L. Pearson Phone: (303) 595-3331

3. Location: SW /4 NE /4 Section 9 Township 20 South Range 29 East
   Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
   Same as operator above

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

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

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.

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

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.

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

11. Attach a contingency plan for reporting and clean-up of spills or releases.

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION

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

NAME: Robert L. Pearson Title: Manager of Environmental Affairs

Signature: [signature] Date: 10/1/97

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

August 7, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-326-936-582

Mr. Ron C. Gibson
Manager of Engineering
Grand Valley Gathering Company
4200 East Skelly Drive, Suite 560
Tulsa, OK 74135

RE: Discharge Plan GW-127 Renewal
Burton Flats Gas Plant
Eddy County, New Mexico

PS Form 3800, April 1995

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

Sent to	
Street & Number	
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	

P 288 258 960

Dear Mr. Gibson:

On February 3, 1993, the groundwater discharge plan, GW-127, for the **Burton Flats Gas Plant** located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 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 February 3, 1998.**

If the facility continues to have potential or actual effluent or leachate discharges and wishes to continue operation, the discharge plan must be renewed. **Pursuant to Section 3106.F., if an application for renewal is submitted at least 120 days before the discharge plan expires (on or before October 3, 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 Grand Valley Gathering Company 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 **Burton Flats Gas Plant** 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 plus a flat fee of $16675.50 for Gas Plants. The $50 filing fee is to be submitted with the discharge plan renewal application and is nonrefundable.

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 and discharge plan application form and guidelines are enclosed to aid you in preparing the renewal application. A complete copy of the regulations is also available on OCD's website at **www.emnrd.state.nm.us/ocd/**)

If Grand Valley no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If Grand Valley has any questions, please do not hesitate to contact me at (505) 827-7152.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

RCA/pws

enclosed: 20 NMAC 6.2 "WQCC Regulations", Discharge Plan Guidelines, Discharge Plan Application Form.

c: Artesia District Office

P 326 936 582

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

Sent to Grand Valley - Mr. Gibson	
Street & Number 6 Mon. REN. NOT. GW-127	
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

GRAND VALLEY GATHERING COMPANY
4200 East Skelly Drive, Suite 560
Tulsa, Oklahoma 74135
Phone (918) 488-9100
FAX (918) 488-9191

January 31, 1994

Mr. Roger Anderson
Oil Conversation Division
Environmental Bureau Chief
Land Office Building
310 Old Santa Fe Trail
Room 206
Santa Fe, New Mexico 87501

Re: Company Name Change

Dear Mr. Anderson:

In April 1993, Centennial Natural Gas Corporation changed its name to Grand Valley Gathering Company. The company is still a wholly owned subsidiary of Grand Valley Gas Company with headquarters located in Salt Lake City, Utah. There were no changes to our address, telephone or personnel.

It has been brought to our attention that your office is laboring with our old name. It appears that your office never received our notification letter. Please accept our apologies for this oversight and change your records for the following facility:

Burton Flats Gas Processing Plant GW-127

Should you have any questions or require further information, please feel free to contact me.

Sincerely,

Ron C. Gibson
Manager of Engineering

cc: RS
SH

gk\nmenvir1.rg

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No [redacted] dated 3/15/93,

or cash received on 3/23/93 in the amount of $ 3,335.00

from Centennial Natural Gas Corporation

for Burton Flats Gas Plant (Facility Name) GW-127 (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Kathy Brown Date: 3/23/93

Received in ASD by: Sherry Gomez Date: 3/23/93

Filing Fee ___ New Facility X Renewal ___

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 93

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment ___

Centennial Natural Gas Corporation
ONE OF THE GRAND VALLEY COMPANIES
4200 EAST SKELLY DRIVE, SUITE 560
TULSA, OKLAHOMA 74135 • (918) 488-9100

BANK OF BOSTON
CONNECTICUT

CHECK NUMBER [redacted]

51-80 / 111
DATE 03-15-93

PAY $ *******3,335.00

THE SUM Thirty Three Hundred Thirty Five and 00/100

TWO SIGNATURES REQUIRED OVER $25,000

TO THE ORDER OF
NMED Water Quality Management
P.O. Box 2088
Santa Fe, NM 87504

[redacted]

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

February 3, 1993

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

CERTIFIED MAIL
RETURN RECEIPT NO. P-667-242-152

Mr. Robert W. Shain, Vice President
Centennial Natural Gas Company
4200 E. Skelley Drive
Suite 560
Tulsa, Oklahoma 74135

RE: Discharge Plan GW-127
Burton Flats Gas Processing Plant
Eddy County, New Mexico

Dear Mr. Shain:

The groundwater discharge plan GW-127 for the Centennial Natural Gas Burton Flats Gas Processing Plant located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 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 July 15, 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 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 February 3, 1998 and you should submit an application for renewal in ample time before that date.

The discharge plan application for the Centennial Natural Gas Burton Flats Gas Processing Plant 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 thirty-three hundred and thirtyfive (3335) dollars for gas processing plants.

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
Director

WJL/rca

xc: Mike Williams-OCD Artesia Office

ATTACHMENT TO DISCHARGE PLAN GW-127 APPROVAL
CENTENNIAL NATURAL GAS COMPANY BURTON FLATS GAS PROCESSING PLANT
DISCHARGE PLAN REQUIREMENTS
(February 3, 1993)

1. Payment of Discharge Plan Fees: The $3335 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 sumps and below grade tanks will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade tanks will be approved by the OCD prior to installation and will incorporate leak detection in their designs.

4. Berming: All on grade tanks containing materials other than fresh water will be bermed to contain 1 1/3 the capacity of the tank within the berm.

5. Above Grade Tanks: All above grade tanks (saddle tanks) will be on impermeable pad and curb type containment.

6. Pads: All compressor pads will have lips or curb type containment installed to prevent contaminants from running onto the ground surface.

7. Spills: All spills will be reported to the OCD District office pursuant to OCD Rule 116.

CENTENNIAL BURTON FLATS GAS PLANT INSPECTION
JANUARY 14, 1993
KATHY BROWN, MARK ASHLEY

1. Compressors (4) have metal contaiment beneath but no curbs. Hydrocarbons running off of containment onto ground surface.

2. Below-grade fiberglass tank installed last year to collect slop oil from compressors. No way to remove top of tank, so cannot visually inspect it. No secondary containment or leak detection. Lines from compressors to tank are below-grade, but new (1992).

3. Lube oil storage saddle tank has spills onto ground surface around loading valve. Needs containment.

4. Gycol/methonal saddle tanks do not have containment, but did not show evidence of spillage at time of inspection.

5. Have above ground tank to collect water off of dehyration unit. Tank has chicken wire netting over top. No berming. Company wants to be told to replace it.

Send OCD 116 reporting form

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

September 10, 1992

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 August 27, 1992, regarding the Oil Conservation Division (OCD) discharge permits GW-127 and GW-94 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-94 - UNICHEM International in Hobbs, located in Section 34, T18S, R38E, NMPM, Lea County, New Mexico. Approximately 3,600 gallons per day of waste water will be discharged through three main underground stormwater drains to an oil separator; then after testing will be disposed of at the City of Hobbs Publicly Owned Treatment Works.

Regarding GW-127, Centennial Natural Gas Company, Burton Flats Gas Processing Plant, the Service has the following comments on the issuance of a permit to allow 275 gallons per day of waste water to be stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. The facility is located in Section 9, T20S, R29E, NMPM, Eddy County, New Mexico. It was not disclosed in the permit whether the tank was a closed tank or not. The Service is concerned an open tank would create a potential risk to Department of the Interior Trust Resources. If this is the case, the Service recommends screening or netting be implemented to exclude migratory birds.

Migratory birds are protected under the Migratory Bird Treaty Act (MBTA). If migratory birds become exposed to or accumulate harmful levels of contaminants, this constitutes "take" under the MBTA. The MBTA makes it unlawful for anyone at anytime or in any manner to capture, transport, or kill any migratory birds unless permitted by regulations promulgated under it. The courts have stated the MBTA can be constitutionally applied to impose penalties to persons, associations, partnerships, or corporations which did not intend to "kill" migratory birds and that the MBTA includes poisoning by

any means. The MBTA holds that the unlawful killing of even one migratory birds is an offense.

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

Sincerely,

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

Affidavit of Publication

No. 14070

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 days weeks on the same day as follows:

First Publication September 2, 1992

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 8th day of September 19 92

Barbara Ann Bowers
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1996

Copy of Publication

LEGAL NOTICE

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

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

(GW-127) - Centennial Natural Gas Company, Robert W. Shain, Vice President, 4200 E. Skelley Drive, Suite 560, Tulsa, Oklahoma 74135, has submitted a discharge plan application for their Burton Flats Gas Processing Plant located in the SW/4 NE/4, Section 9, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Approximately 275 gallons per day of waste water with a total dissolved solids concentration of approximately 2600 mg/l is stored in an above ground steel tank prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 800 feet with a total dissolved solids concentration ranging from 5000 mg/l to 10000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-94) - UNICHEM International, James H. Britton, Vice President of Operations, P.O. Box 1499, Hobbs, New Mexico 88240, has submitted a discharge plan application for their Hobbs Service Facility located in the W/2 NW/4, Section 34, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 3600 gallons per day of waste water with a total dissolved solids concentration of approximately 1100 mg/l is disposed of, after testing, to the City of Hobbs Publicly Owned Treatment Works (POTW). Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 80 feet with a total dissolved solids concentration of approximately 800 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thrity (30) days after the date of publication of this notice during which any interested person may comment and during which any interested person may request that the Director hold a public hearing. 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 20th day of August, 1992.

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

SEAL

Published in the Artesia Daily

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

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 20th day of August, 1992.

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

Journal: September 2, 1992

STATE OF NEW MEXICO
County of Bernalillo

ss

OIL CONSERVATION DIV
RECEIVED
92 SE P M 9 0

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, Chaper 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.....2.....day

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

publications on.....

.....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 .....2..... day of.....Sept.....1992.

OFFICIAL SEAL
Bernadette Ortiz
BERNADETTE ORTIZ
NOTARY PUBLIC - NEW MEXICO
FILED WITH SECRETARY OF STATE
Commission Expires 12-18-93

PRICE.....$ 28.85.....

Statement to come at end of month.

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

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

NOTICE OF PUBLICATION

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

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 20th day of August, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

WILLIAM J. LEMAY, Director

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 8-5-92,
or cash received on 8-12-92 in the amount of $ 50.00
from Centennial Natural Gas Corporation
for Burton Flats Gas Plant (Facility Name) GW-127 (DP No.)
Submitted by: _____ Date: _____
Submitted to ASD by: Roger C. Anderson Date: 8/12/92
Received in ASD by: Norma Baker Date: 8/12/92
Filing Fee X 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 ___

Western National Bank
4808 S. LEWIS
P.O. BOX 470580
TULSA, OKLAHOMA 74170
© DELUXE TY

[redacted]

CENTENNIAL NATURAL GAS CORPORATION
4200 E. SKELLY DR., STE. 560 PH. 918-488-9100
TULSA, OK 74135

86-201/1039

August 5 19 92

PAY TO THE ORDER OF New Mexico Oil Conservation Division $ 50 00

Fifty Dollars and no/100 DOLLARS

	DISCHARGE PLAN APPLICATION FEE		

THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED

VOID AFTER 90 DAYS

Robert M. Adams

[redacted]

SOURCE
ENVIRONMENTAL SCIENCES, INC.

7010 NORTHWEST 100 DRIVE
HOUSTON, TEXAS 77092
(713) 690-3800
FAX (713) 690-1606

AIR ☆ WATER ☆ WASTE CONSULTANTS

July 15, 1992

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fee, NM 87504-2088

Ref: Discharge Plan Application
Burton Flat Natural Gas Processing Plant
Centennial Natural Gas Corp.

Gentlemen;

GW 127

Enclosed please find the original and two copies of the Discharge Plan Application for Centennial Natural Gas Corporation Burton Flats Facility, which includes a copy of the SPCC Plan for the Natural Gas Processing Plant and a check for $50.00 for the non-refundable filing fee.

We request the New Mexico Oil Conservation Division to approve the submitted discharge plan.

The documents submitted in support of the application were prepared from information supplied by plant personnel and from personal observation at the facility. All pertinent questions on the application have been completed and all of the required maps and attachments are included with the application and are referenced accordingly.

If you have any questions or comments regarding the application, please feel free to call me or Tom Stenbeck at (713) 690-3800.

Sincerely,

For Source Environmental Sciences
A Division of Team, Inc.

Delbert C. Gann, P.E.

cc/R W Shain, V.P.
Centennial Natural Gas Corp.

DISCHARGE PLAN APPLICATION
NATURAL GAS PROCESSING PLANT

State of New Mexico
Energy, Minerals and Natural Resources Department
P.O. Box 2088
Santa Fe, NM 87504-2088

for

CENTENNIAL NATURAL GAS CORPORATION
BURTON FLAT FACILITY

July, 1992

Prepared for:

Centennial Natural Gas Corporation
4200 E. Skelly Drive, Suite 560
Tulsa, Oklahoma 74135

Prepared by:

Source Environmental Sciences, Inc.
7010 Northwest 100 Drive
Houston, Texas 77092

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR NATURAL GAS PROCESSING PLANTS, OIL REFINERIES AND GAS COMPRESSOR STATIONS

(Refer to OCD Guidelines for assistance in completing the application.)

I. TYPE: Natural Gas Plant

II. OPERATOR: Centennial Natural Gas Corporation

ADDRESS: 4200 E. Skelley Drive, Suite 560, Tulsa OK 74135

CONTACT PERSON: Robert W. Shain PHONE: (918) 488 9100

III. LOCATION: ___/4 ___/4 Section 9 Township 20 S Range 29E.
Submit large scale topographic map showing exact location.

IV. Attach the name and address of the landowner(s) of the disposal facility site.

V. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

VI. Attach a description of sources, quantities and quality of effluent and waste solids.

VII. Attach a description of current liquid and solid waste transfer and storage procedures.

VIII. Attach a description of current liquid and solid waste disposal procedures.

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

X. Attach a contingency plan for reporting and clean-up of spills or releases.

XI. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact fresh water. Depth to and quality of ground water must be included.

XII. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

XIII. CERTIFICATION

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

Name: Robert W. Shain Title: Vice President

Signature: Robert W. Shain Date: 8/3/92

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

ATTACHMENTS

III. Location:
- A. Site Vicinity Map
- B. Plot Plan
- C. Process Flow Diagram

IV. Name and address of landowner

V. Description of the facility with a diagram.

VI. Descriptions of sources, quantities and quality of effluent and solid waste

VII. Description of current liquid and solid waste transfer and storage procedures

VIII. Description of current liquid and solid waste disposal procedures

IX. Inspection and maintenance plan to ensure permit compliance.

X. Contingency plan for reporting and clean-up of spills or releases.

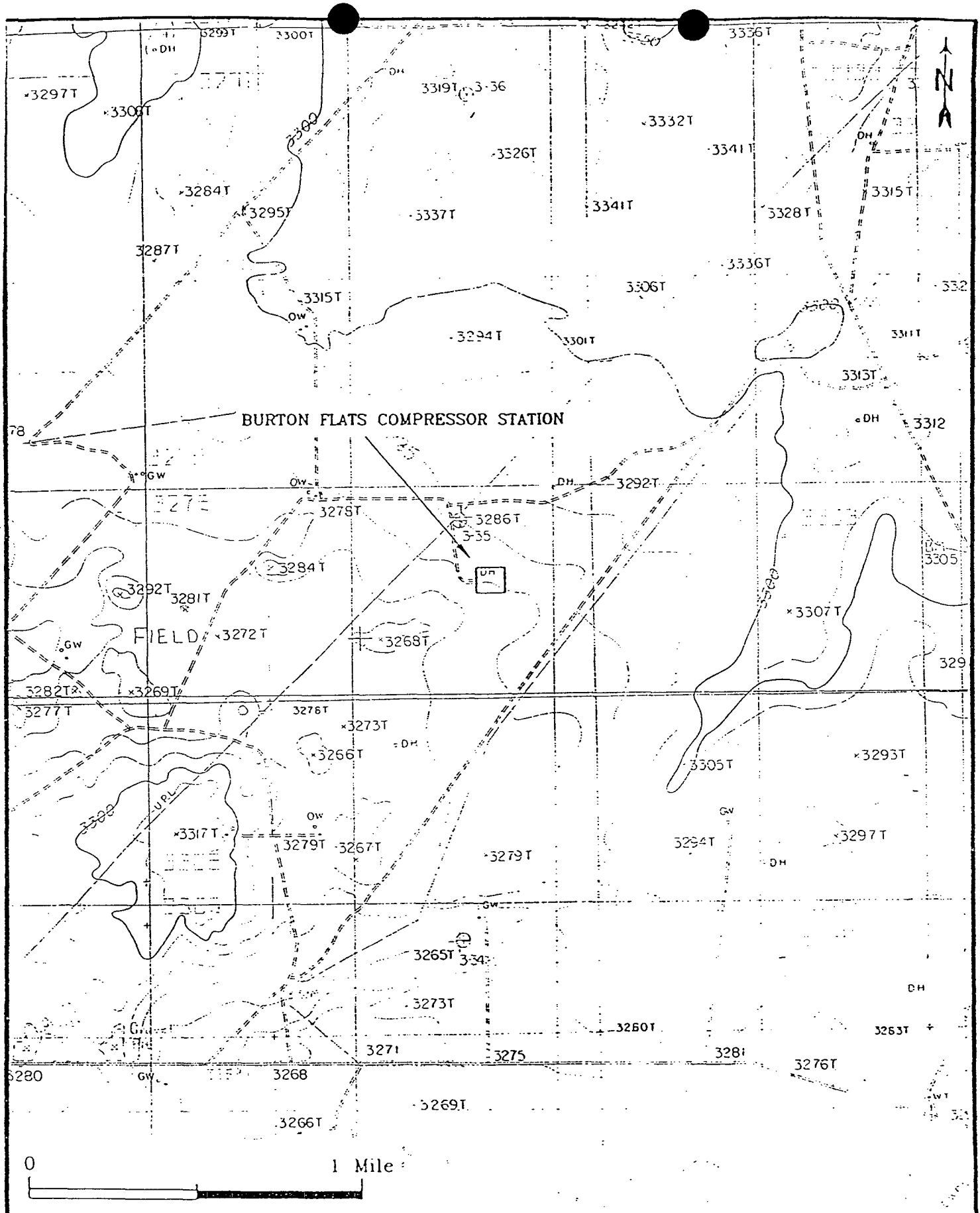
XI. Geological/hydrological evidence of oil field waste not impacting fresh water

ATTACHMENT III

Location:

Section 9, Range 29E Township 20 , in Eddy County (southwest corner of compressor station property - UTM 586.614 E, 3605.489 N)

A. Site Vicinity Map
B. Plot Plan
C. Process Flow Diagram

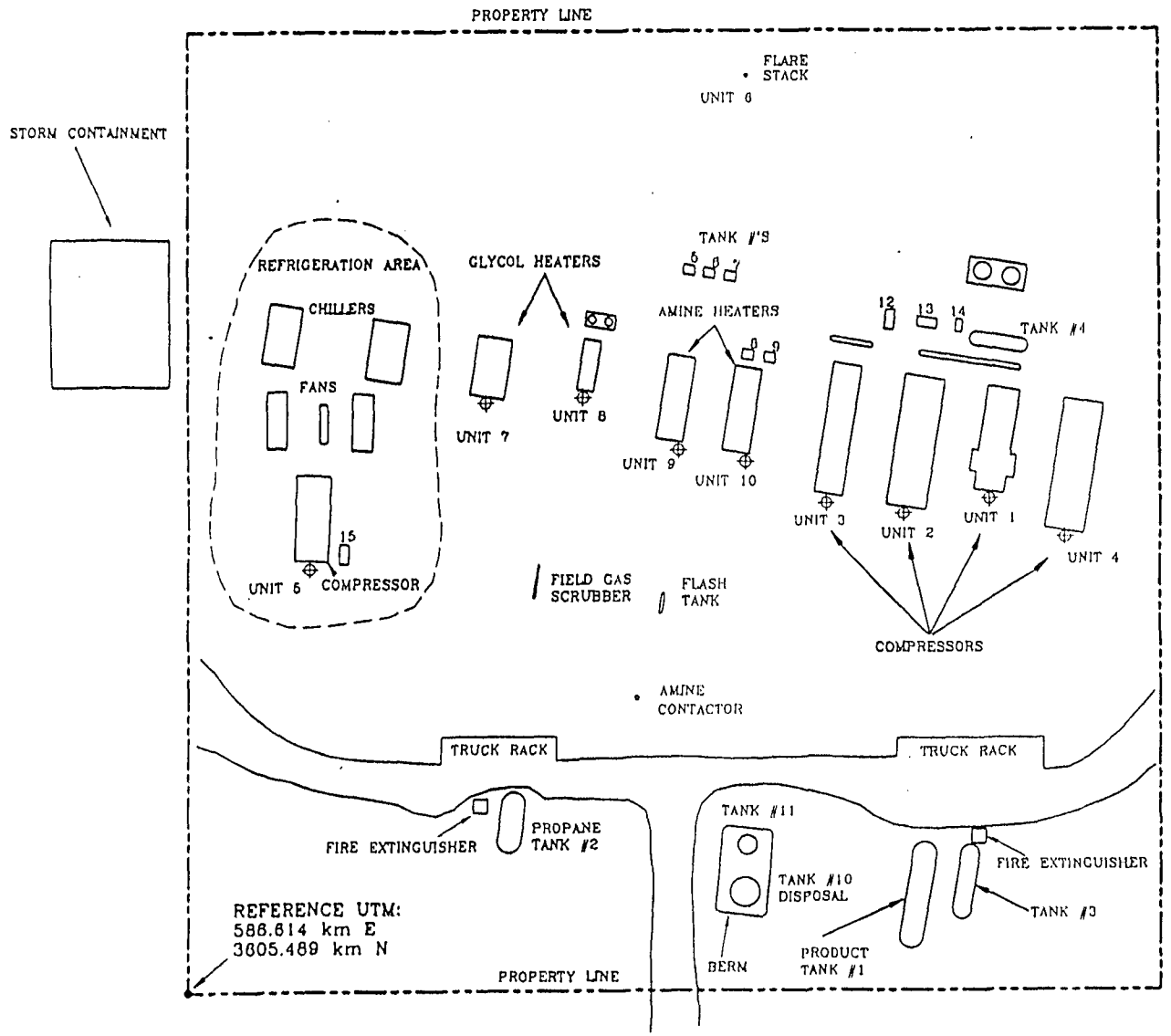


TITLE:
BURTON FLATS COMPRESSOR STATION
SITE VICINITY MAP

SOURCE ENVIRONMENTAL SCIENCES, INC.

EXTRACTED FROM:
ILLINOIS CAMP SE., NEW MEXICO 7.5 MINUTE QUADRANGLE

DATE:	DRAWING NO.	FIGURE NO.
3/12/92	9203-7	1



0 60

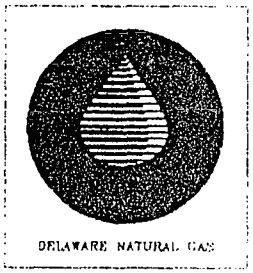
SCALE IN FEET

SOURCE ENVIRONMENTAL SCIENCES, INC.

CENTENNIAL NATURAL GAS CORPORATION
BURTON FLATS GAS PLANT
SPCC PROJECT

DRAWN BY:	DWG. NUMBER:	DATE:
DMJ	9204-35	4/21/92

BURTON FLATS / PARKWAY PLANT



10,000 GAL. PRESS. SCRUBBER OIL TANK

30,000 GAL. PRESSURIZED LIQUID PROD. STORAGE TANK

300 BBL. WATER STORAGE TANK

12,000 GAL. REFRIG. PROPANE STORAGE TANK

WATER LINE TO TANK

INLET SCRUBBER

AMINE CONTACTOR

MAKEUP PROPANE LINE

399 TA PROPANE COMPRESSOR

DRESSER STORAGE

CCI STORAGE

SOUR COMPRESSED CASING HEAD GAS

AMINE FLASH TANK

FUEL SCRUBBER

SWEET CASING HEAD GAS

PLANT LIQUIDS FILL LINE

RETURN LINE FOR TANK VAPORS (RECOMPRESSION)

LEAN AMINE

RICH AMINE

SCRUBBER OIL LINE FILL

CONDENSING FAN #1

CONDENSING FAN #2

CCI 1000 HP UNIT

DRESSER RAND 1000 HP UNIT

CCI 1500 HP UNIT (RELEASED 8/91)

AMINE REGENERATION UNIT

ETHYLENE GLYCOL REGENERATION UNIT

TEG REGEN. & STABILIZER TOWER

CHILLER #1

CHILLER #2

2 PSI INLET

60 PSI INLET

CHEMICAL STORAGE

INLET SCRUBBER

DEHY. CONTACT.

NON-PROCESSED GAS (IN)

RESIDUE GAS OUT

NOT TO SCALE

ATTACHMENT IV

Name and Address of Landowner:

Centennial Natural Gas Corporation
4200 E. Skelly Drive, Suite 560
Tulsa, Oklahoma 74135
(918) 488-9100
Mr. Robert W. Shain, Vice President

ATTACHMENT V

Description of the facility with a diagram.

The Centennial Natural Gas Corporation Burton Flats Gas Plant (SIC 1321) compresses one sour natural gas line and one sweet natural gas line from the Burton Flats gas gathering system from approximately 30 psig to approximately 800 psig. Certain liquids such as propane are removed and stored and the residue gas is discharged to pipeline. Centennial Natural Gas Corporation operates one Waukesha 7042 G compressor engine, three Waukesha 7042 GL Lean Combustion compressor engines, and one Caterpillar G399 TA refrigeration compressor engine at this site. Each compressor engine will have an operating schedule of 8760 hr/yr. Attachment III contains a Site Vicinity Map, Plot Plan and a Process Flow Diagram for the facility.

The Burton Flat Gas Plant (SIC 1321) is located in the NW1/4, Section 9, T20S, R29E, NMPM, Eddy, County, New Mexico. The facilities UTM is 586.614 East, 3605.749 North with an elevation of 3,280 feet.

The Burton Flat Gas Plant is situated on a gypsiferous landform which is coextensive with Burton Flat. Areal soils are uniformly derived from gypsum. Lithic inclusions, other than gypsum, are lacking altogether. Pedons fall within the Typic Torripsamment subgroup. Overall the surface is subject to colluvial movement.

Elevation is 3,280 feet, slope is 0.35 and aspect is multiple (360°). Drainage is internal owing to the karsted landform. Nearest water of permanence is at the Pecos River, 10 miles to the southwest.

The Mean precipitation for Eddy County, New Mexico is 12.0 inches. The 25 year 1 hour rainfall rate is 2.1 inches and the 25 year 24 hour rainfall rate is 4.4 inches. (Ref: Rainfall Frequency Atlas of the United States, U.S. Department of Commerce and "noaa" Comparative Climatic Data for the United States through 1982).

ATTACHMENT VI

Descriptions of Sources, Quantities and Quality of Effluent and Solid Waste

The water separated from the scrubber oil is transferred to a 300 barrels (12,600 gallon) vertical tank for storage until disposal. The facility generates approximately 8, 000 gallons of waste water per month with a expected TDS of 800 to 2,600 ppm.

There are no boilers or cooling tower and all engine cooling is closed loop type which produces no waste water. Sewage is not generated or treated at this facility.

Waste lubrication and motor oils are disposed of by Eddins Watcher Co., 1400 N. Broadway, Hobbs, N.M. (505)393-2197. This company is under contract to supply and dispose of lubrication oil.

Miscellaneous trash is collected in used drums for off site disposal.

ATTACHMENT VII

Description of current liquid and solid waste transfer and storage procedures.

The waste water generated by the facility and collected in the 300 barrel storage tank is pumped to a tank truck for transportation to off site disposal. The miscellaneous solid waste (trash) collected in used drums is transferred to pickup for transportation to off site disposal.

ATTACHMENT VIII

Description of current liquid and solid waste disposal procedures.

A. Existing Operations

On-Site Facilities.

There are no leach fields, injection wells, drying beds or other on-site disposal units at the facility.

Off-Site Disposal.

Waste water resulting from the treatment of natural gas is maintained in a closed system and stored on-site in a storage tank. Waste water is not disposed of on or adjacent to the facility. All waste waters are transported by OK Hot Oil Service (505)677-2262 for off-site disposal at Local Hill Water Disposal Co. (505)677-2118.

The miscellaneous solid waste (trash) collected in drums is transferred to pickup for transportation to Carlsbad, NM. Type I landfill for off site disposal.

B. Proposed Modifications

Presently no modifications or closure activities for the protection of groundwater are to be undertaken, due to the fact that waste waters are not likely to come into contact with groundwater.

ATTACHMENT IX

Inspection and maintenance plan to ensure permit compliance.

All facilities and storage tanks are observed daily by employees in performance of their daily job functions. The employees have been trained to report all noticeable spills or any other problems covering all aspects and areas of facility operations.

All inspections regarding condition of equipment and containment, along with comments for required action are recorded in the attached sample inspection logs, along with the inspection date and inspector's initials.

ATTACHMENT X

Contingency plan for reporting and clean-up of spills or releases.

A. Take immediate actions to protect the environment by stopping all discharges and/or blocking all discharge routes to prevent the spill from entering any waterway.

B. Take immediate measures to minimize the threat to human life or health.

(a) Avoid direct contact with the spilled material;
(b) Avoid inhalation of any gases, fumes, vapors or smoke. All personnel should stay up wind (some gases inhibit the sense of smell or may be dangerous at detectable concentrations);
(c) Move and keep people away from the incident scene. Contact the nearest law enforcement authority for assistance if necessary;
(d) Attempt to determine and remove all ignition sources without endangering your own life;
(e) Assess the situation with regard to injuries and assist those requiring aid;
(f) Notify local public safety and health authorities (fire,police,hospital,etc.)

C. Get help, Contact the designated Centennial Natural Gas Corporation's local Supervisor and Spill Coordinator.

(a) Contact outside contractors and cooperatives to be utilized.
(b) Utilize equipment, materials and methods which are committed to control and removal of spill.

D. A reportable spill or leak requires telephone reports in the order listed below:

(a) New Mexico Oil Conservation Div., Artesia Office
(505) 748-1283

(b) New Mexico Oil Conservation Div., Santa Fee Office
(505) 827-5800 (work hours)

(c) National Response Center
(800) 424-8802

E. Contents of Telephone Reports-
When making a telephone report, the caller should provide the following:

(a) Name and telephone number of person reporting spill;

(b) Date and time of spill or release

(c) Identity or chemical name of material released as well as whether the substance is an extremely hazardous substance;

(d) Estimate of quantity of material released and time of duration of event;

(e) Source of release, exact location of spill, including name of waters involved or threatened, and/or medium affected by the release;

(f) Name, address and telephone number of the facility;

(g) Extent of actual and potential water pollution;

(h) Person at spill site who is in charge of operations and phone number;

(i) Identify steps taken or proposed to contain and clean up released or spilled material and any precautions taken to minimize impacts including evacuation;

(j) Extent of injuries, if any;

(k) Any known or anticipated health risks associated with the incident and, where appropriate, advice regarding medical attention necessary for exposed individuals;

(l) Possible hazards to human health and to the environment (air, soil,water,wildlife, etc.). This assessment may include references to accepted chemical databases, Material Safety Data Sheets (MSDSs) and health advisories;

(m) Identity of governmental and/or private sector contacted or representatives responding on-scene.

F. A reportable* spill as listed in G below must be reported to the New Mexico Oil Conservation Division with-in 7 days and to EPA with-in 30 days.
New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fee, NM 87504-2088
U.S. EPA Regional Administrator, 1445 Ross Avenue, Dallas, Texas 75202-2733.

(a) Name of the facility
(b) Name(s) of the owner or operator of the facility;
(c) Location of the facility;
(d) Date and year of initial facility operation;
(e) Maximum storage or handling capacity of the facility and normal daily throughput;
(f) Description of the facility, including maps, flow diagrams, and topographical maps;
(g) A complete copy of the SPCC Plan with any amendments;
(h) The cause(s) of such spill, including a failure analysis of system or sub system in which the failure occurred;
(i) The corrective actions and/or countermeasures taken, including an adequate description of equipment repairs and/or replacements;
(j) Additional preventive measures taken or contemplated to minimize the possibility of recurrence;
(k) Such other information as the Regional Administrator may reasonably require pertinent to the Plan or spill event.

G. * A Reportable Spill is defined as:

(a) Discharge of more than 1000 U.S. gallons of oil into a waterway.
(b) Such quantities that it has been determined may be harmful to the public health or welfare of the United States.
(c) Violate applicable water quality standards, 100 barrels of water for New Mexico Oil Conservation Commission.
(d) Cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.

H. A record of all spills will be maintained on the forms of Attachment 5.

ATTACHMENT XI

Geological/hydrological evidence of oil field waste not impacting fresh water.

A. Hydrologic Features

The facility is located in the Burton Flats region northeast of Carlsbad, New Mexico. No surface bodies of water are located near the facility. Groundwater flow and direction is unknown. Based on the USDA Soil Survey of Eddy County, groundwater is difficult to locate and is often of poor quality, with a expected TDS of 5,000 to 10,000 ppm, and at depths greater than 800 feet.

B. Geologic Description of Site

Soil Type at the facility, based on the USDA Soil Conservation Soil Survey of Eddy County, is classified as Reeves-Gypsum (0 to 3 percent slopes), with loamy soils that are very shallow to moderately deep over gypsum beds. Reeves-Gypsum is a characteristically light-colored, well drained, calcareous soil that is moderate to deep over gypsum and calcium carbonate bedrock. The soil was developed in old alluvium derived from sedimentary rocks.

Name of aquifer(s) and composition of aquifer material (eg. alluvium, sandstone, basalt, etc.); No aquifer is identified, groundwater is hard to locate, and is of poor quality. Surface water is normally not present.

C. Flood Protection

Rainfall in the area is limited and averages approximately 10 to 14 inches per year. Based on the soil type in the area; permeability is moderate, intake rate is moderate, water holding capacity is low to moderate.

A man-made gradient was created at the time of construction of the facility to control stormwater run-off from the facility and direct other stormwater runoff around the facility.

D. ADDITIONAL INFORMATION

Based on the limited risk of contamination to groundwater and the fact that waste waters are not treated at the facility, we feel no additional information is required at this time. If additional data is required we will provide as requested.

(SPCC)
SPILL PREVENTION CONTROL AND COUNTERMEASURE PLAN
and
DISCHARGE PLAN GUIDELINES

FOR THE

BURTON FLAT
NATURAL GAS PLANT

Located in Eddy County
Carlsbad, New Mexico

May, 1992

Prepared for:

Centennial Natural Gas Corporation
4200 E. Skelly Drive, Suite 560
Tulsa, Oklahoma 74135

Prepared by:

Source Environmental Sciences, Inc.
7010 N.W. 100 Drive
Houston, TX 77092

TABLE OF CONTENTS

LIST OF ATTACHMENTS

SPILL PREVENTION CONTROL AND COUNTERMEASURE PLAN

PART I
GENERAL INFORMATION

1. **Name of facility** Burton Flat Facility

2. **Type of facility** Natural Gas Plant

3. **Location of facility** Eddy County, New Mexico
   NW 1/4SE1/4, Section 9, T20S, R29E, NMPM,

4. **Name and address of owner or operator:**
   Name Centennial Natural Gas Corporation
   Address 4200 E. Skelly Drive, Suite 560
   Tulsa, Oklahoma 74135

5. **Designated person accountable for oil spill prevention at facility:**
   Name and title Robert W. Shain, Vice President

6. **Facility did not experience a reportable oil spill event during the twelve months prior to January 10, 1974 (effective date of 40 CFR, Part 112).**

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature: Robert W. Shain
Name: Robert W. Shain
Title: Vice President

CERTIFICATION

I hereby certify that I have examined the facility, and being familiar with the provisions of 40 CFR, Part 112, attest that this SPCC Plan has been prepared in accordance with good engineering practices.

STATE OF TEXAS
DELBERT C. GANN
56782
REGISTERED PROFESSIONAL ENGINEER

Date 11/5/92

Delbert C. Gann, P.E.
Printed Name of Registered Professional Engineer

Delbert C Gann
Signature of Registered Professional Engineer
Registration No. 56782 State Texas

PART I

GENERAL INFORMATION, Cont'd

7. Potential Spills - Prediction & Control

Discussion:

The Centennial Natural Gas Corporation Burton Flats Gas Plant (SIC 1321) compresses one sour natural gas line and one sweet natural gas line from the Burton Flats gas gathering system from approximately 30 psig to approximately 800 psig. Certain liquids such as propane are removed and stored and the residue gas is discharged to pipeline. Centennial Natural Gas Corporation operates one Waukesha 7042 G compressor engine, three Waukesha 7042 GL Lean Combustion compressor engines, and one Caterpillar G399 TA refrigeration compressor engine at this site. Each compressor engine will have an operating schedule of 8760 hr/yr. Attachment 1 contains a Site Vicinity Map, Plot Plan and a Process Flow Diagram for the facility.

The storage tanks consist of

A. Tanks

Source	Major Type of Failure	Total (gals)	Type Tank	Liquid Stored	Secondary Containment
TANK-1	Rupture	30,000	Welded Steel (Hoz)	LPG	None
TANK-2	Rupture	12,000	Welded Steel (Hoz)	Propane	None
TANK-3	Rupture	12,000	Welded Steel (Hoz)	Scrubber Oil	None
TANK-4	Rupture	12,000	Welded Steel (Hoz)	Lube Oil	None
TANK-5	Rupture	750	FIBER GLASS (Hoz)	Chemical Storage	None
TANK-6	Rupture	750	FIBER GLASS (Hoz)	Chemical Storage	None
TANK-7	Rupture	750	FIBER GLASS (Hoz)	Chemical Storage	None
TANK-8	Rupture	750	FIBER GLASS (Hoz)	Chemical Storage	None
TANK-9	Rupture	750	FIBER GLASS (Hoz)	Chemical Storage	None
TANK-10	Rupture	13,500	Welded Steel (Vrt)	Waste Water	None
TANK-11	Rupture	10,000	Welded Steel (Vrt)	Waste Water	None
TANK-12	Rupture	750	Welded Steel (Hoz)	Lube Oil Storage	None
TANK-13	Rupture	750	Welded Steel (Hoz)	Lube Oil Storage	None
TANK-14	Rupture	400	Welded Steel (Hoz)	Lube Oil Storage	None
TANK-15	Rupture	750	Welded Steel (Hoz)	Lube Oil Storage	None

PART I
GENERAL INFORMATION, Cont'd

7. Potential Spills - Prediction & Control, Con'd

These are the designated liquid products and materials for each tank in the product storage facility, but often they are used for storage of other compatible products as seasonal demand dictates.

B. Terminal

Source	Major Type of Failure	Total Quantity (gals)	Tank Type	Tank Size	Secondary Containment
Loading Rack	Rupture	10,000	Trailer	8'Dia.x 30'	None

8. Are containment or diversionary structures or equipment to prevent oil from reaching navigable waters practicable.

Yes, such structures or equipment is practicable.

9. Inspections and Records.

The required inspections follow written procedures.

Discussion:

All facilities and storage tanks are observed daily by employees in performance of their daily job functions. The employees have been trained to report all noticeable spills or any other problems covering all aspects and areas of facility operations.

All inspections regarding condition of equipment and containment, along with comments for required action are recorded in the attached sample inspection logs, along with the inspection date and inspector's initials.

PART I
GENERAL INFORMATION, Cont'd

10. Personnel, Training, and Spill Prevention Procedures.

A. Personnel are properly instructed in the following:

(1) Operation and maintenance of equipment to prevent oil discharges, and
(2) Applicable pollution control laws, rules, and regulations.

Describe procedures employed for instruction: All personnel are instructed in the operation and maintenance of equipment to prevent product discharges and applicable pollution control regulations. Instructions are provided in the proper use of equipment, spill prevention and required actions in the event a spill occurs.

B. Scheduled prevention briefings for the operating personnel are conducted frequently enough to assure adequate understanding of the SPCC Plan.

Describe briefing program: The SPCC training is conducted jointly with a scheduled safety meeting. This joint safety/SPCC briefing is held at least once a year. Personnel are provided instructions through monthly meetings on procedures pertaining to maintenance and control of secondary containment as well as the need to monitor collected rain water for contamination prior to discharge.

PART II
DESIGN AND OPERATING INFORMATION

A. Facility Drainage.

The Centennial Natural Gas Corporation's Burton Flat Gas Plant (SIC 1321) is located in the NW1/4, Section 9, T20S, R29E, NMPM, Eddy, County, New Mexico. The facilities UTM is 586.614 East, 3605.749 North with an elevation of 3,280 feet. The Site Vicinity Map of the facility is included in Attachment 1.

A Plot Plan of the facility is included in Attachment 1.

The Burton Flat Gas Plant is situated on a gypsiferous landform which is coextensive with Burton Flat. Areal soils are uniformly derived from gypsum. Lithic inclusions, other than gypsum, are lacking altogether. Pedons fall within the Typic Torripsamment subgroup. Overall the surface is subject to colluvial movement.

Elevation is 3,280 feet, slope is 0.35 and aspect is multiple (360°). Drainage is internal owing to the karsted landform. Nearest water of permanence is at the Pecos River, 10 miles to the southwest.

The Mean precipitation for Eddy County, New Mexico is 12.0 inches. The 25 year 1 hour rainfall rate is 2.1 inches and the 25 year 24 hour rainfall rate is 4.4 inches. (Ref: Rainfall Frequency Atlas of the United States, U.S. Department of Commerce and "noaa" Comparative Climatic Data for the United States through 1982).

1. **Drainage from diked storage areas is controlled as follows (include operating description of valves, pumps, ejectors, etc. (Note: Flapper-type valves should not be used):** Any spillage will be reclaimed or collected by vacuum truck for offsite disposal.

2. **Drainage from undiked areas is controlled as follows (include description of ponds, lagoons, or catchment basins and methods of retaining and returning oil to facility):** If there is a spill, the material is immediately contained by temporary diking and collected for offsite disposal.

PART II
DESIGN AND OPERATING INFORMATION, Cont'd

B. Bulk Storage Tanks.

1. **Describe tank design, materials of construction, fail-safe engineering features, and if needed, corrosion protection:** The tanks are of welded steel construction and conform to API 650 Code.

2. **Describe secondary containment design, construction materials, and volume:** A stormwater containment pond is located off the northwest corner of the facility. The containment pond volume is 30,000 gallons.

3. **Describe tank inspection methods, procedures, and record keeping:** Inspections include daily visual observation for leakage during routine job functions. Monthly inspections of all tanks, containment area and associated piping are performed to determine existence of leaks, condition of equipment, and required preventive maintenance to prevent potential future leaks. The results are recorded on a form shown in Attachment 2.

4. **Internal heating coil leakage is controlled by one or more of the following control factors:**
Monitoring the steam return or exhaust lines for product.

5. **Disposal facilities for plant effluent discharged into navigable waters are observed frequently for indication of possible upsets which may cause an oil spill event.**

Describe method and frequency of observations: Water sampling and lab analysis is performed on any spillage when required before discharge.

PART II
DESIGN AND OPERATING INFORMATION, Cont'd

C. Facility Transfer Operations, Pumping, and In-plant Process

1. **Corrosion protection for buried pipelines:** Pipelines are above ground and are galvanized and coated to reduce corrosion.

2. **Pipeline terminal connections are capped or blank flanged and marked if the pipeline is not in service or on standby service for extended periods.**

   Describe criteria for determining when to cap or blank-flange: Lines are blind flanged any time they are not in service, or directly piped to pumps and tanks. All lines no longer in service have been appropriately marked. Additional lines taken out of service will be appropriately marked.

3. **Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction.**

   Describe pipe support design: Supports are designed for 35 lbs per sq. ft. loading. All lines subject to expansion have guides, shoes, and expansion loops.

4. **Describe procedures for regularly examining all above-ground valves and pipelines (including flange joints, valve glands and bodies, catch pans, pipeline supports, locking of valves, and metal surfaces):** A visual inspection is made at least quarterly of all above-ground pumps, valves, piping and secondary containment devices to determine the existence of leaks, and the condition of the equipment. During the periodic inspections, required preventive maintenance is performed to prevent future potential leaks. The results are recorded in Attachment 2.

5. **Describe procedures for warning vehicles entering the facility to avoid damaging above-ground piping:** There are warning signs posted to warn vehicular traffic of above-ground piping.

PART II
DESIGN AND OPERATING INFORMATION, Cont'd

D. Tank Truck Loading/Unloading Rack.
Tank truck loading/unloading occurs at the facility.

1. Loading/unloading procedures meet the minimum requirements and regulations of the Department of Transportation.

2. The unloading area has no quick drainage system.

3. The containment system will hold the maximum capacity of any single compartment of a tank truck loaded/unloaded in the plant.

   Describe containment system design, construction materials, and volume:

   Loading/unloading operations are continuously monitored. If there is an equipment failure, the spill is immediately contained by temporary diking. Appropriate steps are taken to correct the equipment malfunction.

   Pipe clamps are stocked for all sizes of lines used in this facility. Pipe clamps can be used to temporarily repair a line and stop the leak condition. Permanent repair is initiated as soon as possible.

4. Warning signs are provided in loading/unloading areas to prevent vehicular departure before disconnect of transfer lines.

   Describe methods, procedures, and/or equipment used to prevent premature vehicular departure:

   "Men Working, Do Not Move Trailer" signs are posted and wheel chocks are set during loading/unloading operations.

5. Drains and outlets on tank trucks and cars are checked for leakage before loading/unloading or departure.

PART II
DESIGN AND OPERATING INFORMATION, Cont'd

E. Security.

1. **Plants handling, processing or storing of product fenced.** No

2. **Entrance gates are locked and/or guarded when the plant is not operating.** No

3. **Any valves which permit direct outward flow to a tank's contents are locked closed when in non-operating or standby status. Describe:** Valves in the non-operating or standby status are secured with a lock or a blind flange.

4. **Starter controls on all product pumps in non-operating or standby status are:**

   (a) locked in the "off" position.

   (b) located at sites accessible only to authorized personnel.

5. **Discussion of the lighting around the facility:** Adequate lighting is provided for safe operation and security.

PART III
REQUIRED ACTIONS IN EVENT OF SPILL

A. Take immediate actions to protect the environment by stopping all discharges and /or blocking all discharge routes to prevent the spill from entering any waterway.

B. Take immediate measures to minimize the threat to human life or health.

(a) Avoid direct contact with the spilled material;
(b) Avoid inhalation of any gases, fumes, vapors or smoke. All personnel should stay up wind (some gases inhibit the sense of smell or may be dangerous at detectable concentrations);
(c) Move and keep people away from the incident scene. Contact the nearest law enforcement authority for assistance if necessary;
(d) Attempt to determine and remove all ignition sources without endangering your own life;
(e) Assess the situation with regard to injuries and assist those requiring aid;
(f) Notify local public safety and health authorities (fire,police,hospital,etc.)

C. Get help, Contact the designated Centennial Natural Gas Corporation's local Supervisor and Spill Coordinator.

(a) Contact outside contractors and cooperatives to be utilized.
(b) Utilize equipment, materials and methods which are committed to control and removal of spill.

D. A reportable spill or leak requires telephone reports in the order listed below:

(a) New Mexico Oil Conservation Div., Artesia Office
(505) 748-1283

(b) New Mexico Oil Conservation Div., Santa Fee Office
(505) 827-5800 (work hours)

(c) National Response Center
(800) 424-8802

PART III
REQUIRED ACTIONS IN EVENT OF SPILL, Cont'd

E. Contents of Telephone Reports-

When making a telephone report, the caller should provide the following:

(a) Name and telephone number of person reporting spill;

(b) Date and time of spill or release

(c) Identity or chemical name of material released as well as whether the substance is an extremely hazardous substance;

(d) Estimate of quantity of material released and time of duration of event;

(e) Source of release, exact location of spill, including name of waters involved or threatened, and/or medium affected by the release;

(f) Name, address and telephone number of the facility;

(g) Extent of actual and potential water pollution;

(h) Person at spill site who is in charge of operations and phone number;

(i) Identify steps taken or proposed to contain and clean up released or spilled material and any precautions taken to minimize impacts including evacuation;

(j) Extent of injuries, if any;

(k) Any known or anticipated health risks associated with the incident and, where appropriate, advice regarding medical attention necessary for exposed individuals;

(l) Possible hazards to human health and to the environment (air, soil, water,wildlife, etc.). This assessment may include references to accepted chemical databases, Material Safety Data Sheets (MSDSs) and health advisories;

(m) Identity of governmental and/or private sector contacted or representatives responding on-scene.

PART III
REQUIRED ACTIONS IN EVENT OF SPILL, Cont'd

F. A reportable* spill as listed in G below must be reported to the New Mexico Oil Conservation Division with-in 7 days and to EPA with-in 30 days.
New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87504-2088.
U.S. EPA Regional Administrator, 1445 Ross Avenue, Dallas, Texas 75202-2733.

(a) Name of the facility
(b) Name(s) of the owner or operator of the facility;
(c) Location of the facility;
(d) Date and year of initial facility operation;
(e) Maximum storage or handling capacity of the facility and normal daily throughput;
(f) Description of the facility, including maps, flow diagrams, and topographical maps;
(g) A complete copy of the SPCC Plan with any amendments;
(h) The cause(s) of such spill, including a failure analysis of system or subsystem in which the failure occurred;
(i) The corrective actions and/or countermeasures taken, including an adequate description of equipment repairs and/or replacements;
(j) Additional preventive measures taken or contemplated to minimize the possibility of recurrence;
(k) Such other information as the Regional Administrator may reasonably require pertinent to the Plan or spill event.

G. * A Reportable Spill is defined as:

(a) Discharge of more than 1000 U.S. gallons of oil into a waterway.
(b) Such quantities that it has been determined may be harmful to the public health or welfare of the United States.
(c) Violate applicable water quality standards, 100 barrels of water for New Mexico Oil Conservation Commission.
(d) Cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.

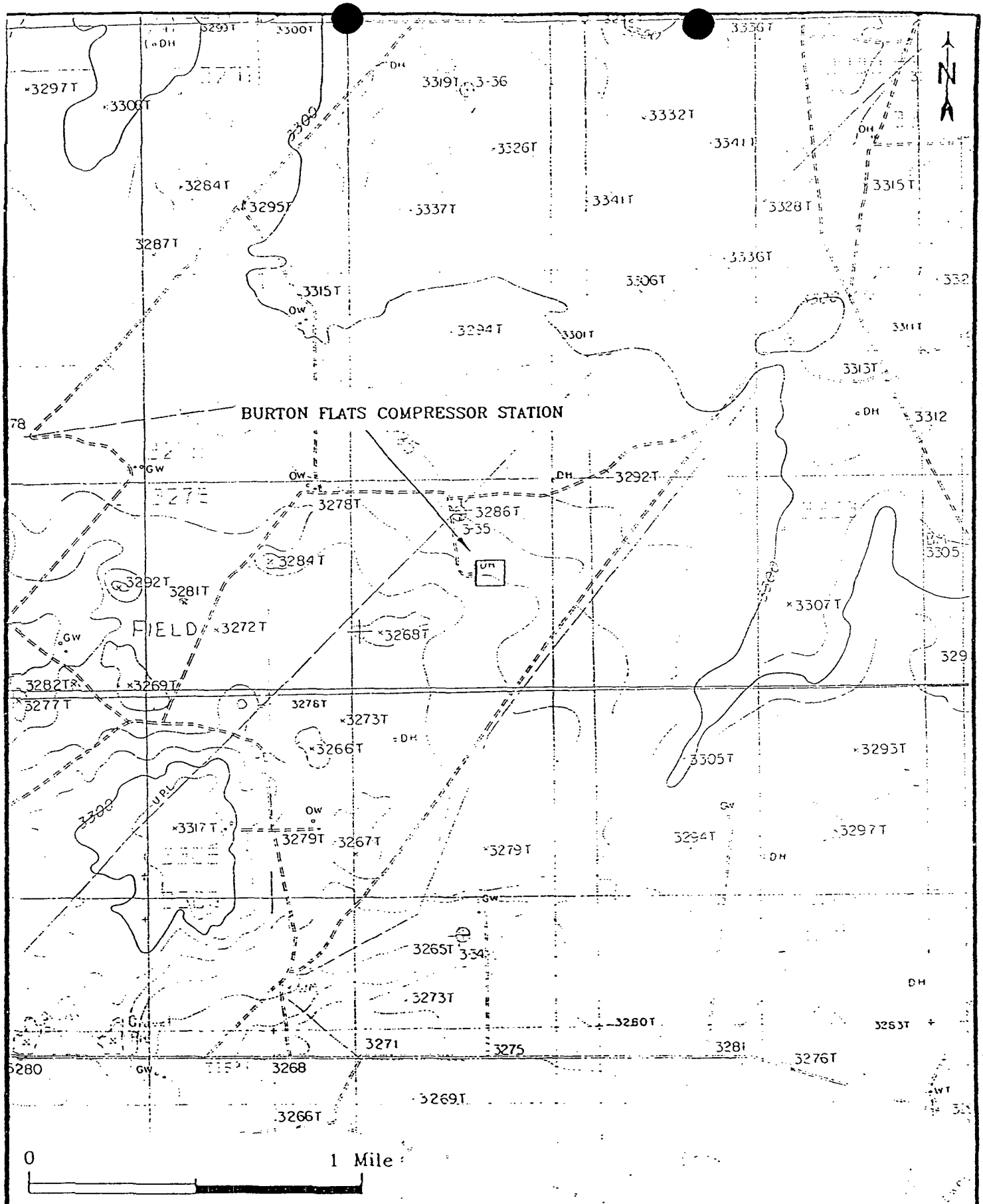
H. A record of all spills will be maintained on the forms of Attachment 2.

PART IV
AMENDMENTS OF THE SPCC PLAN

Centennial Natural Gas Corporation will amend this SPCC Plan whenever there is a change in facility design, construction, operation or maintenance which materially affects the facility's potential for the discharge of oil into or upon the navigable waters of the United states or adjoining shorelines. Such amendments will be fully implemented as soon as possible, but not later than six months after such change occurs.

Centennial Natural Gas Corporation will complete a review and evaluation of the SPCC Plan at least once every three years. As a result of this review and evaluation, Centennial Natural Gas Corporation will amend the SPCC Plan within six months of the review to include more effective prevention and control technology if: (1) Such technology will significantly reduce the likelihood of a spill event from the facility, and (2) if such technology has been field-proven at the time of the review.

The amendment to the SPCC Plan will be certified by a Professional Engineer.

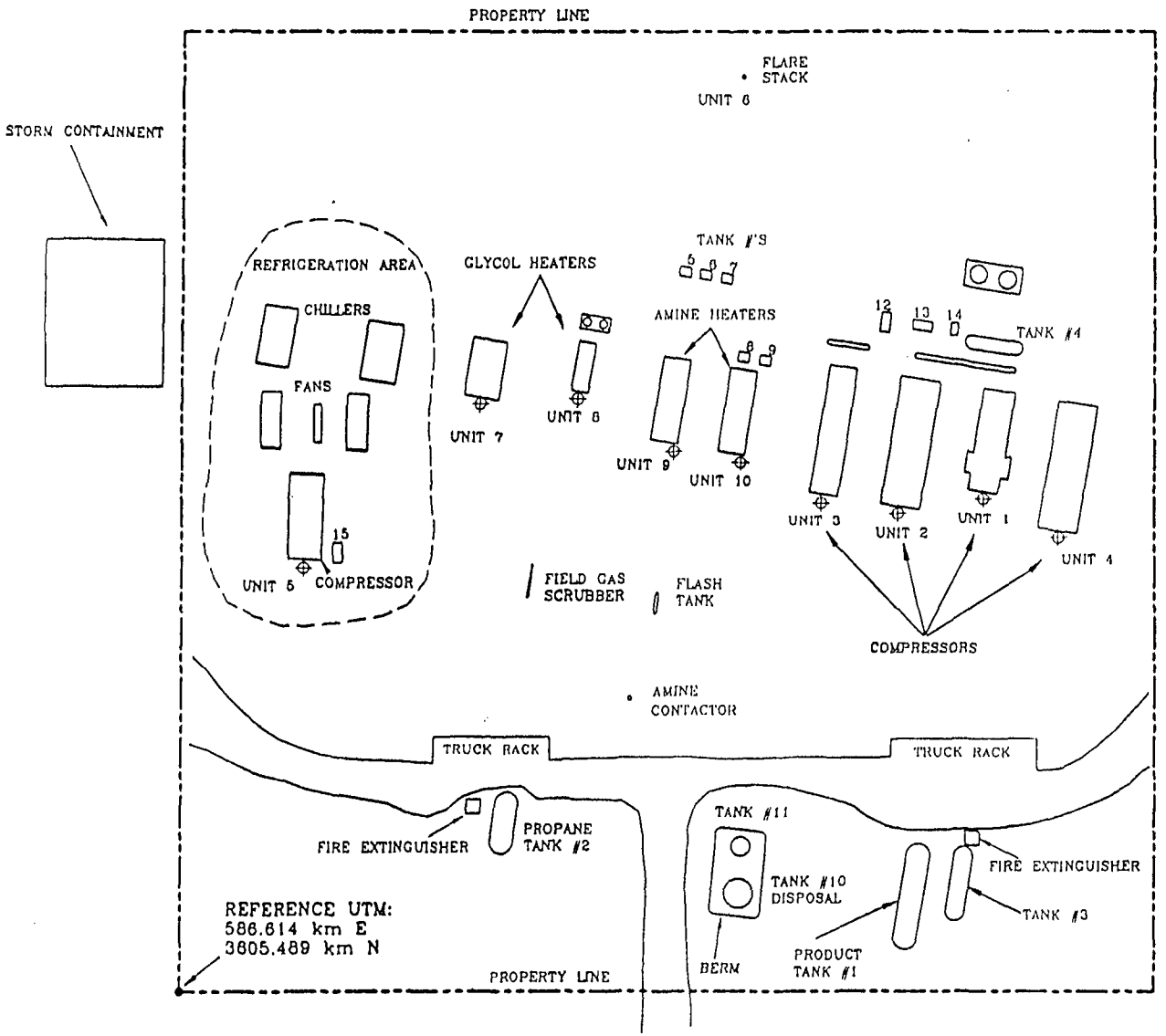


TITLE:
BURTON FLATS COMPRESSOR STATION
SITE VICINITY MAP

SOURCE ENVIRONMENTAL SCIENCES, INC.

EXTRACTED FROM:
ILLINOIS CAMP SE., NEW MEXICO 7.5 MINUTE QUADRANGLE

DATE	DRAWING NO.	FIGURE NO.
3/12/92	9203-7	1



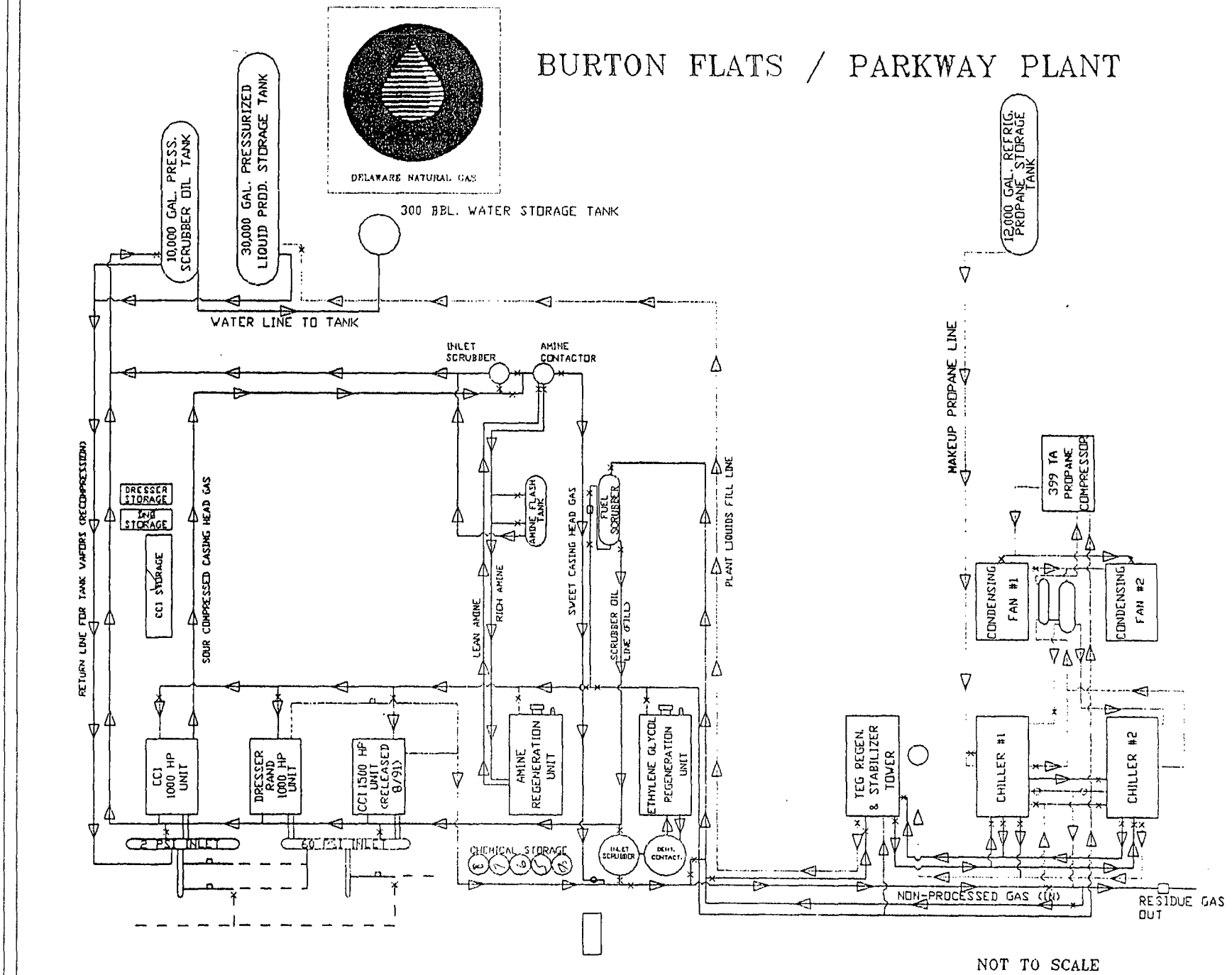
0 60
SCALE IN FEET

SOURCE ENVIRONMENTAL SCIENCES, INC.

CENTENNIAL NATURAL GAS CORPORATION
BURTON FLATS GAS PLANT
SPCC PROJECT

DRAWN BY:	DWG. NUMBER:	DATE:
DMJ	9204-35	4/21/92

BURTON FLATS / PARKWAY PLANT



NOT TO SCALE

ATTACHMENT 2

Centennial Natural Gas Corporation
Burton Flat Natural Gas Plant
Location: Burton Flat, New Mexico

SPILL REPORT

Date:_____ Time Discovered:_____ Product:_____ (Gals):_____

Source of Spill:_____

Reason for Spill:_____

_____

Action Taken on Spill (Notification/Whom/Time):_____

_____

NM Oil Conservation Div., Artesia (505) 748-1283 _____ AM/PM - BY:_____

NM Oil Conservation Div., Santa Fee (505) 827-5800 _____ AM/PM - BY:_____

National Response Ctr Notified: (800) 424-8802 _____ AM/PM - BY:_____

Amount Recovered:_____ - BY:_____

Condition of Area After Cleanup:_____

_____

Supervisor:_____ Notified - Date:_____ Time:_____

Corrective Action Taken:_____

_____

Distribution:_____

ATTACHMENT #2

DRAINAGE INSPECTION FORM

Centennial Natural Gas Corporation
Burton Flat Natural Gas Plant
Location: Burton Flat, New Mexico

CONDITION OF COMPONENTS DETERMINED DURING MONTHLY LEAKAGE INSPECTION
(G=Good, F=Fair, P=Poor, L=Leakage, A=Action Required)

Date of Release	Time of Release	Date of Rain	Sample Required	Analysis No.	COD mg/l	Oil & Grease mg/l	pH 6-9	Initials

COMMENTS:

ATTACHMENT #2

STORAGE FACILITIES INSPECTION FORMS

Centennial Natural Gas Corporation
Burton Flat Natural Gas Plant
Location: Burton Flat, New Mexico

CONDITION OF COMPONENTS DETERMINED DURING MONTHLY LEAKAGE INSPECTION
(G=Good, F=Fair, P=Poor, L=Leakage, A=Action Required)

DATE _____

Tank No.	Discharge Valves	Level Gages	Piping	Leakage	Action Required	Action Date	Outlet Valve	Initials
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

ATTACHMENT #2

PUMP AND PIPING INSPECTION FORMS

Centennial Natural Gas Corporation
Burton Flat Natural Gas Plant
Location: Burton Flat, New Mexico

CONDITION OF COMPONENTS DETERMINED DURING MONTHLY LEAKAGE INSPECTION
(G=Good, F=Fair, P=Poor, L=Leakage, A=Action Required)

DATE _____

Pump	Location	Packing	Relief Valve	Piping	Drainage & Curbs	Action Required	Action Date	Initials

COMMENTS:

federal register

TUESDAY, DECEMBER 11, 1973
WASHINGTON, D.C.

Volume 38 ■ Number 237

PART II

ENVIRONMENTAL PROTECTION AGENCY

OIL POLLUTION PREVENTION

Non-Transportation Related Onshore and Offshore Facilities

Title 40—Protection of the Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER D—WATER PROGRAMS

PART 112—OIL POLLUTION PREVENTION

Non-transportation Related Onshore and Offshore Facilities

Notice of proposed rule making was published on July 19, 1973, containing proposed regulations, required by an pursuant to section 311(j)(1)(C) of the Federal Water Pollution Control A t, as amended (86 Stat. 868, 33 U.S.C. 1251 et seq.), (FWPCA), to prevent discharges of oil into the navigable waters of the United States and to contain such discharges if they occur. The proposed regulations endeavor to prevent such spills by establishing procedures, methods and equipment requirements of owners or operators of facilities engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, or consuming oil.

Written comments on the proposed regulations were solicited and received from interested parties. In addition, a number of verbal comments on the proposal were also received. The written comments are on file at the Division of Oil and Hazardous Materials, Office of Water Program Operations, U.S. Environmental Protection Agency, Washington, D.C.

All of the comments have been given careful consideration and a number of changes have been made in the regulation. These changes incorporate either suggestions made in the comments or ideas initiated by the suggestions.

Some comments reflected a misunderstanding of the fundamental principles of the regulation, specifically as they applied to older facilities and marginal operations. During the development of the regulation it was recognized that no single design or operational standard can be prescribed for all non-transportation related facilities, since the equipment and operational procedures appropriate for one facility may not be appropriate for another because of factors such as function, location, and age of each facility. Also, new facilities could achieve a higher level of spill prevention than older facilities by the use of fail-safe design concepts and innovative spill prevention methods and procedures. It was concluded that older facilities and marginal operations could develop strong spill contingency plans and commit manpower, oil containment devices and removal equipment to compensate for inherent weaknesses in the spill prevention plan.

Appropriate changes were made in the regulation to simplify, clarify or correct deficiencies in the proposal.

A discussion of these changes, section by section follows:

A. *Section 112.1—General applicability.* Section 112.1(b), the "foreseeability provision", contained in .112.1(d)(4) was added to paragraph 112.1(b). As modified, the regulation applies to non-transportation-related onshore and offshore facilities which, due to their location, could reasonably be expected to discharge oil into or upon the navigable waters of the United States or adjoining shorelines.

Sections 112.1(b), 112.1(d)(4) and 112.3 are now consistent.

Section 112.1(d)(1) was expanded to further clarify the respective authorities of the Department of Transportation and the Environmental Protection Agency by referring to the Memorandum of Understanding between the Secretary of Transportation and the Administrator of the Environmental Protection Agency (Appendix).

Section 112.1(d)(2), the figure for barrels was converted to gallons, a unit of measure more familiar to the public, and now reads "42000 gallons."

Section 112.1(d)(3), exemption for facilities with nonburied tankage was extended to 1320 gallons in aggregate with no single tank larger than 660 gallons and applies to all oils, not just heating oil and motor fuel. Tanks of 660 gallons are the normal domestic code size for nonburied heating oil tanks. Buildings may have two such tanks. Facilities containing small quantities of oil other than motor fuel or heating oil would also be exempt, thus making this consistent with the definition of oil in § 112.2.

B. *Section 112.2—Definitions.* Section 112.2(1), the term "navigable waters" was expanded to the more descriptive definition used by the National Pollutant Discharge Elimination System.

Section 112.2(m), the U.S. Coast Guard definition of the term "vessel" was included. This term is used in the regulation and the definition is consistent with the Department of Transportation regulations.

C. *Section 112.3—Requirements for the preparation and implementation of spill prevention control and countermeasure plans.* A new paragraph (c) was added to § 112.3 which applies to mobile or portable facilities subject to the regulation. These facilities need not prepare a new Spill Prevention Control and Countermeasure Plan (SPCC Plan) each time the facility is moved to a new site, but may prepare a general plan, identifying good spill prevention engineering practices (as outlined in the guidelines, § 112.7), and implement these practices at each new location.

Section 112.3(a), (b) and (f) (which was § 112.3(e) in the proposed rule making) have been modified to allow extensions of time beyond the normally specified periods to apply to the preparation of plans as well as to their implementation and to remove the time limitation of one year for extensions. Extensions may be allowed for whatever period of time considered reasonable by the Regional Administrator.

Section 112.3(e) (which was § 112.3(d) in the proposed rule making) was modified to require the maintenance of the SPCC Plan for inspection at the facility only if the facility was normally manned. If the facility is unmanned, the Plan may be kept at the nearest field office.

Section 112.3(a)(1) (§ 112.3(e)(1) in the proposed regulation) was changed to include the nonavailability of qualified personnel as a reason for the Regional Administrator granting an extension of time.

D. *Section 112.4—Amendment of spill prevention control and countermeasure plans by Regional Administrator.* Section 112.4(a)(1), permits the Regional Administrator to require that the owner or operator furnish additional information to EPA after one or more spill event has occurred. The change limits the request for additional information to that pertinent to the SPCC Plan or to the pollution incident.

Section 112.4(b) now reads "Section 112.4 * * *", not "This subsection * * *"

Section 112.4(c) allowed the Regional Administrator to require amendments to SPCC Plans and specifies that the amendment must be incorporated in the Plan within 30 days unless the Regional Administrator specifies an earlier effective date. The change allows the Regional Administrator to specify any appropriate date that is reasonable.

Section 112.4(f), A new § 112.4(f) has been added which provides for an appeal by an owner or operator from a decision rendered by the Regional Administrator on an amendment to an SPCC Plan. The appeal is made to the Administrator of EPA and the paragraph outlines the procedures for making such an appeal.

E. *Section 112.5—Amendment of spill prevention control and countermeasure plans by owners or operators.* Section 112.5(b) required the owner or operator to amend the SPCC Plan every three years. The amendment required the incorporation of any new, field-proven technology and had to be certified by a Professional Engineer.

The change requires that the owner or operator review the Plan every three years to see if it needs amendment. New technology need be incorporated only if it will significantly reduce the likelihood of a spill. The change will prevent frivolous retrofitting of equipment to facilities whose prevention plans are working successfully, and will not require engineering certification unless an amendment is necessary.

Section 112.5(c), this paragraph required that the owner or operator amend his SPCC Plan when his facility became subject to §112.4 (amendment by the Regional Administrator). This paragraph has been removed. It is inconsistent to require the owner or operator to independently amend the Plan while the Regional Administrator is reviewing it for possible amendment.

F. *Section 112.6—Civil penalties.* There are no changes in this section.

G. *Section 112.7—Guidelines for the preparation and implementation of a spill prevention control and countermeasure plan.* Numerous changes have been made in the guidelines section; the changes have been primarily:

1. To correct the use of language inconsistent with guidelines. For example, the word "shall" has been changed to "should" in § 112.7(a) through (e).

2. To give the engineer preparing the Plan greater latitude to use alternative methods better suited to a given facility or local conditions.

3. To cover facilities subject to the regulation, but for which no guidelines were previously given. This category includes such things as mobile facilities, and drilling and workover rigs.

In addition, wording was changed to differentiate between periodic observations by operating personnel and formal inspections with attendant record keeping.

These regulations shall become effective January 10, 1974.

Dated: November 27, 1973.

JOHN QUARLES,
Acting Administrator.

A new Part 112 would be added to subchapter D, Chapter I of Title 40, Code of Federal Regulations as follows:

Sec.
112.1 General applicability.
112.2 Definitions.
112.3 Requirements for preparation and implementation of Spill Prevention Control and Countermeasure plans.
112.4 Amendment of Spill Prevention Control and Countermeasure Plans by Regional Administrator.
112.5 Admendment of Spill Prevention Control and Countermeasure Plans by owners or operators.
112.6 Civil penalties.
112.7 Guidelines for the preparation and implementation of a Spill Prevention Control and Countermeasure Plan.
Appendix Memorandum of Understanding Between the Secretary of the Department of Transportation and the Administrator of the Environmental Protection Agency. Section II—Definitions.

AUTHORITY: Secs. 311(j)(1)(C), 311(j)(2), 501(a), Federal Water Pollution Control Act (Sec. 2, Pub. L. 92-500, 86 Stat. 816 et seq. (33 U.S.C. 1251 et seq.)); Sec. 4(b), Pub. L. 92-500, 86 Stat. 897; 5 U.S.C. Reorg. Plan of 1970 No. 3 (1970), 35 FR 15623, 3 CFR 1966-1970 Comp.; E.O. 11735, 38 FR 21243, 3 CFR.

§ 112.1 General applicability.

(a) This part establishes procedures, methods and equipment and other requirements for equipment to prevent the discharge of oil from non-transportation-related onshore and offshore facilities into or upon the navigable waters of the United States or adjoining shorelines.

(b) Except as provided in paragraph (d) of this section, this part applies to owners or operators of non-transportation-related onshore and offshore facilities engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing or consuming oil and oil products, and which, due to their location, could reasonably be expected to discharge oil in harmful quantities, as defined in Part 110 of this chapter, into or upon the navigable waters of the United States or adjoining shorelines.

(c) As provided in sec. 313 (86 Stat. 875) departments, agencies, and instrumentalities of the Federal government are subject to these regulations to the same extent as any person, except for the provisions of § 112.6.

(d) This part does not apply to:

(1) Equipment or operations of vessels or transportation-related onshore and offshore facilities which are subject to authority and control of the Department of Transportation, as defined in the Memorandum of Understanding between the Secretary of Transportation and the Administrator of the Environmental Protection Agency, dated November 24, 1971, 36 FR 24000.

(2) Facilities which have an aggregate storage of 1320 gallons or less of oil, provided no single container has a capacity in excess of 660 gallons.

(3) Facilities which have a total storage capacity of 42000 gallons or less of oil and such total storage capacity is buried underground.

(4) Non-transportation-related onshore and offshore facilities, which, due to their location, could not reasonably be expected to discharge oil into or upon the navigable waters of the United States or adjoining shorelines.

(e) This part provides for the preparation and implementation of Spill Prevention Control and Countermeasure Plans prepared in accordance with § 112.7, designed to complement existing laws, regulations, rules, standards, policies and procedures pertaining to safety standards, fire prevention and pollution prevention rules, so as to form a comprehensive balanced Federal/State spill prevention program to minimize the potential for oil discharges. Compliance with this part does not in any way relieve the owner or operator of an onshore or an offshore facility from compliance with other Federal, State or local laws.

§ 112.2 Definitions.

For the purposes of this part:

(a) "Oil" means oil of any kind or in any form, including, but not limited to petroleum, fuel oil, sludge, oil refuse and oil mixed with wastes other than dredged spoil.

(b) "Discharge" includes but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying or dumping. For purposes of this part, the term "discharge" shall not include any discharge of oil which is authorized by a permit issued pursuant to Section 13 of the River and Harbor Act of 1899 (30 Stat. 1121, 33 U.S.C. 407), or Sections 402 or 405 of the FWPCA Amendments of 1972 (86 Stat. 816 et seq., 33 U.S.C. 1251 et seq.).

(c) "Onshore facility" means any facility of any kind located in, on, or under any land within the United States, other than submerged lands, which is not a transportation-related facility.

(d) "Offshore facility" means any facility of any kind located in, on, or under any of the navigable waters of the United States, which is not a transportation-related facility.

(e) "Owner or operator" means any person owning or operating an onshore facility or an offshore facility, and in the case of any abandoned offshore facility, the person who owned or operated such facility immediately prior to such abandonment.

(f) "Person" includes an individual, firm, corporation, association, and a partnership.

(g) "Regional Administrator", means the Regional Administrator of the Environmental Protection Agency, or his designee, in and for the Region in which the facility is located.

(h) "Transportation-related" and "non-transportation-related" as applied to an onshore or offshore facility, are defined in the Memorandum of Understanding between the Secretary of Transportation and the Administrator of the Environmental Protection Agency, dated November 24, 1971, 36 FR 24080.

(i) "Spill event" means a discharge of oil into or upon the navigable waters of the United States or adjoining shorelines in harmful quantities, as defined at 40 CFR Part 110.

(j) "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(k) The term "navigable waters" of the United States means "navigable waters" as defined in section 502(7) of the FWPCA, and includes:

(1) all navigable waters of the United States, as defined in judicial decisions prior to passage of the 1972 Amendments to the FWPCA (Pub. L. 92-500), and tributaries of such waters;

(2) interstate waters;

(3) intrastate lakes, rivers, and streams which are utilized by interstate travelers for recreational or other purposes; and

(4) intrastate lakes, rivers, and streams from which fish or shellfish are taken and sold in interstate commerce.

(l) "Vessel" means every description of watercraft or other artificial contrivance used, or capable of being used as a means of transportation on water, other than a public vessel.

§ 112.3 Requirements for preparation and implementation of Spill Prevention Control and Countermeasure Plans.

(a) Owners or operators of onshore and offshore facilities in operation on or before the effective date of this part that have discharged or could reasonably be expected to discharge oil in harmful quantities, as defined in 40 CFR Part 110, into or upon the navigable waters of the United States or adjoining shorelines, shall prepare a Spill Prevention Control and Countermeasure Plan (hereinafter "SPCC Plan"), in accordance with § 112.7. Except as provided for in paragraph (f) of this section, such SPCC Plan shall be prepared within six months after the effective date of this part and shall be fully implemented as soon as possible, but not later than one year after the effective date of this part.

(b) Owners or operators of onshore and offshore facilities that become operational after the effective date of this part, and that have discharged or could reasonably be expected to discharge oil in harmful quantities, as defined in 40 CFR Part 110, into or upon the navigable waters of the United States or adjoining shorelines, shall prepare an SPCC Plan in accordance with § 112.7. Except as provided for in paragraph (f) of this section, such SPCC Plan shall be prepared within six months after the date such facility begins operations and shall be fully implemented as soon as possible, but not later than one year after such facility begins operations.

(c) Onshore and offshore mobile or portable facilities such as onshore drilling or workover rigs, barge mounted offshore drilling or workover rigs, and portable fueling facilities shall prepare and implement an SPCC Plan as required by paragraphs (a), (b) and (d) of this section. The owner or operator of such facility need not prepare and implement a new SPCC Plan each time the facility is moved to a new site. The SPCC Plan for mobile facilities should be prepared in accordance with § 112.7, using good engineering practice, and when the mobile facility is moved it should be located and installed using spill prevention practices outlined in the SPCC Plan for the facility. The SPCC Plan shall only apply while the facility is in a fixed (non transportation) operating mode.

(d) No SPCC Plan shall be effective to satisfy the requirements of this part unless it has been reviewed by a Registered Professional Engineer and certified to by such Professional Engineer. By means of this certification the engineer, having examined the facility and being familiar with the provisions of this part, shall attest that the SPCC Plan has been prepared in accordance with good engineering practices. Such certification shall in no way relieve the owner or operator of an onshore or offshore facility of his duty to prepare and fully implement such Plan in accordance with § 112.7, as required by paragraphs (a), (b) and (c) of this section.

(e) Owners or operators of a facility for which an SPCC Plan is required pursuant to paragraphs (a), (b) or (c) of this section shall maintain a complete copy of the Plan at such facility if the facility is normally attended at least 8 hours per day, or at the nearest field office if the facility is not so attended, and shall make such Plan available to the Regional Administrator for on-site review during normal working hours.

(f) Extensions of time.

(1) The Regional Administrator may authorize an extension of time for the preparation and full implementation of an SPCC Plan beyond the time permitted for the preparation and implementation of an SPCC Plan pursuant to paragraphs (a), (b) or (c) of this section where he finds that the owner or operator of a facility subject to paragraphs (a), (b) or (c) of this section cannot fully comply with the requirements of this part as a result of either nonavailability of qualified personnel, or delays in construction or equipment delivery beyond the control and without the fault of such owner or operator or their respective agents or employees.

(2) Any owner or operator seeking an extension of time pursuant to paragraph (f) (1) of this section may submit a letter of request to the Regional Administrator. Such letter shall include:

(i) A complete copy of the SPCC Plan, if completed;

(ii) A full explanation of the cause for any such delay and the specific aspects of the SPCC Plan affected by the delay;

(iii) A full discussion of actions being taken or contemplated to minimize or mitigate such delay;

(iv) A proposed time schedule for the implementation of any corrective actions being taken or contemplated, including interim dates for completion of tests or studies, installation and operation of any necessary equipment or other preventive measures.

In addition, such owner or operator may present additional oral or written statements in support of his letter of request.

(3) The submission of a letter of request for extension of time pursuant to paragraph (f) (2) of this section shall in no way relieve the owner or operator from his obligation to comply with the requirements of § 112.3 (a), (b) or (c). Where an extension of time is authorized by the Regional Administrator for particular equipment or other specific aspects of the SPCC Plan, such extension shall in no way affect the owner's or operator's obligation to comply with the requirements of § 112.3 (a), (b) or (c) with respect to other equipment or other specific aspects of the SPCC Plan for which an extension of time has not been expressly authorized.

§ 112.4 Amendment of SPCC Plans by Regional Administrator.

(a) Notwithstanding compliance with § 112.3, whenever a facility subject to § 112.3 (a), (b) or (c) has: Discharged more than 1,000 U.S. gallons of oil into or upon the navigable waters of the United States or adjoining shorelines in a single spill event, or discharged oil in harmful quantities, as defined in 40 CFR Part 110, into or upon the navigable waters of the United States or adjoining shorelines in two spill events, reportable under section 311(b)(5) of the FWPCA, occurring within any twelve month period, the owner or operator of such facility shall submit to the Regional Administrator, within 60 days from the time such facility becomes subject to this section, the following:

(1) Name of the facility;

(2) Name(s) of the owner or operator of the facility;

(3) Location of the facility;

(4) Date and year of initial facility operation;

(5) Maximum storage or handling capacity of the facility and normal daily throughput;

(6) Description of the facility, including maps, flow diagrams, and topographical maps;

(7) A complete copy of the SPCC Plan with any amendments;

(8) The cause(s) of such spill, including a failure analysis of system or subsystem in which the failure occurred;

(9) The corrective actions and/or countermeasures taken, including an adequate description of equipment repairs and/or replacements;

(10) Additional preventive measures taken or contemplated to minimize the possibility of recurrence;

(11) Such other information as the Regional Administrator may reasonably require pertinent to the Plan or spill event.

(b) Section 112.4 shall not apply until the expiration of the time permitted for the preparation and implementation of an SPCC Plan pursuant to § 112.3 (a), (b), (c) and (f).

(c) A complete copy of all information provided to the Regional Administrator pursuant to paragraph (a) of this section shall be sent at the same time to the State agency in charge of water pollution control activities in and for the State in which the facility is located. Upon receipt of such information such State agency may conduct a review and make recommendations to the Regional Administrator as to further procedures, methods, equipment and other requirements for equipment necessary to prevent and to contain discharges of oil from such facility.

(d) After review of the SPCC Plan for a facility subject to paragraph (a) of this section, together with all other information submitted by the owner or operator of such facility, and by the State agency under paragraph (c) of this section, the Regional Administrator may require the owner or operator of such facility to amend the SPCC Plan if he finds that the Plan does not meet the requirements of this part or that the amendment of the Plan is necessary to prevent and to contain discharges of oil from such facility.

(e) When the Regional Administrator proposes to require an amendment to the SPCC Plan, he shall notify the facility operator by certified mail addressed to, or by personal delivery to, the facility owner or operator, that he proposes to require an amendment to the Plan, and shall specify the terms of such amendment. If the facility owner or operator is a corporation, a copy of such notice shall also be mailed to the registered agent, if any, of such corporation in the State where such facility is located. Within 30 days from receipt of such notice, the facility owner or operator may submit written information, views, and arguments on the amendment. After considering all relevant material presented, the Regional Administrator shall notify the facility owner or operator of any amendment required or shall rescind the notice. The amendment required by the Regional Administrator shall become part of the Plan 30 days

after such notice, unless the Regional Administrator, for good cause, shall specify another effective date. The owner or operator of the facility shall implement the amendment of the Plan as soon as possible, but not later than six months after the amendment becomes part of the Plan, unless the Regional Administrator specifies another date.

(f) An owner or operator may appeal a decision made by the Regional Administrator requiring an amendment to an SPCC Plan. The appeal shall be made to the Administrator of the United States Environmental Protection Agency and must be made in writing within 30 days of receipt of the notice from the Regional Administrator requiring the amendment. A complete copy of the appeal must be sent to the Regional Administrator at the time the appeal is made. The appeal shall contain a clear and concise statement of the issues and points of fact in the case. It may also contain additional information which the owner or operator wishes to present in support of his argument. The Administrator or his designee may request additional information from the owner or operator, or from any other person. The Administrator or his designee may request additional information from the owner or operator, or from any other person. The Administrator or his designee shall render a decision within 60 days of receiving the appeal and shall notify the owner or operator of his decision.

§ 112.5 Amendment of Spill Prevention Control and Countermeasure Plans by owners or operators.

(a) Owners or operators of facilities subject to § 112.3 (a), (b) or (c) shall amend the SPCC Plan for such facility in accordance with § 112.7 whenever there is a change in facility design, construction, operation or maintenance which materially affects the facility's potential for the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines. Such amendments shall be fully implemented as soon as possible, but not later than six months after such change occurs.

(b) Notwithstanding compliance with paragraph (a) of this section, owners and operators of facilities subject to § 112.3 (a), (b) or (c) shall complete a review and evaluation of the SPCC Plan at least once every three years from the date such facility becomes subject to this part. As a result of this review and evaluation, the owner or operator shall amend the SPCC Plan within six months of the review to include more effective prevention and control technology if: (1) Such technology will significantly reduce the likelihood of a spill event from the facility, and (2) if such technology has been field-proven at the time of the review.

(c) No amendment to an SPCC Plan shall be effective to satisfy the requirements of this section unless it has been certified by a Professional Engineer in accordance with § 112.3(d).

§ 112.6 Civil penalties.

Owners or operators of facilities subject to § 112.3 (a), (b) or (c) who violate the requirements of this part by failing or refusing to comply with any of the provisions of § 112.3, § 112.4, or § 112.5 shall be liable for a civil penalty of not more than $5,000 for each day that such violation continues. The Regional Administrator may assess and compromise such civil penalty. No penalty shall be assessed until the owner or operator shall have been given notice and an opportunity for hearing.

§ 112.7 Guidelines for the preparation and implementation of a Spill Prevention Control and Countermeasure Plan.

The SPCC Plan shall be a carefully thought-out plan, prepared in accordance with good engineering practices, and which has the full approval of management at a level with authority to commit the necessary resources. If the plan calls for additional facilities or procedures, methods, or equipment not yet fully operational, these items should be discussed in separate paragraphs, and the details of installation and operational start-up should be explained separately. The complete SPCC Plan shall follow the sequence outlined below, and include a discussion of the facility's conformance with the appropriate guidelines listed:

(a) A facility which has experienced one or more spill events within twelve months prior to the effective date of this part should include a written description of each such spill, corrective action taken and plans for preventing recurrence.

(b) Where experience indicates a reasonable potential for equipment failure (such as tank overflow, rupture, or leakage), the plan should include a prediction of the direction, rate of flow, and total quantity of oil which could be discharged from the facility as a result of each major type of failure.

(c) Appropriate containment and/or diversionary structures or equipment to prevent discharged oil from reaching a navigable water course should be provided. One of the following preventive systems or its equivalent should be used as a minimum:

(1) Onshore facilities.

(i) Dikes, berms or retaining walls sufficiently impervious to contain spilled oil

(ii) Curbing

(iii) Culverting, gutters or other drainage systems

(iv) Weirs, booms or other barriers

(v) Spill diversion ponds

(vi) Retention ponds

(vii) Sorbent materials

(2) Offshore facilities.

(i) Curbing, drip pans

(ii) Sumps and collection systems

(d) When it is determined that the installation of structures or equipment listed in § 112.7(c) to prevent discharged oil from reaching the navigable waters is not practicable from any onshore or offshore facility, the owner or operator should clearly demonstrate such impracticability and provide the following:

(1) A strong oil spill contingency plan following the provision of 40 CFR Part 109.

(2) A written commitment of manpower, equipment and materials required to expeditiously control and remove any harmful quantity of oil discharged.

(e) In addition to the minimal prevention standards listed under § 112.7 (c), sections of the Plan should include a complete discussion of conformance with the following applicable guidelines, other effective spill prevention and containment procedures (or, if more stringent, with State rules, regulations and guidelines):

(1) *Facility drainage (onshore); (excluding production facilities).* (i) Drainage from diked storage areas should be restrained by valves or other positive means to prevent a spill or other excessive leakage of oil into the drainage system or inplant effluent treatment system, except where plan systems are designed to handle such leakage. Diked areas may be emptied by pumps or ejectors; however, these should be manually activated and the condition of the accumulation should be examined before starting to be sure no oil will be discharged into the water.

(ii) Flapper-type drain valves should not be used to drain diked areas. Valves used for the drainage of diked areas should, as far as practical, be of manual, open-and-closed design. When plant drainage drains directly into water courses and not into wastewater treatment plants, retained storm water should be inspected as provided in paragraph (e)(2)(iii) (B, C and D) before drainage.

(iii) Plant drainage systems from undiked areas should, if possible, flow into ponds, lagoons or catchment basins, designed to retain oil or return it to the facility. Catchment basins should not be located in areas subject to periodic flooding.

(iv) If plant drainage is not engineered as above, the final discharge of all in-plant ditches should be equipped with a diversion system that could, in the event of an uncontrolled spill, return the oil to the plant.

(v) Where drainage waters are treated in more than one treatment unit, natural hydraulic flow should be used. If pump transfer is needed, two "lift" pumps should be provided, and at least one of the pumps should be permanently installed when such treatment is continuous. In any event, whatever techniques are used facility drainage systems should be adequately engineered to prevent oil from reaching navigable waters in the event of equipment failure or human error at the facility.

(2) *Bulk storage tanks (onshore); (excluding production facilities).* (i) No

tank should be used for the storage of oil unless its material and construction are compatible with the material stored and conditions of storage such as pressure and temperature, etc.

(ii) All bulk storage tank installations should be constructed so that a secondary means of containment is provided for the entire contents of the largest single tank plus sufficient freeboard to allow for precipitation. Diked areas should be sufficiently impervious to contain spilled oil. Dikes, containment curbs, and pits are commonly employed for this purpose, but they may not always be appropriate. An alternative system could consist of a complete drainage trench enclosure arranged so that a spill could terminate and be safely confined in an in-plant catchment basin or holding pond.

(iii) Drainage of rainwater from the diked area into a storm drain or an effluent discharge that empties into an open water course, lake, or pond, and bypassing the in-plant treatment system may be acceptable if:

(A) The bypass valve is normally sealed closed.

(B) Inspection of the run-off rain water ensures compliance with applicable water quality standards and will not cause a harmful discharge as defined in 40 CFR 110.

(C) The bypass valve is opened, and resealed following drainage under responsible supervision.

(D) Adequate records are kept of such events.

(iv) Buried metallic storage tanks represent a potential for undetected spills. A new buried installation should be protected from corrosion by coatings, cathodic protection or other effective methods compatible with local soil conditions. Such buried tanks should at least be subjected to regular pressure testing.

(v) Partially buried metallic tanks for the storage of oil should be avoided, unless the buried section of the shell is adequately coated, since partial burial in damp earth can cause rapid corrosion of metallic surfaces, especially at the earth/air interface.

(vi) Aboveground tanks should be subject to periodic integrity testing, taking into account tank design (floating roof, etc.) and using such techniques as hydrostatic testing, visual inspection or a system of non-destructive shell thickness testing. Comparison records should be kept where appropriate, and tank supports and foundations should be included in these inspections. In addition, the outside of the tank should frequently be observed by operating personnel for signs of deterioration, leaks which might cause a spill, or accumulation of oil inside diked areas.

(vii) To control leakage through defective internal heating coils, the following factors should be considered and applied, as appropriate.

(A) The steam return or exhaust lines from internal heating coils which discharge into an open water course should be monitored for contamination, or passed through a settling tank, skimmer, or other separation or retention system.

(B) The feasibility of installing an external heating system should also be considered.

(viii) New and old tank installations should, as far as practical, be fail-safe engineered or updated into a fail-safe engineered installation to avoid spills. Consideration should be given to providing one or more of the following devices:

(A) High liquid level alarms with an audible or visual signal at a constantly manned operation or surveillance station; in smaller plants an audible air vent may suffice.

(B) Considering size and complexity of the facility, high liquid level pump cutoff devices set to stop flow at a predetermined tank content level.

(C) Direct audible or code signal communication between the tank gauger and the pumping station.

(D) A fast response system for determining the liquid level of each bulk storage tank such as digital computers, telepulse, or direct vision gauges or their equivalent.

(E) Liquid level sensing devices should be regularly tested to insure proper operation.

(ix) Plant effluents which are discharged into navigable waters should have disposal facilities observed frequently enough to detect possible system upsets that could cause an oil spill event.

(x) Visible oil leaks which result in a loss of oil from tank seams, gaskets, rivets and bolts sufficiently large to cause the accumulation of oil in diked areas should be promptly corrected.

(xi) Mobile or portable oil storage tanks (onshore) should be positioned or located so as to prevent spilled oil from reaching navigable waters. A secondary means of containment, such as dikes or catchment basins, should be furnished for the largest single compartment or tank. These facilities should be located where they will not be subject to periodic flooding or washout.

(3) *Facility transfer operations, pumping, and in-plant process (onshore); (excluding production facilities).* (i) Buried piping installations should have a protective wrapping and coating and should be cathodically protected if soil conditions warrant. If a section of buried line is exposed for any reason, it should be carefully examined for deterioration. If corrosion damage is found, additional examination and corrective action should be taken as indicated by the magnitude of the damage. An alternative would be the more frequent use of exposed pipe corridors or galleries.

(ii) When a pipeline is not in service, or in standby service for an extended time the terminal connection at the transfer point should be capped or blank-flanged, and marked as to origin.

(iii) Pipe supports should be properly designed to minimize abrasion and corrosion and allow for expansion and contraction.

(iv) All aboveground valves and pipelines should be subjected to regular examinations by operating personnel at which time the general condition of items, such as flange joints, expansion joints, valve glands and bodies, catch pans, pipeline supports, locking of valves, and metal surfaces should be assessed. In addition, periodic pressure testing may be warranted for piping in areas where facility drainage is such that a failure might lead to a spill event.

(v) Vehicular traffic granted entry into the facility should be warned verbally or by appropriate signs to be sure that the vehicle, because of its size, will not endanger above ground piping.

(4) *Facility tank car and tank truck loading/unloading rack (onshore).* (i) Tank car and tank truck loading/unloading procedures should meet the minimum requirements and regulation established by the Department of Transportation.

(ii) Where rack area drainage does not flow into a catchment basin or treatment facility designed to handle spills, a quick drainage system should be used for tank truck loading and unloading areas. The containment system should be designed to hold at least maximum capacity of any single compartment of a tank car or tank truck loaded or unloaded in the plant.

(iii) An interlocked warning light or physical barrier system, or warning signs, should be provided in loading/unloading areas to prevent vehicular departure before complete disconnect of flexible or fixed transfer lines.

(iv) Prior to filling and departure of any tank car or tank truck, the lowermost drain and all outlets of such vehicles should be closely examined for leakage, and if necessary, tightened, adjusted, or replaced to prevent liquid leakage while in transit.

(5) *Oil production facilities (onshore)* (i) *Definition.* An onshore production facility may include all wells, flowlines, separation equipment, storage facilities, gathering lines, and auxiliary non-transportation-related equipment and facilities in a single geographical oil or gas field operated by a single operator.

(ii) *Oil production facility (onshore) drainage.* (A) At tank batteries and central treating stations where an accidental discharge of oil would have a reasonable possibility of reaching navigable waters, the dikes or equivalent required under § 112.7(c)(1) should have drains closed and sealed at all times except when rainwater is being drained. Prior to drainage, the diked area should be inspected as provided in paragraph (e)(2)(iii) (B), C), and (D). Accumulated oil on the rainwater should be picked up and returned to storage or disposed of in accordance with approved methods.

(B) Field drainage ditches, road ditches, and oil traps, sumps or skimmers, if such exist, should be inspected at regularly scheduled intervals for accumulation of oil that may have escaped from small leaks. Any such accumulations should be removed.

(iii) *Oil production facility (onshore) bulk storage tanks.* (A) No tank should be used for the storage of oil unless its material and construction are compatible with the material stored and the conditions of storage.

(B) All tank battery and central treating plant installations should be provided with a secondary means of containment for the entire contents of the largest single tank if feasible, or alternate systems such as those outlined in § 112.7(c)(1). Drainage from undiked areas should be safely confined in a catchment basin or holding pond.

(C) All tanks containing oil should be visually examined by a competent person for condition and need for maintenance on a scheduled periodic basis. Such examination should include the foundation and supports of tanks that are above the surface of the ground.

(D) New and old tank battery installations should, as far as practical, be failsafe engineered or updated into a failsafe engineered installation to prevent spills. Consideration should be given to one or more of the following:

(1) Adequate tank capacity to assure that a tank will not overfill should a pumper/gauger be delayed in making his regular rounds.

(2) Overflow equalizing lines between tanks so that a full tank can overflow to an adjacent tank.

(3) Adequate vacuum protection to prevent tank collapse during a pipeline run.

(4) High level sensors to generate and transmit an alarm signal to the computer where facilities are a part of a computer production control system.

(iv) *Facility transfer operations, oil production facility (onshore).* (A) All above ground valves and pipelines should be examined periodically on a scheduled basis for general condition of items such as flange joints, valve glands and bodies, drip pans, pipeline supports, pumping well polish rod stuffing boxes, bleeder and gauge valves.

(B) Salt water (oil field brine) disposal facilities should be examined often, particularly following a sudden change in atmospheric temperature to detect possible system upsets that could cause an oil discharge.

(C) Production facilities should have a program of flowline maintenance to prevent spills from this source. The program should include periodic examinations, corrosion protection, flowline replacement, and adequate records, as appropriate, for the individual facility.

(6) *Oil drilling and workover facilities (onshore)* (i) Mobile drilling or workover equipment should be positioned or located so as to prevent spilled oil from reaching navigable waters.

(ii) Depending on the location, catchment basins or diversion structures may be necessary to intercept and contain spills of fuel, crude oil, or oily drilling fluids.

(iii) Before drilling below any casing string or during workover operations, a blowout prevention (BOP) assembly and well control system should be installed that is capable of controlling any well head pressure that is expected to be encountered while that BOP assembly is on the well. Casing and BOP installations should be in accordance with State regulatory agency requirements.

(7) *Oil drilling, production, or workover facilities (offshore).* (i) Definition: "An oil drilling, production or workover facility (offshore)" may include all drilling or workover equipment, wells, flowlines, gathering lines, platforms, and auxiliary nontransportation - related equipment and facilities in a single geographical oil or gas field operated by a single operator.

(ii) Oil drainage collection equipment should be used to prevent and control small oil spillage around pumps, glands, valves, flanges, expansion joints, hoses, drain lines, separators, treaters, tanks, and allied equipment. Drains on the facility should be controlled and directed toward a central collection sump or equivalent collection system sufficient to prevent discharges of oil into the navigable waters of the United States. Where drains and sumps are not practicable oil contained in collection equipment should be removed as often as necessary to prevent overflow.

(iii) For facilities employing a sump system, sump and drains should be adequately sized and a spare pump or equivalent method should be available to remove liquid from the sump and assure that oil does not escape. A regular scheduled preventive maintenance inspection and testing program should be employed to assure reliable operation of the liquid removal system and pump start-up device. Redundant automatic sump pumps and control devices may be required on some installations.

(iv) In areas where separators and treaters are equipped with dump valves whose predominant mode of failure is in the closed position and pollution risk is high, the facility should be specially equipped to prevent the escape of oil. This could be accomplished by extending the flare line to a diked area if the separator is near shore, equipping it with a high liquid level sensor that will automatically shut-in wells producing to the separator, parallel redundant dump valves, or other feasible alternatives to prevent oil discharges.

(v) Atmospheric storage or surge tanks should be equipped with high liquid level sensing devices or other acceptable alternatives to prevent oil discharges.

(vi) Pressure tanks should be equipped with high and low pressure sensing devices to activate an alarm and/or control the flow or other acceptable alternatives to prevent oil discharges.

(vii) Tanks should be equipped with suitable corrosion protection.

(viii) A written procedure for inspecting and testing pollution prevention equipment and systems should be prepared and maintained at the facility. Such procedures should be included as part of the SPCC Plan.

(ix) Testing and inspection of the pollution prevention equipment and systems at the facility should be conducted by the owner or operator on a scheduled periodic basis commensurate with the complexity, conditions and circumstances of the facility or other appropriate regulations.

(x) Surface and subsurface well shut-in valves and devices in use at the facility should be sufficiently described to determine method of activation or control, e.g., pressure differential, change in fluid or flow conditions, combination of pressure and flow, manual or remote control mechanisms. Detailed records for each well, while not necessarily part of the plan should be kept by the owner or operator.

(xi) Before drilling below any casing string, and during workover operations a blowout preventer (BOP) assembly and well control system should be installed that is capable of controlling any wellhead pressure that is expected to be encountered while that BOP assembly is on the well. Casing and BOP installations should be in accordance with State regulatory agency requirements.

(xii) Extraordinary well control measures should be provided should emergency conditions, including fire, loss of control and other abnormal conditions, occur. The degree of control system redundancy should vary with hazard exposure and probable consequences of failure. It is recommended that surface shut-in systems have redundant or "fail close" valving. Subsurface safety valves may not be needed in producing wells that will not flow but should be installed as required by applicable State regulations.

(xiii) In order that there will be no misunderstanding of joint and separate duties and obligations to perform work in a safe and pollution free manner, written instructions should be prepared by the owner or operator for contractors and subcontractors to follow whenever contract activities include servicing a well or systems appurtenant to a well or pressure vessel. Such instructions and procedures should be maintained at the offshore production facility. Under certain circumstances and conditions such contractor activities may require the presence at the facility of an authorized representative of the owner or operator who would intervene when necessary to prevent a spill event.

(xiv) All manifolds (headers) should be equipped with check valves on individual flowlines.

(xv) If the shut-in well pressure is greater than the working pressure of the flowline and manifold valves up to and including the header valves associated with that individual flowline, the flowline should be equipped with a high pressure sensing device and shutin valve at the wellhead unless provided with a pressure relief system to prevent over pressuring.

(xvi) All pipelines appurtenant to the facility should be protected from corrosion. Methods used, such as protective coatings or cathodic protection, should be discussed.

(xvii) Sub-marine pipelines appurtenant to the facility should be adequately protected against environmental stresses and other activities such as fishing operations.

(xviii) Sub-marine pipelines appurtenant to the facility should be in good

operating condition at all times and inspected on a scheduled periodic basis for failures. Such inspections should be documented and maintained at the facility.

(8) *Inspections and records.* Inspections required by this part should be in accordance with written procedures developed for the facility by the owner or operator. These written procedures and a record of the inspections, signed by the appropriate supervisor or inspector, should be made part of the SPCC Plan and maintained for a period of three years.

(9) *Security (excluding oil production facilities).* (i) All plants handling, processing, and storing oil should be fully fenced, and entrance gates should be locked and/or guarded when the plant is not in production or is unattended.

(ii) The master flow and drain valves and any other valves that will permit direct outward flow of the tank's content to the surface should be securely locked in the closed position when in non-operating or non-standby status.

(iii) The starter control on all oil pumps should be locked in the "off" position or located at a site accessible only to authorized personnel when the pumps are in a non-operating or non-standby status.

(iv) The loading/unloading connections of oil pipelines should be securely capped or blank-flanged when not in service or standby service for an extended time. This security practice should also apply to pipelines that are emptied of liquid content either by draining or by inert gas pressure.

(v) Facility lighting should be commensurate with the type and location of the facility. Consideration should be given to: (A) Discovery of spills occurring during hours of darkness, both by operating personnel, if present, and by non-operating personnel (the general public, local police, etc.) and (B) prevention of spills occurring through acts of vandalism.

(10) *Personnel, training and spill prevention procedures.* (i) Owners or operators are responsible for properly instructing their personnel in the operation and maintenance of equipment to prevent the discharges of oil and applicable pollution control laws, rules and regulations.

(ii) Each applicable facility should have a designated person who is accountable for oil spill prevention and who reports to line management.

(iii) Owners or operators should schedule and conduct spill prevention briefings for their operating personnel at intervals frequent enough to assure adequate understanding of the SPCC Plan for that facility. Such briefings should highlight and describe known spill events or failures, malfunctioning components, and recently developed precautionary measures.

APPENDIX

Memorandum of Understanding between the Secretary of Transportation and the Administrator of the Environmental Protection Agency.

SECTION II—DEFINITIONS

The Environmental Protection Agency and the Department of Transportation agree that for the purposes of Executive Order 11548, the term:

(1) "Non-transportation-related onshore and offshore facilities" means:

(A) Fixed onshore and offshore oil well drilling facilities including all equipment and appurtenances related thereto used in drilling operations for exploratory or development wells, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(B) Mobile onshore and offshore oil well drilling platforms, barges, trucks, or other mobile facilities including all equipment and appurtenances related thereto when such mobile facilities are fixed in position for the purpose of drilling operations for exploratory or development wells, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(C) Fixed onshore and offshore oil production structures, platforms, derricks, and rigs including all equipment and appurtenances related thereto, as well as completed wells and the wellhead separators, oil separators, and storage facilities used in the production of oil, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(D) Mobile onshore and offshore oil production facilities including all equipment and appurtenances related thereto as well as completed wells and wellhead equipment, piping from wellheads to oil separators, oil separators, and storage facilities used in the production of oil when such mobile facilities are fixed in position for the purpose of oil production operations, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(E) Oil refining facilities including all equipment and appurtenances related thereto as well as in-plant processing units, storage units, piping, drainage systems and waste treatment units used in the refining of oil, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(F) Oil storage facilities including all equipment and appurtenances related thereto as well as fixed bulk plant storage, terminal oil storage facilities, consumer storage, pumps and drainage systems used in the storage of oil, but excluding inline or breakout storage tanks needed for the continuous operation of a pipeline system and any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(G) Industrial, commercial, agricultural or public facilities which use and store oil, but excluding any terminal facility, unit or process integrally associated with the handling or transferring of oil in bulk to or from a vessel.

(H) Waste treatment facilities including in-plant pipelines, effluent discharge lines, and storage tanks, but excluding waste treatment facilities located on vessels and terminal storage tanks and appurtenances for the reception of oily ballast water or tank washings from vessels and associated systems used for off-loading vessels.

(I) Loading racks, transfer hoses, loading arms and other equipment which are appurtenant to a nontransportation-related facility or terminal facility and which are used to transfer oil in bulk to or from highway vehicles or railroad cars.

(J) Highway vehicles and railroad cars which are used for the transport of oil exclusively within the confines of a nontransportation-related facility and which are not intended to transport oil in interstate or intrastate commerce.

(K) Pipeline systems which are used for the transport of oil exclusively within the confines of a nontransportation-related facility or terminal facility and which are not intended to transport oil in interstate or intrastate commerce, but excluding pipeline systems used to transfer oil in bulk to or from a vessel.

(2) "transportation-related onshore and offshore facilities" means:

(A) Onshore and offshore terminal facilities including transfer hoses, loading arms and other equipment and appurtenances used for the purpose of handling or transferring oil in bulk to or from a vessel as well as storage tanks and appurtenances for the reception of oily ballast water or tank washings from vessels, but excluding terminal waste treatment facilities and terminal oil storage facilities.

(B) Transfer hoses, loading arms and other equipment appurtenant to a nontransportation-related facility which is used to transfer oil in bulk to or from a vessel.

(C) Interstate and intrastate onshore and offshore pipeline systems including pumps and appurtenances related thereto as well as in-line or breakout storage tanks needed for the continuous operation of a pipeline system, and pipelines from onshore and offshore oil production facilities, but excluding onshore and offshore piping from wellheads to oil separators and pipelines which are used for the transport of oil exclusively within the confines of a nontransportation-related facility or terminal facility and which are not intended to transport oil in interstate or intrastate commerce or to transfer oil in bulk to or from a vessel.

(D) Highway vehicles and railroad cars which are used for the transport of oil in interstate or intrastate commerce and the equipment and appurtenances related thereto, and equipment used for the fueling of locomotive units, as well as the rights-of-way on which they operate. Excluded are highway vehicles and railroad cars and motive power used exclusively within the confines of a nontransportation-related facility or terminal facility and which are not intended for use in interstate or intrastate commerce.

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PART 110—DISCHARGE OF OIL

Sec.
110.1 Definitions.
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110.3 Discharge into navigable waters harmful.
110.4 Discharge into contiguous zone harmful.
110.5 Discharge prohibited.
110.6 Exception for vessel engines.
110.7 Dispersants.
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110.9 Notice.

AUTHORITY: The provisions of this Part 110 issued under sec. 11(b)(3), as amended, 84 Stat. 92; 33 U.S.C. 1161.

§ 110.1 Definitions.

As used in this part, the following terms shall have the meaning indicated below:

(a) "Oil" means oil of any kind or in any form, including, but not limited to, petroleum, fuel oil, sludge, oil refuse, oil mixed with ballast or bilge, and oil mixed with wastes other than dredged spoil;

(b) "Discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying or dumping;

(c) "Vessel" means every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water other than a public vessel;

(d) "Public vessel" means a vessel owned or bare-boat chartered and operated by the United States, or by a State or political subdivision thereof, or by a foreign nation, except when such vessel is engaged in commerce;

(e) "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(f) "Person" includes an individual, firm, corporation, association, and a partnership;

(g) "Contiguous zone" means the entire zone established or to be established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone;

(h) "Onshore facility" means any facility (including, but not limited to motor vehicles and rolling stock) of any kind located in, on, or under, any land within the United States other than submerged land;

(i) "Offshore facility" means any facility of any kind located in, on, or under, any of the navigable waters of the United States other than a vessel or public vessel;

(j) "Applicable water quality standards" means water quality standards adopted pursuant to section 10(c) of the Federal Act and State-adopted water quality standards for waters which are not interstate within the meaning of that Act.

(k) "Federal Act" means the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1151, et seq.

(l) "Sheen" means an iridescent appearance on the surface of water.

(m) "Sludge" means an aggregate of oil or oil and other matter of any kind in any form other than dredged spoil having a combined specific gravity equivalent to or greater than water.

§ 110.2 Applicability.

The regulations of this part apply to the discharge of oil into or upon the navigable waters of the United States, adjoining shorelines or into or upon the waters of the contiguous zone, prohibited by section 11(b) of the Federal Act.

§ 110.3 Discharge into navigable waters harmful.

For purposes of section 11(b) of the Federal Act, discharges of such quantities of oil into or upon the navigable waters of the United States or adjoining shorelines determined to be harmful to the public health or welfare of the United States, at all times and locations and under all circumstances and conditions, except as provided in section 110.6 of this part, include discharges which:

(a) Violate applicable water quality standards, or

(b) Cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.

§ 110.4 Discharge into contiguous zone harmful.

For purposes of section 11(b) of the Federal Act, discharges of such quantities of oil into or upon the waters of the contiguous zone determined to be harmful to the public health or welfare of the United States, at all times and locations and under all circumstances and conditions, except as provided in section 110.6 of this part, include discharges which:

(a) Violate applicable water quality standards in navigable waters of the United States, or

(b) Cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.

§ 110.5 Discharge prohibited.

As provided in section 11(b)(2) of the Federal Act, no person shall discharge or cause or permit to be discharged into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone any oil, in harmful quantities as determined in §§ 110.3 and 110.4 of this part, except as the same may be permitted in the contiguous zone under Article IV of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended.

§ 110.6 Exception for vessel engines.

For purposes of section 11(b) of the Federal Act, discharges of oil from a properly functioning vessel engine are not deemed to be harmful; but such oil accumulated in a vessel's bilges shall not be so exempt.

§ 110.7 Dispersants.

Addition of dispersants or emulsifiers to oil to be discharged which would circumvent the provisions of this part is prohibited.

§ 110.8 Demonstration projects.

Notwithstanding any other provisions of this part, the Administrator of the Environmental Protection Agency may permit the discharge of oil into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone, in connection with research, demonstration projects, or studies relating to the prevention, control, or abatement of oil pollution.

§ 110.9 Notice.

Any person in charge of any vessel or onshore or offshore facility shall, as soon as he has knowledge of any discharge of oil from such vessel or facility in violation of § 110.5 of this part, immediately notify the U.S. Coast Guard of such discharge in accordance with such procedures as the Secretary of Transportation may prescribe.

Appendix B

CODE OF FEDERAL REGULATIONS

TITLE 40 - PROTECTION OF THE ENVIRONMENT

PART 110 - DISCHARGE OF OIL