GW - 237

PERMITS, RENEWALS, & MODS Application

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

JUNE 22, 2011

Mr. Keith Warren
DCP Midstream
1625 West Marland
Hobbs, New Mexico 88240

Dear Mr. Warren:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit", the Oil Conservation Division (OCD) has determined that three of your facilities do not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permits GW-015 (Linam Ranch GP), GW-237 (Pecos Diamond GP), GW-176 (Bootleg CS) are hereby rescinded and you are not required to proceed with the renewal of these WQCC Discharge Permits. OCD will close these permits in its database.

Because your WQCC Discharge Permits are no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfarms and landfills. OCD will make an inspection of your facility to determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required.

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit.

If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

Jami Bailey
Director

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 11/22/10

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

from DCP Midstream LP

for GW-257

Submitted by: Lawrence Romero Date: 12/16/10

Submitted to ASD by: Kathryn Romero Date: 12/16/10

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2010

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

dcp Midstream.

RECEIVED OCD

2010 NOV 24 P 1:25

November 23, 2010

UPS NEXT DAY AIR *(Tracking Number 1Z F46 915 01 9467 9879)*

Mr. Leonard Lowe and Mr. Glenn von Gonten
Oil Conservation Division
New Mexico Energy, Minerals
& Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Pecos Diamond Gas Plant
Discharge Permit Renewal Application (GW-237)
Eddy County, New Mexico

Dear Sirs:

Enclosed are the original and two copies of DCP Midstream, LP's (DCP Midstream) renewal application for the Pecos Diamond Gas Plant discharge permit identified above. Also enclosed is a check in the amount of $100.00 for the renewal application filing fee.

DCP Midstream will satisfy the requirements of 20.6.2.3108 NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP Midstream plans to publish a public notice in the Carlsbad Current Argus for the Pecos Diamond Gas Plant discharge permit renewal. DCP Midstream will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus once NMOCD has approved the draft public notice.

The Pecos Diamond Gas Plant does not have any intentional discharges that may move directly or indirectly into groundwater. Please be advised that DCP Midstream's submittal of the renewal application and filing fee does not waive DCP Midstream's objection to the NMOCD's position regarding the applicability of the WQCC regulations.

If you have any questions concerning DCP Midstream's position or the renewal application, please contact me at (303) 605-1936. Please send all correspondence regarding this renewal to me at kwarren@dcpmidstream.com, or 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,
DCP Midstream, LP

Keith Warren, P.E.
Environmental Engineer

Enclosures

cc: NMOCD District 2 Office *(UPS Tracking No. 1Z F46 915 02 9438 1081)*
1301 W. Grand Avenue
Artesia, NM 88210

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: Pecos Diamond Gas Plant
2. Operator: DCP Midstream, LP

   Address: See enclosed discharge plan

   Contact Person: See enclosed discharge plan Phone: See enclosed discharge plan
3. Location: SE /4 SW /4 Section 3 Township 18 S Range 27 E
   Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
   See enclosed discharge plan
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
   See enclosed discharge plan
6. Attach a description of all materials stored or used at the facility.
   See enclosed discharge plan
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
   See enclosed discharge plan
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
   See enclosed discharge plan
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
   See enclosed discharge plan
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
    See enclosed discharge plan
11. Attach a contingency plan for reporting and clean-up of spills or releases.
    See enclosed discharge plan
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
    See enclosed discharge plan
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
    See enclosed discharge plan
14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Kelly Jamerson Title: Asset Director

Signature: Kelly Jamerson Date: 11/18/10

E-mail
Address: kdjamerson@dcpmidstream.com

Pecos Diamond Gas Plant
SE ¼ SW ¼ Section 3, T18S, R27E

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-237) for the Pecos Diamond Gas Plant as previously approved by NMOCD on December 6, 2005. This Discharge Permit renewal application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106.C NMAC.

1. Type of Operation

DCP Midstream, LP
370 17th Street, Suite 2500
Denver, Colorado 80202
APCustomerService@dcpmidstream.com
303.605.2219

PAYEE NUMBER
0000078217

PAYEE NAME
NEW MEXICO-

CHECK NUMBER
00263630

CHECK DATE
11/22/10

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
KW11162010	11/16/10	100.00	Return check to Keith War
			TOTAL PAID **$100.00**

PLEASE RETAIN FOR YOUR RECORDS

5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines. A facility plot plan is provided as Figure 2.

The facility operates a septic and leach field system to manage sewage generated at the facility which is permitted under 20.7.3 NMAC (New Mexico Environment Department Liquid Waste Permit).

6 Materials Stored or Used

DCP stores, temporarily, materials on site. The storage of these materials is consistent with NMOCD and EPA regulations. Therefore, with management of these materials in secondary containment and in accordance with regulatory requirements, there will not be any intentional discharge of these materials. Materials temporarily stored on site are summarized in the following table. Volumes represented in the table are the container capacities. (Note: Below-grade tanks at the facility are generally referred to as "sumps" and the term "sump" is used on the facility plot plan; however, all of these sumps meet the regulatory definition of a below-grade tank).

MATERIAL STORED	METHOD OF STORAGE	APPROXIMATE VOLUME
Condensate	Aboveground tanks within secondary containment	(2) 400 bbl (1) 30,000 gal
Produced Water	Aboveground tank within secondary containment	(1) 210 bbl
Equipment Wash down Water/Stormwater/Skid Drains	Aboveground tank within secondary containment via floor drain system Below-grade tank double-walled tank	500 gal 584 gal
Methanol	Aboveground tank within secondary containment	(1) 550 gal
Lube Oil	Aboveground tanks within secondary containment	(1) 76 bbl (1) 34 bbl (6) 55 gal (1) 437 gal
Amine	Aboveground tank within secondary containment	(1) 525 gal
De-ionized Water for gas processing	Aboveground tank (no secondary containment required)	(2) 3,000 gal

Gasoline	Aboveground tank within secondary containment	(1) 317 gal
Triethylene Glycol	Aboveground tanks within secondary containment	(2) 750 gal
Biodegradable Soap	Aboveground tanks within secondary containment	(2) 285 gal (2) 70 gal
Used Oil	Aboveground tank within secondary containment	(1) 500 gal
Lab-type reagents Methyl Purple Indicator Buffer Solutions (pH 2, 4, and 7) Potassium Hydroxide .5 N 5 N Hydrochloric Acid Solution Methanol	All bottles stored on counter, shelves, or drawers within the former control building on a concrete slab	 (1) pint (3) 16 oz (1) qt (1) qt (1) L

Notes: 1 barrel = 42 U.S. gallons
bbl = barrels
gal = gallons
L = liters
ml = milliliters
oz = ounces
qt = quarts

7 Sources and Quantities of Effluent and Waste Solids

All effluent and waste solids generated at this facility are temporarily stored in enclosed, above-ground tanks with secondary containment or in a double-walled below-grade tank, and are removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. No effluent or waste solids are intentionally discharged onto or below the surface of the ground so that they may move directly or indirectly into groundwater. Approximate quantities are provided in the table included in Item #8 below.

Separators/Scrubbers
Effluent generated from the separators and scrubbers is not intentionally discharged on site. Fluids from the separators and scrubbers are routed via piping to aboveground storage tanks within secondary containment and trucked off site for disposal.

Boilers and Cooling Towers/Fans
There are no steam boilers at the facility. Amine and glycol system reboilers generate water, which is transferred to the Produced Water Tank for storage prior to off-site disposal. There are no effluents generated as a result of operation of the compressor cooling fans. There are no intentional discharges of these effluents on site.

Process and Storage Equipment Wash Down
Wastewater generated from process equipment wash down is collected in an aboveground storage tank and transported off-site for disposal. There is no intentional discharge of this wastewater on site.

Solvents/Degreasers
Solvent or degreasers are not used at the facility.

Spent Acids/Caustics
Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in appropriate aboveground storage containers and disposed off site in accordance with applicable Federal, State, and local regulations.

Used Engine Coolants
Used antifreeze is not generated at the facility. The antifreeze is consumed by the engines so no waste coolant is generated. If generated at the facility, antifreeze would be collected and stored in appropriate aboveground storage containers and disposed off site in accordance with applicable Federal, State, and local regulations.

Used Oil
Used oil is temporarily stored on site in an aboveground tank within secondary containment and transported off site for recycling. Used oil is not intentionally discharged on site so that it may move directly or indirectly into groundwater.

Used Oil Filters
Used oil filters generated at the facility are collected in an aboveground storage bin and transported off site for recycling.

Solids and Sludges
Solids and sludges are not intentionally discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

Painting Wastes
Painting wastes are not discharged on site. All paint wastes generated on site are managed in aboveground containers and disposed off site in accordance with applicable Federal, State, and local regulations.

Sewage
Domestic sewage from the plant's office area is routed to one septic tank and leach line system. The septic system is permitted and subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations at 20.7.3 NMAC.

Lab Wastes
Less than 1 gallon per quarter of lab type wastes are generated at the facility. Lab type wastes generated at the facility for testing of amine concentration in solution are collected in a 55-gallon drum. The drum is provided with secondary containment prior to off-site disposal. Lab wastes are not discharged on site.

Other Liquids and Solid Wastes
There are no other liquids or solid wastes generated at the facility.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage
All liquid and solid wastes, with the exception of domestic sewage, are collected and stored in containers for off-site recycling or off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

On-site Disposal
Domestic sewage is disposed in the on-site septic system, which is permitted and subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations at 20.7.3 NMAC.

There is no other on-site disposal at the facility. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off-site disposal, in accordance with applicable NMOCD, NMED, and EPA regulations.

Off-site Disposal
All liquid and solid wastes, except for domestic sewage, are disposed or recycled off site in accordance with applicable NMOCD, NMED, and EPA regulations.

The following table provides information regarding wastes collected and stored for off-site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Produced Water and/or Condensate	Aboveground storage tanks within secondary containment	~ 40 bbls per month	Off-site disposal	Permitted disposal facility
Condensate	Aboveground storage tanks within secondary containment	~ 700 bbls per month	Sales	DCP Artesia and Eunice Plants
Equipment Wash down Water	Aboveground storage tank within secondary containment	~ 1 bbl per quarter	Off-site disposal	Thermofluids, Inc.
Amine Filters	Aboveground storage bin	~ 8 per quarter	Off-site recycling	Thermofluids, Inc.
Used Oil Filters	Aboveground storage bin	~ 8 per quarter	Off-site recycling	Thermofluids, Inc.
Used Oil	Aboveground storage tank within secondary containment	~ 500 gals per quarter	Off-site recycling	Thermofluids, Inc.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Lab Waste	Aboveground storage drum within secondary containment	< 1 gal. per quarter	Off-site disposal	Permitted disposal facility
Domestic Sewage	Septic Tank	~ 100 gal. per month	On-site leach field	On-site leach field

9 Proposed Modifications

No modifications are proposed for this facility.

10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed to ensure proper collection, storage, and off-site disposal of all wastes generated at the facility.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

The facility is manned 8-hours per day, 7-days per week. Plant rounds are made hourly while the facility is manned. DCP will respond to spills as outlined in the facility's SPCC Plan, and report spills and leaks according to the requirements of the State of New Mexico found in 19.15.29 NMAC and WQCC regulation 20.6.2.1203 NMAC.

12 Site Characteristics

Hydrologic/Geologic Information

The New Mexico Office of the State Engineer Water Rights Reporting System lists one well approximately 2.3 miles northwest of the facility with a groundwater depth at 140 feet and two wells approximately 3 miles north of the facility with groundwater depths at 40 and 180 feet below the surface. The USGS National Water Information System database has a 2007 recorded water level at 56.26 feet below the surface for a well approximately six miles north of the facility.

A total dissolved solids concentration of 909 mg/L for groundwater in the Artesia, New Mexico area was obtained from the Artesia Rural Water Co-Op. No other data are available for the vicinity of the plant.

The facility is located on sedimentary deposits derived from mixed alluvium and residuum weathered from gypsum. According to the Natural Resource Conservation Survey Web Soil Survey, the soil is Reeves-Gypsum land complex, is well-drained, and a typical soil profile for this area is: 0 – 8 inches: Loam; 8- 32 inches: Clay Loam; and 32 to 60 inches: Gypsiferous material.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with 19.15.29 NMAC and WQCC regulation 20.6.2.1203 NMAC.

FIGURES

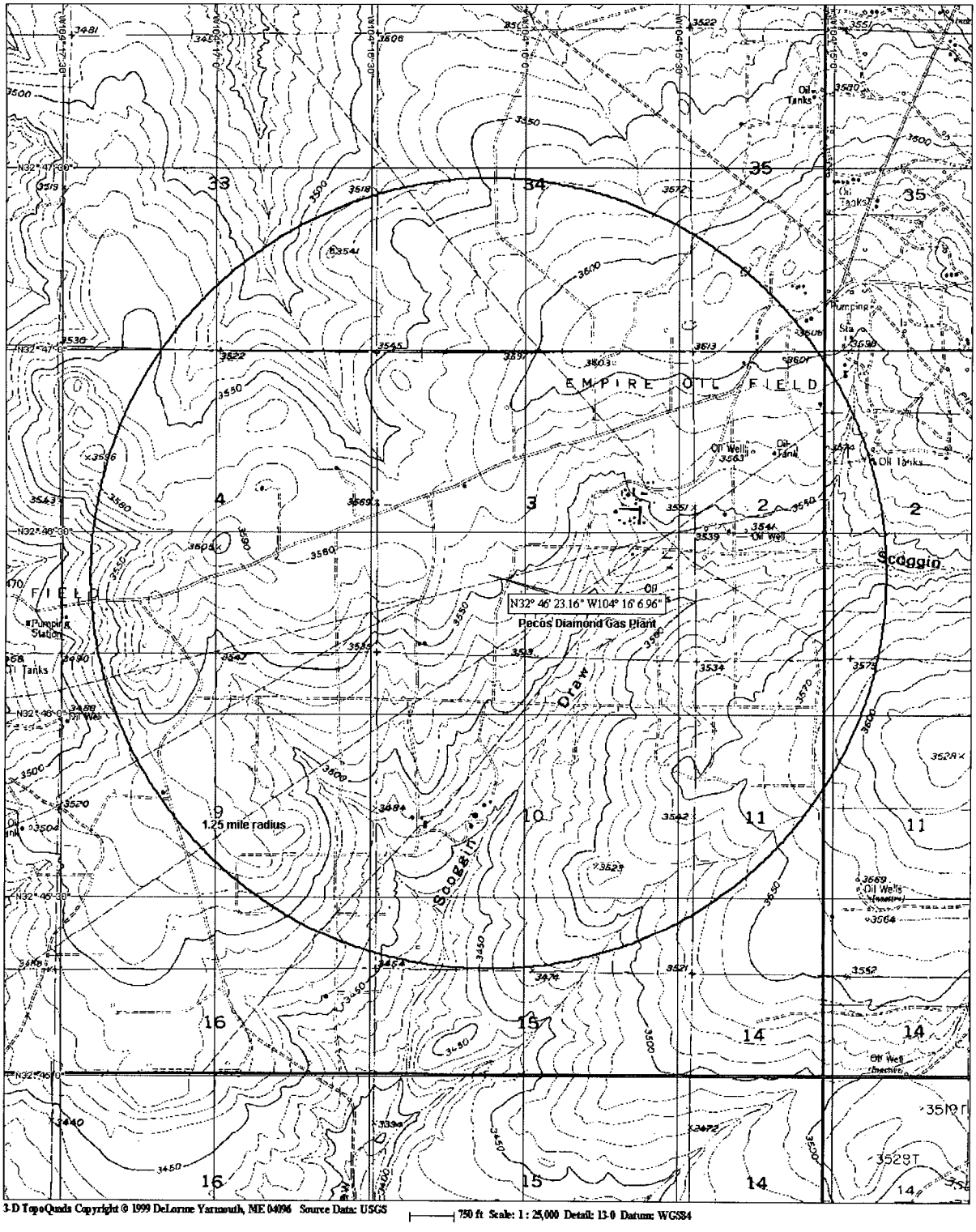
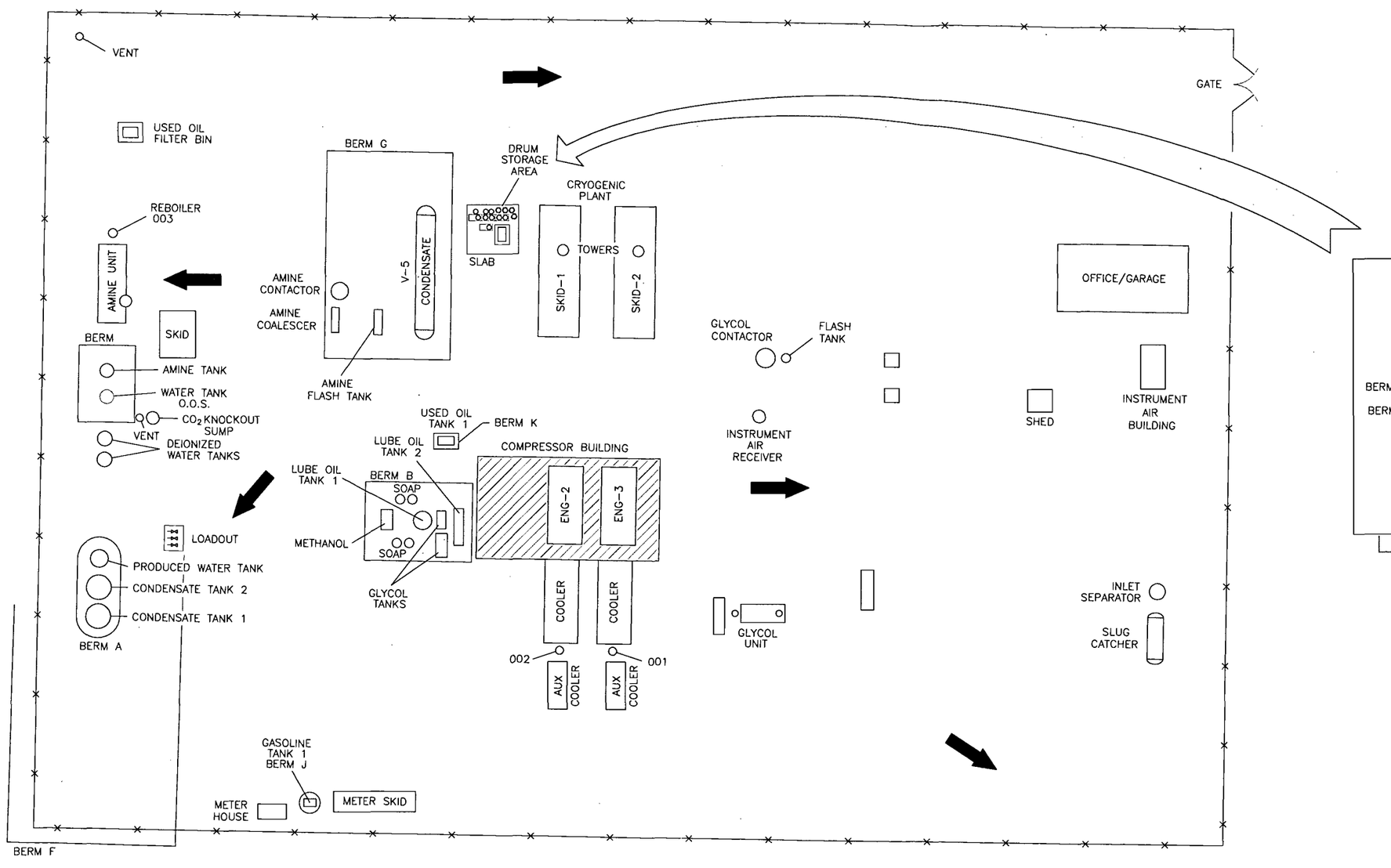
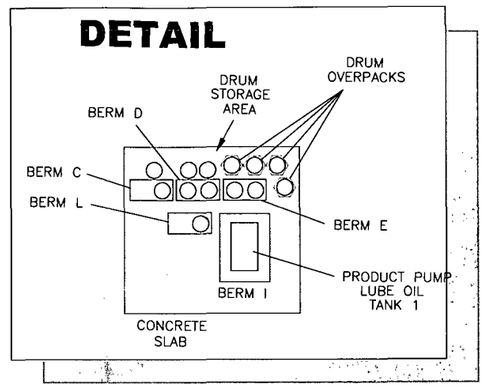


Figure 1. Site Location Map – Pecos Diamond Gas Plant.

FIGURE 2. Facility Plot Plan



DETAIL



LEGEND:

- —X— FENCE
- SURFACE WATER DRAINAGE DIRECTION
- SECONDARY CONTAINMENT BERM
- ---------- ABOVE/BELOW GROUND PIPING

NOT TO SCALE
NOTE: SCALE IS APPROXIMATE. DRAWING IS BASED ON A FIELD SKETCH; ACTUAL FACILITIES MAY VARY IN SIZE AND POSITION FROM THOSE REPRESENTED HERE.

SPCC PLOT PLAN

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.
0	8-1-06	REDRAWN FROM GOOGLE EARTH	J.R.E.	J.D.R.		
1	8-12-09	REVISIONS PER: ENVIRONMENTAL'S FIELD SKETCH	J.R.E.	D.E.K.		
2	11-22-10	REVISIONS PER K.W.	J.R.E.	K.W.		

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.

dcp Midstream

PECOS DIAMOND GAS PLANT
PECOS DIAMOND GATHERING SYSTEM

Eddy County
NEW MEXICO

EhsDrawings\Mapping\NewMexico\PecosDiamond\PecosDiamond_SPCC

	Description	FUND	CES	DFA ORG	DFA ACCT	ED ORG	ED ACCT	AMOUNT	
	CY Reimbursement Project _____ Tax ___	064	01						1
	Gross Receipt Tax	064	01		2329	900000	2329134		2
	Air Quality Title V	092	13	1300	1696	900000	4169134		3
	PRP Prepayments	248	14	1400	9696	900000	4969014		4
	Climax Chemical Co.	248	14	1400	9696	900000	4969015		5
	Circle K Reimbursements	248	14	1400	9696	900000	4969248		6
	Hazardous Waste Permits	339	27	2700	1696	900000	4169027		7
	Hazardous Waste Annual Generator Fees	339	27	2700	1696	900000	4169339		8
✓	Water Quality - Oil Conservation Division	341	29		2329	900000	2329029	4000.00	10
	Water Quality - GW Discharge Permit	341	29	2900	1696	900000	4169029		11
	Air Quality Permits	631	31	2500	1696	900000	4169031		12
	Payments under Protest	851	33		2919	900000	2919033		13
	Xerox Copies	852	34		2349	900000	2349001		*14
	Ground Water Penalties	852	34		2349	900000	2349002		15
	Witness Fees	852	34		2349	900000	2349003		16
	Air Quality Penalties	852	34		2349	900000	2349004		17
	OSHA Penalties	852	34		2349	900000	2349005		18
	Prior Year Reimbursement	852	34		2349	900000	2349006		19
	Surface Water Quality Certification	852	34		2349	900000	2349009		20
	Jury Duty	852	34		2349	900000	2349012		21
	CY Reimbursements (I.e. telephone)	852	34		2349	900000	2349014		22
	UST Owner's List	783	24	2500	9696	900000	4969201		*23
	Hazardous Waste Notifiers List	783	24	2500	9696	900000	4969202		*24
	UST Maps	783	24	2500	9696	900000	4969203		*25
	UST Owner's Update	783	24	2500	9696	900000	4969205		*26
	Hazardous Waste Regulations	783	24	2500	9696	900000	4969207		*28
	Radiologic Tech. Regulations	783	24	2500	9696	900000	4969208		*29
	Superfund CERLIS List	783	24	2500	9696	900000	4969211		*30
	Solid Waste Permit Fees	783	24	2500	9696	900000	4969213		31
	Smoking School	783	24	2500	9696	900000	4969214		32
	SWQB - NPS Publications	783	24	2500	9696	900000	4969222		*33
	Radiation Licensing Regulation	783	24	2500	9696	900000	4969228		*34
	Sale of Equipment	783	24	2500	9696	900000	4969301		*35
	Sale of Automobile	783	24	2500	9696	900000	4969302		*36
	Lust Recoveries	783	24	2500	9696	900000	4969614		**37
	Lust Repayments	783	24	2500	9696	900000	4969615		**38
	Surface Water Publication	783	24	2500	9696	900000	4969801		39
	Exxon Reese Drive Ruidoso - CAF	783	24	2500	9696	900000	4969242		40
	Emerg. Hazardous Waste Penalties NOV	957	32	9600	1696	900000	4164032		41
	Radiologic Tech. Certification	987	05	0500	1696	900000	4169005		42
	Ust Permit Fees	989	20	3100	1696	900000	4169020		44
	UST Tank Installers Fees	989	20	3100	1696	900000	4169021		45
	Food Permit Fees	991	26	2600	1696	900000	4169026		46
	Other								43

ss Receipt Tax Required ** Site Name & Project Code Required TOTAL 4.000.00

act Person: Ed Martin Phone: 476-3492 Date: 2/16/06

ived in ASD By: _____ Date: _____ RT #: ____ ST # : _____

FSB025
Revised 07/07/00

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 2/2/06

or cash received on _____ in the amount of $ 4,000.00

from Duke Energy Field Services LP

for GW-737

Submitted by: (Facility Name) Lawrence Romero Date: (OCP Mail) 2/16/06

Submitted to ASD by: Lawrence Romero Date: 11

Received in ASD by: _____ Date: _____

Filing Fee ___ New Facility ___ Renewal ✓

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 2003

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP
Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

JPMorgan Chase Bank, N.A.
Syracuse, New York

50-937/213

PAYEE NO.	CHECK DATE	CHECK NO.
0000124152	02/07/06	[redacted]

TO THE ORDER OF

PAY ONLY 4 FOUR ZERO ZERO ZERO CTSCTS

CHECK AMOUNT ******$4,000.00

NOT NEGOTIABLE AFTER 120 DAYS

WATER QUALITY MANAGEMENT FUND
C/O NEW MEXICO OIL CONSERVATION DIV
1220 SOUTH ST FRANCIS DRIVE
Santa Fe,NM 87505

David L Hanson
AUTHORIZED SIGNATURE

Four thousand and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

[redacted]

Duke Energy Field Services, LP
Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

PAYEE NUMBER
0000124152

PAYEE NAME
WATER QUALITY MANAGEMENT FUND

CHECK NUMBER
[redacted]

CHECK DATE
02/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
GW-237 DISCHARGP	02/02/06	4,000.00	PECOS DIAMOND GP
			TOTAL PAID $4,000.00

PLEASE RETAIN FOR YOUR RECORDS

ATTACHMENT TO THE DISCHARGE PERMIT GW-237
DUKE ENERGY FIELD SERVICES, LP
PECOS DIAMOND GAS PLANT
DISCHARGE PERMIT APPROVAL CONDITIONS
(December 6, 2005)

1. Payment of Discharge permit Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. The 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 plan, with the first payment due upon receipt of this approval.

2. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge permit renewal application letter dated October 19, 2005 and these conditions for approval.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

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 every 5 years. 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 closed 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 Artesia 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 Permit: Duke Energy Field Services shall maintain storm water runoff controls. As a result of Duke Energy Field Services'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 Duke Energy Field Services shall notify the OCD within 24 hours, modify the permit within 15 days and submit for OCD approval. Duke Energy Field Services shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the Pecos Diamond Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Pecos Diamond Gas Plant, 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: Duke Energy Field Services, LP, 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, LP 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, LP

by Tony R Lee
Title

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

December 6, 2005

Ms. Karin Kimura
Duke Energy Field Services, LP
370 17th Street, Suite 2500
Denver, Colorado 80202

RE: Discharge Permit Renewal Approval GW-237
Duke Energy Field Services, LP
Pecos Diamond Gas Plant
Eddy County, New Mexico

Dear Ms. Kimura:

The ground water discharge permit renewal GW-237 for the Duke Energy Field Services, LP Pecos Diamond Gas Plant located in the SW/4 NE/4 of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.**

The original discharge permit application was submitted on February 2, 1996 and approved March 29, 1996. The discharge permit renewal application letter was submitted October 19, 2005 pursuant to 20 NMAC 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to 20 NMAC 3109.A and 3109.C. Please note 20 NMAC 3109.E. and 20 NMAC 3109.F provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Duke Energy Field Services, LP 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 provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to 20 NMAC 3107.C., Duke Energy Field Services, LP 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.H.4., this discharge permit is for a period of five years. This plan will expire on **March 29, 2011**, and Duke Energy Field Services, LP 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 renewal application at least 120 days before the discharge permit expires and is in compliance with the approved plan, 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 .

Duke Energy Field Services, LP will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Pecos Diamond Gas Plant if such plan has not been submitted.

The discharge permit application for the Duke Energy Field Services, LP Pecos Diamond Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge permit application will be assessed a non-refundable fee equal to the filing fee of $100. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. 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
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-237
DUKE ENERGY FIELD SERVICES, LP
PECOS DIAMOND GAS PLANT
DISCHARGE PERMIT APPROVAL CONDITIONS
(December 6, 2005)

1. Payment of Discharge permit Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. The 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 plan, with the first payment due upon receipt of this approval.

2. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge permit renewal application letter dated October 19, 2005 and these conditions for approval.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

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 every 5 years. 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 closed 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 Artesia 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.

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16. Closure: The OCD will be notified when operations of the Pecos Diamond Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Pecos Diamond Gas Plant, 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: Duke Energy Field Services, LP, 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, LP 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, LP

by_____
Title

ATTACHMENT TO THE DISCHARGE PLAN GW-237
DUKE ENERGY FIELD SERVICES, LP
PECOS DIAMOND GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(March 20, 2002)

1. Payment of Discharge Plan Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. The 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 plan, with the first payment due upon receipt of this approval.

2. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge plan renewal application letter dated January 30, 2002 and these conditions for approval.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.

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.

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10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. 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 closed 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.

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

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

15. Storm Water Plan: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Pecos Diamond Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Pecos Diamond Gas Plant, 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.

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Accepted:

DUKE ENERGY FIELD SERVICES, LP

by _____ Asset Mgr.
Title

Duke Energy®
Field Services

STORMWATER RUN-OFF PLAN

FOR:

Pecos Diamond Gas Plant, Eddy County, New Mexico (GW-237)

Rainwater collected inside containment structures at the facility is lost through evaporation or removed with a vacuum truck for off-site disposal. None of the containment structures at the facility have valves. Good housekeeping is practiced at the facility to help prevent contaminants from leaving the site during a rainstorm.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 20, 2002

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 7693

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

RE: Discharge Plan Renewal Approval GW-237
Duke Energy Field Services, LP
Pecos Diamond Gas Plant
Eddy County, New Mexico

Dear Ms. Char:

The ground water discharge plan renewal GW-237 for the Duke Energy Field Services, LP Pecos Diamond Gas Plant located in the SW/4 NE/4 of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.**

The original discharge plan application was submitted on February 2, 1996 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations and approved March 29, 1996. The discharge plan renewal application letter was submitted January 30, 2002 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Duke Energy Field Services, LP 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, LP 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.H.4., this discharge plan is for a period of five years. This plan will expire on **March 29, 2006**, and Duke Energy Field Services, LP 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 .

Duke Energy Field Services, LP will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Pecos Diamond Gas Plant if such plan has not been submitted.

The discharge plan application for the Duke Energy Field Services, LP Pecos Diamond Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of $100. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. 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.

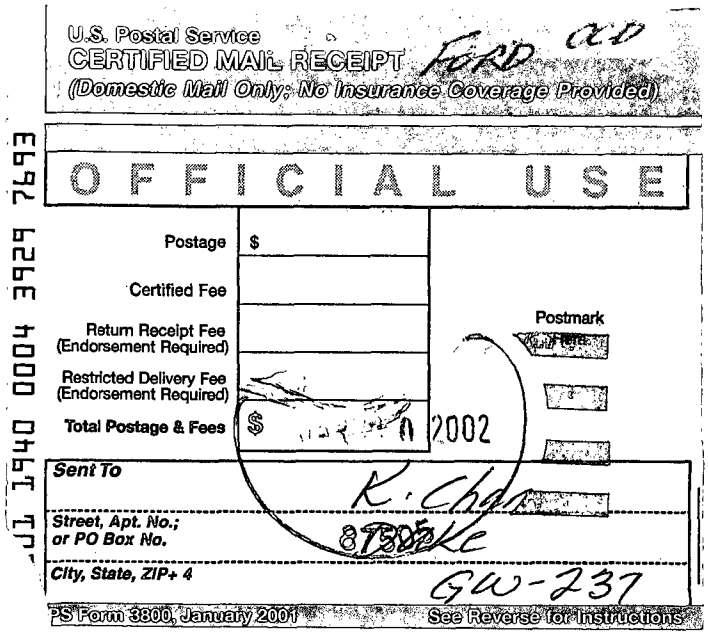
If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Artesia Office


U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
OFFICIAL USE
Postage $
Certified Fee
Return Receipt Fee (Endorsement Required)
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Total Postage & Fees $
Postmark Here
2002
Sent To
K. Char
Street, Apt. No.; or PO Box No.
87505 NM
City, State, ZIP+ 4
GW-237
PS Form 3800, January 2001
See Reverse for Instructions
7099 3220 0004 1940 0711

ATTACHMENT TO THE DISCHARGE PLAN GW-237
DUKE ENERGY FIELD SERVICES, LP
PECOS DIAMOND GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(March 20, 2002)

1. Payment of Discharge Plan Fees: The $100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to $4,000.00. The 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 plan, with the first payment due upon receipt of this approval.

2. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge plan renewal application letter dated January 30, 2002 and these conditions for approval.

3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.

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17. Certification: Duke Energy Field Services, LP, 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, LP 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, LP

by_____
Title

NOTICE OF PUBLICATION

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

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

(GW-237) – Duke Energy Field Services, LP, Mr. Harley Temple, Asset Manager, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Pecos Diamond Gas Plant located in the SW/4 NE/4, Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. Approximately 15 gallons per day of process wastewater with a total dissolved solids concentration of approximately 13,600 mg/l is stored in an above ground closed containment prior to transport to an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 70 feet with a total dissolved solids concentration of 10,000 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 12th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Roger C. Anderson

SEAL

for LORI WROTENBERY, Director

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

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO.P-269-269-382

Mr. Bob Pearson
Pan Energy Field Services
900 Republic Plaza, 370 17th St.
Denver, Colorado 80202

10/6/99
Underground lines
need testing
Upon renewal

RE: Discharge Plan Renewal GW-237
Pecos Diamond Gas Plant
Eddy County, New Mexico

Dear Mr. Pearson:

The Ground Water Discharge Plan (GW-237) for PanEnergy Field Services' (Pan Energy) Pecos Diamond Gas Plant located in the SW/4 SW/4 of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The ground water discharge plan consists of the application dated February 2, 1996. 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 five working days of receipt of this letter.

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission 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 the approval of this plan does not relieve Pan Energy of liability should their operation result in pollution of surface water, ground water or the environment.

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

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

Pursuant to Section 3109.G.4., this plan is for a period of five (5) years. This approval will expire on March 29, 2001, and Pan Energy should submit an application in ample time before this date.

The discharge plan application for the Pan Energy Pecos Diamond Gas Plant is subject to WQCC Regulation 3114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty ($50) dollars plus the flat fee of three thousand three hundred thirty-five dollars ($3,335) for approved gas processing plant discharge plans.

The Oil Conservation Division (OCD) has received Pan Energy's fifty dollar ($50.00) filing fee. The flat fee for an approved discharge plan may be paid in a single payment at the time of approval, or in equal installments over the duration of the plan, with the first payment due at the time of approval. **The flat fee (total payment or the first installment) is due upon receipt of this letter.**

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

On behalf of the staff of the OCD, I wish to thank Pan Energy for their cooperation during this discharge plan review.

Sincerely,

William J. LeMay
Director

WJL/cee
Attachment

cc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-237 APPROVAL
PAN ENERGY FIELD SERVICES
PECOS DIAMOND GAS PLANT
DISCHARGE PLAN REQUIREMENTS
(March 29, 1996)

1. Fee Payment: The $3,335 flat fee shall be paid upon receipt of this letter.

2. Pan Energy Commitments: Pan Energy will abide by all the commitments submitted in the discharge plan application dated February 2, 1996.

3. Drum Storage: All drums containing materials other than fresh water must be stored on pad and curb type containment. All empty drums will be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemical(s) stored in any other containers such as buckets and sacks must be stored on pad and curb type containment.

4. 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 (i.e. drip pan) incorporated into the design.

5. Above Ground Tanks: All above ground tanks which contain fluids other than freshwater must be bermed to contain a volume of one and one-third (1-1/3) more than the total volume of the largest tank within the berm or of all interconnected tanks. All new or replacement tanks will be placed on an impermeable liner.

6. Saddle Tanks: All saddle tanks will be placed on pad and curb type containment unless they contain fresh water or liquids that are gases at atmospheric temperature and pressure.

7. Tank Labeling: All tanks must be clearly labeled to identify their contents and other emergency information necessary if the tank(s) were to rupture, spill and/or ignite.

8. Tank Inspection: All tanks will be cleaned out and visually inspected prior to renewal of the discharge plan.

9. Below Grade Tanks/Sumps: 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 or other means acceptable to the OCD. All testing will be documented and recorded for a period of five (5) years and the records made available to the OCD inspectors upon request. All below grade tanks, sumps and pits must be approved by the OCD prior to installation and must incorporate secondary containment and leak detection into the design.

10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every five years there after. 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.

11. Spill Reporting: All spills and/or leaks will be reported to the OCD District Office pursuant to WQCC Rule 1203 and OCD Rule 116.

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

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

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

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

16. Conditions Accepted by:

Robert L. Pearson
Company Representative

April 15, 1996
Date

Manager Of Environmental Affairs
Title

ASSOCIATED NATURAL GAS CORPORATION

March 18, 1996

Re: Announcement of Company Name Change

We are pleased to announce that the Board of Directors voted to change the names of the following entities:

FROM	TO
Associated Natural Gas, Inc.	PanEnergy Field Services, Inc.
Attco Pipeline Company	PanEnergy Pipe Line Company
Associated Intrastate Pipeline Company	PanEnergy Intrastate Pipeline Company
Associated Transport & Trading Company	PanEnergy Transport & Trading Company
Associated Natural Gas Corporation	PanEnergy Natural Gas Corporation
Associated Gas Services, Inc.	PanEnergy Gas Services, Inc.
Associated Power Services, Inc.	PanEnergy Power Services, Inc.
Centana Energy Corporation	PanEnergy Services, Inc.
PAN Acquisition	PanEnergy Comite Company
Centana Energy Marketing	PanEnergy Marketing Company

Please let this letter serve as official and required notification of our name changes. This is a name change only and no Federal Identification Numbers or tax identification numbers were changed.

If you have any questions concerning the name changes or any other issues concerning your contracts or business between our companies, please contact Accounts Payable.

Sincerely,

Sandra L. Myrick
Controller

900 REPUBLIC PLAZA • 370 SEVENTEENTH STREET • DENVER, COLORADO 80202 • (303) 595-3331 • FAX (303) 595-0480
MAILING ADDRESS: P.O. BOX 5660 • DENVER, COLORADO 80217

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5/13/96,

or cash received on _____ in the amount of $ 3335.00

from Associated Natural Gas

for Pico Diamond G.P. (Facility Name) GW-237 (OCD No.)

Submitted by: _____ Date: _____

Submitted to ASD by: [signature] Date: 5/17/96

Received in ASD by: M. Smith Date: 5-20-96

Filing Fee ___ New Facility X Renewal ___

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment ___

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

ASSOCIATED NATURAL GAS INC
P.O. BOX 5493
DENVER, COLORADO 80217

BANK OF AMERICA ILLINOIS
CHICAGO, ILLINOIS 60697

70-2328
719

CHECK NO. [redacted]

108018

TO THE ORDER OF:

PAY ONLY THREE THREE THREE FIVE 00 CTS CTS

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
2040 S PANCHECO
SANTA FE, NM 87505

DATE
05/13/96

AMOUNT
*******3,335.00

(VOID IF NOT CASHED IN 90 DAYS)
CONTROLLED DISBURSEMENT ACCOUNT

THREE THOUSAND THREE HUNDRED THIRTY FIVE DOLLARS AND 00 CENTS **********

[signature]

THIS DOCUMENT CONTAINS A TRUE WATERMARK AND VISIBLE FIBERS

[redacted]

ASSOCIATED NATURAL GAS INC PO BOX 5493 370 17TH STREET SUITE 900 DENVER, CO. 802

STATE OF NEW MEXICO 99722 108018 05/13/96

VOUCHER	VENDOR INV #	INV DATE	TOTAL AMOUNT	PRIOR PAYMENTS	NET AMOUNT
07-AP-156	P-269-269382	05/10/96	3,335.00		3,335.00

PLEASE RETAIN STATEMENT FOR TAX PURPOSES-DUPLICATES CANNOT BE FURNISHED

PanEnergy™

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

May 14, 1996

State of New Mexico
Oil Conservation Division
Attn: William J. LeMay
2040 S. Pacheco
Santa Fe, NM 87505

RE: Discharge Plan Renewal GW-237 Fee
Pecos Diamond Gas Plant

Dear Mr. LeMay,

Please find enclosed the Discharge Plan Renewal Fee for PanEnergy Field Services, Inc. Pecos Diamond Gas Plant. The attached check in the amount of $3,335.00 is for the discharge plan renewal number GW-237.

Thank you for your cooperation in this matter. Should you have any questions or need additional information please contact me at 303-595-3331.

Sincerely,

Robert L. Pearson
Manager of Environmental Affairs

Enclosure

RLP/mv

c:\bob\newmexico\dschgfee.doc

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

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO.P-269-269-382

Mr. Bob Pearson
Pan Energy Field Services
900 Republic Plaza, 370 17th St.
Denver, Colorado 80202

RE: Discharge Plan Renewal GW-237
Pecos Diamond Gas Plant
Eddy County, New Mexico

Dear Mr. Pearson:

The Ground Water Discharge Plan (GW-237) for PanEnergy Field Services' (Pan Energy) Pecos Diamond Gas Plant located in the SW/4 SW/4 of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The ground water discharge plan consists of the application dated February 2, 1996. 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 five working days of receipt of this letter.

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission 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 the approval of this plan does not relieve Pan Energy of liability should their operation result in pollution of surface water, ground water or the environment.

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

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

Pursuant to Section 3109.G.4., this plan is for a period of five (5) years. This approval will expire on March 29, 2001, and Pan Energy should submit an application in ample time before this date.

The discharge plan application for the Pan Energy Pecos Diamond Gas Plant is subject to WQCC Regulation 3114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty ($50) dollars plus the flat fee of three thousand three hundred thirty-five dollars ($3,335) for approved gas processing plant discharge plans.

The Oil Conservation Division (OCD) has received Pan Energy's fifty dollar ($50.00) filing fee. The flat fee for an approved discharge plan may be paid in a single payment at the time of approval, or in equal installments over the duration of the plan, with the first payment due at the time of approval. **The flat fee (total payment or the first installment) is due upon receipt of this letter.**

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

On behalf of the staff of the OCD, I wish to thank Pan Energy for their cooperation during this discharge plan review.

Sincerely,

William J. LeMay
Director

WJL/cee
Attachment

cc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-237 APPROVAL
PAN ENERGY FIELD SERVICES
PECOS DIAMOND GAS PLANT
DISCHARGE PLAN REQUIREMENTS
(March 29, 1996)

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

16. Conditions Accepted by:

_____ _____
Company Representative Date

_____
Title

Duke Energy Field Services

DUKE ENERGY FIELD SERVICES
370 17th Street
Suite 2500
Denver, CO 80202

303 595 3331

February 13, 2006

UPS 2nd Day Air *(Tracking Number 1Z F46 915 37 1001 353 4)*

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

SUBJECT: Pecos Diamond Gas Plant
Discharge Plan No. GW-237
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Check in the amount of $4000.00 for the Pecos Diamond Gas Plant discharge plan flat fee and
- Signed copy of the Discharge Plan Approval Conditions for the Pecos Diamond Gas Plant

If you have any questions regarding this submittal, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP

Karin Kimura
Senior Environmental Specialist

Enclosures

cc: NMOCD District 2 Office *(UPS 2nd Day Air Tracking Number 1Z F46 915 37 1001 352 5)*
1301 W. Grand Avenue
Artesia, NM 88210

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 2/2/06

or cash received on _____ in the amount of $ 4,000 00

from Duke Energy Field Services LP

for _____ GW-737

(Facility Name)

Submitted by: Lawrence Romero Date: 2/16/06 (DP No.)

Submitted to ASD by: Lawrence Romero Date: 11

Received in ASD by: _____ Date: _____

Filing Fee ___ New Facility ___ Renewal ✓

Modification ___ Other _____

(specify)

Organization Code 521.07 Applicable FY 2003

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP
Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

JPMorgan Chase Bank, N.A.
Syracuse, New York
50-937/213

PAYEE NO.	CHECK DATE	CHECK NO.
0000124152	02/07/06	[redacted]

TO THE ORDER OF

PAY ONLY 4 FOUR ZERO ZERO ZERO CTS/CTS

CHECK AMOUNT
******$4,000.00

NOT NEGOTIABLE AFTER 120 DAYS

WATER QUALITY MANAGEMENT FUND
C/O NEW MEXICO OIL CONSERVATION DIV
1220 SOUTH ST FRANCIS DRIVE
Santa Fe,NM 87505

David L Hanson
AUTHORIZED SIGNATURE

Four thousand and 00/100 Dollars

VOID VOID VOID VOID

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

[redacted]

Duke Energy Field Services, LP

Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

PAYEE NUMBER
0000124152

PAYEE NAME
WATER QUALITY MANAGEMENT FUND

CHECK NUMBER
[redacted]

CHECK DATE
02/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
GW-237 DISCHARGP	02/02/06	4,000.00	PECOS DIAMOND GP
			TOTAL PAID **$4,000.00**

PLEASE RETAIN FOR YOUR RECORDS

Duke Energy® Field Services

370 17th Street, Suite 2500
Denver, Colorado 80202
Office: 303-595-3331
Fax: 303-605-1957

January 3, 2006

UPS Next Day Air *(1Z F46 915 22 1004 568 0)*

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

SUBJECT: Pecos Diamond Gas Plant
Discharge Plan GW-237
Eddy County, New Mexico

Dear Mr. Ford:

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

DEFS submits the following as proof of notice:

- Copy of the Affidavit of Publication in the Artesia Daily Press;
- Photograph of the synopsis of public notice in English and Spanish posted on the facility front gate; and
- Copy of the synopsis of public notice in English and Spanish posted on the facility front gate.

If you have any questions concerning the Pecos Diamond Gas Plant Discharge Plan renewal, please contact me at (303) 605-1717. Please send all correspondence regarding this discharge plan renewal to my attention at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

for
Karin Kimura
Senior Environmental Specialist

Attachments

cc: NMOCD District 2 Office *(1Z F46 915 22 1004 567 1)*
1301 W. Grand Avenue
Artesia, NM 88210

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

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

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

December 20 2005

2005

2005

2005

That the cost of publication is $244.28
and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

29th day of December, 2005

Debbie Penaluna

My commission Expires on 1-7-06

OFFICIAL SEAL
DEBBIE PENALUNA
Notary Public
STATE OF NEW MEXICO
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires 1-7-06

Duke Energy Field Services, LP, 370 17th Street, Suite 2500, Denver, Colorado 80202 has submitted a discharge plan renewal application for its Pecos Diamond Gas Plant located in SE/4 SW/4 Section 3, Township 18 South, Range 27 East, Eddy County, New Mexico to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. DEFS does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off-site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of 50 feet with a total dissolved solids concentration of approximately 9,500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.


Duke Energy SM
Field S
Pecos Diamond Gas Proc
24 Hour Emergency Phone #
Office (505) 677-

Duke Energy Field Services, LP, 370 17th Street, Suite 2500, Denver, Colorado 80202 has submitted a discharge plan renewal application for its Pecos Diamond Gas Plant located in SE/4 SW/4 Section 3, Township 18 South, Range 27 East, Eddy County, New Mexico to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. DEFS does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off-site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of 50 feet with a total dissolved solids concentration of approximately 9,500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

Duke Energy Field Services, LP, 370 17th Street, Suite 2500, Denver, Colorado 80202 se han sometido una aplicación de la renovación del plan de la descarga para su Planta de gas de Diamante de Pecos localizada en el sudeste/4 SW/4 Sección 3, Municipio 18 al sur, la Gama 27 al este, Condado de Remolino, nuevo méxico a la División de la Conservación del Petróleo, 1220 S. del sur. Francis Maneja, Santa Fe, nuevo méxico, 87505, el Teléfono (505) 476-3440. DEFS no proponga descargar efluente ni los sólidos del desecho en el sitio; todo efluente y los sólidos del desecho engendrados en la facilidad se quitan de la facilidad para la disposición fuera de obra de acuerdo con División aplicable de la Conservación del Petróleo de nuevo méxico, para el Departamento del Ambiente de nuevo méxico, y para las regulaciones de EPA. Molió agua muy probable de ser afectada en un acontecimiento de una descarga accidental en la superficie está en una profundidad de 50 pies con un suma la concentración disuelta de sólidos de aproximadamente 9,500 mg/L. Las direcciones del plan de la descarga cómo rocian, los escapes, y otras descargas accidentales a la superficie se manejarán. Alguna persona interesada puede obtener información adicional, se somete los comentarios, y el pedido para ser colocado en un dirección de envío facilidad-específico para recibir notas futuras a la División de la Conservación del Petróleo en la dirección o el número de teléfono dados arriba. La División de la Conservación del Petróleo aceptará los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creará una lista de envío facilidad-específico para personas que desea recibir notas futuras.

THE SANTA FE
NEW MEXICAN
Founded 1849

RECEIVED
DEC 19 2005
OIL C...

NM OIL CONSERVATION DIV.
ATTN: Ed Martin
1220 ST. FRANCIS DR
ATT MARY ANAYA
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00150001 ACCOUNT: 00002212
LEGAL NO: 78134 P.O. #: 06-199-050125
218 LINES 1 TIME(S) 122.08
AFFIDAVIT: 5.50
TAX: 9.65
TOTAL: 137.23

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, R. Lara, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 78134 a copy of which is hereto attached was published in said newspaper 1 day(s) between 12/15/2005 and 12/15/2005 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 15th day of December, 2005 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ R. Lara
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 15th day of December, 2005

Notary Laura E. Harding

Commission Expires: 11/23/07

OFFICIAL SEAL
Laura E. Harding
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 11/23/07

NOTICE OF PUBLICATION

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

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

(GW-237) – Duke Energy Field Services, LP, Mr. Tony R. Lee, Asset Manager, 1625 West Marland, Hobbs, New Mexico 88240, has submitted a discharge plan renewal application for their Pecos Diamond Gas Plant located in the SW/4 NE/4, Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. Approximately 340.barrels per month of process wastewater with a total dissolved solids concentration of approximately 13,600 mg/l is stored in an above ground closed containment prior to transport to an OCD approved disposal facility. The discharge permit 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. Groundwater most likely to be affected by an accidental discharge is at a depth of 70 feet with a total dissolved solids concentration of 10,000 mg/l.

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

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 6th day of December, 2005.

STATE OF
NEW MEXICO
OIL CONSERVATION
DIVISION

SEAL

MARK FEISMIER,
P.E., Director

Legal #78134
Pub. December 15, 2005

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 10/24/05,

or cash received on _____ in the amount of $ 100.00

from Duke Energy Field Services

for Pecos Diamond G.P. (Facility Name) GW-237 (DP No.)

Submitted by: _____ Date: 11-23-05

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

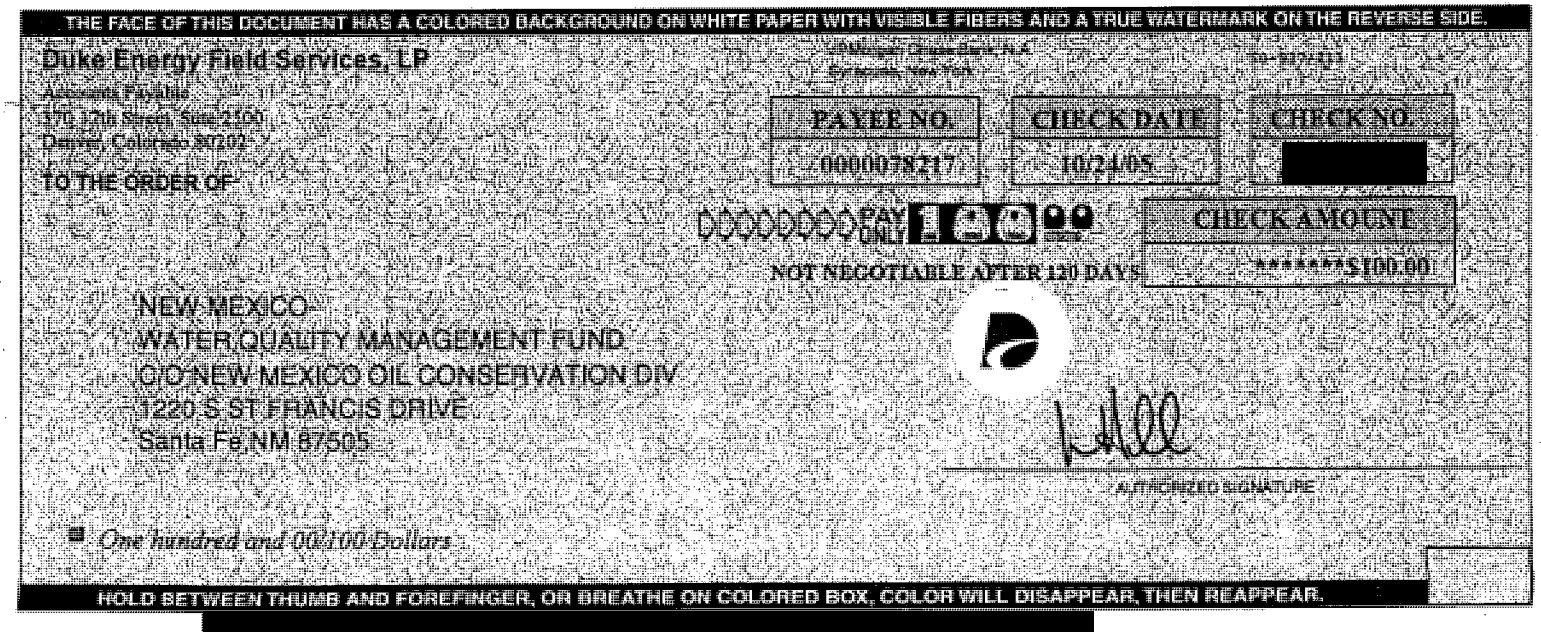
Filing Fee ✓ New Facility ___ Renewal ✓

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___


THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP
Accounts Payable
370 17th Street, Suite 2100
Denver, Colorado 80202

PAYEE NO. 0000078217 | CHECK DATE 10/24/05 | CHECK NO. [redacted]

TO THE ORDER OF

PAY ONLY

CHECK AMOUNT ********$100.00

NOT NEGOTIABLE AFTER 180 DAYS

NEW MEXICO
WATER QUALITY MANAGEMENT FUND
C/O NEW MEXICO OIL CONSERVATION DIV
1220 S ST FRANCIS DRIVE
Santa Fe,NM 87505

AUTHORIZED SIGNATURE

One hundred and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

[redacted]

Duke Energy Field Services, LP
Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202

PAYEE NUMBER
0000078217

PAYEE NAME
NEW MEXICO-

CHECK NUMBER
[redacted]

CHECK DATE
10/24/05

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
10/20/05-PECOSDM	10/20/05	100.00	PECOS DIAMOND GP GIO-237
			TOTAL PAID **$100.00**

PLEASE RETAIN FOR YOUR RECORDS

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: Pecos Diamond Gas Plant
2. Operator: Duke Energy Field Services, LP

   Address: See enclosed discharge plan.

   Contact Person: See enclosed discharge plan. Phone: _____

3. Location: SE /4 SW /4 Section 3 Township 18S Range 27E
   Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
   See enclosed discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
   See enclosed discharge plan.
6. Attach a description of all materials stored or used at the facility.
   See enclosed discharge plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
   See enclosed discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
   See enclosed discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
   See enclosed discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
    See enclosed discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
    See enclosed discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
    See enclosed discharge plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
    See enclosed discharge plan.
14. CERTIFICATIONI hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Tony Lee Title: Asset Manager

Signature: Tony R Lee Date: 10-19-05

E-mail Address: Thoo@duke-energy.com

Duke Energy Field Services

DUKE ENERGY FIELD SERVICES
370 17th Street
Suite 2500
Denver, CO 80202

303 595 3331

RECEIVED
NOV 23 2005

November 21, 2005

UPS Next Day Air *(Tracking No. 1Z F46 915 22 1004 604 5)*

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

Subject: Pecos Diamond Gas Plant
Discharge Plan GW-237
Eddy County, New Mexico

Dear Mr. Ford:

According to the WQCC regulations, 20.6.2.3106B NMAC, a facility must have an approved discharge plan if the facility intends to or has a discharge or discharges that may move directly or indirectly into groundwater. The Pecos Diamond Gas Plant does not have or intend to have any discharges that may move directly or indirectly into groundwater. Therefore, DEFS does not believe that a discharge plan is required under the WQCC regulations.

Although DEFS believes that it is not required to have a discharge plan for the Pecos Diamond Gas Plant, DEFS submits the following for the Pecos Diamond Gas Plant:

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

The information provided in the enclosed discharge plan for the Pecos Diamond Gas Plant demonstrates that the facility does not have a discharge or discharges onto or below the surface of the ground that may move directly or indirectly into groundwater. Please note that DEFS' submittal of the renewal application and application filing fee does not signify that DEFS has conceded the applicability of the WQCC regulations.

If you have any questions concerning the Pecos Diamond Gas Plant Discharge Plan renewal, please contact me at (303) 605-1717 or Ruth Lang at (303) 605-1713. Please send all correspondence regarding this Artesia Gas Plant Discharge Plan renewal to my attention at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

Ruth M. Lang for

Karin Kimura
Senior Environmental Specialist

Enclosures

cc: NMOCD District 2 Office *(UPS 2nd Day Air Tracking No. 1 F46 915 37 1002 218 6)*
1301 W. Grand Avenue
Artesia, NM 88210

Pecos Diamond Gas Plant
SE/4 SW/4 T 18S, R 27E, Section 3

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Plan for the Pecos Diamond Gas Plant On-site Leach Field Operations previously approved by NMOCD on March 20, 2002. This Discharge Plan application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106 NMAC.

1 Type of Operation

The facility processes natural gas. Facility processes include a compressor scrubber system, amine system, cryogenic system, NGL storage, produced fluids and waste storage. The facility consists of aboveground storage tanks, compressors, engines, an amine system, and other associated equipment.

2 Operator / Legally Responsible Party

Operator
Duke Energy Field Services, LP
1625 West Marland
Hobbs, NM 88240
(505) 397-5520
Contact Person: Tony Lee – Asset Manager

Legally Responsible Party
Duke Energy Field Services, LP
370 17th Street, Suite 2500
Denver, CO 80202
(303) 595-3331
Contact Person: John Admire – Director, Environmental Protection

3 Location of Discharge / Facility

SE/4 SW/4 Section 3, Township 18S, Range 27E

See Figure 1 – Site Location Map.

4 Landowner

Duke Energy Field Services, LP
370 17th Street, Suite 2500
Denver, CO 80202
(303) 595-3331

5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines.

The facility operates a septic and leach field system to manage sewage generated at the facility which is permitted under 20.7.3 NMAC (New Mexico Environment Department Liquid Waste Permit).

See Figure 2 – Facility Plot Plan

6 Materials Stored or Used

The following table identifies the materials used/stored at the facility and the method of storage.

Material Stored/Used	Method of Storage
Condensate	Aboveground storage tanks within secondary containment
Produced Water	Aboveground storage tanks within secondary containment
Lube Oil	Aboveground storage tanks within secondary containment
Used Oil	Aboveground storage tank within secondary containment
Fresh Water	Aboveground storage tank within secondary containment
Diethanolamine	Aboveground storage tank within secondary containment
Triethylene glycol (TEG)	Aboveground storage tank within secondary containment
Methanol	Aboveground storage tank within secondary containment
Lab Waste	Aboveground storage drum within secondary containment
Biodegradable Soap	Aboveground storage tank within secondary containment

7 Sources and Quantities of Effluent and Waste Solids

There are no effluents or waste solids discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater. All effluent and waste solids generated at the facility are removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8.

Separators/Scrubbers
Effluent generated from the inlet separator is not discharged on site; wastewater from the inlet separator is routed via piping to an aboveground storage tank within secondary containment and trucked off site for disposal.

Boilers and Cooling Towers/Fans
There are no boilers or cooling towers/fans at the facility.

Process and Storage Equipment Wash Down
Wastewater generated from process equipment wash down is collected in an aboveground storage tank and transported off-site for disposal.

Solvents/Degreasers
Solvent or degreasers are not used at the facility.

Spent Acids/Caustics
Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in aboveground storage containers and disposed off site in accordance with applicable Federal, State, and local regulations.

Used Engine Coolants
Used engine coolants are not generated at the facility. The facility has a system that can remove coolant from equipment and route it back into the coolant storage tanks.

Waste Lubrication and Motor Oils
Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage tanks within secondary containment and transported by a contractor off site for recycling.

Used Oil Filters
Used oil filters generated at the facility are collected in an aboveground storage bin for and removed by a contractor for off site recycling.

Solids and Sludges
Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

Painting Wastes
Painting wastes are not discharged on site. All painting wastes generated on site are managed in aboveground containers and disposed off site in accordance with applicable Federal, State, and local regulations.

Sewage
Domestic discharges are made through one septic tank and leach line system which is subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations, 20.7.3 NMAC. The office building discharges into the septic tank. The septic system is shown on the facility plot plan.

Lab Wastes
The facility does not have a laboratory. Lab type wastes generated at the facility generated at the facility for testing amine concentration and acid gas in solution collected in an aboveground storage container within secondary containment for off-site disposal. The lab type wastes are not discharged on site. Less than 1 gallon per month of lab type wastes are generated at the facility. Included in the lab type waste are the following test reagents and samples:

- Distilled Water
- Methanol
- Thymophthalein Solution, < 0.11% in alcohol
- Methyl Purple Indicator
- 0.5 N Potassium Hydroxide Solution
- 0.1 N Sulfuric Acid Solution
- Diethanolamine

Other Liquids and Solid Wastes
There are no other liquids or solid wastes generated at the facility.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage
All liquid and solid wastes, except domestic sewage, are collected and stored in containers for off-site disposal. Domestic waste is collected and stored in the on-site septic tank and leach field subject to Liquid Waste Disposal Regulations.

On-site Disposal
There is no on-site disposal at the facility, except for the disposal of domestic sewage. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off site disposal. Domestic sewage is disposed of in the on-site septic tank and leach field subject to the Liquid Waste Disposal Regulations.

Off-site Disposal
All liquid and solid wastes, except for domestic sewage, are disposed off site.

The following table provides information regarding wastes collected and stored for off-site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Produced Water/Condensate	Aboveground storage tank within secondary containment	~ 380 bbls per month	Off-site recycling	DEFS Eunice Gas Plant
Equipment Washdown Water	Aboveground storage tank within secondary containment	~ 3 bbls per month	Off-site disposal	Thermofluids, Inc.
Amine Filters	Aboveground storage bin	~ 8 per year	Off-site recycling	Thermofluids, Inc.
Used Oil Filters	Aboveground storage bin	~ 8 per quarter	Off-site recycling	Thermofluids, Inc.
Used Oil	Aboveground storage tank within secondary containment	~ 10 bbls per month	Off-site recycling	Thermofluids, Inc.
Lab Waste	Aboveground storage drum within secondary containment	< 1 gal. per month	Off-site disposal	Permitted disposal facility

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Domestic Sewage	Septic Tank	~ 100 gal. per month	On-site leach field	On-site leach field

9 Proposed Modifications

No proposed modifications.

10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed to ensure proper collection, storage, and off-site disposal of all wastes generated at the facility.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

The facility is manned 8-hours per day, 7-days per week. Plant rounds are made hourly while the facility is manned. DEFS will respond to spills as outlined in the facility's SPCC Plan and report spills and leaks according to the requirements of the State of New Mexico in NMOCD Rule 116, 19.15.C.116 NMAC.

12 Site Characteristics

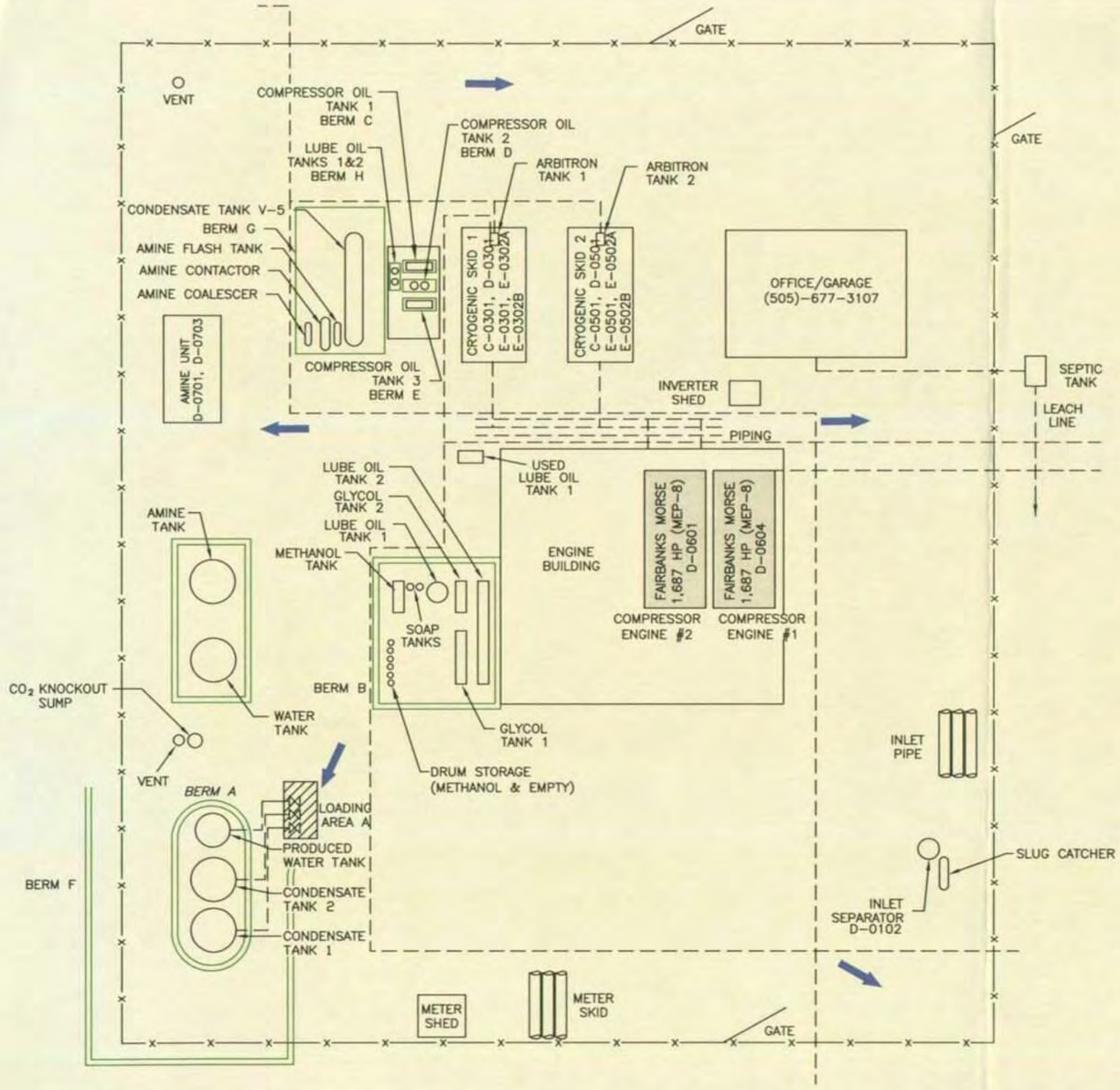
No Changes.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC **(20.6.2.1203.A(4) NMAC exempts facilities subject to Rule 116 notification and reporting requirements do not have to meet the notification and reporting requirements of 1203.)**.

FIGURES

Figure 1. Site Location Map – Pecos Diamond Gas Plant.



LEGEND:

- —X— FENCE
- SURFACE WATER DRAINAGE DIRECTION
- SECONDARY CONTAINMENT BERM
- – – – ABOVE/BELOW GROUND PIPING

EQUP. ID	EQUIPMENT DESCRIPTION	SYSTEM	CONTENTS
D-0102	INLET SEPARATOR	INLET SEPARATION	NGLs
D-0701	AMINE CONTACTOR	AMINE	NGLs
	AMINE CONTACTOR	AMINE	NGLs
D-0703	AMINE FLASH TANK	AMINE	NGLs
	AMINE FLASH TANK	AMINE	NGLs
	AMINE COALESCER	AMINE	NGLs
E-0301	GAS/GAS EXCHANGER	CRYOGENIC	NGLs
E-0501	GAS/GAS EXCHANGER	CRYOGENIC	NGLs
D-0301	COLD SEPARATOR	CRYOGENIC	NGLs
D-0501	COLD SEPARATOR	CRYOGENIC	NGLs
C-0301	DEMETHANIZER TOWER	CRYOGENIC	NGLs
C-0501	DEMETHANIZER TOWER	CRYOGENIC	NGLs
E-0302B	DEMETHANIZER SIDE REBOILER	CRYOGENIC	NGLs
E-0502B	DEMETHANIZER SIDE REBOILER	CRYOGENIC	NGLs
E-0302A	DEMETHANIZER BOTTOMS REBOILER	CRYOGENIC	NGLs
E-0502A	DEMETHANIZER BOTTOMS REBOILER	CRYOGENIC	NGLs
D-0302	SLUG CATCHER	INLET SEPARATION	NGLs
D-0601	ENGINE SCRUBBER	SCRUBBER SYSTEM	NGLs
D-0604	ENGINE SCRUBBER	SCRUBBER SYSTEM	NGLs

NOT TO SCALE

Note: This drawing is based on a field sketch and depicts the location and contents of each oil containing container, equipment, and piping (as required by 40 CFR 112.7(3)). This drawing should only be used for Spill Prevention Control and Countermeasure Plan(SPCC) purposes. As drawing is not to scale, actual containers, equipment, or piping may vary in size and position from those represented here.

SPCC PLOT PLAN

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.
0	10-31-03	DRAWN FROM FIELD NOTES	G.S.	W.H.O.		
1	10-20-05	UPDATES PER K.K. HAND SKETCH	J.R.E.	K.K.		

Duke Energy® Field Services

PECOS DIAMOND GAS PLANT
PECOS DIAMOND GATHERING SYSTEM

Eddy County
NEW MEXICO

DWG. NAME: Pecos Diamond Gas Plant_SPCC_Plan.dwg

GW-237

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
June 1, 2004

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

Pit or Below-Grade Tank Registration or Closure

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

Operator: Duke Energy Field Services, LP Telephone: (505) 677-5203 e-mail address:
Address: 1925 Illinois Camp Road, Artesia, NM 88211
Facility or well name: Pecos Diamond Gas Plant API #: U/L or Qtr/Qtr SE/SW Sec 3 T 18S R 27E
County: Eddy Latitude 32.7703199 Longitude -104.268886 NAD: 1927 ☐ 1983 ☑ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

Pit	**Below-grade tank**	
Type: Drilling ☐ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☐ Thickness ____mil Clay ☐ Pit Volume ____bbl	Volume: 11.9 bbl Type of fluid: Waste oil, rain water, diethanolamine Construction material: Fiberglass Double-walled, with leak detection? Yes ☑ If not, explain why not. Amine Skid Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet ✔ 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No ✔	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more ✔	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	20

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

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☑, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**
Date: 9/20/04
Printed Name/Title Tom Bernal, Plant Supervisor Signature Thomas Bernal

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

Approval:
Printed Name/Title_____ Signature_____ Date: _____

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/9/02,

or cash received on _____ in the amount of $ 4000.00

from Duke Energy Field Services

for Pecos Diamond GP GW-237.
(Facility Name) (OP No.)

Submitted by: _____ Date: 4/18/02

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee ___ New Facility ___ Renewal ✓

Modification ___ Other _____
(specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP
Accounts Payable
P.O. Box 5493
Denver, Colorado 80217

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

VENDOR NO.	CHECK DATE	CHECK NUMBER
111606	04/09/02	[redacted]

PAY ONLY **** 00 CENTS

CHECK AMOUNT
*****$4,000.00

NOT NEGOTIABLE AFTER 120 DAYS

TO THE ORDER OF
NEW MEXICO-
WATER MANAGEMENT QUALITY
MANAGEMENT FUND
C/O OIL CONSERVATION DIVISION
SANTA FE,NM 87505

AUTHORIZED SIGNATURE

[redacted] Four thousand and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

[redacted]

Duke Energy Field Services, LP
Accounts Payable
P.O. Box 5493
Denver, Colorado 80217

VENDOR NUMBER
111606
VENDOR NAME
NEW MEXICO-

CHECK NUMBER
[redacted]
CHECK DATE
04/09/02

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
0302	03/28/02	4,000.00	PECOS DIAMOND DISCHARGE P
			TOTAL PAID **$4,000.00**

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

Duke Energy.
Field Services
A New Kind of Energy™

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

April 15, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

SUBJECT: Pecos Diamond Gas Plant
Discharge Plan No. GW-237
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Check in the amount of $4000.00 for the Pecos Diamond Gas Plant discharge plan flat fee;
- Signed copy of the Discharge Plan Approval Conditions for the Pecos Diamond Gas Plant; and
- Stormwater Run-Off Plan for the Pecos Diamond Gas Plant.

If you have any questions, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP

Karin Char
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

Ford, Jack

From: Martin, Ed
Sent: Tuesday, February 12, 2002 1:50 PM
To: Santa Fe New Mexican (E-mail)
Cc: Ford, Jack; Anaya, Mary; Bruce S. Garber; Chris Shuey; Colin Adams; Director, State Parks; Gerald R. Zimmerman; Jack A. Barnett; James Bearzi; Jay Lazarus; Lee Wilson & Associates; Marcy Leavitt; Mike Matush; Mike Schultz; Ned Kendrick; Regional Forester; Ron Dutton; Sectretary, NMED
Subject: Legal Notice

Please publish the attached legal notice, one time only, on or before Wednesday, February 20, 2002.

Upon publication, forward to this office:

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

If you have any questions, please contact me.

Thank you.

Publ. Notice
GW-237.doc

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

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins,

being first duly sworn, on oath says:

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

February 19	,	2002
	,	2002
	,	2002
	,	2002
	,	2002
	,	2002

That the cost of publication is $ 65.19, and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

25 day of February, 2002

Stephanie Dobson

My commission expires 12/13/05

Notary Public

OIL CONSERVATION DIV.

02 FEB 27 PM 1:20

No. 22280

February 19, 2002

NOTICE OF PUBLICATION

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

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

(GW-237) - Duke Energy Field Services, LP, Mr. Harley Temple, Asset Manager, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Pecos Diamond Gas Plant located in the SW/4NE/4, Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. Approximately 15 gallons per day of process wastewater with a total dissolved solids concentration of approximately 13,600 mg /l is stored in an above ground closed containment prior to transport to an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 70 feet with a total dissolved solids concentration of 10,000 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 12th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBERY,
Director

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

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

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

A hearing will be held if the director determines that there is significant public interest.

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 12th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
SEAL
LORI WROTENBERY, Director

Legal #70617
Pub. February 20, 2002

NOTICE OF PUBLICATION

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

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

(GW-237) – Duke Energy Field Services, LP, Mr. Harley Temple, Asset Manager, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Pecos Diamond Gas Plant located in the SW/4 NE/4, Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. Approximately 15 gallons per day of process wastewater with a total dissolved solids concentration of approximately 13,600 mg/l is stored in an above ground closed containment prior to transport to an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 70 feet with a total dissolved solids concentration of 10,000 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 12th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

for LORI WROTENBERY, Director

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 1-18-02

or cash received on _____ in the amount of $ 100.00

from Duke Energy Field Services

for Pecos Diamond GP (Facility Name) GW-237 (DP No.)

Submitted by: _____ Date: 2-11-02

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility ___ Renewal ___

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP
P O Box 5493
Denver, CO 80217

THE CHASE MANHATTAN BANK
Syracuse, NY

50-937/213

Vendor No.	Check Date	Check Number
111615	1/18/02	[redacted]

NOT NEGOTIABLE AFTER 120 DAYS

Check Amount
***$100.00

Pay *One hundred and xx / 100 Dollars*

To The Order Of
NMED-
Water Quality Management Fund
NM Oil Conservation District
1220 South St Francis Drive

David L. Hansen
Authorized Signature

HOLD BETWEEN THUMB AND FOREFINGER; OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.

[redacted]

Duke Energy Field Services, LP
P O Box 5493
Denver, CO 80217

Vendor Number
111615
Vendor Name
NMED-

Check Number
[redacted]
Check Date
1/18/02

Invoice Number	Invoice Date	Net Amount	Description
01/02	1/16/02	100.00	Accounts Payable Vouchers
	Total Paid	**$100.00**	

Please Detach and Retain for Your Records

Duke Energy. Field Services
A New Kind of Energy™

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

February 4, 2002

CERTIFIED MAIL
RETURN RECEIPT

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

SUBJECT: Pecos Diamond Gas Plant
Discharge Plan No. GW- 237
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Discharge plan renewal application (original plus one copy) for the Pecos Diamond Gas Plant (GW-237) located in SW/4 NE/4, T 18S, R 27E, Section 3 in Eddy County;
- Discharge plan (two copies); and
- Check in the amount of $100.00 for the Discharge Plan Renewal Filing Fee.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP

Karin Char
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87504

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87504

Revised January 24, 2001

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

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

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

☐ New ☒ Renewal ☐ Modification

1. Type: Pecos Diamond Gas Plant Leach Field Operations

2. Operator: *See enclosed Discharge Plan.*
   Address:
   Contact Person: Phone:

3. Location: *See enclosed Discharge Plan.*

4. Attach the name, telephone number and address of the landowner of the facility site.
   See enclosed Discharge Plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
   See enclosed Discharge Plan.
6. Attach a description of all materials stored or used at the facility.
   See enclosed Discharge Plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
   See enclosed Discharge Plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
   See enclosed Discharge Plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
   See enclosed Discharge Plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
    See enclosed Discharge Plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
    See enclosed Discharge Plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
    See enclosed Discharge Plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
    See enclosed Discharge Plan.
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Harley Temple Title: Asset Manager

Signature: Harley Temple Date: 1-30-02

A New Kind of Energy

PECOS DIAMOND GAS PLANT
DISCHARGE PLAN

January 2002

Pecos Diamond Gas Plant
SW/4 NE/4 T 18S, R 27E, Section 3

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Plan for the Pecos Diamond Gas Plant On-site Leach Field Operations previously approved by NMOCD on March 29, 1996. This Discharge Plan application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3-104 and 3-106 NMAC.

1 Type of Operation

Leach field operations for on-site sewage septic system. No changes have been made to the leach field operations as previously approved by NMOCD.

2 Operator / Legally Responsible Party

Operator
Duke Energy Field Services, LP
3300 N. A Street, Building 7
Midland, TX 79705
(505) 628-0282
Contact Person: Harley Temple – Asset Manager

Legally Responsible Party
Duke Energy Field Services, LP
370 17th Street, Suite 900
Denver, CO 8020
(303) 595-3331
Contact Person: John Admire – Director, Environmental Protection

3 Location of Discharge / Facility

SW/4 NE/4 Section 3, Township 18S, Range 27E

See Figure 1 – Site Location Map.

4 Landowner

Duke Energy Field Services, LP
370 17th Street, Suite 900
Denver, CO 80202
(303) 595-3331

5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines.

The facility operates a septic and leach field system to handle sewage generated at the facility.

See Figure 2 – Facility Plot Plan for the location of the septic and leach field system.

6 Materials Stored or Used

There are no materials stored on-site or used in the septic and leach field system.

7 Sources and Quantities of Effluent and Waste Solids

Table 1 identifies sources and quantities, quality and disposition of effluent and waste solids generated at the facility related to the leach field operations at the facility.

Table 1
Effluent and Solid Waste Sources, Quantity, Quality

Source	*Waste/Quality*	*Quantity (gal/month unless otherwise specified)*	*Disposition*
Office Building	Sewage	approximately 100	Septic Tank

Separators/Scrubbers
There are no separators or scrubbers involved in the leach field operations at the facility.

Boilers and Cooling Towers/Fans
There are no boilers or cooling towers/fans involved in the leach field operations at the facility.

Process and Storage Equipment Wash Down
Wash down is not generated from the leach field operations at the facility.

Solvents/Degreasers
There is no solvent or degreasers used in the leach field operations at the facility.

Spent Acids/Caustics
No spent acids or caustics are generated from the leach field operations at the facility.

Used Engine Coolants
Engine coolants are not used in the leach field operations at the facility.

Waste Lubrication and Motor Oils

Lubrication and motor oils are not used in the leach field operations at the facility.

Used Oil Filters
Used oil filters are not generated from the leach field operations at the facility.

Solids and Sludges
Solids and sludges are not generated from the leach field operations at the facility.

Painting Wastes
Painting wastes are not generated from the leach field operations at the facility.

Sewage
Sewage generated from the Office Building is routed to the septic tank and leach line system.

Lab Wastes
Lab wastes are not generated from the leach field operations at the facility.

Other Liquids and Solid Wastes
No other liquids or solid wastes are generated from the leach field operations at the facility.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage
Sewage generated from the Office Building is routed to the septic tank.

On-site Disposal
Sewage collected in the septic tank is routed to the on-site leach line.

Off-site Disposal
Wastes are not removed from the leach field system for off-site disposal.

9 Proposed Modifications

No proposed modifications.

10 Inspection, Maintenance, and Reporting

Inspection or maintenance is not typically performed on the leach field system. DEFS has not experienced any problems with the leach field system.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

The facility is manned 8-hours per day, 7-days per week. Plant rounds are made hourly while the facility is manned. DEFS will respond to spills as outlined in the facility's SPCC plan (Refer to Appendix 1) and report spills and leaks according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

12 Site Characteristics

No Changes.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

FIGURES

Figure 1. Site Location Map – Pecos Diamond Gas Plant.

Pecos Diamond Gas Plant
SW/4 NE/4 T 18S, R 27E, Section 3

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(303) 595-3331
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370 17th Street, Suite 900
Denver, CO 80202
(303) 595-3331

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No Changes.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

Figures

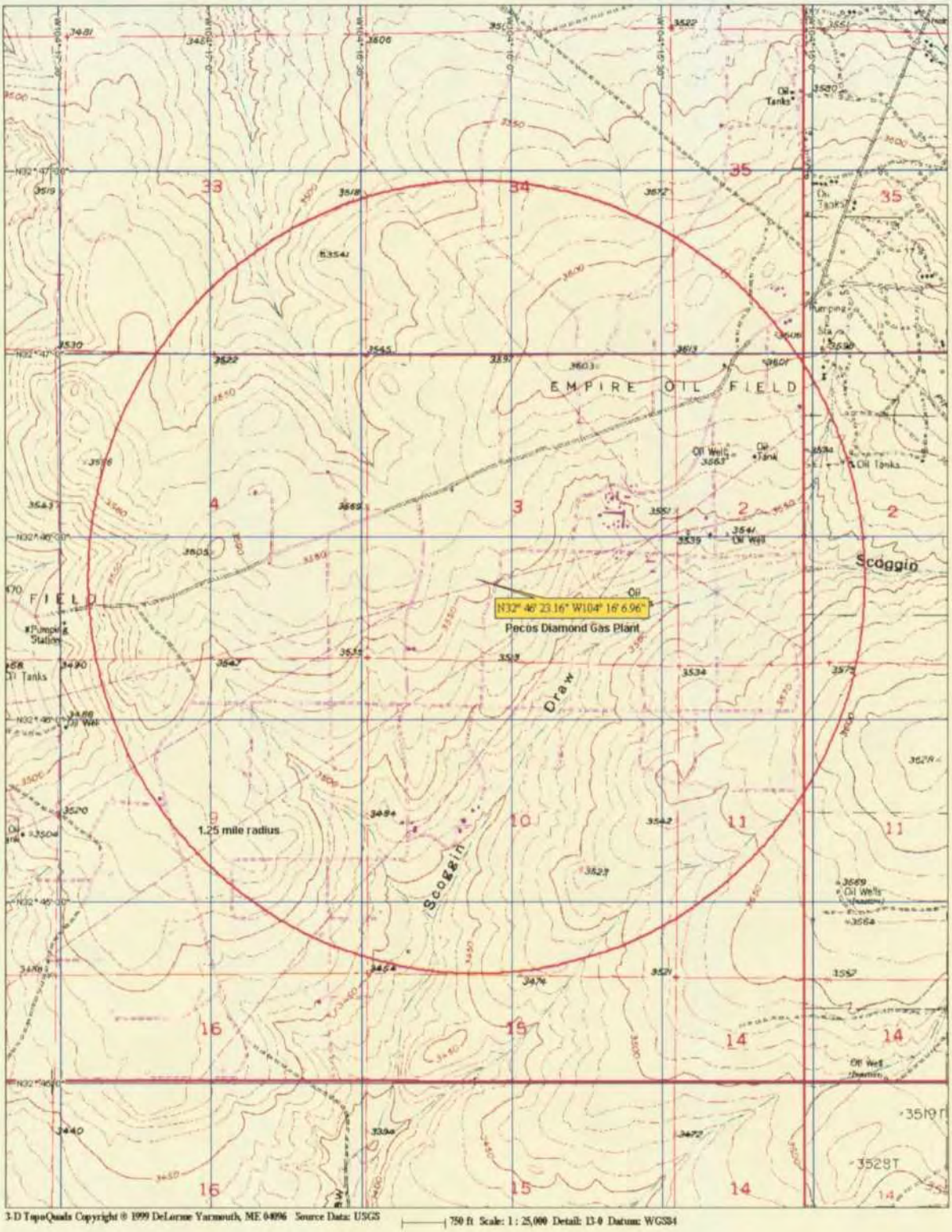
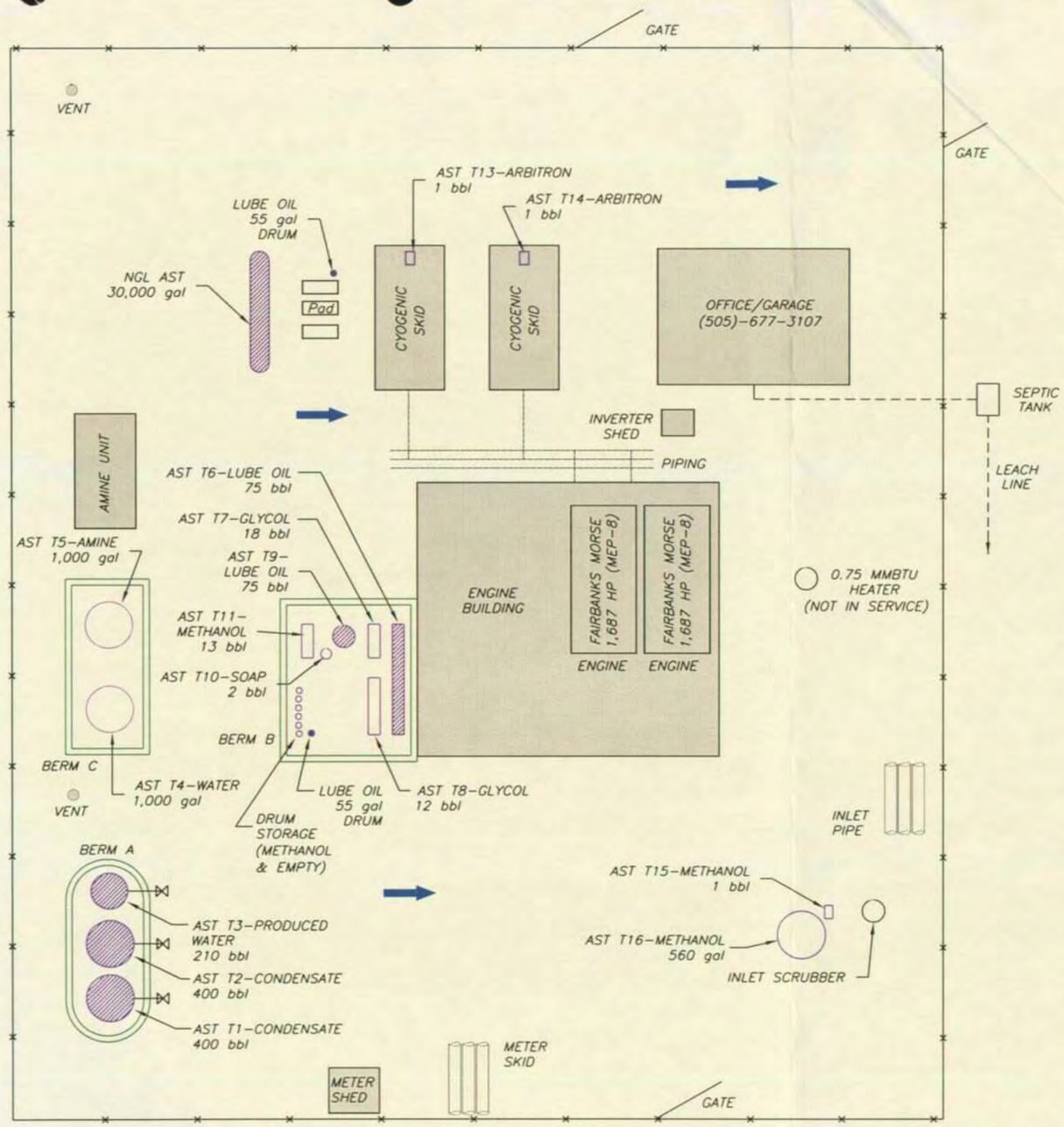


Figure 1. Site Location Map – Pecos Diamond Gas Plant.

FIGURES

FIGURE 2. Facility Plot Plan



N
W E
S

LEGEND

- SURFACE WATER FLOW DIRECTION
- FENCE
- CONTAINMENT STRUCTURE
- BUILDING/EQUIPMENT
- ABOVEGROUND STORAGE TANK (AST)
- SPCC–REGULATED AST

NOT TO SCALE
NOTE: SCALE IS APPROXIMATE. DRAWING IS BASED ON A FIELD SKETCH; ACTUAL FACILITIES MAY VARY IN SIZE AND POSITION FROM THOSE REPRESENTED HERE.

FACILITY PLOT PLAN

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.
0	2–4–02	DRAWN FROM SECOR SKETCH (6–14–00)	J.R.E.	K.C.		

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.

Duke Energy® Field Services
A New Kind of Energy™

PECOS DIAMOND GAS PLANT
PECOS DIAMOND GATHERING SYSTEM
Eddy County
NEW MEXICO

DWG. NO. I:DEFS_EHS\SPCC_Plans\New Mexico\PecosDiamond

Appendix 1
SPCC Plan

APPENDIX 1

Pecos Diamond Gas Plant
SPCC Plan

Duke Energy® Field Services

SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN

PECOS DIAMOND GAS PLANT
EDDY COUNTY, NEW MEXICO

June 2000

Prepared for:

Duke Energy Field Services, LLC
Pecos Diamond Office
103 Little Diamond Road
Artesia, New Mexico 88210

Prepared by:

SECOR International, Inc.
4700 McMurry Drive Suite 101
Fort Collins, Colorado 80525

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

New Mexico Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department

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1.0 INTRODUCTION

Duke Energy Field Services, LLC (Duke Energy) has prepared this Spill Prevention, Control, and Countermeasure (SPCC) Plan for the Pecos Diamond Gas Plant located in Eddy County, New Mexico to comply with the Oil Pollution Prevention Regulation (40 CFR Section 112) issued under Section 311 of the Clean Water Act. This SPCC Plan was prepared in accordance with good engineering practices and has the approval of Duke Energy management at a level having the authority to commit the resources necessary to comply with SPCC and New Mexico spill prevention regulations.

The SPCC Plan for the Pecos Diamond Gas Plant follows the format outlined in the regulations and includes specific contingencies and operating procedures to be implemented in case of a release. Original copies of the plan must be maintained at the facility or the nearest field office. In addition, this plan will be kept at Duke Energy's corporate office in Denver, Colorado.

Duke Energy will complete a review and evaluation of this SPCC Plan within six months of facility design, construction, operation, or maintenance changes at the Pecos Diamond Gas Plant, and at least once every three years. Based on the review, Duke Energy will update this SPCC Plan as necessary.

2.0 GENERAL FACILITY INFORMATION

2.1 Name and Address of Owner/Operator

Duke Energy Field Services, LLC
370 17th Street
Denver, Colorado 80202

Duke Energy Field Services, LLC
Pecos Diamond Office
103 Little Diamond Road
Artesia, New Mexico 88210

2.2 Facility Description

The function of the Pecos Diamond Gas Plant is to remove liquid hydrocarbons from the natural gas stream entering the plant and treat the gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors, glycol dehydrators and reboilers, and compressor engines. SPCC-regulated equipment owned by Duke Energy consists of aboveground storage tanks (ASTs). Liquids stored in these ASTs are delivered or removed from the facility by tanker truck. The facility has a Standard Industrial Classification (SIC) code of 1321.

2.3 Location of Facility

The Pecos Diamond Gas Plant is approximately ten miles southeast of Artesia, New Mexico, in Eddy County. The facility is located in southeast New Mexico at latitude 32.7731° N and longitude 104.2686° W. A site location map is provided as Figure 1.

2.4 Materials Used, Stored, or Handled at this Facility

Condensate, produced water, and lube oil are stored or handled at this facility. Condensate and lube oil are hydrocarbon liquids classified as a petroleum, oil, or lubricants (POLs). Produced water may contain small amounts of POL and, consequently, is SPCC-regulated. The average

daily storage of condensate at the Pecos Diamond Gas Plant is approximately 200 barrels, with a daily throughput of approximately 38 barrels. The average daily storage of lube oil is approximately 1000 gallons, with a daily throughput of approximately 24 gallons.

NGL mix is stored at this facility. A pressurized AST is required to maintain this mixture as a liquid. The mixture is highly volatile, however, a portion of it may remain liquid in the event of a cold weather release.

Methanol, glycol, amine, soap, and arbitron are also stored or used at this facility. SPCC regulations do not apply to these non-POLs.

2.5 Surface Water in Area Proximity

Scoggin Draw Creek is located approximately 0.25 miles east of the site. This creek flows southwest toward the Pecos River. Figures 1 and 2 present the local topography and site layout.

2.6 Designated Person Accountable for Spill Prevention

The Asset Manager is responsible for implementation of the SPCC Plan. The Asset Manager with responsibility for the Pecos Diamond Gas Plant is:

Mr. Harley Temple
Asset Manager
Duke Energy Field Services, LLC
Carlsbad Office
2010 East Orchard Lane
Carlsbad, New Mexico 88220
Office Phone: (505) 628-0282
Mobile Phone: (505) 390-2206
Pager: (505) 339-1460

2.7 Management Approval

Management approval has been extended at a level having authority to commit the necessary resources to implement this Spill Prevention, Control, and Countermeasure (SPCC) Plan. This SPCC Plan will be implemented as herein described.

Signature: Harley Temple Date: 7-12-00

Name: Harley Temple

Title: Asset Manager

2.8 Professional Engineer Certification

I hereby certify that I have supervised the evaluation of the facility, and being familiar with the provisions of 40 CFR 112 attest that this SPCC plan has been prepared in accordance with the aforementioned regulations and good engineering practices.

Disclaimer:

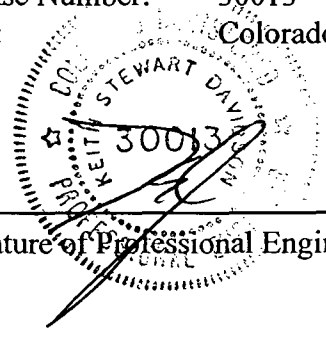
As described within the text of this SPCC Plan, there are oil product storage, handling, and usage areas at the facility where spill containment structures and other spill prevention devices are not in place, or are not adequate. It is Duke Energy's responsibility to implement quick and effective action to prevent adverse effects on human health and the environment from any spill event, and to install effective spill containment structures where feasible.

Included as Appendix D are the action items recommended to meet current SPCC compliance standards at this facility.

This SPCC Plan is based on fieldwork conducted by SECOR on June 7, 1999, and information provided by Duke Energy on or before March 23, 2000.

Keith S. Davidson, P.E.
Name of Professional Engineer

License Number: 30013
State: Colorado
Seal:



Signature of Professional Engineer

6-22-00
Date

3.0 SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN

The SPCC Plan is organized as specified in 40 CFR 112, and includes a discussion of the facility's conformance with the appropriate guidelines listed.

3.1 Spill History Within Last 12 Months

No spill event has been reported for this site during the past twelve months.

3.2 Potential Discharges

The Pecos Diamond Gas Plant has ASTs that are regulated under SPCC requirements (refer to Table 1). On-site storage locations and drainage pathways away from the storage facilities are identified on Figure 2. The off-site surface water drainage pathways are shown on Figure 1. If an on-site release were to occur, it would most likely flow east, and the rate of flow would depend on the quantity released. Potential spill scenarios for each individual tank are summarized in Table 1. Potential discharges of POLs from the site that may impact navigable waterways include tank overfills, tank ruptures, pipe ruptures, pipe leaks, and loadout accidents.

3.3 Containment and/or Diversionary Structures

A summary of the secondary containment information is presented in Table 2. Field measurements and volume calculations for the secondary containment structure are provided in Appendix A. A photograph of each tank is provided in Figure 3.

Condensate AST T1 (400 bbl), Condensate AST T2 (400 bbl) and Produced Water AST T3 (210 bbl) are surrounded by a common corrugated sheet metal and earthen containment berm (Berm A). The secondary containment capacity is approximately 185 bbl, or 46 percent of the

TABLE 1
POTENTIAL SPILL SCENARIOS - PREDICTIONS AND CONTROL

Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

Source	Major Type of Failure	Rate of Release	Direction of Off-Site Flow (spill path)	Secondary Containment / Diversionary Structures	Comments (impact to surface water)
AST T1 400 bbl Condensate	Catastrophic	Instantaneous	Southeast	Berm A (See Table 2)	Insufficient secondary containment may allow surface water impacts
AST T2 400 bbl Condensate	Catastrophic	Instantaneous	Southeast		
AST T3 210 bbl Produced Water	Catastrophic	Instantaneous	Southeast		
AST T6 75 bbl Lube Oil	Catastrophic	Instantaneous	Southeast	Berm B (See Table 2)	Secondary containment would likely prevent impacts to surface water
AST T9 75 bbl Lube Oil	Catastrophic	Instantaneous	Southeast		
Drums (various locations)	Catastrophic	Instantaneous	Southeast	No secondary containment	Lack of secondary containment may allow surface water impacts
Pressure Vessel 30,000 gal NGL Liquid	Catastrophic	Instantaneous	Southeast	No secondary containment	Unlikely, even during cold ambient conditions most of the released NGL would immediately evaporate. Any remaining liquid would have limited time to migrate to surface water before evaporating

TABLE 2
STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION
Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T1	Condensate	Single-wall, welded steel (vertical, fixed roof), Patterson S/N 2893	400 bbl 12 feet in diameter by 20 feet high	Berm A Corrugated steel & Earthen Berm	185 bbl (46% of the largest tank volume)	A discharge migrating beyond containment would flow southeast toward Scoggin Draw Creek
AST T2	Condensate	Single-wall, welded steel (vertical, fixed roof), Patterson S/N 2894	400 bbl 12 feet in diameter by 20 feet high			
AST T3	Produced Water	Single-wall, welded steel (vertical, fixed roof), S/N 32123, 1990	210 bbl 10 feet in diameter by 15 feet high			
AST T6	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	75 bbl 6 feet in diameter by 15 feet long	Berm B Earthen Berm	299 bbl (399% of the largest tank volume)	
AST T9	Lube Oil	Single-wall, welded steel (vertical, fixed roof),Permian, S/N 26001, 1992	75 bbl 8 feet in diameter by 8.5 feet high			
Drums (various locations)	Lube Oil	Single-wall, welded steel Steel drum (vertical)	55 gal 1.9 feet in diameter by 2.5 feet high	No secondary containment	No secondary containment	A discharge would flow southeast toward Scoggin Draw Creek
Pressure vessel	NGL Liquid	Single-wall, welded steel (horizontal, bullet type)	30,000 gal	No secondary containment	No secondary containment	Any released liquids not immediately vaporized would flow southeast toward Scoggin Draw Creek

volume of the largest tank (AST T1). This berm does not meet the SPCC volume requirements for secondary containment. Under these conditions, a release of POLs from any regulated tank within Berm A may not be contained (see recommendation in Appendix D).

Lube Oil AST T6 (75 bbl) and Lube Oil AST T9 (75 bbl) are surrounded by a common earthen secondary containment berm (Berm B) composed of compacted soil and crushed rock. The secondary containment capacity is approximately 299 bbl, or 399 percent of the volume of the largest tank. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from either of these regulated tanks would likely be contained.

No secondary containment is currently in place around the NGL mix tank or the lube oil drums in the garage and northern portion of the site (see recommendations in Appendix D).

3.4 Contingency Plan if Containment and/or Diversionary Structures Are Not Available

To reduce the likelihood of POL discharged by tank or piping failures from reaching navigable waters, an oil spill contingency plan is in practice. Spill response materials such as sorbent, shovels, disposal drums, etc., should be stored and maintained at the facility (see recommendation in Appendix D). The Asset Manager, Mr. Harley Temple, is responsible for spill mitigation programs. The first on-site responder will contact emergency responders and hazardous materials responders for containment and cleanup, if necessary (see Appendix C for emergency contacts).

The Asset Manager will evaluate the situation to establish the personnel, materials, and equipment required for making repairs and cleaning the release area. The response team will initiate, support, or completely implement the spill response activities. The degree of involvement from internal personnel will depend on the magnitude of the release.

Once a site inspection has verified a release of a reportable quantity or any quantity that has reached a waterway, the spill will be reported to the appropriate governmental agency following the notification details presented in Appendix C. Potential response personnel who may be utilized in the event of an off-site release or other site emergency are also identified in Appendix C.

3.5 Facility Conformance

In addition to the minimal prevention standards listed under 40 CFR 112.7(c) (Section 3.3 of this Plan), a discussion of conformance with the applicable guidelines listed in 40 CFR 112.7(e) are discussed below.

3.5.1 Facility Drainage

Rainwater collected inside containment structures is typically lost through evaporation, pumped out by a contractor, or emptied through a manual valve after the absence of POL has been confirmed. Based on field observations, drainage within the site is to the east and drainage away from the site is to the southeast.

3.5.2 Bulk Storage Tanks

Bulk storage tanks are used for purposes including, but not limited to, the storage of POL prior to use, while being used, or prior to further distribution in commerce. The in-service bulk POL storage tanks listed in Table 2. The POL tanks are constructed of welded steel and are compatible with the materials stored. The produced water tank (AST T3) is constructed of welded steel and may not be compatible with the corrosive saltwater stored (see recommendation in Appendix D).

Tanks must be fail-safe engineered to prevent spills, as practical. In lieu of installing high level sensors to prevent over-filling of regulated tanks, field personnel check the tank levels routinely. Tank level data are recorded on a gauge report and kept on file at the Pecos Diamond Gas Plant office.

In addition, the storage tanks are scheduled to be:

1. Visually inspected by Duke Energy personnel during routine operational rounds, and

2. Visually inspected annually by Duke Energy personnel when completing reports regarding review of tank gauging, secondary containment, truck loading area, and aboveground piping. Inspection records are maintained at the Pecos Diamond office for a minimum of three years. A Tank and Berm Inspection Checklist is provided in Appendix B.

Visible leaks that result in a loss of POL from tank seams, gaskets, rivets and bolts sufficiently large to cause the accumulation of POL will be promptly corrected.

3.5.3 Facility Transfer Operations, Pumping, and In-Plant Processes

Underground piping at the site is wrapped and coated to reduce corrosion. Piping not in service or in standby service for six months or more is capped or blank-flanged and marked as to origin. Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction.

Pipes, valves, and fittings are painted to provide corrosion protection and facilitate detection of leaks. Aboveground pipes, valves, and fittings are inspected during daily routine operations for damage and leaks. An inspection checklist (see Appendix B) is filled out each year and kept on file at the Pecos Diamond office for a minimum of three years.

The roadways at the Pecos Diamond Gas Plant are engineered to physically direct traffic away from any potential areas where piping, pumps, and tanks could be damaged from collision.

3.5.4 Facility Tank Car and Tank Truck Loading/Unloading Rack

POLs are periodically loaded or unloaded from ASTs at the site (see recommendation in Appendix D). Drivers must observe loading and unloading operations at all times to prevent accidental spills. Drains and outlets on company trucks are inspected prior to loading and unloading for evidence of leaks. In addition, an oil spill contingency plan is in effect.

3.5.5 Inspections and Records

Site personnel visually inspect the ASTs for obvious leaks and cracks as they perform their routine duties. Annual facility inspections are recorded on forms and kept on file at the Pecos Diamond Gas Plant office for a minimum of three years. As mentioned previously, a copy of the Tank and Berm Inspection Checklist is provided in Appendix B.

3.5.6 Security

The site is in a rural area, with access from Route 82 and CR 227. Lighting is provided for the facility. A chain link fence surrounds the site, and gates are kept locked when the site is unattended.

3.5.7 Personnel, Training, and Spill Prevention Procedures

The personnel operating the facility are instructed on job responsibilities and duties. Operators also receive safety training. They are under the direct supervision of the Asset Manager, who is responsible for establishing daily performance and duty guidelines. Scheduled meetings address safety procedures and other pertinent job responsibility criteria. The operators conduct spill prevention briefings yearly to assure adequate understanding of the SPCC Plan.

The Asset Manager will notify the appropriate outside parties in case of a release. These parties may include, but are not limited to, federal, state, and local government agencies, as well as public safety personnel, listed in Appendix C. Also listed in this table are emergency (fire and police), medical (hospital and transportation), and contractor contacts. The assistance of these personnel can be used to minimize public exposure to the hazard, evacuate the public, control traffic, assist in fire control, and provide emergency medical care.

4.0 CERTIFICATION OF THE APPLICABILITY OF THE SUBSTANTIAL HARM CRITERIA

The following page contains the Certification of the Applicability of the Substantial Harm Criteria Checklist for the Pecos Diamond Gas Plant, as found in 40 CFR 112 Attachment C-II.

CERTIFICATION OF THE APPLICABILITY OF THE SUBSTANTIAL HARM CRITERIA CHECKLIST [ref. *40 CFR 112 Attachment C-II*]

FACILITY NAME: Pecos Diamond Gas Plant FACILITY ADDRESS: Eddy County, New Mexico

1. Does the facility transfer oil over water to or from vessels **and** does the facility have a total oil storage capacity greater than or equal to 42,000 gallons?

Yes _____ No ___X___

2. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** does the facility lack secondary containment that is sufficiently large to contain the capacity of the largest aboveground oil storage tank plus sufficient freeboard to allow for precipitation within any aboveground oil storage tank area?

Yes _____ No ___X___

3. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula in Attachment C-III Appendix C, 40 CFR 112 or a comparable formula[1]) such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments? For further description of fish and wildlife and sensitive environments, see Appendices I, II, and III to DOC/NOAA's "Guidance for Facility and Vessel Response Plans" (section 10, Appendix E, 40 CFR Part 112 for availability) and the applicable Area Contingency Plan.

Yes _____ No ___X___

4. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula (Attachment C-III, Appendix C, 40 CFR 112 or a comparable formula[1]) such that a discharge from the facility would shut down a public drinking water intake[2]?

Yes _____ No ___X___

5. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** has the facility experienced a reportable oil spill in an amount greater than or equal to 10,000 gallons within the last 5 years?

Yes _____ No ___X___

CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals responsible for obtaining this information, I believe that the submitted information is true, accurate, and complete.

Harley Temple
Name (please type or print)

Harley Temple
Signature

Title Asset Manager

Date 7-12-00

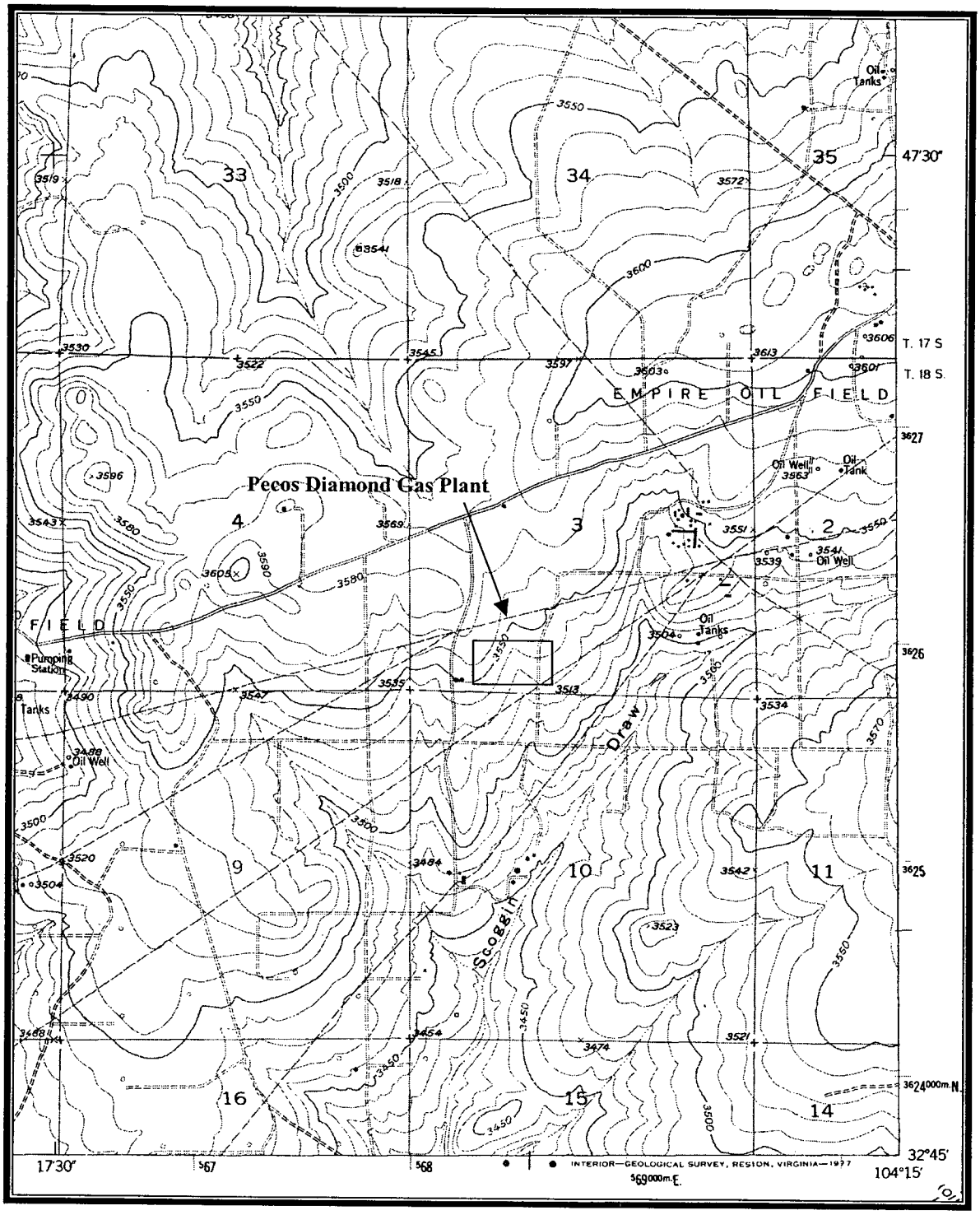
[1] If a comparable formula is used, documentation of the reliability and analytical soundness of the comparable formula must be attached to this form.

[2] For the purposes of 40 CFR Part 112, public drinking water intakes are analogous to public water systems as described at 40 CFR 143.2(c).

FIGURES

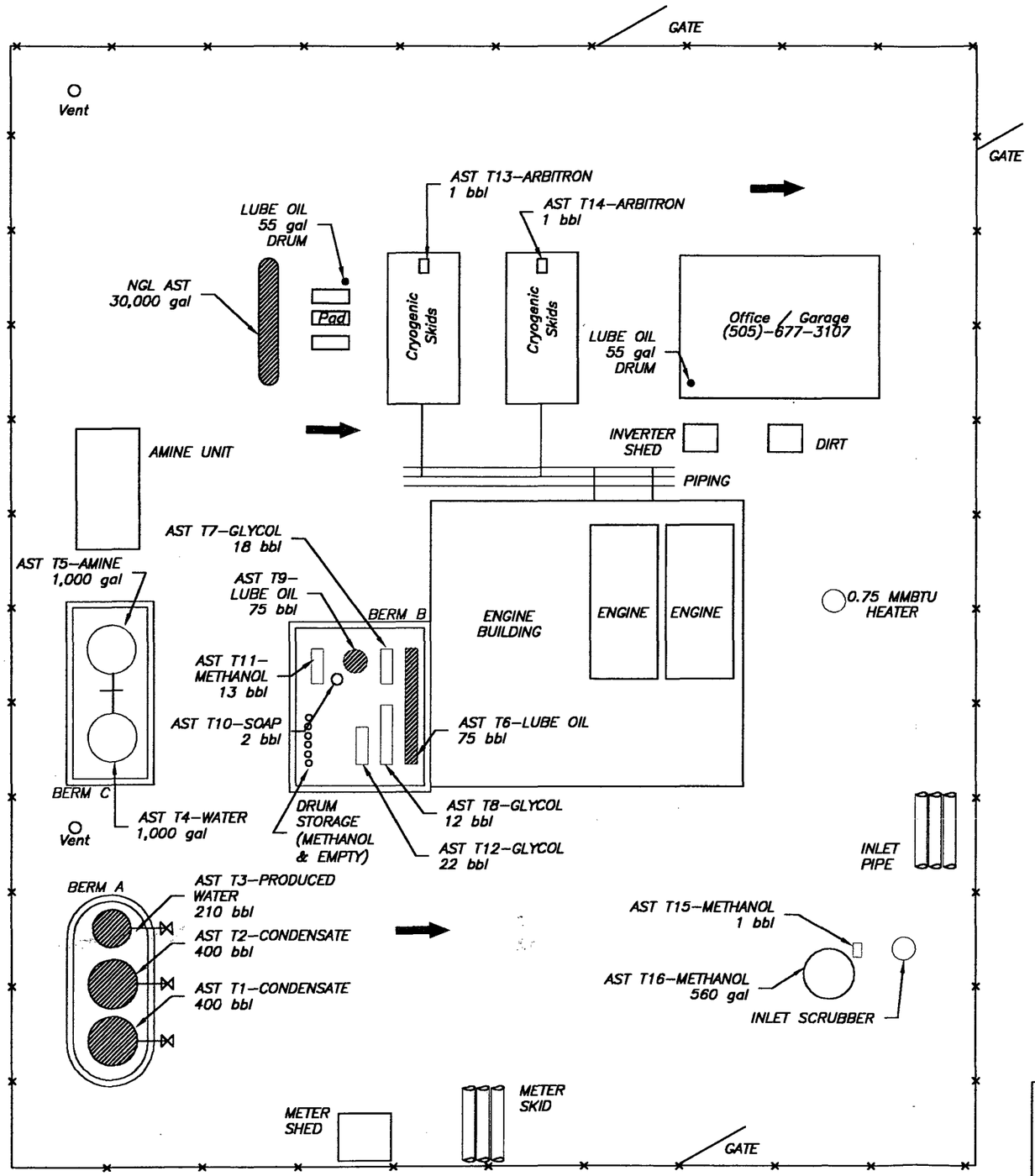
FIGURE 1 SITE LOCATION
FIGURE 2 SITE PLAN
FIGURE 3 SITE PHOTOGRAPHS

FIGURE 1: SITE LOCATION



USGS 7.5 Minute Quadrangle, Spring Lake, New Mexico

FIGURE 2 SITE PLAN



LEGEND

- SURFACE WATER FLOW DIRECTION
- FENCE LINE
- SECONDARY CONTAINMENT BERM
- ABOVEGROUND STORAGE TANK (AST) OR DRUM
- SPCC–REGULATED AST OR DRUM

N
W E
S

0 20 40

APPROXIMATE SCALE IN FEET

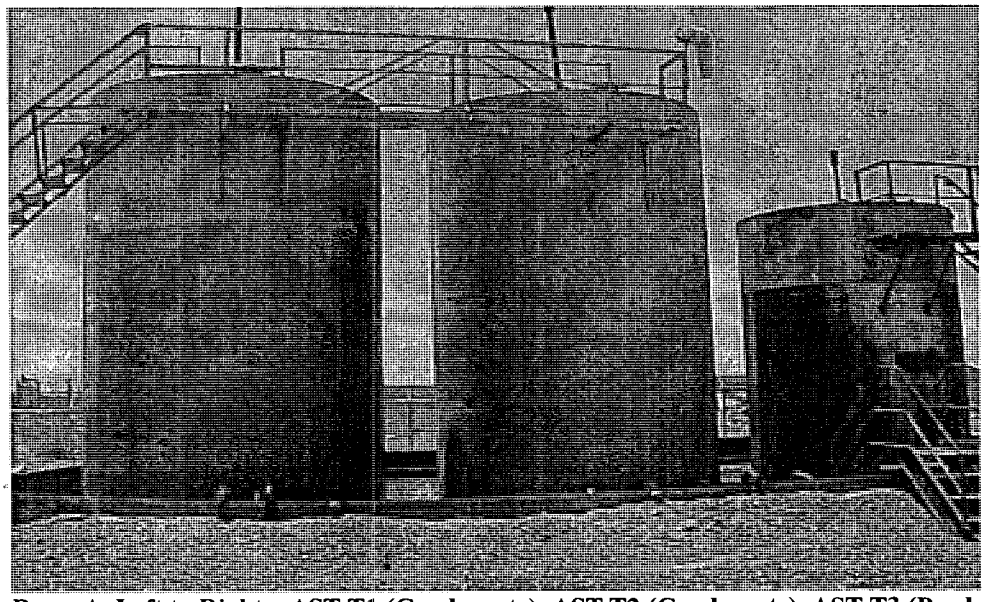
DWN	BF /DDE
APPR	
DATE	06/14/00
JOB NO.	012.06595.020
CAD FILE	Pecos–2

SECOR
4700 McMurry Drive
Suite 101
Fort Collins, Colorado

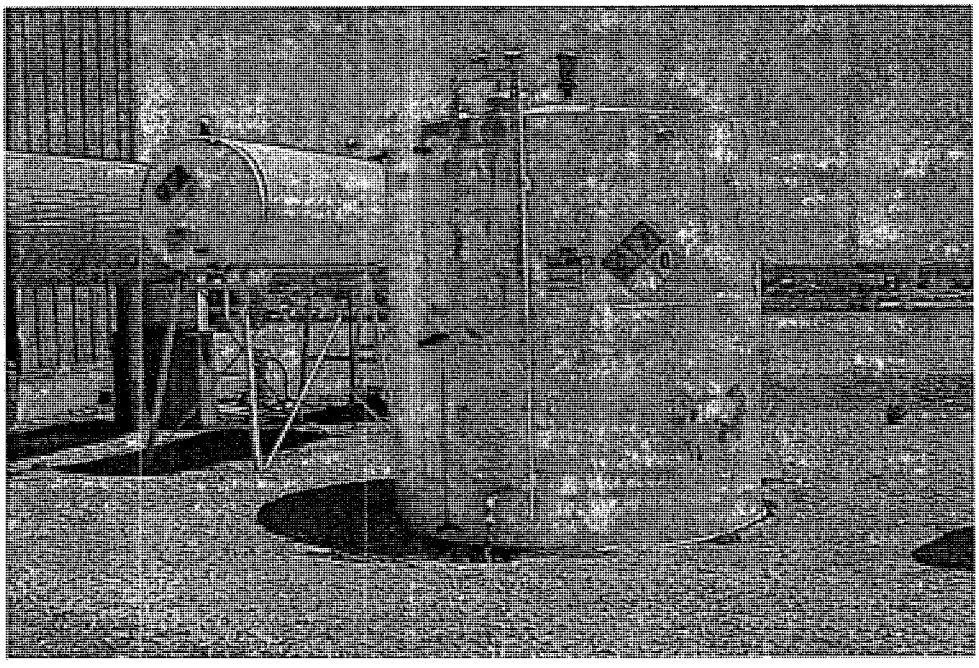
Duke Energy Field Services

Figure 2
Pecos Diamond Gas Plant
Site Plan

FIGURE 3: SITE PHOTOGRAPHS

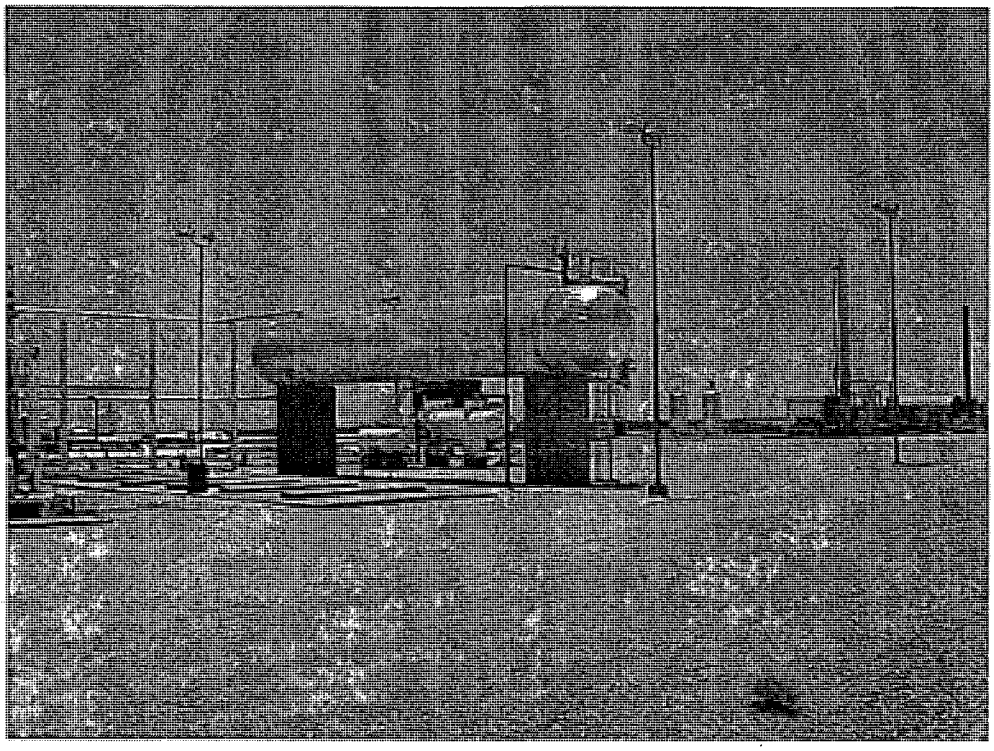


Berm A, Left to Right – AST T1 (Condensate), AST T2 (Condensate), AST T3 (Produced Water)

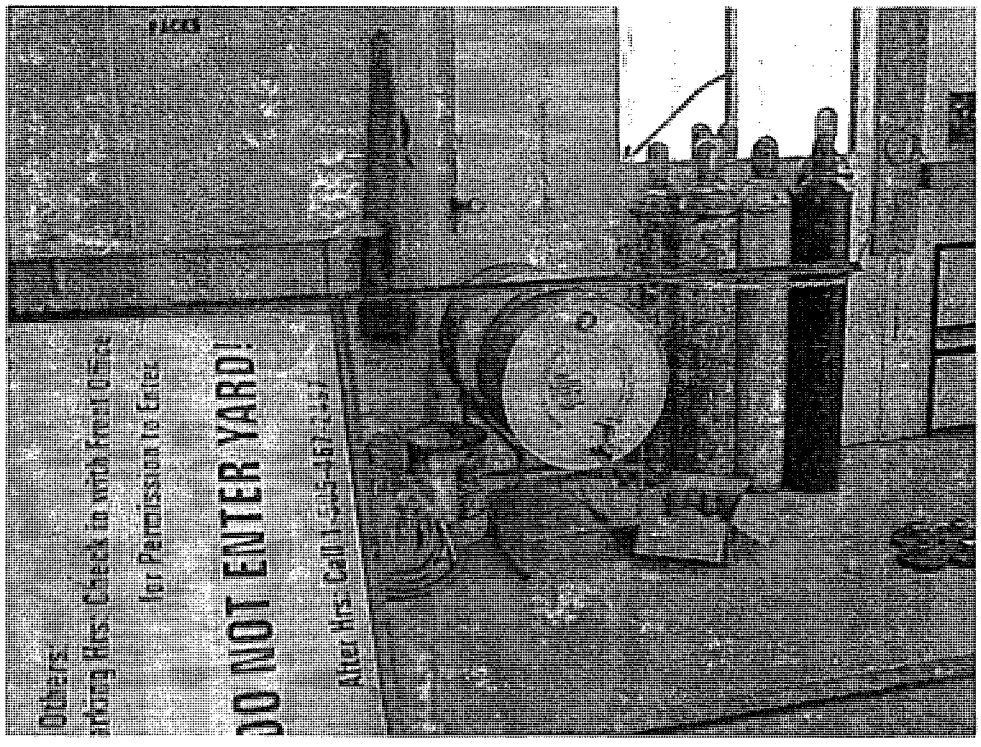


Berm B, Left to Right – AST T6 (Lube Oil), AST T7 (Glycol), AST T9 (Lube Oil)

FIGURE 3: SITE PHOTOGRAPHS (continued)

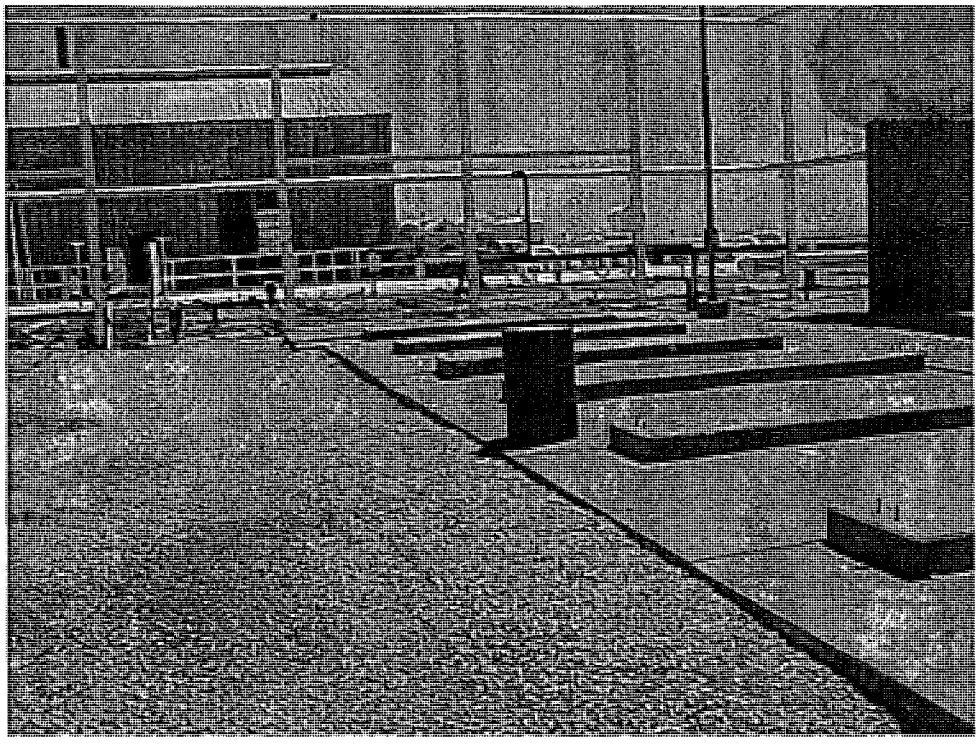


NGL Tank



Lube oil drum in garage

FIGURE 3: SITE PHOTOGRAPHS (continued)



Lube oil drum, northern portion of site

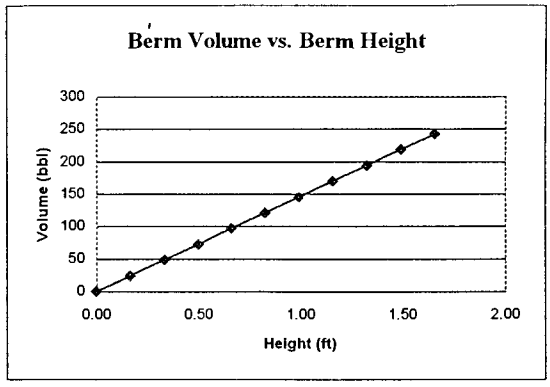
APPENDIX A

SECONDARY CONTAINMENT VOLUME CALCULATIONS

Secondary Containment (Berm) Volume Calculations
Pecos Diamond Gas Plant - Berm A

Berm Volume Calculations

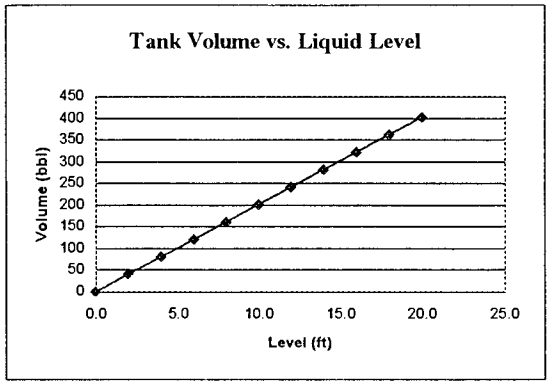
Berm Type	Circular, No Taper
Height (ft)	1.66
Diameter (ft)	22
Length (ft)	20
Berm Volume (bbl)	242



Largest Tank Volume Calculations

Tank ID	AST T1 (condensate)
Tank Orientation	Vertical
Diameter (ft)	12
Length (ft)	20
Calculated Volume (bbl)	403
Labeled Volume (bbl)*	400

**Note: When available, the labeled tank volume is used in the calculations.*

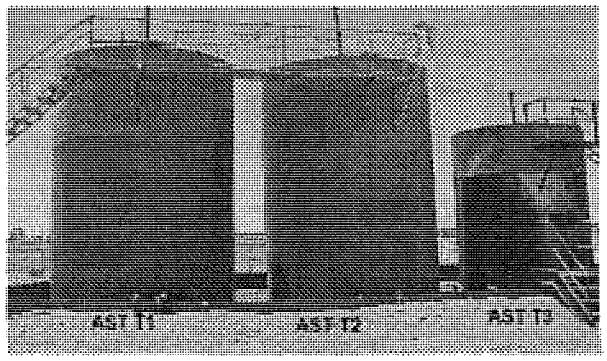


Additional Tank Volume Calculations

Tank ID	Orientation	Diameter (ft)	Length (ft)	Volume (bbl)	Volume of Secondary Containment Displaced (bbl)
AST T2 (condensate)	non-elevated, vertical	12	20	403	33
AST T3 (produced water)	non-elevated, vertical	10	15	210	23

Summary

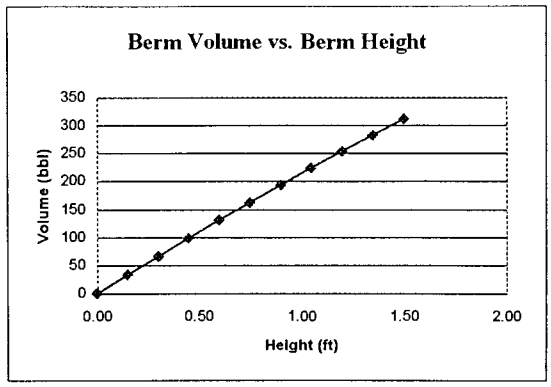
Berm Capacity (bbl)	242
Volume Displaced by Additional Tanks (bbl)	57
Berm Volume Less Tank Displacement (bbl)	185
Largest Tank Capacity (bbl)	400
Percentage of Berm/Largest Tank Volume	46



Secondary Containment (Berm) Volume Calculations
Pecos Diamond Gas Plant - Berm B

Berm Volume Calculations

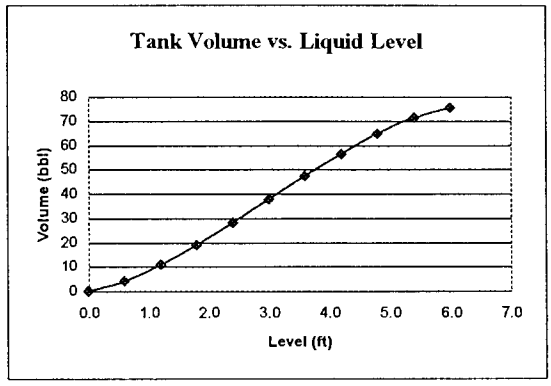
Berm Type	Rectangular, Tapered
Height (ft)	1.5
Width 1 (ft)	30
Width 2 (ft)	27
Length 1 (ft)	42
Length 2 (ft)	40
Berm Volume (bbl)	312



Largest Tank Volume Calculations

Tank ID	AST T6 (lube oil)
Tank Orientation	Horizontal
Diameter (ft)	6
Length (ft)	15
Calculated Volume (bbl)	76
Labeled Volume (bbl)*	75

**Note: When available, the labeled tank volume is used in the calculations.*

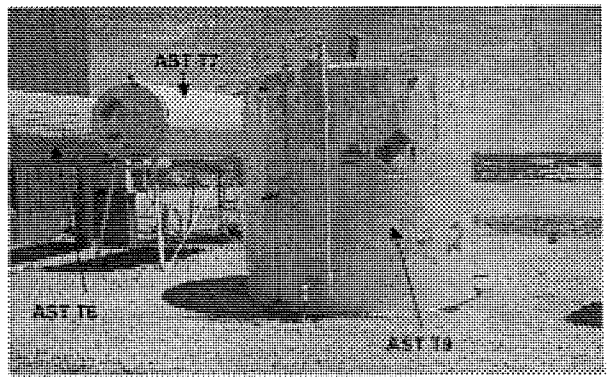


Additional Tank Volume Calculations

Tank ID	Orientation	Diameter (ft)	Length (ft)	Volume (bbl)	Volume of Secondary Containment Displaced (bbl)
AST T9 (lube oil)	non-elevated, vertical	8	8.5	76	13
AST T7 (glycol)	elevated, horizontal	4	8	18	0
AST T8 (glycol)	elevated, horizontal	3.5	7	12	0
AST T10 (soap)	elevated, horizontal	2	3	2	0
AST T11(methanol)	elevated, horizontal	4	6	13	0

Summary

Berm Capacity (bbl)	312
Volume Displaced by Additional Tanks (bbl)	13
Berm Volume Less Tank Displacement (bbl)	299
Largest Tank Capacity (bbl)	75
Percentage of Berm/Largest Tank Volume	399



APPENDIX B

TANK AND BERM INSPECTION CHECKLIST

TANK and BERM
ANNUAL INSPECTION CHECKLIST

Facility Name	**Pecos Diamond Gas Plant**
Date	
Inspector	

Tank ID	
Contents	
Capacity (bbl)	
Working Capacity (bbl)	

TANK INSPECTION	**Yes**	**No**	**NA**	**Comments/Description**
Exterior surface shows signs of leakage.				
External coating is bubbled, cracked or damaged.				
Tank is corroded, pitted or damaged.				
Bolts, rivets or seams are damaged, cracked, or corroded.				
Tank foundation has eroded, settled or shows signs of leakage.				
Overfill protection system is not working.				
Tank bottoms have accumulated rust, scale, microorganisms, or foreign material.				
Vents and pressure release devices are obstructed.				
External stairways/walkways are unsound or obstructed.				
External stairways/walkways have low spots where water can accumulate.				
Level controls are inoperable.				
Tank roof drains are blocked, or damaged.				
Personnel are aware of emergency procedures applicable to the site.				
PIPING, VALVES, PUMPS, GAUGES	**Yes**	**No**	**NA**	**Comments/Description**
Equipment in good working condition.				
Equipment is leaking.				
Soil stained with product below equipment.				

BERM INSPECTION	**Yes**	**No**	**NA**	**Comments/Description**
Berm drainage valve is closed and locked.				
Berm shows indications of erosion or disrepair.				
Berm has holes, cracks, or other breaches that could result in leaks.				
Vegetation with large root systems (trees, bushes) is present in berm area.				
Ramps or other structures associated with spill control are damaged.				
Containment area has accumulated water.				
Sheen or oil on accumulated water.				
Pooled oil or stained soil.				
Drainage pipe or structures are clogged or have accumulated debris.				
Berm drainage outfall shows signs of erosion or disrepair.				

Additional Remarks:

APPENDIX C

REPORTABLE QUANTITIES, EMERGENCY NOTIFICATION CONTACTS, SPILL RESPONSE NOTIFICATION FORMS

REPORTABLE QUANTITIES

Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

List of Hazardous Substances and Reportable Quantities

(Reference: Code of Federal Regulations Part 40, Section 302.4)

Note: The table below does not include all substances found in 40 CFR 302.4. Substances not associated with the extraction, processing, or distribution of natural gas have been omitted.

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Acetic acid	5000	571
Acetone	5000	752
Acrolein (Magnacide B)	1	0.1
Allyl alcohol	100	14
Allyl chloride	1000	127
Aluminum sulfate	5000	221
Ammonia	100	15
Ammonium bicarbonate	5000	--
Ammonium bifluoride	100	--
Ammonium bisulfite	5000	--
Ammonium chloride	5000	394
Ammonium hydroxide	1000	--
Aniline	5000	--
Antimony	5000	--
Arsenic acid	1	--
Asbestos (friable)	1	--
Benzenamine	5000	--
Benzene	10	1
Biphenyl	100	--
1-Butanol	5000	--
2-Butanone	5000	--
Calcium hypochlorite	10	--
Carbon disulfide	100	9
Carbon tetrachloride *	10	0.7
Carbonic dichloride	10	--
Carbonyl sulfide	100	--
Chlorine	10	8
Chloroform	10	0.8
Chromium	5000	--

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Copper	5000	--
Cumene	5000	--
Cupric chloride	10	--
Diethanolamine (DEA) (Amine)	**100**	**11**
Diethylamine	100	--
1,4 Dioxane (component of Tretolite KW-100)	100	--
Ethyl acrylate	1000	--
Ethylene diamine tetra acetic acid (EDTA)	5000	--
Ethylene glycol	**5000**	**538**
Ferrous chloride	100	3
Formaldehyde	100	12
Formic acid	5000	489
Hexane	5000	--
Hydrochloric acid	5000	366
Hydrofluoric acid	100	--
Hydrogen chloride	5000	--
Hydrogen fluoride	100	--
Hydrogen sulfide	100	--
1,3-Isobenzofurandione	5000	--
Lead	10	--
Lead acetate	10	--
Mercury	1	0.01
Methanethiol	100	--
Methanol	**5000**	**758**
Methyl ethyl ketone (MEK)*	5000	--
Methyl isobutyl ketone (MIBK)*	5000	--
Methyl methacrylate	1000	--
Methylene chloride *	1000	--
Methylmercaptan	100	--
4-Methyl-2-pentanone	5000	--
Monoethanolamine (MEA)	100	--
Naphthalene	100	10
Naphthenic acid	100	--
n-Butyl alcohol	5000	--
Nitric acid	1000	--
Paraformaldehyde	1000	--
Pentachlorophenol (Dowcide G)	10	0.6

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Phenol	1000	111
Phosphoric acid	5000	--
Phthalic anhydride	5000	--
Polychlorinated biphenyls (PCB)	1	--
Potassium chromate	10	--
Potassium hydroxide (potash)	1000	--
Potassium permanganate	100	--
2-Propenoic acid, ethyl ester	1000	--
2-Propenoic acid, 2-methyl-, methyl ester	1000	--
Propionaldehyde	1000	--
Radionuclides	Contact Environmental Services	--
Silver nitrate	1	0.02
Sodium bichromate	10	--
Sodium bisulfite	5000	405
Sodium chromate	10	--
Sodium dodecylbenzesulfonate	1000	--
Sodium hydrosulfide	5000	--
Sodium hydroxide (caustic soda)	1000	56
Sodium hypochlorite	100	--
Sodium nitrite	100	5.5
Sodium phosphate, tribasic	5000	--
Sulfuric acid	1000	65
Thiomethanol	100	138
Toluene*	1000	138
1,1,1, Trichloroethane (Chlorothane) *	1000	80
Trichloroethylene (TCE)*	100	8
Trichlorophenol	10	0.8
Vinly acetate	5000	--
Vinly acetate monomer	5000	--
Xylene	100	13.8
Zinc bromide	1000	--
Zinc carbonate	1000	--
Zinc chloride	1000	41

*These chemicals are usually found in spent solvents. A mixture or blend containing more than 10% (by volume) of one or more of these solvents is by definition a hazardous waste when the mixture or blend is spent. For example, 1000 pounds (138 gallons) of a spent solvent which before use contained 10% toluene is a RQ.

EMERGENCY NOTIFICATION
GOVERNMENT AGENCIES
Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

Government Agency	Location	Office Telephone	Notifications
National Response Center	Washington, DC	(800) 424-8802 (24-hour)	Notify immediately of reportable release (any quantity that could cause a sheen on water or reportable quantity[1] of a hazardous substance).
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief	Santa Fe, New Mexico	(505) 827-7152 or (505) 827-7131 (24-hour)	**Major Release[2]:** Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. **Minor Release[3]:** Written notification within fifteen days.
New Mexico Oil Conservation Division (OCD) District 2	Artesia, New Mexico	(505) 748-1283	**Major Release[2]:** Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. **Minor Release[3]:** Written notification within fifteen days.
New Mexico Environment Department	Santa Fe, New Mexico	(505) 827-9329 (24-hour) (505) 827-1561	No notification necessary if all reporting requirements to the OCD are satisfied. (ref. 20 NMAC 6.2.I.1203.4)
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC)	Carlsbad, New Mexico	(505) 887-9511	Notify immediately of any reportable release and/or if any emergency response is required.
State Emergency Response Commission (SERC)	Santa Fe, New Mexico	(505) 476-9620	Notify immediately of any reportable release and/or if any emergency response is required.
OSHA	Washington, DC	(800) 321-6742	Report three hospitalizations or one or more deaths.

[1] Reportable quantities of hazardous substances are included in the Reportable Quantities table on the preceding page.

[2] A **major release** is defined as: (ref. OCD 116.B.1)
(a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
(b) an unauthorized release of any volume which:
(i) results in a fire;
(ii) will reach a water course;
(iii) may with reasonable probability endanger public health; or
(iv) results in substantial damage to property or the environment;
(c) an unauthorized release of natural gases in excess of 500 mcf; or
(d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19.B(1), B(2), or B(3).

[3] A **minor release** is defined as: (ref. OCD 116.B.2)
An unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gas.

EMERGENCY NOTIFICATION
LOCAL EMERGENCY PERSONNEL AND DUKE ENERGY MANAGEMENT

Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

Area Fire Department – Artesia Fire Department	911 or (505) 746-2701
Area Law Enforcement Agencies	
Artesia Police	911 or (505) 746-2704
State Police (Carlsbad, NM)	911 or (505) 885-3137
Sheriff (Eddy County, NM)	(505) 746-9888
Hospital – Artesia General Hospital 702 N. 13th Street, Artesia, TX	(505) 748-3333
Ambulance Service – Artesia General Hospital (Artesia, NM)	911 or (505) 746-2701

Duke Energy Gas Control (24-Hour Emergency Number) Beaumont, Texas	**(888) 204-1781**

Asset Manager

Harley Temple
Office (505) 628-0282
Mobile (505) 390-2206
Pager (505) 339-1460

Maintenance Foreman

Mr. Randy Counts
Office (505) 628-0282
Mobile (505) 420-8412
Pager (505) 399-1497

Environmental Affairs Department

Office (303) 595-3331
Administrative Assistant (303) 605-1715
Environmental Fax (303) 389-1957

Health and Safety Department

Office (303) 595-3331

EMERGENCY NOTIFICATION
CONTRACTORS

Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Pecos Diamond Gas Plant
Eddy County, New Mexico

The following contractors may be called to assist Duke Energy with the clean up of a spill.

Contractor Name	Location	Office Telephone	Services Offered
Sullivan's Crane Service	Hobbs, NM	(505) 393-7141	Crane
Constructors Inc.	Carlsbad, NM	(505) 885-8838	Excavating equipment (backhoes, etc.)
OK Hot Oil	Artesia, NM	(505) 746-6233	Frac trucks, water trucks, vacuum trucks

DUKE ENERGY FIELD SERVICES, LLC
NOTIFICATION DATA SHEET

SPILL RESPONSE NOTIFICATION FORM

Reporter's Last Name: _____ First: _____ M.I. _____
Reporter's Daytime Phone Number:(_____)_____
Evening Phone Number:(_____)_____
Home Phone Number: (_____)_____
Reporter's Company: _____
Reporter's Department/Section: _____
Reporter's Position: _____
Owner's Address: _____
Owner's City, State and Zip: _____

Initial or Follow-up Notification:
Were Materials Released? _____ (Y/N)?
Confidential _____ (Y/N)?
Reportable Quantity _____ (Y/N)?
Surface waters Impacted_____(Y/N)? If yes, contact NRC immediately.
Call Made to National Response Center (NRC) (800) 424-8802_____ (Y/N)?
Date: _____ Time: _____
Call Incident Commander: _____ (Y/N)?

INCIDENT DESCRIPTION

Source and Cause of Incident: _____
_____
_____
Date of Incident: _____ Time of Incident: _____
Incident Address/Location: _____
_____
Incident Location: Section, Township and Range: _____
Facility Latitude (degrees, minutes, and seconds): _____
Facility Longitude (degrees, minutes and seconds): _____
Nearest City (also list the County, State and Zip Code): _____
_____
Distance from the Nearest City (include units): _____
Direction from the Nearest City: _____
Container Type: _____
Tank Capacity (include units): _____
Facility Capacity (include units): _____

MATERIAL

CAS Number: Crude Oil (8002-05-09), Ethylene Glycol (107211), Diethanolamine (111422), Methanol (67561), Methylmercaptan (74931), Benzene (71-43-2), H_2S (7783-06-4)
Released Quantity (include units): _____
Material Released in Water? If so, quantity (include units): _____

RESPONSE ACTION

Actions Being Taken On-site to Correct, Control, or Mitigate Incident: _____
_____
_____
_____

WEATHER CONDITIONS:

(Current) _____ (Forecast) _____

IMPACT

Number of Injuries: _____
Number of Deaths: _____
Were there Evacuations: _____(Y/N)? If yes, the number of people evacuated: _____
Was there any property damage: ____ (Y/N)? If yes, describe the damage including the medium affected and the approximate dollar amount of damage. (Be complete): _____
_____
_____
_____
_____

ADDITIONAL INFORMATION

Any information about the incident not recorded elsewhere in the report?: _____
_____
_____
_____

CALLER NOTIFICATIONS

AGENCY/DUKE ENERGY CONTACTS AND NOTIFICATIONS	
National Response Center **(800) 424-8802**	Contact Person_____ ETA_____ Time_____
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief **(505) 827-7152 or (505) 827-7131 (24 hour)**	Contact Person_____ ETA_____ Time_____
New Mexico Oil Conservation Division (OCD) District 2, Artesia, New Mexico **(505) 748-1283**	Contact Person_____ ETA_____ Time_____
New Mexico Environment Department **(505) 827-9329 (24-hour)**	Contact Person_____ ETA_____ Time_____
State Emergency Response Commission (SERC) **(505) 476-9620**	Contact Person_____ ETA_____ Time_____
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC) **(505) 887-9511**	Contact Person_____ ETA_____ Time_____
Duke Energy Gas Control (24-hour Emergency Number) **(888) 204-1781**	Contact Person_____ ETA_____ Time_____

APPENDIX D

PROFESSIONAL ENGINEER RECOMMENDATIONS

PROFESSIONAL ENGINEER RECOMMENDATIONS

Based on SECOR's June 7, 1999 site visit, the following action items are recommended to meet current SPCC compliance standards at the Pecos Diamond Gas Plant.

Action Item Description	Action Taken by Duke Energy Field Services, LLC and Date
Increase the capacity of Berm A to provide a volume equal to 110% of the capacity of the largest AST.	
Maintain spill control equipment (sorbent, shovels, disposal drums, barriers, etc.) on-site to enable personnel to respond to limited oil spills.	Sorbent, shovels and disposal dumpster on site. Completed 05/03/2001
Routinely inspect AST T3 (produced water) for corrosion and repair as needed or replace the steel AST with a fiberglass AST.	Completed – UT survey performed.
Construct a spill containment or diversionary structure at the loadout area to prevent releases from loading accidents from migrating off-site.	
Construct a secondary containment structure around the NGL mix bullet tank, with sufficient capacity to contain 110% of the volume of the NGL tank, or demonstrate that any liquid released from this tank during a cold weather spill event would not impact surface water.	

PROFESSIONAL ENGINEER RECOMMENDATIONS (continued)

Action Item Description	Action Taken by Duke Energy Field Services, LLC and Date
Engineer fail-safes for the tanks to prevent spills, as practical. The fail-safes should either include high level sensors or a field record that demonstrates that the tanks are rarely filled to near capacity, thus demonstrating that high level sensors are not required. This record must be filed at the Pecos Diamond Gas Plant office with other applicable records regarding this facility.	Records of tank levels are observed and noted on daily reports.
Construct secondary containment for the POL drums or move them into an existing secondary containment berm.	Disposed of POLs and drums.

Ford, Jack

From: Karin Char [kchar@duke-energy.com]
Sent: Friday, January 11, 2002 3:24 PM
To: JWFORD@state.nm.us
Subject: Pecos Diamond Gas Plant

Return Receipt

Your document :	Pecos Diamond Gas Plant
was received by:	Karin Char/Denver_Env/PEFS/PEC
at:	01/11/2002 03:22:59 PM MST

Ford, Jack

From: Ford, Jack
Sent: Friday, January 11, 2002 3:08 PM
To: 'Kchar@duke-energy.com'
Subject: Pecos Diamond Gas Plant

Dear Karin:

On March 30, 2001I sent you an e-mail regarding the expired discharge plan at the Pecos Diamond Gas Plant (GW-237). To date I have not received an application for renewal of GW-237. Please review your records ASAP and let me know if this facility is in operation and when I might receive an application for renewal. Currently Duke Energy Field Services, LP is out of compliance with OCD rules and regulations if this plant is in operations.

Sincerely,

W. Jack Ford
Oil Conservation Division

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

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

WRITER'S INTERNET ADDRESS:
elewis@fulbright.com

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

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

May 10, 2001

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

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

Dear Mr. Anderson:

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

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

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

Very truly yours,

Eddie Lewis

Edward C. Lewis

ECL/jnr