

**GW -** 272

**PERMITS,  
RENEWALS,  
& MODS  
Application**

**ATTACHMENT TO THE DISCHARGE PERMIT  
WILLIAMS FOUR CORNERS, LLC, KERNAGHAN B-8 COMPRESSOR STATION (GW-272)  
DISCHARGE PERMIT APPROVAL CONDITIONS  
NOVEMBER 26, 2007**

**Please remit a check for \$400.00 made payable to Water Quality Management Fund:**

**Water Quality Management Fund  
C/o: Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, New Mexico 87505**

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. However, the owner/operator still owes the required \$400.00 renewal permit fee for a gas compressor station less than 1001 horsepower.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on December 17, 2011** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its September 19, 2006 discharge plan renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

**6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**15. Spill Reporting:** The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

**16. OCD Inspections:** The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

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

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

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

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

**21. Transfer of Discharge Permit (WQCC 20.6.2.3111)** Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee. Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

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

Mr David Bays  
GW-272  
November 26, 2007  
Page 7 of 7

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

Williams Four Corners, LLC

\_\_\_\_\_  
Company Name-print name above

David Bays

\_\_\_\_\_  
Company Representative- print name

*David Bays*

\_\_\_\_\_  
Company Representative- signature

Title Sr. Environmental Specialist

Date: December 12, 2007





Environmental Affairs  
188 CR 4900  
Bloomfield, NM 87413  
505/632-4625  
505/632-4781 Fax

September 19, 2007

New Mexico Oil Conservation Division  
Water Quality Management Fund  
1220 S St. Francis Dr.  
Santa Fe NM 87505

**Re: Discharge Plan GW-229, GW-208, GW-273, GW-272  
Application Renewals and Filing Fees**

Enclosed please find copies of Discharge Plan application renewals and four separate checks in the amount of \$100.00 each to cover the filing fee for the following Williams Field Services (WFS) Compressor Stations:

- Kernaghan B-8 Compressor Station (GW-272) Check#4027026775
- Moore Compressor Station (GW-273) Check#4027026774
- Hart Mountain Compressor Station (GW-208) Check#4027026777
- Trunk G Compressor Station (GW-229) Check#4027026776

Williams Field Services appreciates your assistance in handling these applications and fees. If you have any questions or require additional information, please contact me at 505/632/4625.

Thank you,

A handwritten signature in black ink that reads "Monica Sandoval".

Monica Sandoval  
Environmental Compliance

Xc: Aztec, OCD Dist III  
FCA Environmental File 220



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

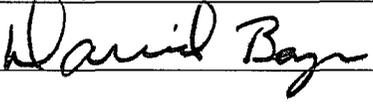
**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,  
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES  
AND CRUDE OIL PUMP STATIONS**

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

New       Renewal       Modification

1. Type: Compressor Station (Kernaghan B-8 Compressor Station, GW-272)
2. Operator: Williams Four Corners, LLC
- Address: 188 County Road 4900, Bloomfield, NM 87413
- Contact Person: David Bays Phone: (505) 634-4951
3. Location: SE/4 SW/4 Section 33 Township 31N Range 8W
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average daily quality and daily volume of waste water must be included.
8. Attach a description of current liquid waste and solid waste collection/treatment/disposal systems.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other rules, regulations, and/or orders.
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: David Bays Title: Environmental Specialist

Signature:  Date: September 14, 2007

E-Mail Address: david.bays@williams.com



# **Kernaghan B-8 Compressor Station**

## **NMOCD Discharge Plan GW-272 Renewal**

**Williams Four Corners, LLC  
188 CR 4900  
Bloomfield, NM 87413**

September 2007

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**Item 1**

*Indicate the major operational purpose of the facility. If the facility is a natural gas purification plant (CO<sub>2</sub> removal) and compressor station include the total combined site rated horsepower.*

The Kernaghan B-8 Compressor Station is a compressor station owned and operated by Williams Four Corners, LLC (Williams). The site was built in 1996 to provide metering, compression, and dehydration services to various producers for the gathering of natural gas for treatment and delivery. All equipment (compressor engines, dehydrators and tanks) previously located at the site have been removed from this location. This renewal application is being submitted to allow for redeveloped of the site in the future. Any necessary modifications to this plan, including a description of equipment permitted for operation at the site, will be provided to NMOCD, as required, prior to startup of the facility.

**Item 2**

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

<b>Legally Responsible Party/ Operator</b>	Williams Four Corners, LLC 188 County Road 4900 Bloomfield, NM 87413 (505) 632-4600/4634 (800)-645-7400 (24 hour emergency notification)
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<b>Local Representative</b>	David Bays Williams Four Corners, LLC 188 County Road 4900 Bloomfield, NM 87413 (505) 634-4951
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**Item 3**

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

San Juan County, New Mexico  
Township 31 North, Range 8 West, Section 33  
The topographic map is attached as Figure 1.  
An updated facility layout (Figure 2) will be provided to NM OCD as required prior to startup of the facility.

**Item 4**

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

Bureau of Land Management  
1235 N. La Plata Highway  
Farmington, NM 87401  
(505) 599-8900

**Item 5**

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

Compressor engines and tanks described in the previous OCD Discharge Plan for this site have been removed from the site. Updated information will be provided to NM OCD as required prior to startup of the facility.

**Item 6**

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

Table 1 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site. Updated information will be provided to NMOCD as required prior to startup of the facility.

MSDSs for materials at the site are maintained in Williams' corporate office and are available upon request.

**Item 7**

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

The source, quantity, and quality of effluent and waste solids expected to be generated at the compressor station are summarized in Table 2. Updated information will be provided to NMOCD as required prior to startup of the facility.

**Item 8**

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

There have been no modifications to this section. See information on-file at OCD.

**Item 9**

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

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

**Item 10**

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

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

**Item 11**

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

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

Williams will handle all spills and leaks immediately as required by company procedures and will report all spills and leaks according to the requirements of the State of New Mexico as found in NMOCD Rule 116 and WQCC Section 1203.

**Item 12**

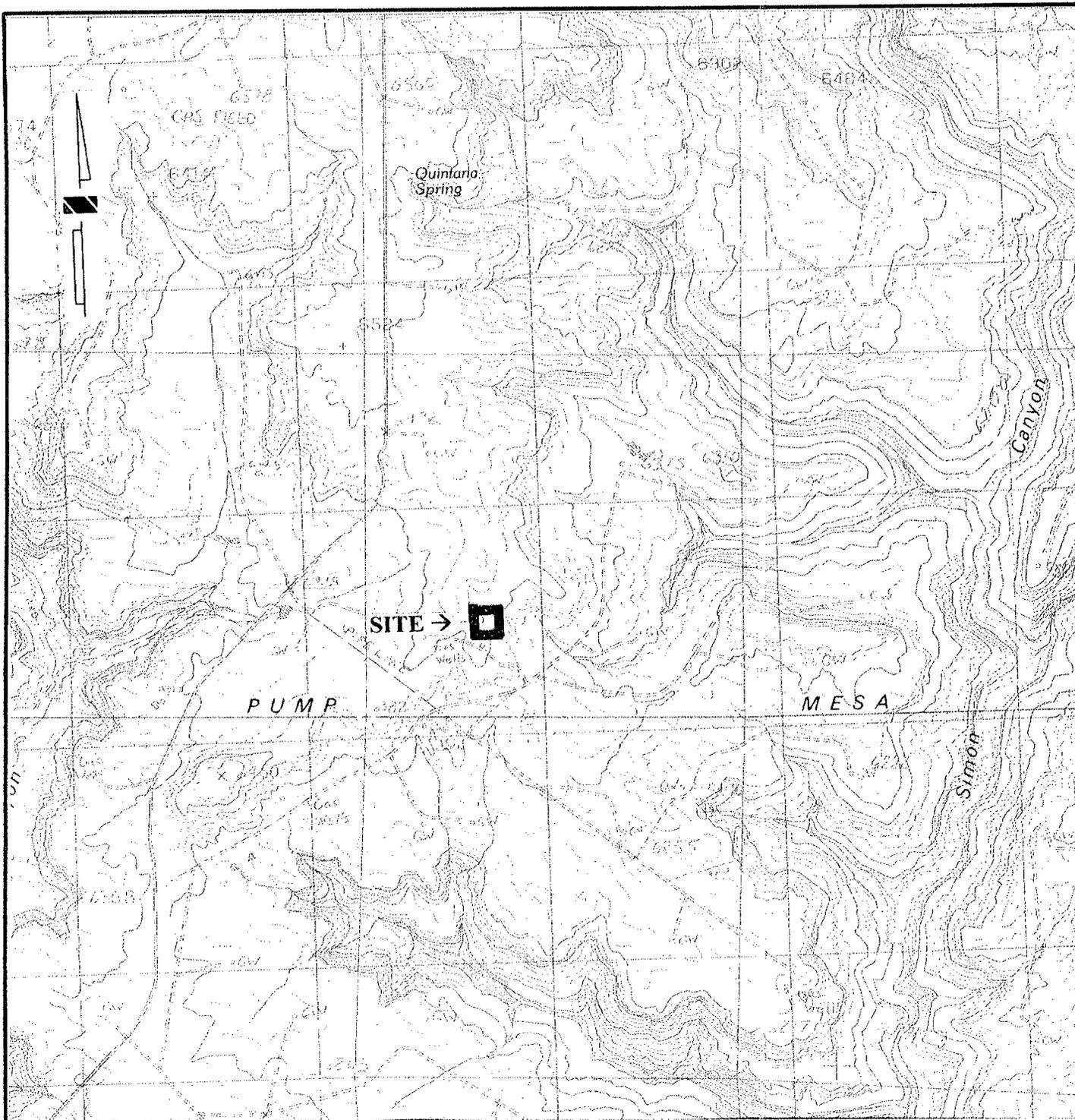
*Attach ecological/hydrological information for the facility. Depth to and quality of groundwater must be included.*

A current well search was performed for this renewal application. There is no new information to report for this section. See information on-file at OCD.

**Item 13**

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

There have been no modifications to this section. See information on-file at OCD.



Source: USGS Archuleta Quadrangle, New Mexico

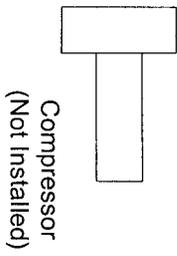
Scale: 1" = 2,000'



**Figure 1 Site Vicinity / Topographic Map**  
**Kernaghan B-8 Compressor Station**  
Section 33, Township 31N Range 8W  
San Juan County, New Mexico



NOTE: Proposed equipment installation sites. There are no tanks, compressors, or dehydrators currently installed at this location.



Williams Four Corners, LLC

Kernaghan B-8 Compressor Station Plot Plan

Not to Scale

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

PROCESS FLUID/WASTE	STORAGE	STORAGE CAPACITY (approximate)	CONTAINMENT/ SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
Used Oil	Above Ground Storage Tank	500 gal*	Berm or concrete pad and wastewater system	Non-exempt	May be hauled to a Williams or contractor consolidation point before transport to EPA-registered used oil marketer for recycling.
Produced Water	Above Ground Storage Tank	70 bbl	Berm	Exempt	Saleable liquids may be sold to refinery. The remaining liquids may be transported to a Williams' evaporation facility or may be disposed at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste.
Wash-down Water	Below Grade Sump, vaulted	740 gal	Dual-walled tank	Non-exempt	Contractor may pump wash water back into truck after washing; water may be transported to any facility permitted by any state, federal, or tribal agency to receive industrial solid waste; or evaporation at Williams' facility may be considered. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such waste.
Used Oil Filters	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Used Process Filters	Drum or other container	Varies	Transported in drum or other container	Exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Spill Residue (e.g., soil, gravel, etc.)	N/A	N/A	In situ treatment, land-farm, or alternate method	Incident dependent	Per Section VI, Remediation, in 8/13/93 NMOCDC Guidelines for Remediation of Leaks, Spills, and Releases.
Used Absorbents	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Empty Drums / Containers	N/A	N/A	Berm	Non-exempt	Barrels are returned to supplier or transported to a Williams or contractor consolidation point and ultimately recycled/disposed consistent with applicable regulations.
Glycol	Above Ground Storage Tank	150 gal*	On dehy skid	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Lube Oil	Above Ground Storage Tank	500 gal*	Berm or concrete pad and wastewater system	N/A	Off-spec material recycled or disposed consistent with applicable regulations.

\*Number of tanks installed dependent on number of engines and dehydrators installed on site. Engines and dehydrators are installed or removed to meet demand.

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

<b>PROCESS FLUID / WASTE</b>	<b>SOURCE</b>	<b>QUANTITY (Ranges)</b>	<b>QUALITY</b>
Produced Water	Inlet Scrubber, Gas Inlet Separator, Dehydrators	2000-8000 bbl/year	No Additives
Waste Water /Wash Down Water	Compressor and Dehy Skids	500-5000 gal/year/unit	Biodegradable soap and tap water with traces of used oil
Used Oil	Compressors	500-2000 gal/year/engine	Used Motor Oil w/ No Additives
Used Oil Filters	Compressors	50-500/year/engine	No Additives
Used Process Filters	Air, Inlet, Fuel, Fuel Gas, Glycol, Charcoal, Activated Carbon, Amine	75-500/year	No Additives
Empty Drums/Containers	Liquid Containers	0-80/year	No Additives
Spill Residue ( i.e. soil, gravel, etc)	Incidental Spill	Incident Dependent	Incident Dependent
Used Adsorbents	Incidental Spill/Leak Equipment Wipe-down	Incident Dependent	No Additives



Four Corners Area  
 Environmental Department  
 #188 County Road 4900  
 Bloomfield, N.M. 87413  
 Phone: (505) 632-4625  
 Fax: (505) 632-4781

September 5, 2007

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Bureau of Land Management  
 1235 N. La Plata Highway  
 Farmington, NM 87401

Dear Madam/Sir:

This letter is to advise you that Williams Four Corners, LLC is preparing to submit to the Oil Conservation Division a Discharge Plan renewal application for the Kernaghan B8 Compressor Station. This notice is a requirement pursuant to New Mexico Water Quality Control Commission Regulations. We expect to submit the Discharge Plan application to the Oil Conservation Division during September 2007.

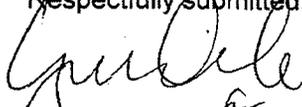
The facility, located in Section 33, Township 31 North, Range 8 West, San Juan County, New Mexico, approximately 17 miles east of Aztec, provides natural gas compression and conditioning services.

The discharge permit addresses how spills, leaks, and other accidental discharges to the surface will be managed. The facility does not discharge wastewater to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. In the event of an accidental discharge, ground water most likely will not be affected. The estimated ground water depth at the site is 400 to 700 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 200-2,000 parts per million.

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

Director of the Oil Conservation Division  
 1220 South Saint Francis Dr.  
 Santa Fe NM 87505

Respectfully submitted,

  
 Carol Harkins  
 EH&S Specialist

7007 1490 0002 2097 2697

U.S. Postal Service™	
<b>CERTIFIED MAIL™ RECEIPT</b>	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
FARMINGTON, NM 87401	
<b>OFFICIAL USE</b>	
Postage	\$ 0.41
Certified Fee	\$2.65
Return Receipt Fee (Endorsement Required)	\$2.15
Restricted Delivery Fee (Endorsement Required)	\$0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 5.21</b>
09/04/2007 Kern B8	
Sent To <i>BLM</i>	
Street, Apt. No., or PO Box No. <i>1235 N. La Plata Hwy</i>	
City, State, ZIP+4 <i>Farmington, NM 87401</i>	
PS Form 3800, August 2006 See Reverse for Instructions	

Ms. Leigh Gooding  
Williams Field Services  
GW-272  
December 17, 1996  
Page 3

RECEIVED

JAN - 2 1997

Environmental Bureau  
Oil Conservation Division

**ATTACHMENT TO DISCHARGE PLAN GW-272**  
**Williams Field Services - Kernaghan B-8 Compressor Station**  
**DISCHARGE PLAN REQUIREMENTS**  
(December 17, 1996)

1. **Payment of Discharge Plan Fees:** The \$690 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. **Williams Field Services Commitments:** Williams Field Services will abide by all commitments submitted in the application dated October 21, 1996, from Williams Field Services and this approval letter with conditions of approval from OCD dated December 17, 1996.
3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.  
  
All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
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 incorporated into the design.
5. **Above Ground Tanks:** All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad.
6. **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.
7. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks that do not have secondary containment and leak detection must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks /or sumps.

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Ms. Leigh Gooding  
Williams Field Services  
GW-272  
December 17, 1996  
Page 4

9. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.

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

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

11. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the Aztec OCD District Office at (505)-334-6178.

12. **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.

13. **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.

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

Accepted:

Williams Field Services

by Leigh E. Gooding

Title

Sr. Environmental Specialist