GW - 161

# PERMITS, RENEWALS, & MODS Application

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 5/4/09

or cash received on _____ in the amount of $ 400 00

from Williams

for GW-161

Submitted by: Lawrence Romero Date: 5/8/09

Submitted to ASD by: Laurence Romero Date: 5/8/09

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other Discharge Plan Fee

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

RECEIVED
2009 MAY 6 AM 11 47

Energy Services
Exploration & Production
PO Box 640
Aztec, NM 81137
505/634-4219
505/634-4214 Fax

May 5, 2009

Mr. Leonard Lowe
State of New Mexico- Oil Conservation Division
Environmental Bureau
1220 So. St. Francis Drive
Santa Fe, NM 87505

RE: Rosa East Compressor Station
GW-161 Renewal
Operated by Williams Production Co, LLC

Enclosed please find the executed copy of the renewal permit for the Rosa East Compressor Station and the permit fee for $400.

In addition, Williams Production LLC (Williams) wishes to provide the following information and proposed schedule for compliance with the renewal conditions noted in Item #16:

1. The saddle tank associated with the compressor and noted during the November 2008 inspection was added to the site diagram (Figure 2) of the renewal application. A copy is included with this correspondence. Future tankage changes will be noted on the site diagram and a request to modify this permit will be made with your office as necessary.

2. The saddle tanks used to store make up glycol and lube oil are scheduled to be reset in the concrete containment by the end of May. They will be located such that the drain valves and hoses are located inside the containment in case of an accidental release. Photos will be sent under separate cover once this is done to your office.

3. The buried tank is double walled and bottomed. Leak detection ( using an inspection port between the annular space) is monitored routinely. We will send you a copy of the inspection scheduled for the end of May under separate cover.

4. During the original site construction and as required in the original discharge permit, the secondary containment for the above-ground storage tanks was bermed to contain a minimum of 1.333 times the contents of the largest vessel. Lining was not required. Due to the significant expense to remove, line and replace the tanks, Williams asks permission to include containment lining with the tank integrity inspections scheduled within the next five years. Inspections include drainginge the tanks, removal of sediment and sludge, internal inspections of the tank bottom and walls, repair of corroded tank interior, and coating to minimize corrosion and prevent possible leaks. Please advise if this schedule should be revised.

5. The elongated tank noted during the November 20, 2008 inspection was no longer used since Williams took over operations of the site, it was removed for offsite disposed. This was done in December 2008. A photo demonstrating compliance will be sent under separate cover.

6. The buried drain line from the compressor skid to the buried tank is scheduled for hydrostatic testing every five years. Attached is the test results completed in 2007.

Please contact me if there is any additional information or stipulations required of Williams for this permit. Thanks for your time and consideration.

Respectfully submitted,

Michael K. Lane
San Juan Basin Operations
EH&S Team Lead

Encl:
Renewal Permit
Check #3647
2007 Line Test
Figure 2

| Williams | BURIED WASTE-WATER LINE TEST REPORT | Facility Name: Rosa [illegible]t CDP |
|---|---|---|
| | | Location (USTR) |
| Line Segment Tested: DRAIN LINE TO BGT | | |

This procedure is to determine the integrity of buried lines used to drain waste water from production/process equipment to a centralized pit, tank or sumps on the reference facility. Lines are to be atmospheric and non-pressurized drains. Integrity is to be defined when lines can hold 3 psi pressure for one hour. This procedure is applicable for those sites under the jurisdiction of the NMOCD. For long lines, segments may be tested separately.

The common method for testing these lines identified using site maps and P&IDs:

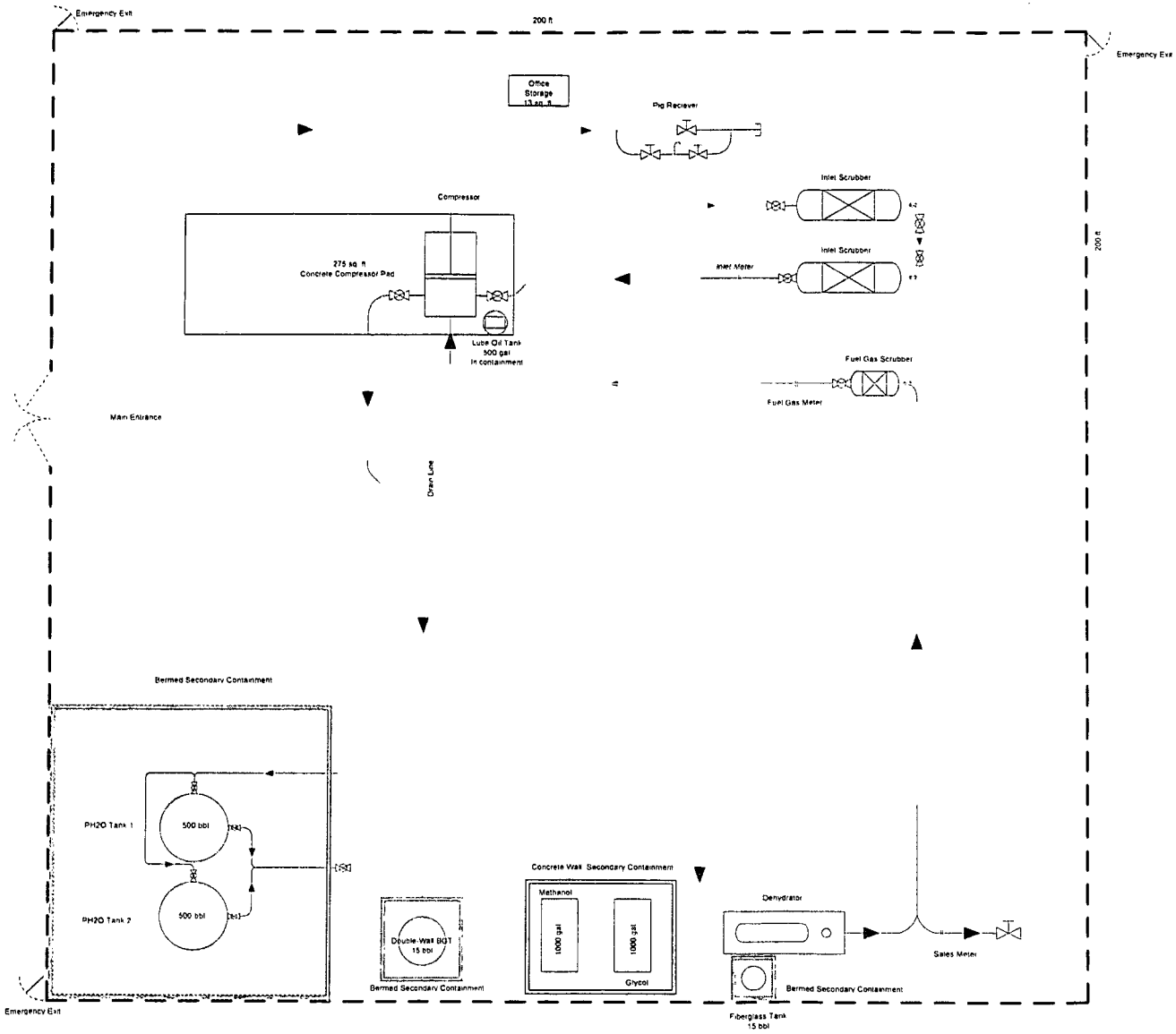
Step 1: Cap the line or close the drain valve at the pit or sump.
Step 2: Install (vertically) a seven-foot section of 2" PVC on the inlet to the drain line.
Step 3: Fill the line with fresh water (produced water may be used provided it is clear).
Step 4: Allow time for bubbles to settle.
Step 5: Record Water height in Table below.
Step 6: Test passes if water height remain stable for one hour. If leakage is observed; drain line, locate leaks, repair and retest. If a leak is discovered along drain line that has impacted surrounding soils report release/spill immediately to EH&S. Note valve, line and leak repairs on a site map to be attached with this report.
Step 7: Once line tests tight, provide copy of an executed test report (with any diagrams) to EH&S for records retention.

| Line Test Summary | | |
|---|---|---|
| | Date | Time |
| Start of Water Fill | 12/21/07 | 1100 |
| Start of Test Period | 12/21/07 | 1145 |
| Completion of Test Period | 12/21/07 | 1300 |
| Is test acceptable | Yes X | No |

| Test Data | | | |
|---|---|---|---|
| Reading # | Time | Water Height | Remarks |
| 1 | 1145 | 6'6" | Test Start |
| 2 | 1155 | 6'6" | |
| 3 | 1205 | 6'6" | |
| 4 | 1220 | 6'6" | |
| 5 | 1235 | 6'6" | |
| 6 | 1245 | 6'6" | |
| 7 | 1300 | 6'6" | End Test |
| | | | |

Recorded By: Doug Sprague
(Test Contractor)

Verified By: MARK LESICH
(WPX Supervisor)




| Rosa East Compressor Station |
|---|
| SW/4, SE/4 Section 26, T31N, R04W, NMPM |
| Rio Arriba County, NM |
| Williams Production Co, LLC |
| Figure 2 |

New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**
**Governor**
**Joanna Prukop**
Cabinet Secretary
**Reese Fullerton**
Deputy Cabinet Secretary

**Mark Fesmire**
Division Director
**Oil Conservation Division**

April 3, 2009

Mr. Myke Lane
Williams Production Company LLC
PO BOX 640
Aztec, N.M. 87410

Re: Discharge Permit Renewal
Rosa East compressor station (GW-161)
Unit Letter O of Section 26, Township 31 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Lane:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Production Company LLC.,** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Glenn von Gonten
Acting Environmental Bureau Chief

RECEIVED
APR 09 2009
WPX

Attachments-1
xc: OCD District Office

## ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of $100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required $100.00 filing fee. The flat fee for a compressor station with less than 1001 HP is $400.00. Please submit this amount along with the signed permit conditions to the OCD. Checks should be made out to the New Mexico Water Quality Management Fund.

2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on March 31, 2014** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***

3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its December 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

5. **Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

**A. OCD Part 35 Waste:** Pursuant to OCD Part 35 (19.15.35.8 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

**B. Waste Storage:** The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

**7. Drum Storage:** The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

**8. Process, Maintenance and Yard Areas:** The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

**9. Above Ground Tanks:** The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

**10. Labeling:** The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

**11. Below-Grade Tanks/Sumps and Pits/Ponds.**

**A.** All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

**B.** All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

**C.** The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

**D.** The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**12. Underground Process/Wastewater Lines:**

**A.** The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

**B.** The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**13. Class V Wells:** The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

**14. Housekeeping:** The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

**15. Spill Reporting:** The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

**16. OCD Inspections:** The OCD performed an inspected this facility on November 20, 2008. Doug Sprague and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. Based on the inspection OCD determined the following:

1. **Photo 1**: This saddle tank was not identified on the facility schematic. Williams Productions shall identify all tanks on the facility schematics.
2. **Photo 2**: Saddle tanks located on the southeast plot of the facility. Williams Production shall reconfigure these tanks so that the exit port (see red arrow) are kept within the secondary containment area. If either of the valves failed there would be a direct discharge onto the ground.
3. **Photo 3**: Williams shall verify that this BGT is double walled/bottom and has a leak detection system. See Condition 11.a for maintaining a below grade tank.
4. **Photo 4 - 6**: All above ground tanks shall be lined in accordance with Condition 9 of the permit conditions.
5. **Photo 6**: This tank was not identified with any labels and was not identified on the facility schematic. Williams shall mark this tank accordingly and update their facility schematic. Once done, the schematic shall be sent to the OCD to update their file for this facility.
6. **No photo**: The BGT and the tank noted in photo 6 appear to have underground lines connected to them. Have these lines ever been hydrostatically tested? Please provide the latest test results.

The Williams Rosa East compressor station appeared to be in excellent condition. **Williams Production Company shall submit OCD inquires of number 3, 5, and 6 by May 1, 2009**. All other issues should be addressed in accordance with the permit conditions. Williams Production Company shall ensure that the all field employees are aware of the discharge plant permit conditions.

**17. Storm Water:** The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

**18. Unauthorized Discharges:** The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. ***An unauthorized discharge is a violation of this permit.***

**19. Vadose Zone and Water Pollution:** The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

**20. Additional Site Specific Conditions:** N/A

**21. Transfer of Discharge Permit (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

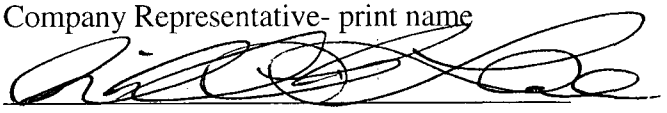
**22. Closure Plan and Financial Assurance:** Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

**23. Certification: (Owner/Operator)**, by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

WILLIAMS PRODUCTION CO, LLC
Company Name-print name above

MICHAEL K. (MYKE) LANE
Company Representative- print name


Company Representative- Signature

Title EH&S SPECIALIST

Date: 5/4/09

OCD Inspection: Williams Production Company, Rosa East CS GW - 161

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Doug Sprague

Date: 11.20.08 Time: 09:20 – 09:40 

Photo 1: Saddle tank is not identified on facility schematic.

Photo 2: Saddle tanks on south end of facility.

Photo 3: Below grade tank on south end of facility.

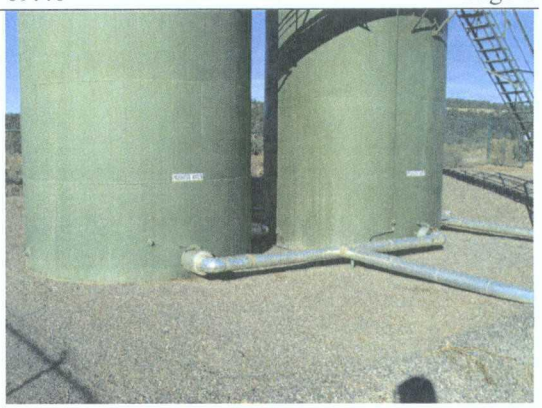


Photo 4: Two AST's on southwest area of facility plot.

Photo 5: Elongated tank west of two ASTs.

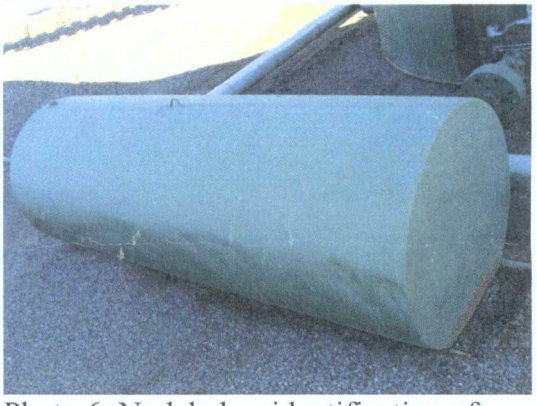


Photo 6: No label or identification of elongated tank.

New Mexico Energy, Minerals and Natural Resources Department

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April 3, 2009

Mr. Myke Lane
Williams Production Company LLC
PO BOX 640
Aztec, N.M. 87410

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If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Glenn von Gonten
Acting Environmental Bureau Chief

Attachments-1
xc: OCD District Office

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**1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of $100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required $100.00 filing fee. The flat fee for a compressor station with less than 1001 HP is $400.00. Please submit this amount along with the signed permit conditions to the OCD. Checks should be made out to the New Mexico Water Quality Management Fund.

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**10. Labeling:** The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

**11. Below-Grade Tanks/Sumps and Pits/Ponds.**

**A.** All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

**B.** All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

**C.** The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

**D.** The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**12. Underground Process/Wastewater Lines:**

**A.** The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

**B.** The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**13. Class V Wells:** The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

**14. Housekeeping:** The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

**15. Spill Reporting:** The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

**16. OCD Inspections:** The OCD performed an inspected this facility on November 20, 2008. Doug Sprague and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. Based on the inspection OCD determined the following:

1. **Photo 1**: This saddle tank was not identified on the facility schematic. Williams Productions shall identify all tanks on the facility schematics.
2. **Photo 2**: Saddle tanks located on the southeast plot of the facility. Williams Production shall reconfigure these tanks so that the exit port (see red arrow) are kept within the secondary containment area. If either of the valves failed there would be a direct discharge onto the ground.
3. **Photo 3**: Williams shall verify that this BGT is double walled/bottom and has a leak detection system. See Condition 11.a for maintaining a below grade tank.
4. **Photo 4 - 6**: All above ground tanks shall be lined in accordance with Condition 9 of the permit conditions.
5. **Photo 6**: This tank was not identified with any labels and was not identified on the facility schematic. Williams shall mark this tank accordingly and update their facility schematic. Once done, the schematic shall be sent to the OCD to update their file for this facility.
6. **No photo**: The BGT and the tank noted in photo 6 appear to have underground lines connected to them. Have these lines ever been hydrostatically tested? Please provide the latest test results.

The Williams Rosa East compressor station appeared to be in excellent condition. **Williams Production Company shall submit OCD inquires of number 3, 5, and 6 by May 1, 2009**. All other issues should be addressed in accordance with the permit conditions. Williams Production Company shall ensure that the all field employees are aware of the discharge plant permit conditions.

**17. Storm Water:** The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

**18. Unauthorized Discharges:** The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. ***An unauthorized discharge is a violation of this permit.***

**19. Vadose Zone and Water Pollution:** The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

**20. Additional Site Specific Conditions:** N/A

**21. Transfer of Discharge Permit (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

**22. Closure Plan and Financial Assurance:** Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

**23. Certification: (Owner/Operator)**, by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

_____
Company Name-print name above

_____
Company Representative- print name

_____
Company Representative- Signature

Title_____

Date:_____

OCD Inspection: Williams Production Company, Rosa East CS GW - 161

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Doug Sprague

Date: 11.20.08 Time: 09:20 – 09:40 

Photo 1: Saddle tank is not identified on facility schematic.

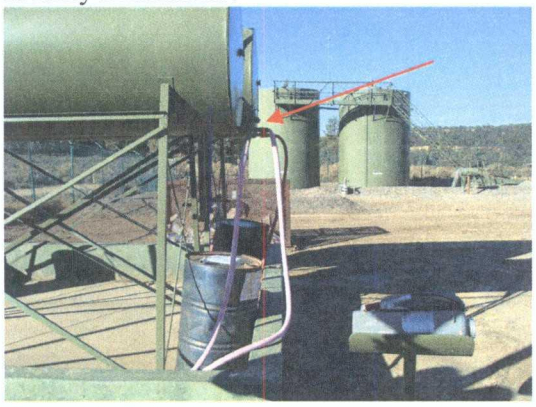

Photo 2: Saddle tanks on south end of facility.

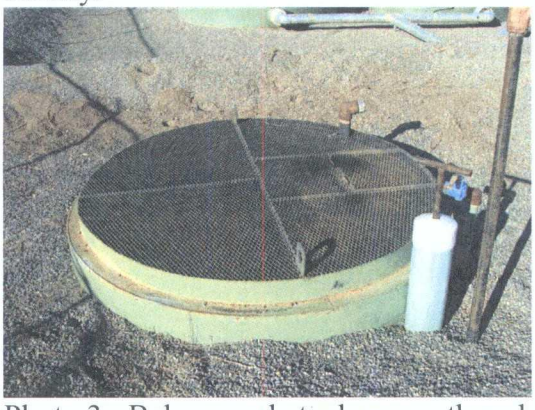

Photo 3: Below grade tank on south end of facility.

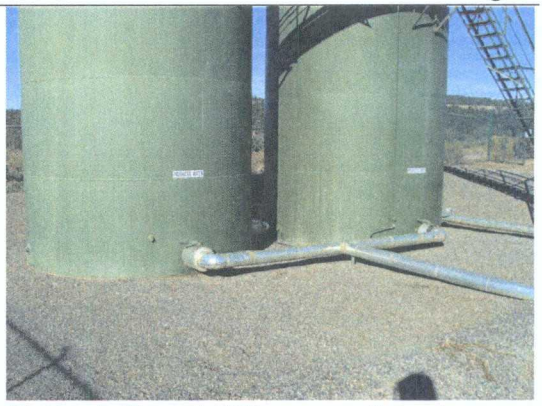

Photo 4: Two AST's on southwest area of facility plot.

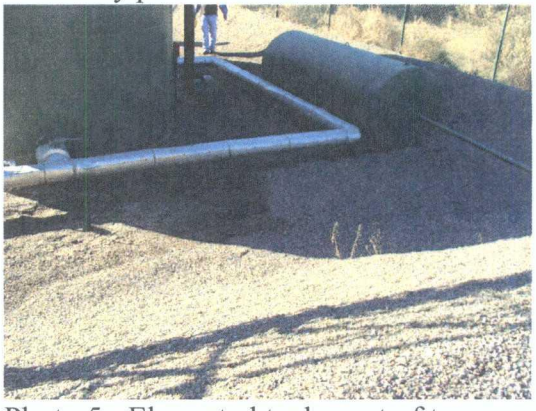

Photo 5: Elongated tank west of two ASTs.

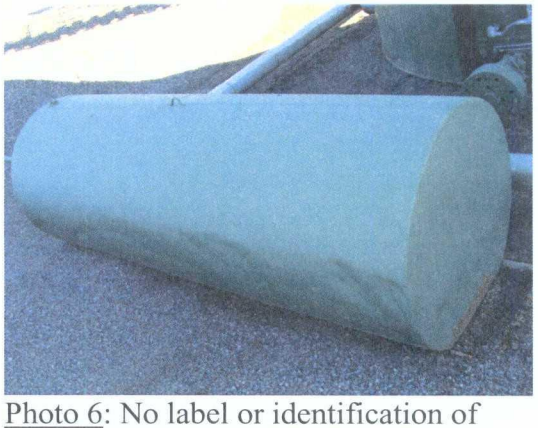

Photo 6: No label or identification of elongated tank.

## Lowe, Leonard, EMNRD

**From:** Lowe, Leonard, EMNRD
**Sent:** Wednesday, January 07, 2009 10:09 AM
**To:** 'Lane, Myke (E&P)'
**Cc:** Deklau, Ingrid
**Subject:** GW-161 Administratively Complete
**Attachments:** GW-161, Admin Complete Letter.pdf; GW-161 Draft Permit.pdf; GW-161 OCD PN.pdf

Mr. Lane,

The OCD has found your submitted application for the renewal of the Rosa East CS to be administratively complete.

Attached you will find the:

Admin complete letter
Draft Discharge permit
OCD version of public notice

Please submit your APPROVED Public Notice for publication in the Farmington Daily Times. Publish your notice for one day only and request a proof of publication affidavit. Once received submit to the Santa Fe OCD office.

llowe

**Leonard Lowe**
Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/

New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**
**Governor**
**Joanna Prukop**
Cabinet Secretary
**Reese Fullerton**
Deputy Cabinet Secretary

**Mark Fesmire**
Division Director
**Oil Conservation Division**

January 7, 2009

Dear Mr. Lane:

**Re: Discharge Plan Renewal Permit GW-161**
**Williams Production Company LLC**
**Rosa East Compressor Station**
**Rio Arriba County, New Mexico**

The New Mexico Oil Conservation Division (NMOCD) has received Williams Production Company's request and initial fee, dated December 18, 2008 to renew GW-161 for their Rosa East Compressor Station located in the Unit Letter O of Section 26, Township 31 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. The initial submittaland subsequent inquires have provided the required information in order to deem the application "administratively" complete.

The New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC has been satisfied and demonstrated to the NMOCD. Once the public notice has been published submit the proof of publication affidavit to the OCD office. NMOCD will provide an public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or leonard.lowe@state.nm.us. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Leonard Lowe
Environmental Engineer

LRL/lrl

xc: OCD District III Office, Aztec

**Bill Richardson**
Governor
**Joanna Prukop**
Cabinet Secretary
**Reese Fullerton**
Deputy Cabinet Secretary

**Mark Fesmire**
Division Director
**Oil Conservation Division**

January 7, 2009

Mr. Myke Lane
Williams Production Company LLC
PO BOX 640
Aztec, N.M. 87410

Re: **DRAFT** Discharge Permit Renewal
Rosa East compressor station (GW-161)
Unit Letter O of Section 26, Township 31 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Lane:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Production Company LLC.,** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 45 days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

*The final permit should be issued in approximately 45 days.* If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

Attachments-1
xc: OCD District Office

## ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of $100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required $100.00 filing fee. The flat fee for a compressor station with less than 1001 HP is $400.00. Please submit this amount along with the signed permit conditions to the OCD. Checks should be made out to the New Mexico Water Quality Management Fund.

2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on March 31, 2014** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3109.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***

3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its December 2007 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file at the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

5. **Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. **OCD Rule 712 Waste:** Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. **Waste Storage:** The owner/operator shall store all waste in [illegible] permeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. **Drum Storage:** The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. **Process, Maintenance and Yard Areas:** The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which shows evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. **Above Ground Tanks:** The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g. liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids whose gases at atmospheric temperature and pressure are exempt from this condition.

10. **Labeling:** The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code number system, which is incorporated into their emergency response plans.

11. **Below-Grade Tanks/Sumps and Pits/Ponds.**

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

**B.** All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

**C.** The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted or otherwise rendered non-hazardous to wildlife, including migratory birds.

**D.** The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**12. Underground Process/Wastewater Lines**

**A.** The owner/operator shall test all underground process wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 15 minutes with no more than a 1% loss/gain in pressure. The owner/operator may propose other methods for testing if approved by the OCD.

**B.** The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

**13. Class V Wells:** The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

**14. Housekeeping:** The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

**15. Spill Reporting:** The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

**16. OCD Inspections:** The OCD performed an inspected this facility on November 20, 2008. Doug Sprague and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. The inspection concluded the following:

1. **Photo**

**17. Storm Water:** The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

**18. Unauthorized Discharges:** The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. ***An unauthorized discharge is a violation of this permit.***

**19. Vadose Zone and Water Pollution:** The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

**20. Additional Site Specific Conditions:** N/A

**21. Transfer of Discharge Permit (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

**22. Closure Plan and Financial Assurance:** Pursuant to 20.6.2.3[illegible]7 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modification, and/or provide adequate financial assurance.

**23. Certification: (Owner/Operator)**, by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

_____
Company Name-print name above

_____
Company Representative- print name

_____
Company Representative- Signature

Title: _____

Date: _____

## NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

**(GW-161) Williams Production Company LLC, P.O. Box 640 Aztec, NM 87410 has submitted a renewal application for the previously approved discharge plan for their Rosa East compressor station located in the unit letter "O" of Section 26, Township 31 North, Range 4 West, NMPM, Rio Arriba County. The facility provides metering and compression services of natural gas for delivery and treatment. Approximately 300 – 800 bbl/yr of produced water, 40 bbl/yr of waste/wash water, 2000 gal/yr of used oil and 4000 bbl/yr of used dehydrator/coolants are generated and stored in onsite. These fluids are not to be intentionally discharged to the ground. If accidental discharge occurs immediate recovery/reclamation shall be implemented. Fluids, other then clean water, including dry chemicals, shall be stored within secondary containment and properly bermed. Waste shall be properly maintained and manifested. A copy of the discharge permit once renewed shall be on location at all times and made familiar to all facility personal. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 80 feet, with a total dissolved solids concentration of approximately 2000 – 10,000 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.**

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en espanõl, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México),

Oil Conservation Division (Depto. Conservacio´n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of January 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 12/17/08

or cash received on _____ in the amount of $ 100 00

from Williams Production Co.

for GW-161

Submitted by: Lawrence Romero Date: 12/26/08

Submitted to ASD by: Lawrence Romero Date: 12/26/08

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility _____ Renewal ✓

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

Cirrus Consulting, LLC



December 18, 2008

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Subject: Discharge Plan Renewal Applications
Williams Production Company, LLC Rosa East Compressor Station (GW-161)

Dear Mr. Lowe:

On behalf of Williams Production Company, LLC, Cirrus Consulting, LLC submitted the Discharge Plan renewal application for the Rosa East Compressor Station (GW-161) to you via email on December 18, 2008. A copy of the email was also forwarded to Brandon Powell, OCD District 3.

Enclosed please find a check for $100 to cover the filing fees for the facility.

If any additional information is needed, please contact me at the number below or Mr. Myke Lane of Williams Production Company, LLC at (505) 634-4219.

Sincerely,

Ingrid Deklau

*Cirrus Consulting, LLC*
1828 Harrison Ave.
Salt Lake City, Utah 84108

Tel: (801) 583-3107
ideklau@cirrusllc.com

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Sincerely,

Ingrid Deklau

*Cirrus Consulting, LLC*
1828 Harrison Ave.
Salt Lake City, Utah 84108

Tel: (801) 583-3107
ideklau@cirrusllc.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,GAS PLANTS, REFINERIES, COMPRESSOR, GEOTHERMAL FACILITES AND CRUDE OIL PUMP STATIONS**

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

☐ New ☒ Renewal ☐ Modification

1. Type: Compressor Station (Rosa East Compressor Station, GW-161)

2. Operator: Williams Production Company, LLC

Address: PO Box 640 / 721 So. Main, Aztec, NM

Contact Person: Michael K. (Myke) Lane Phone: 505-634-4219

3. Location: SW/4 SE/4 Section 26 Township 31 North Range 4 West
Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.

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

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

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

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

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

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

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

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

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

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

Name: Michael K. Lane; Signature:  Title: EH&S Team Leader

E-mail Address: myke.lane@williams.com Date: 12/17/08


# Rosa East Compressor Station

## NMOCD Discharge Plan
## GW-161 Renewal

**Williams Production Company, LLC**
**PO Box 640 / 721 So. Main St.**
**Aztec, NM 87410**

December 2008

**Item I**

*Indicate the major operational purpose of the facility. If the facility is a natural gas purification plant ($CO_2$ removal) and compressor station include the total combined site rated horsepower.*

The Rosa East Compressor Station is owned and operated by Williams Production Company, LLC (Williams). The station was constructed in 1993 to provide metering and compression services for the Williams Huber system located on the Carson Forest – Jicarilla District for the gathering of natural gas for treatment and delivery through the Enterprise and Williams Four Corner systems. The site utilizes less than 1000 hp compression. In addition, there are various storage tanks, support structures and ancillary equipment.

**Item 2**

*Name of operator or legally responsible party and local representative.*

| | |
|---|---|
| **Legally Responsible Party/ Operator** | Williams Production Company, LLC<br>PO Box 640 / 721 So. Main St.<br>Aztec, NM 87410<br>(505) 634-4200<br>(800)-645-7400 (24 hour emergency notification) |
| **Local Representative** | Michael K. (Myke) Lane<br>Williams Production Company, LLC<br>PO Box 640 / 721 So. Main St.<br>Aztec, NM 87410<br>(505) 634-4219 / 505-330-3198 (cell) |

**Item 3**

*Give a legal description of the location and county. Attach a large-scale topographic map.*

Rio Arriba County, New Mexico
Township 31 North, Range 4 West, SW/4 SE/4 Section 26
The topographic map is attached as Figure 1.

**Item 4**

*Attach the name, telephone number and address of the landowner of the facility site.*

U.S. Forest Service
Southwest Region
333 Broadway SE
Albuquerque, NM 87102
505-842-3292

**Item 5**

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

This facility is classified as a field compressor station and is unmanned. A copy of the facility plot plan indicating location of equipment and tanks on the facility is attached as Figure 2.

**Item 6**

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

Table 1 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site.

MSDSs for materials at the site will be maintained in Williams' San Juan Basin Operations office and will be available upon request.

**Item 7**

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

Wastes generated at this facility fall into two categories: exempt and non-exempt. Exempt wastes include, but may not be limited to, used process filters, certain absorbents, spill residues, and produced water with or without de minimus quantities of non-hazardous liquids. Non-exempt wastes include, but may not be limited to, used oil, used oil filters, empty drums, and waste water. Table 2 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site.

Non-exempt waste management will be conducted in accordance with NMOCD requirements including the preparation of a Certificate of Waste Status (NMOCD Form C-138) for each non-exempt waste stream. Non-exempt wastes will be analyzed at a minimum for BTEX, TPH, RCRA D-List metals, ignitability, corrosivity, and reactivity to initially determine if such waste are hazardous as defined in 40 CFR Part 261. All wastes at the facility will be periodically surveyed for naturally occurring radioactive material (NORM) to determine if the concentrations of Radium 226 exceed 30 picocuries per gram or if radiation exposure exceeds 50 microroentgens per hour. If affirmed, such materials will be handled and disposed in accordance with NMOCD NORM Regulations.

Barring facility modification and/or process changes, the classification of non-exempt wastes by laboratory analyses will be made once during the approval period of this plan. Subsequent laboratory analyses will be performed at the generator's discretion (minimum of once every five years), or more frequently to comply with waste acceptance procedures of the disposal facility.

**Item 8**

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

All effluent from this site is handled in accordance with NMOCD and NMED regulations. Liquid and solid waste collection and disposal procedures are included in Table 1.

**Item 9**

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

No modifications to the facility are necessary to meet NMOCD requirements.

**Item 10**

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

Williams' personnel will operate and maintain the facility. The facility will be remotely monitored for equipment malfunctions and an operator will be on call 24 hours per day, 7 days per week, 52 weeks per year. Regular inspections will be conducted throughout the facility. Storage tanks will be gauged regularly, and monitored for leak detection.

In the event of a release of a reportable quantity, the operator reports the release to the Williams Environmental, Health and Safety (EH&S) Department and all appropriate agencies will be contacted by the EH&S Department as required.

**Item 11**

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

Spill containment berms around above ground storage tanks will be designed to contain 133% of the tank capacity. The below-grade tank (BGT) will be constructed with a means of leak detection, and will either be double-walled tanks, double-bottomed tanks or a tank set on an impermeable pad.

Williams' corporate policy and procedure for Release Reporting and Pollution Prevention and Control are included in Appendix A. Significant spills and leaks are reported to the NMOCD pursuant to NMOCD Rule 116 and WQCC 1-203 using the NMOCD Form C-141.

**Item 12**

*Attach ecological/hydrological information for the facility. Depth to and quality of groundwater must be included.*

The Rosa Compressor Station is located approximately 12.4 miles southwest of Dulce, NM and approximately 14.9 miles south of the Colorado-New Mexico border. The site is in a rural area with irregular terrain at an elevation of approximately 6920 feet above mean sea level (MSL). The site indicated on the attached Bixler Ranch 7.5 minute topographic map (Figure 1).

The facility is located approximately 20 feet in elevation above the Ulibarri Canyon drainage, a small intermittent stream and is the nearest watercourse. This drainage flows northwest into the Cabresto Canyon drainage, a tributary to the Navajo Reservoir/Navajo River approximately 10.6 miles northwest.

The water table is estimated to be more than 80 feet below ground based on cathodic well data from the Rosa Unit 310 (API: 3003924863 – N, Sec 26, T31N, R04W, NMPM). The 1989 Aquifer Sensitivity Map for Rio Arriba County, NM compiled by Lee Wilson and Associates, Inc. on behalf of NMED has Rosa Compressor Station within a moderate aquifer sensitivity zone. This zone is defined as having a depth to groundwater between 100 to 300 feet and the total dissolved solids ranges from 2000 mg/L to 10,000 mg/L.

The Rosa Compressor Station site is located on the San Jose Formation. The San Jose Formation is the youngest of the tertiary bedrock units in the San Juan Basin. It is characterized by a sequence of interbedded sandstones and mudstones.

A current well search was performed using the New Mexico Office of the State Engineer's WATERS Database for this renewal application. There are no water wells within a ¼-mile radius of Rosa East Compressor Station. Well use, legal description, depth of well, and depth to water for wells within a 1 mile radius are shown in the table below.

| Township; Range; Section | Quarter[a] | Apx. Distance from Site (mi) | Well # | Use[b] | Well Depth (ft) | Water Bearing Stratification (ft) | Description | Depth to Water (ft)[c] |
|---|---|---|---|---|---|---|---|---|
| 31N; 4W; 33 | 3 | 0.5 - 1 | SJ 00049 | ind | 112 | 100-112 | Source: shallow; Sandstone/Gravel/Conglomerate | 80 |
| 31N; 4W; 27 | 2,3,1 | N/A | SJ 02885 | dom | 150 | N/A – not completed | N/A | unk |
| 31N; 4W; 28 | 2,2,4 | N/A | SJ 02886 | dom | 150 | N/A – not completed | N/A | unk |
| 31N, 4W, 35 | 4,3 | 0.5-1 | SP 03973 | N/A | N/A | N/A | Chicosa Spring, Cabresto Canyon | N/A |

[a] 1=NW; 2=NE; 3=SW; 4=SE; [b] dom = domestic; ind = industrial; [c]unk = unknown

## References


[1]Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., Padgett, E.T., 1983, Hydrology and Water Resources of San Juan Basin, New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.

[2]Online Well Reports and Downloads, New Mexico Office of the State Engineer, search performed 12/5/2008.


## Item 13

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

All reasonable and necessary measures will be taken to prevent the exceedence of WQCC Section 3103 water quality standards should Williams choose to permanently close the facility. Williams will submit a detailed closure plan to the NMOCD prior to closure.

Generally, closure measures will include removal or closure in place of underground piping and other equipment. All wastes will be removed from the site and properly disposed in accordance with the rules and regulations in place at the time of closure. When all fluids, contaminants, and equipment have been removed from the site, the site will be graded as close to the original contour as possible and reseeded using a mix and methods specified by the USFS (land owner).

Should contaminated soil be discovered, any necessary reporting under NMOCD Rule 116 and WQCC Section 1203 will be made and clean-up activities will commence. Post-closure maintenance and monitoring plans would not be necessary unless contamination is encountered.

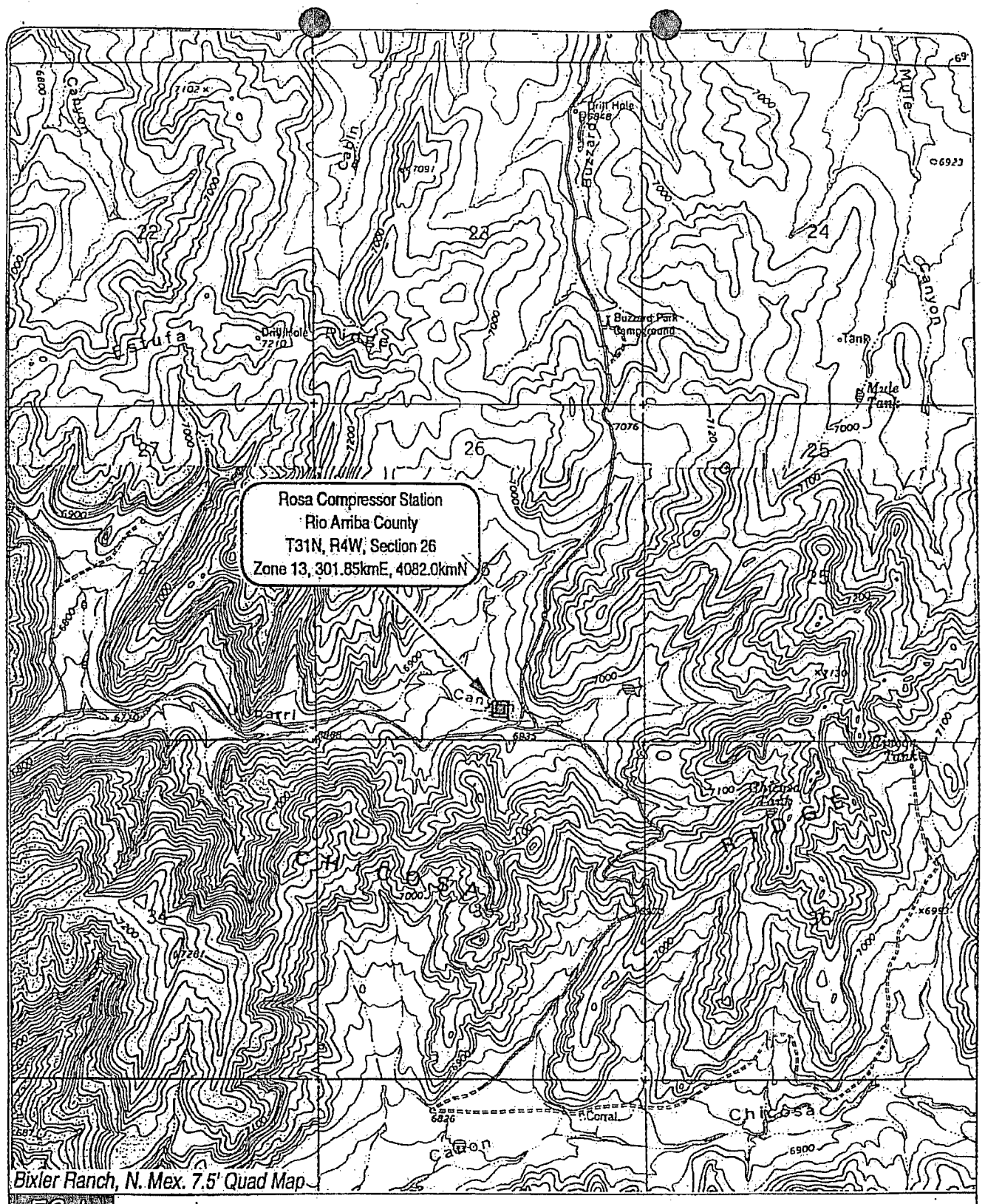
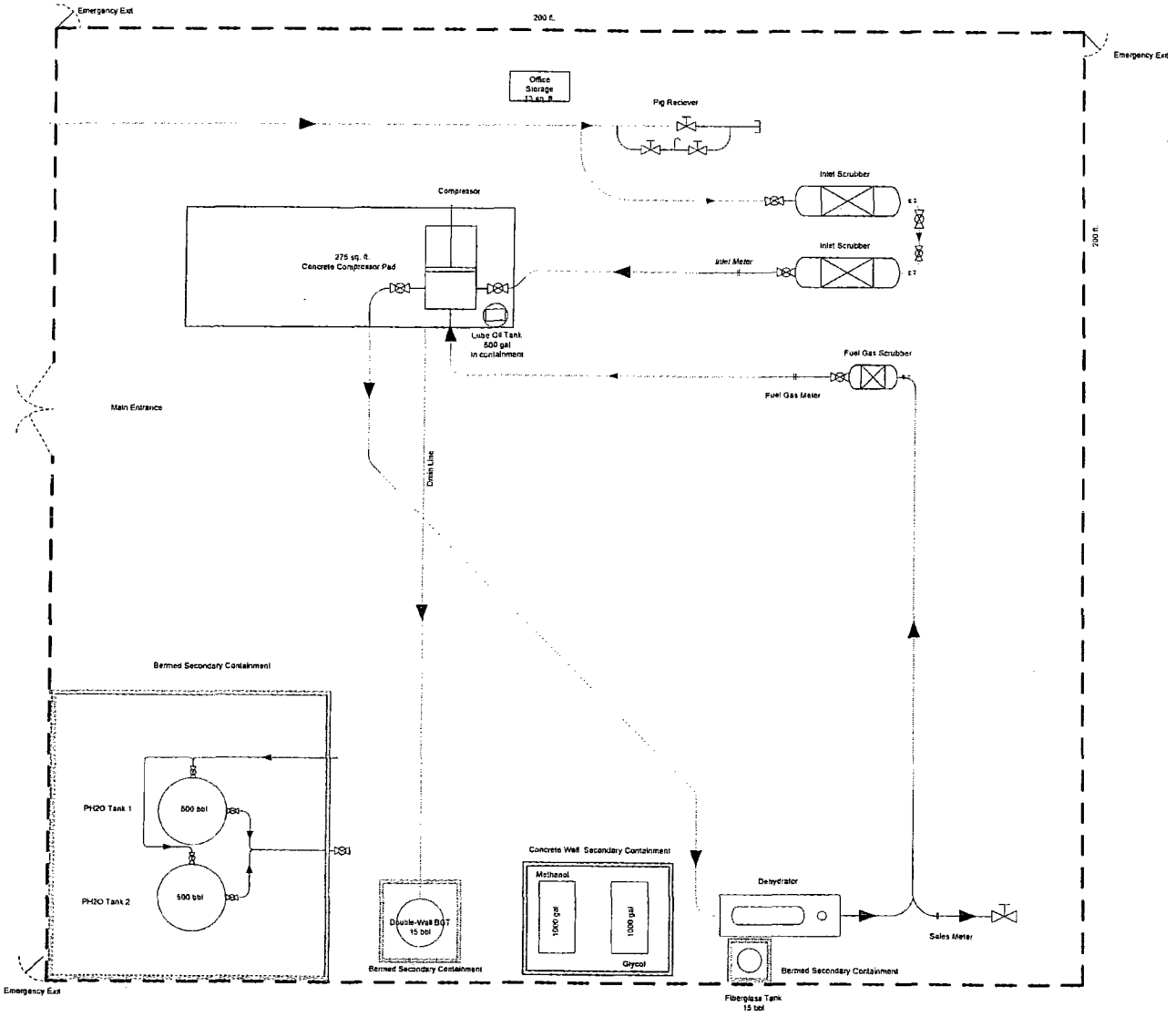



**Figure 1**
**Location of Rosa Compressor Station**

Environmental Services Inc • 5971 Jefferson NE • Suite 104 • Albuquerque NM 87109 • 505 345 3900




N

**Rosa East Compressor Station**

SW/4, SE/4 Section 26, T31N, R04W, NMPM

Rio Arriba County, NM

Williams Production Co, LLC

Figure 2

## Table 1
## Transfer, Storage and Disposal of Process Fluids, Effluent and Waste Solids

| PROCESS FLUID/WASTE | STORAGE | STORAGE CAPACITY (approximate) | CONTAINMENT/ SPILL PREVENTION | RCRA STATUS | DESCRIPTION OF FINAL DISPOSITION |
|---|---|---|---|---|---|
| Lube Oil | Above Ground Storage Tank | 500 gal | Metal containment with netting | Non-exempt | Off-spec material recycled or disposed consistent with applicable regulations. |
| Scrubber Produced Water | Above Ground Storage Tank | 2 @ 500 bbl | Berm | Exempt | Water to be hauled for offsite disposal at one of the following NMOCD approved facilities depending on the availability: Rosa Unit SWD #1 (Order: SWD-916, API: 30-039-27055), Rosa Unit #94 (Order: SWD-3RP-1003-0, API: 30-039-23035), and/or Basin Disposal (Permit: NM-01-0005). Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. |
| Waste Water/ Wash Down Water | Below Grade Storage Tank | 30 bbl | Double-walled Steel BGT | Non-Exempt | Contractor may pump wash water back into truck after washing; water may be transported to any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such waste. |
| Dehy Produced Water | Above Ground Tank | 15 bbl | Fiberglass Tank with Berm | Exempt | Water to be hauled for offsite disposal at one of the following NMOCD approved facilities depending on the availability: Rosa Unit SWD #1 (Order: SWD-916, API: 30-039-27055), Rosa Unit #94 (Order: SWD-3RP-1003-0, API: 30-039-23035), and/or Basin Disposal (Permit: NM-01-0005). Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. |
| Used Oil Filters and Oil Soaked Pads and Socks | Drum or other container | Varies | Transported in drum or other container | Non-exempt | Used oil filters and oil soaked pads and socks will be recycled as required by OCD regulations. |
| Used Process Filters | Drum or other container | Varies | Transported in drum or other container | Exempt | Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available. |
| Spill Residue (e.g., soil, gravel, etc.) | N/A | N/A | In situ treatment, land-farm, or alternate method | Incident dependent | Per Section VI, Remediation, in 8/13/93 NMOCD Guidelines for Remediation of Leaks, Spills, and Releases. |
| Used Absorbents | Drum or other container | Varies | Transported in drum or other container | Non-exempt | Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available. |
| Empty Drums / Containers | N/A | N/A | Spill Pallets | Non - exempt | Barrels are returned to supplier and ultimately recycled/disposed consistent with applicable regulations. |
| Triethylene Glycol | Above Ground Storage Tank | 1000 gal | Concrete Containment | N/A | Off-spec material returned to supplier for recycling or disposal consistent with applicable regulations. |
| Methanol | Above Ground Storage Tank | 1000 gal | Concrete Containment | N/A | Off-spec material returned to supplier for recycling or disposal consistent with applicable regulations. |

## Table 2
## Source, Quantity, and Quality of Effluent and Waste Solids

| PROCESS FLUID / WASTE | SOURCE | QUANTITY (Ranges) | QUALITY |
|---|---|---|---|
| Produced Water | Inlet Scrubber, Gas Inlet Separator, Compressor, Dehydrators, Produced Water Tank | 300-800 bbl/year | Trace glycol and dissolved phase hydrocarbons |
| Waste Water/ Wash Down Water | Compressor and Dehy Skids; Process Areas; Produced Water Tank | 18 – 40 bbl/year/unit | Biodegradable soap and tap water with traces of used oil |
| Used Glycol/Antifreeze/ Methanol | Site Dehydration/ Coolant | 0-4000 bbl/yr | No additives |
| Used Solvent | Parts Cleaner; Pipeline Additive | 0-100 gal/year | No additives |
| Used Oil | Compressors | 400-2000 gal/year/engine | Used Motor Oil w/ No Additives |
| Used Oil Filters | Compressors | 50-500/year/engine | No Additives |
| Used Process Filters | Air, Inlet, Fuel, Fuel Gas, Glycol, Amine, Ambitrol | 75-500/year | No Additives |
| Empty Drums/Containers | Liquid Containers | 0-80/year | No Additives |
| Spill Residue ( i.e. soil, gravel, etc) | Incidental Spill | Incident Dependent | Incident Dependent |
| Used Adsorbents | Incidental Spill/Leak Equipment Wipe-down | Incident Dependent | No Additives |

# APPENDIX A

## Williams Production Company, LLC

## San Juan Basin Release Reporting Procedure

# San Juan Basin: Release Reporting and Pollution Prevention and Control Procedure

**Purpose**

To provide general instructions for the proper identification, notification and control of accidental releases of chemicals, produced liquids and gasses.

**Key Points**

- This procedure is specific to the accident release of a chemical, produced liquid or gas the cause of which may have also resulted in property or injury. The procedure only addresses the reporting and response for the environmental and public health threats associated with the release. Incident management involving all consequences of the accident should follow the Emergency Response Plan and related procedures.
- *Draft Procedure pending Review and Approval of E&PWAY guidance committee.*

**Related Documents**

- "A" Standard
- Incident Rpt & Investigation Procedure
- Spill Report
- Release Quick Reference Guide

**Equipment & Materials**

- Spill boom/sorbent materials, shovel, rake, LOTO materials,

**PPE**

- Standard Personal Protective Equipment (PPE), including properly working Lower Explosive Limit (LEL) monitor where applicable

## Terms and Definitions

**Accident**

- An undesired, unplanned event that results in occupational injury or some form of damage to equipment, property, materials, or the environment.

**Condensate**

- Liquid hydrocarbons that condense from a pipeline or well and are often referred to as natural gas liquids, light crude, or drip gas

**SPCC**

- Spill Prevention Control & Countermeasure

**Release**

- Any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, including abandonment or discarding of barrels, containers, and other closed receptacles containing any hazardous substance, pollutant, or contaminant.

**Reportable Quantity (RQ)**

- A release of a hazardous substance, or an extremely hazardous substance (EHS) in a specified amount, into the environment within a 24-hour period.

## Roles and Responsibilities

**Lease Operator, Pumper or Technician**

- Responsible for meeting regulatory guidelines and accurately identifying, assessing initial response, reporting, and if done safely controlling accidental releases.

**Operations Specialist or Project Manager**

- Individual responsible for the reporting of events and any subsequent investigation
- Can also be Supervisor, Superintendent, or Team Lead

**EH&S Specialists**

- Responsible for proper handling of incident reporting/investigation documentation and consulting with the Investigation Team

| Tasks | Steps / Actions |
|---|---|
| **1. Release Discovery** | ▪ Upon discovery of an accidental release of chemicals, produced liquids or gas, check the impacted area to determine if there are any immediate and significant threats to your safety or the safety of others. Secondarily, consider the threat to the environment, wildlife and livestock.<br>▪ Notify your run partner or others in the area which can provide support and help, you supervisor and the EH&S representative. |
| **2. Corrective Action** | ▪ Establish a perimeter to limit access, isolate area and shut off source (if it can be done safety).<br>▪ Review MSDS for appropriate PPE, health threats, and spill response requirements.<br>▪ Coordinate necessary emergency response resources and corrective actions with supervisor and EH&S. |
| **3. Reporting** | ▪ Once controlled complete ***WPX Spill Report*** (copy attached) and submit to EH&S.<br>▪ EH&S to use the ***Release Quick Reference Guide*** to determine necessary regulatory notification and reporting requirements. |
| **4. Followup** | ▪ Williams conducts investigations for employee or company events. Refer to ***Incident Reporting and Investigation Procedure*** for more details.<br>▪ Contractors are to provide Williams with incident investigation reports and Lessons Learned. |

## Record Retention

Records will be maintained according to the Williams Records Retention Policy.

## Administrative Information

**Owner/Approver:**

**Approved:** Pending **Effective:** Pending **Reviewed:** Annually

**Document Custodian:**

**Document Change Log**

| Revision Date | Change Description | Concurred By | Submitted By | Made By |
|---|---|---|---|---|
| | | | | |
| | | | | |

# Reportable Quantities Quick Reference

**Notes:**

1) **Upon discovery of any accidental release or spill, immediately report to your Supervisor and EHS Specialist. However, reporting is secondary to securing the safety of personnel, the environment and operations.**
2) **Any size spill that enters the waters directly, creates a sheen or could reasonable impact a waterway or arroyo is MAJOR and requires additional notification to the NRC.**
3) **Any notification and/or written reports to regulatory agencies will be the responsibility of the operations supervisor and EHS.**

| | Refined Products/RQ | Type | Oil/Condensate | Produced Water | Gas | Verbal Report | Phone Number |
|---|---|---|---|---|---|---|---|
| **WPX Internal** | >5 gal. or MSDS & EPA | | >=1 Barrel | >=1 Barrel | >=50 MSCF | Yes w/in 24 to EHS | Refer to Basin Emergency Phone List |
| **COLORADO** | >25 Gallons | Major | > 20 Barrels | > 20 Barrels | NS | Yes 24 hrs to COGCC | COGCC -Southwest (La Plata) 970-259-4587 |
| | | Minor | 5-20 Barrels | 5-20 Barrels | NS | No | Northeast (Yuma) 970-842-4465 |
| **KANSAS** | All | Major | All | All | All | Yes 24 hrs to KCC & KDHE | KCC Distirct 1 620-225-8888 |
| | | Minor | All | All | All | Yes 24 hrs to KCC & KDHE | KDHE - 785-296-0614 |
| **NEW MEXICO** | Per MSDS & EPA | Major | > 25 Barrels | >25 Barrels | ≥ 500 Mcf | Yes 24 hrs to NMOCD & NMED | NMOCD -District 3 505-334-6178 |
| | | Minor | 5-25 barrels | 5-25 Barrels | 50-499 Mcf | No | NMED - 505-827-9329 (non-E&P sites) |
| **OKLAHOMA** | Per MSDS & EPA | Major | ≥ 10 Barrels | ≥ 10 Barrels | NS | Yes 24 hrs to OCC district office | OCC - District 1 918-367-3396 |
| | | Minor | < 10 Barrels | < 10 Barrels | NS | No | District 2 580-332-3441 |
| **UTAH** | All | Major | > 100 Barrels | > 100 Barrels | > 500 Mcf | Yes 24 hours to the OGM | OGM - 801-538-3400 |
| | | Minor | ≤ 100 Barrels | ≤ 100 Barrels | ≤ 500 Mcf | No | UDEQ - 801-536-4123 |
| **So. Ute Tribe** | Per MSDS & EPA | Major | > 5 Barrels | > 5 Barrels | NS | Yes 24 hours to the SUIT | SUIT 970-563-0135 & BIA 970-563-4514 |
| | | Minor | NS | NS | NS | No | Refer to BLM & CO for additional reporting |
| **WYOMING** | ≥ 25 Gallons | Major | > 10 Barrels | > 10 Barrels | NS | Yes 24 hrs to WOGCC & WDEQ | WOGCC - 307-234-7147 |
| | | Minor | ≤ 10 Barrels | ≤ 10 Barrels | NS | No | WDEQ - 307-777-7781 |
| **BLM** | | Major | ≥ 100 Barrels | ≥ 100 Barrels | ≥ 500 Mcf | Yes 24 hours to district office | CO- 970-247-4874 KS - 505-438-7400 |
| | | Minor | 10-99 Barrels | 10-99 Barrels | 50-499 Mcf | No | NM - 505-599-8900 OK - 918-621-4100 UT - 801-539-4001 WY - 307-775-6256 |
| **NRC** | Per MSDS & EPA | Major | Any spill which impacts waters of the US or could reasonable impact waterways and/or ephemeral streams and arroyos. | | | | 1-800-424-8802 |

# Release/Spill Report Form

## Exploration and Production Spill/Release Form

Month: February | Day: 13 | Year: 2008

Release Discovered by: | Discover Time:

Release Verified: Yes | Ver Time: | Release Stop Time:

Release Reported by: | Report Time:

Operations: San Juan/Green River | District: San Juan | Area: Four Corners

Inside Facility Boundary ☑ | Facility Name:

OR

Pipeline Asset: ☐ | Pipeline Name:

Note: Check "Pipeline Asset" if release is from a pipeline outside a facility boundary

DOT Jurisdiction: No | Engineering Stationing Number:

Note: Determine if the release is from a DOT Jurisdictional asset whether inside or outside a facility

Area Manager: Sterg Katirgis | Asset Group: Exploration & Production | State: NM

Address: P. O. Box 640 | County: | Zip Code:

AND

Section: | Township: | Range: | Milepost: | Tract #:

Offshore: No | Latitude: | Longitude:

Release Reportable? No | Waterway Affected? No | Name:

| Report | Date | Number | Time | Name | Title | City | State |
|---|---|---|---|---|---|---|---|
| NRC ☐ | | | | | | | |
| SERC ☐ | | | | | | | |
| LEPC ☐ | | | | | | | |
| TRRC ☐ | | | | | | | |
| ☐ | | | | | | | |
| ☐ | | | | | | | |

3E Only | A written report was requested? | Time Frame | Days

Product Released: Lube Oil | Estimated BBL's Released (a)

Estimated Free Liquids Recovered (b)

Released to: Soil | Estimated Amount Recovered Soil (c)

Estimated Total Amount Recovered (b+c)

Define Other: | Estimated Amount Not Recovered (a-b-c)

Note: For a release to be contained inside of a "dike" it must be a permanent dike designed specifically to contain releases.

Owner of well site or Leasehold where release/spill occurred: Other

# Release/Spill Report Form

**Cause (pre-investigation) Check all that apply:** Natural Forces ☐ Material or Weld Failure ☐
Third Party Damage ☐ Other ☐ Equipment Failure ☑ Excavation Damage ☐
Internal Corrosion ☐ External Corrosion ☐ Incorrect Operation - Operator ☐ Incorrect Operation - Contractor ☑
Intentional Blowdown ☐ *Maintenance* ☐ *Non-Maintenance* ☐

**Release Origin:**

**Incident Summary:**

| | | | | | |
|---|---|---|---|---|---|
| **Temperature** | 25 | **Relative Humidity** | | **Precipitation** | |
| **Cloud Cover** | | **Wind Speed** | | **Wind Direction** | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Injury** | No | **Death** | No | **Fire** | No | **Explosion** | No |
| **Unconsciousness** | No | **Hospitalization** | No | | | | |

**Loss/Damage Estimate** Zero to $5,000

**Environmental Contact for release:** Lane, Myke

**Safety Contact for this release:** Lane, Myke

**Form completed by:** MKL

**Completion Date:** February 13, 2008

**Report was e-mailed to Williams on:** February 13, 2008

**24 hour report was reviewed by: (Initials Only)**

## PUBLIC NOTICE

Williams Production Company, LLC, POB 640, Aztec, NM, 87410, submitted a renewal application in December 2008 to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division for the previously approved discharge plan GW-161 for their Rosa East Compressor Station located in the SW/4, SE/4 of Section 26 Township 31 North, Range 4 West in Rio Arriba County, New Mexico. The facility, located approximately 12.4 miles southwest of Dulce, provides natural gas metering and compression services.

The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Typical materials generated or used at the facility include natural gas condensate/produced water, new and used lube oil, oily waste water from equipment wash down, and glycol. The quantity of wastewater generated is 750 – 1680 gallons per year per engine. The facility does not discharge to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers equipped with secondary containment. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. The estimated ground water depth at the site is expected to be in the range of 20 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 2000-10,000 mg/L.

Any interested person or persons may obtain information, submit comments or request to be placed on a facility-specific mailing list for future notices by contacting Leonard Lowe at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3492. The OCD will accept comments and statements of interest regarding the renewal and will create a facility-specific mailing list for persons who wish to receive future notices.

## ATENCIÓN PÚBLICA

Williams Production Company, LLC, POB 640, Aztec, NM, 87410, han presentado una aplicación de renovación en diciembre de 2008 a la New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division para la descarga antes aprobada planean GW-161 para su Rosa East Compressor Station localizada en el SW/4, SE/4 de la Sección 26, Municipio 31 Norte, Recorren 4 Oeste en Rio Arriba County, New Mexico. La instalación, sudoeste de aproximadamente 12.4 millas localizado de Dulce, New Mexico proporciona servicios de medición y compresión de gas naturales.

El plan de descarga se dirige como las caídas, los agujeros, y otras descargas casuales a la superficie serán manejados. Los materiales típicos generados o usados en la instalación incluyen el echar agua condensado/producir de gas natural, el petróleo de lubricación nuevo y usado, echar agua de desecho aceitoso del equipo se lavan abajo, y glicol. La cantidad de wastewater generado es 750 – 1680 galones por año por motor. La instalación no descarga para revestir o subrevestir los echares agua. Toda la basura generada será temporalmente almacenada en tanques o contenedores equipados con la contención secundaria. La basura transportó offsite será dispuesto o reciclado en una instalación permitida por la agencia estatal, federal, o tribal recibir tal basura. Se espera que la profundidad de agua subterránea estimada en el sitio esté en la variedad de 20 pies. El total se disolvió se espera que la concentración de sólidos del agua subterránea de área esté en la variedad de 2000-10,000 mg/L.

Cualquier persona interesada o personas pueden obtener la información, presentar comentarios o solicitar para ser colocado en una lista de direcciones específica de instalación para futuros avisos por ponerse en contacto con Leonard Lowe en el Nuevo México OCD en 1220 Sur San. Francis Drive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3492. El OCD aceptará comentarios y declaraciones del interés en cuanto a la renovación y creará una lista de direcciones específica de instalación para personas que desean recibir futuros avisos.

Williams

**Exploration & Production**
POB 640 / 721 So. Main
Aztec, N.M. 87410
Phone: (505) 634-4200
Fax: (505) 634-4205

December X, 2008

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

USDA Forest Service
333 Broadway SE
Albuquerque, New Mexico 87102

Dear Madam/Sir:

This letter is to advise you that Williams Production Company, LLC submitted a Discharge Plan Renewal application to the Oil Conservation Division for the permitted Rosa East Compressor Station (GW-161) in December 2008. This notice is a requirement pursuant to New Mexico Water Quality Control Commission Regulations.

The facility, located in the SW/4, SE/4 Section 26, Township 31 North, Range 4 West, Rio Arriba County, New Mexico, approximately 12.4 miles southwest of Dulce, provides natural gas metering and compression services.

The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Typical materials generated or used at the facility include natural gas condensate/produced water, new and used lube oil, oily waste water from equipment wash down, and glycol. The quantity of wastewater generated is 750–1680 gallons per year per engine. The facility does not discharge to surface or subsurface waters, and therefore the quantity and quality of the discharges is not applicable. All wastes generated will be temporarily stored in tanks or containers equipped with secondary containment. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. The estimated ground water depth at the site is expected to be in the range of 20 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 2000-10,000 mg/L.

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

Leonard Lowe
New Mexico Oil Conservation Division
1220 South Saint Francis Dr.
Santa Fe NM 87505
505-476-3492

Respectfully submitted,

Myke Lane
EH&S Team Lead

ATTACHMENT TO THE DISCHARGE PERMIT GW-161
WILLIAMS PRODUCTION COMPANY, LLC.
ROSA COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
(September 22, 2004)

Paid $500 June 10, 2004 by Huber

1. Payment of Discharge Permit Fees: The $100.00 filing fee has been received by the OCD. The $400.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.

2. Williams Production Company, LLC. Commitments: Williams Production Company, LLC. will abide by all commitments submitted in the Discharge Permit renewal application dated June 10, 2004.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.

7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

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

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

10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to Discharge Permit. 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 non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans that are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.

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

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

15. Storm Water Plan: Williams Production Company, LLC. shall maintain storm water runoff controls. As a result of Williams Production Company, LLC.'s operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Production Company, LLC. shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Production Company, LLC. shall also take immediate corrective actions pursuant to Item 12 of these conditions.

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

17. Certification: Williams Production Company, LLC., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Production Company, LLC. 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:

WILLIAMS PRODUCTION COMPANY, LLC.

by Dinja M McNamara 11/19/04
Title
EH&S Specialist

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**
Governor
**Joanna Prukop**
Cabinet Secretary

September 22, 2004

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

Ms. Olivia McNamara
Regulatory Compliance Specialist
Williams Production Company, LLC.
999 Goddard Avenue
Ignacio, Colorado 81137

**RE: Discharge Plan Renewal GW-161**
**Rosa Compressor Station**
**Rio Arriba County, New Mexico**

Dear Ms. McNamara:

The discharge permit renewal GW-161 for the Williams Production Company, LLC. (formerly J. M. Huber Corporation) Rosa Compressor Station located in Section 26, Township 31 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge permit approval for GW-161 dated April 7, 1994, the renewal application dated June 10, 2004 and the attached stipulations of approval. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.**

The Discharge Permit application was submitted pursuant to 20 NMAC 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to 20 NMAC 3109.A. Please note 20 NMAC 3109.E and 20 NMAC 3109.F, which provide for possible future amendments or modifications of the permit. Please be advised that approval of this permit does not relieve Williams Production Company, LLC. 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 20 NMAC 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 20 NMAC 3107.C., Williams Production Company, LLC. 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 20 NMAC 3109.G.4., this permit is for a period of five (5) years. This approval will expire on March 31, 2009, and you should submit an application in ample time before this date. Note that under 20 NMAC 3106.F. of the regulations, if a discharger submits a Discharge Permit application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge permit facilities will be required to submit the results of an underground drainage testing program as a requirement for Discharge Permit.

The Discharge Permit application for the Williams Production Company, LLC. Eunice Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge permit application will be assessed a fee equal to the filing fee of $100 plus a flat fee of $400.00 for compressor stations with less than 1,000 horsepower. 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. The OCD has received the filing fee.

**Please make all checks payable to: Water Management Quality Management Fund**
**C/o: Oil Conservation Division**
**1220 South St. Francis Drive**
**Santa Fe, New Mexico 87505.**

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

RCA/wjf

cc: OCD Aztec District Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-161
WILLIAMS PRODUCTION COMPANY, LLC.
ROSA COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
(September 22, 2004)

1. Payment of Discharge Permit Fees: The $100.00 filing fee has been received by the OCD. The $400.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.

2. Williams Production Company, LLC. Commitments: Williams Production Company, LLC. will abide by all commitments submitted in the Discharge Permit renewal application dated June 10, 2004.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.

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17. Certification: Williams Production Company, LLC., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Production Company, LLC. 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:

WILLIAMS PRODUCTION COMPANY, LLC.

by_____
Title

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

# DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,GAS PLANTS, REFINERIES, COMPRESSOR, GEOTHERMAL FACILITES AND CRUDE OIL PUMP STATIONS

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

☐ New ☒ Renewal ☐ Modification

1. Type: _____Compressor Station, GW-161_____
2. Operator: ___J.M. Huber Corporation_____

   Address: ___1050 17th Street, Suite 700, Denver, CO 80265_____

   Contact Person: _____Jevin Croteau_____Phone: ___303-825-7900_____
3. Location: ____SW_____/4 _____SE_____/4 Section ____26_____Township _____31N____Range___4W____
   Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. N/A
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. N/A

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

Name: JEVIN CROTEAN Title: Regulatory Compliance Specialist

Signature: _____ Date: 6-10-2004

E-mail Address: dujrc@huber.com

## 4) NAME, TELEPHONE NUMBER AND ADDRESS OF THE LANDOWNER OF THE FACILITY SITE:

U.S. Forest Service
Southwest Region
333 Broadway SE
Albuquerque, NM 87102
(505) 842-3292

## 5) DESCRIPTION OF FACILITY WITH A DIAGRAM (DIAGRAM 1):

The Rosa Compressor Station is owned by J. M. Huber Corporation ("Huber") and operated by J. M. Huber Corporation. The compressor station is located in Rio Arriba County, New Mexico, approximately 12.4 miles southwest of Dulce, NM and 14.9 miles south of the Colorado-New Mexico border.

### Facility Location and Addresses:

Below are the addresses of the facility, the owners and operators.

| | |
|---|---|
| Facility: | Rosa Compressor Station<br><br>Section 26, Township 31N, Range 4W<br><br>UTM Zone 13; 301.850 kmE, 4082.000 kmN<br><br>Rio Arriba County, NM |
| Owner: | J.M. Huber Corporation<br>1050 17$^{TH}$ Street, Suite 700<br>Denver, CO 80265<br>303-825-7900 |
| Operator: | J.M. Huber Corporation<br>1050 17$^{TH}$ Street, Suite 700<br>Denver, CO 80265<br>303-825-7900 |

### Facility Components

- Caterpillar G379TA 415 hp compressor engine
- Ajax 280 325 hp compressor
- Caterpillar 3306 generator
- Pig receiver
- 2 - 30 MMscfd inlet scrubbers
- Fuel, sales and EPNG meters

- 2 - 400 bbl condensate tanks
- 1,000 gallon used oil tank
- Dehydrator
- 15 bbl dehydrator sump
- 10 bbl runoff sump
- 2 – 1,000 gallon glycol and methanol AST's

## 6) DESCRIPTION OF MATERIALS STORED OR USED AT FACILITY:

- Used oil
- Methanol
- Glycol
- Water
- Triethylene glycol

## 7) DESCRIPTION OF PRESENT SOURCES OF EFFLUENT AND WASTE SOLIDS:

All effluent from this site is handled in accordance with NMOCD and NMED regulations. Compressor production water, unevaporated dehydrator water and water in the runoff sump are disposed by Burlington 112Y Disposal. Dawn Trucking located in Farmington, NM transports the water to Burlington 112Y Disposal.

Used oil and condensate is disposed of by Safety Kleen.

## 8) DESCRIPTION OF CURRENT LIQUID AND SOLID WASTE COLLECTION/TREATMENT/DISPOSAL SYSTEMS:

### Compressor Engine

The Caterpillar G379TA is a turbo charged natural gas driven compressor engine. The compressor mounted on a dike concrete pad. Washdown water, spills, and drips are piped from the pad to a 10-bbl runoff sump.

Ajax 280 Compressor

J. M. Huber Corporation is responsible for maintenance of the compressor and for removal of used lube oil. Walsh Engineering & Production Corp. located in Farmington, NM is contracted by J. M. Huber Corporation to perform maintenance. It is expected that approximately 400 gallons of used lube oil will be removed annually. Used oil from the compressor packing and from the filter case drain is piped to a 1,000-gallon waste oil storage tank. Safety Kleen located in Farmington, NM disposes of the used oil. All used oil is hauled from the site in accordance with OCD regulations.

The monthly volume of accumulated water from the compressor going to the condensate tanks is 25-bbl and 1.5-bbl going to the runoff sump. The compressor is washed down monthly by Twin Star located in Farmington, NM. Approximately 150 gallons of water is used and then drained to the 10-bbl runoff sump.

**Tanks and Sumps**

The two 400-bbl condensate tanks are located within a tank berm. These tanks receive accumulated water from the compressor engine, inlet scrubbers, dehydration unit and 2-stage separator. The berm is designed to accommodate 1,139-bbl of spillage (264 percent of the tank volumes). Its dimensions are 30 feet by 60 feet by 4 feet.

Used oil is also stored in a 1,000-gallon horizontal steel tank. The tank is coated with coal tar and is situated near the compressor engine. Its dimensions are 4 feet by 11 feet.

The 10-bbl fiberglass sump accommodates runoff from both the compressor engine and glycol skid pads. The sump is tarred and wrapped with X150 permalon barrier material and features a port for monitoring leaks between the tank and barrier. The diameter and depth of the sump is 8 feet by 3 feet horizontal.

The 15-bbl dehydration sump accommodates produced water from the dehydrator and is located next to it. The diameter of the sump is 8 feet by 3 feet horizontal and is made of fiberglass.

The two 1,000-gallon steel AST's for methanol and glycol storage are located on a concrete berm next to the dehydrator. The dimensions of the berm are 12 feet by 12 feet by 2 feet. The berm is designed to accommodate 39-bbl of spillage (146 percent or the tank volumes).

**Dehydration Unit**

The dehydration unit removes water from the field gas. The water from the dehydration unit is stored in the 15-bbl dehydration sump. The monthly volume of water accumulated in the sump is approximately 270 gallons. The water discharged from the dehydration unit is expected to contain traces of triethylene glycol.

**10) ROUTINE INSPECTION AND MAINTENANCE PLAN:**

The Rosa Compressor Station is visited daily by an employee of Stick Horse Enterprises. They investigate the facility for any leaks, spills or drips.

## 11) CONTINGENCY PLAN FOR REPORTING AND CLEAN-UP OF SPILLS OR RELEASES:

If a leak, spill or drip has occurred, it is handled in accordance with NMOCD Rule 116 and 40 C.F.R. Part 112 as shown below.

Small spills are absorbed with soil and shoveled into drums for off-site disposal. Large spills are contained with temporary berms and the use of absorbent pads. Free liquids are pumped into drums and any contaminated soils are also shoveled into drums for off-site disposal. Drums containing contaminated soils and free liquids are disposed of by a NMOCD approved disposal contractor. Discharges greater than the reportable quantity must first be reported to the National Response Center. In addition, verbal and written notification of leaks or spills is made to NMOCD in accordance with Rule 116.

Information contained in the notification to NMOCD includes:

- Name, address and phone number of the local contact and owner of the facility.
- Name and address of the facility including legal description.
- Date, time and duration of the incident.
- Description of the source and cause of the incident.
- Nature or type of discharge (if other than oil or produced water, please include chemical and physical characteristics).
- The known or estimated volume of the discharge,
- Relevant site characteristics prevailing at the site during the incident including precipitation, wind directions, temperature, soil type and distance to nearest population, water wells and watercourse.
- Any initial corrective actions to mitigate immediate threats to fresh water, public health and environment.

All areas susceptible to leaks or spills are paved, bermed or otherwise contained to prevent the discharge of any effluents.

## 12) GEOLOGICAL/HYDROLOGICAL INFORMATION FOR THE FACILITY:

The Rosa Compressor Station is located approximately 12.4 miles southwest of Dulce, NM and approximately 14.9 miles south of the Colorado-New Mexico border. The site is in a rural area with irregular terrain at an elevation of approximately 6920 feet above mean sea level (MSL). The site is indicated on the attached Bixler Ranch 7.5-minute topographic map (Diagram 2).

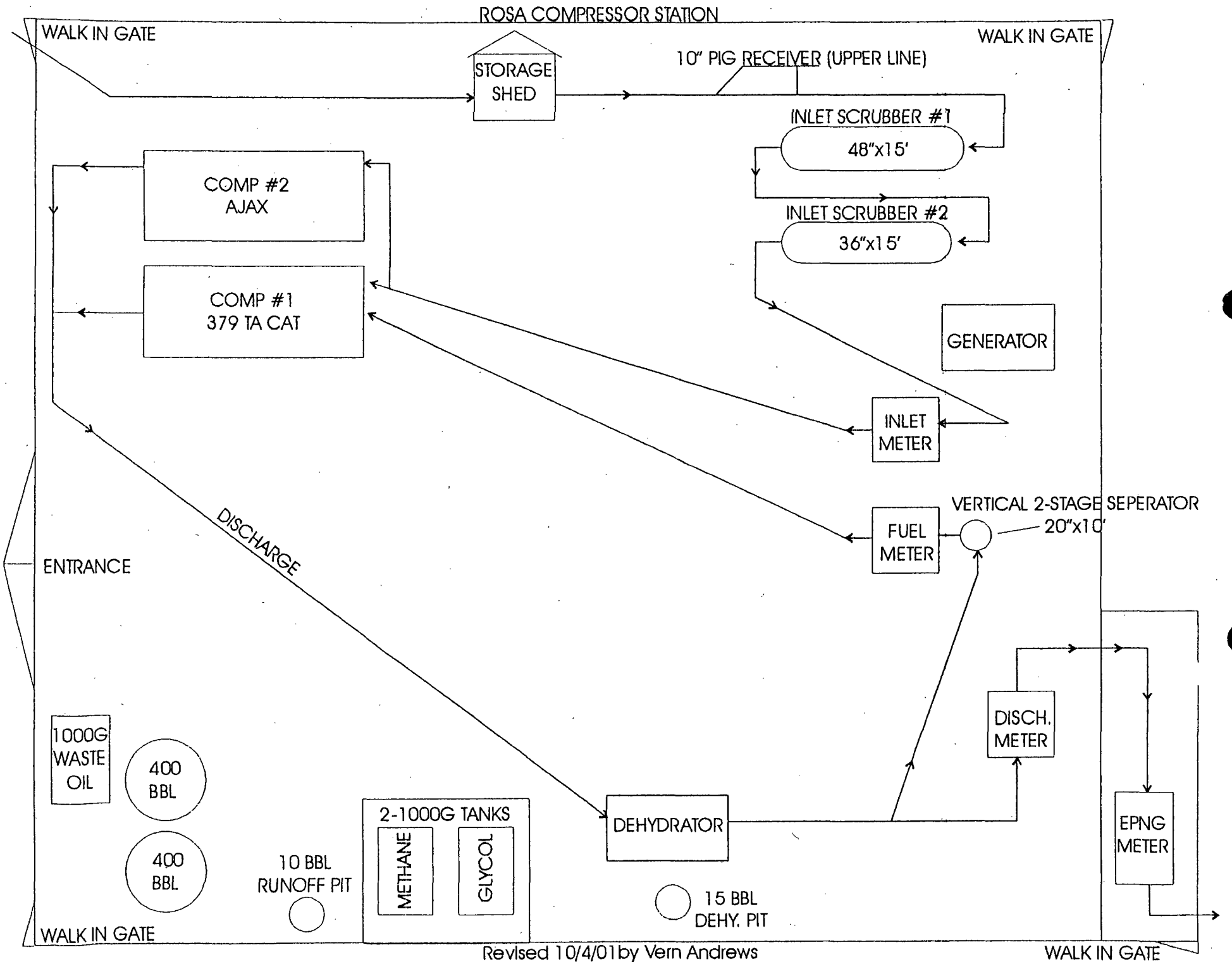
The facility is located approximately 20 feet in elevation above the Ulibarri Canyon drainage, a small intermittent stream and is the nearest watercourse. This drainage flows northwest into the Cabresto Canyon drainage, a tributary to the Navajo Reservoir/Navajo River approximately 10.6 miles northwest.

The water table is assumed to be 20 feet below the facility. The 1989 Aquifer Sensitivity Map for Rio Arriba County, NM compiled by Lee Wilson and Associates, Inc. on behalf of NMED has the Rosa Compressor Station within a moderate aquifer sensitivity zone. This zone is defined as having a depth to groundwater between 100 to 300 feet and the Total Dissolved Solids ranges from 2000 mg/L to 10,000 mg/L.

The Rosa Compressor Station site is located on the San Jose Formation. The San Jose Formation is the youngest of the tertiary bedrock units in the San Juan Basin. It is characterized by a sequence of interbedded sandstones and mudstones.

Computerized records from the State Engineer's Office list the water wells within a quarter-mile radius of the facility. The well use, legal description, date of construction, depth of well and depth to water are shown in Table 1. There are three wells located within a quarter-mile radius of the Rosa Compressor Station. One well is used for industrial purposes and the two other wells are used for domestic purposes.

(DIAGRAM 1)




Revised 10/4/01by Vern Andrews

(DIAGRAM 2)


Rosa Compressor Station

**TABLE I**
**STATE ENGINEER'S OFFICE WATER WELL RECORDS**
**WELLS WITHIN 1/4 MILE OF THE ROSA COMPRESSOR STATION**

| Well No. | Date Drilled | Legal Description T/R/S | | | Water Use | Depth to Well | Depth to Water |
|---|---|---|---|---|---|---|---|
| 00049 | 9/14/53 | 31N | 4W | 33 | Industrial | 112' | 80' |
| 02885 | Unknown | 31N | 4W | 27 | Domestic | 150' | Unknown |
| 02886 | Unknown | 31N | 4W | 28 | Domestic | 150' | Unknown |

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 15, 1999

**CERTIFIED MAIL**
**RETURN RECEIPT NO. Z-274-520-534**

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

**RE: Discharge Plan Renewal GW-161**
**Duke Energy Field Services, Inc.**
**Rosa Compressor Station**
**Rio Arriba County, New Mexico**

Dear Ms. Koblis:

The ground water discharge plan renewal GW-161 for the Duke Energy Field Services, Inc. Rosa Compressor Station located in the SW/4 SE/4 of Section 26, Township 31 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the discharge plan as approved April 7, 1994, and renewal application dated March 24, 1999. 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 renewal application 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 provides: "When a plan 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 renewal plan is for a period of five years. This renewal will expire on **March 31, 2004**, 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 .

The discharge plan renewal application for the Duke Energy Field Services, Inc. Rosa Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of $50. There is a renewal flat fee assessed for gas plant facilities equal to one-half of the original flat fee or $1,667.50. The OCD has not 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,

Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-161
DUKE ENERGY FIELD SERVICES, INC.
ROSA COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(September 15, 1999)

1. Payment of Discharge Plan Fees: The $50.00 filing fee has not been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for compressor stations with horsepower rating greater than 1000 and less than 3000 horsepower. The renewal flat fee required for this facility is $345.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval.

2. Duke Energy Field Services, Inc. Commitments: Duke Energy Field Services, Inc. will abide by all commitments submitted in the discharge plan renewal application dated March 24, 1999 and these conditions for approval.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.

7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

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

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

10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than February 28, 2000 and a minimum of once every 5 years, from tested date, thereafter. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.

11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.

13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec 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 Rosa Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Rosa Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-161
DUKE ENERGY FIELD SERVICES, INC.
ROSA COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(September 15, 1999)

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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

Kristin M. Kobus
Environmental Scientist

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

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

April 7, 1994

**CERTIFIED MAIL**
**RETURN RECEIPT NO. P-176-012-081**

Mr. Robert L. Pearson
Associated Natural Gas, Inc.
P.O. Box 5493
Denver, Colorado 80217

**Re: Discharge Plan (GW-161)**
**Rosa Compressor Station**
**Rio Arriba County, New Mexico**

Dear Mr. Pearson:

The groundwater discharge plan GW-161 for the Associated Natural Gas Inc. Rosa Compressor Station located in the SW/4 SE/4 Section 26, Township 31 North, Range 4 West, NMPM, Rio Arriba County, New Mexico **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated January 11, 1994 and the supplemental information dated March 21, 1994.

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 (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 quality or volume of discharge.

Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire March 31, 1999 and you should submit an application for renewal in ample time before that date.

The discharge plan application for the Associated Natural Gas Inc. Rosa Compressor Station is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus a flat rate fee of six-hundred ninety (690) dollars for compressor stations with more than 1000 horsepower and less than 3000 horsepower.

The OCD has received your $50 filing fee. The flat fee for an approved discharge plan may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.

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

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

Sincerely,

William J. LeMay
Director

WJL/cee
Attachment

xc: Denny Foust - OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-161 APPROVAL
ASSOCIATED NATURAL GAS, INC
ROSA COMPRESSOR STATION
DISCHARGE PLAN REQUIREMENTS
(April 7, 1994)

1. Drum Storage: All drums will be stored on pad and curb type containment and will be approved by the OCD prior to installation.

2. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their designs.

3. Berms: All tanks that contain materials other than freshwater will be bermed to contain one and one-third (1-1/3) the capacity of the largest tank within the berm or one and one-third (1-1/3) the total capacity of all interconnected tanks.

4. Pressure testing: All discharge plan facilities are required to pressure test all underground piping at the time of discharge plan renewal. All new underground piping shall be designed and installed to allow for isolation and pressure testing at 3 psi above normal operating pressure.

5. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.

6. OCD Inspection: Additional requirements may be placed on the facility based upon results from OCD inspections.

7. Non-disturbance plan: operation will be in accordance with the plan for non-disturbance committed to in the correspondence dated March 21, 1994.