

**GW - 277**

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**PERMITS,  
RENEWALS,  
& MODS  
Application**



**DCP Midstream**  
370 17th Street, Suite 2500  
Denver, CO 80202  
303-595-3331

February 22, 2007

**UPS Next Day Air** (Tracking Number 1Z F46 915 22 1005 961 1)

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

SUBJECT: Big Eddy Compressor Station  
Discharge Plan No. GW-277 Renewal  
Eddy County, New Mexico

Dear Mr. Chavez:

DCP Midstream LP submits the following:

- Check in the amount of \$1,700.00 the Big Eddy Compressor Station discharge plan flat fee and
- Signed copy of the Discharge Plan Approval Conditions for the Big Eddy Compressor Station

DCP Midstream's submittal of the signed conditions and fee does not waive our objections to the obtaining a discharge permit. DCP Midstream disagrees that any discharge plan is required for this facility under the WQCC's regulations.

If you have any questions regarding this submittal, please call me at (303) 605-1778.

Sincerely,  
**DCP Midstream LP**

Elisabeth A. Klein  
Principal Specialist

Enclosures

cc: NMOCD District 2 Office (UPS Next Day Tracking Number 1Z F46 915 22 1005 960 2)  
1301 W. Grand Avenue  
Artesia, NM 88210



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**RECEIVED**

January 5, 2007

**JAN 11 2007**

Duke Energy  
Environmental Health & Safety

Ms. Elisabeth Klein  
Senior Environmental Specialist  
DCP Midstream LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202

Re: Discharge Permit GW-277 Renewal  
Big Eddy Compressor Station

Dear Ms. Klein:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3000 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby **approves the discharge permit** for the DCP Midstream LP Big Eddy Compressor Station GW-277 located in the NE/4 NE/4 of Section 19, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico, under the conditions specified in the enclosed **Attachment To The Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

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

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price

Environmental Bureau Chief

LWP/cc

Attachments-1

xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT  
DCP MIDSTREAM LP, BIG EDDY COMPRESSOR STATION (GW-277)  
DISCHARGE PERMIT APPROVAL CONDITIONS  
January 5, 2007**

**Please remit a check for \$1700.00 made payable to Water Quality Management Fund:**

**Water Quality Management Fund  
C/o: Oil Conservation Division  
1220 South 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 \$1700.00 renewal permit fee for a gas compressor station greater than 1001 horsepower.
- 2. Permit Expiration and Renewal:** 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 February 17, 2012** 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.
- 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 October 18, 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.

Ms. Elisabeth Klein  
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**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.

Ms. Elisabeth Klein

January 5, 2007

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**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 shall 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

Ms. Elisabeth Klein  
January 5, 2007  
Page 5

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 the owner/operator can demonstrate 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 run-off 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.

Ms. Elisabeth Klein  
January 5, 2007  
Page 7

**22. Closure:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

**23. Certification: DCP Midstream LP,** 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. **DCP Midstream LP** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

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

Conditions accepted by: **DCP Midstream LP**

Tony R Lee  
Company Representative- print name

Tony R Lee  
Company Representative- signature

Date 2-11-07

Title Asset Manager



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

January 5, 2007

Ms. Elisabeth Klein  
Senior Environmental Specialist  
DCP Midstream LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202

Re: Discharge Permit GW-277 Renewal  
Big Eddy Compressor Station

Dear Ms. Klein:

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

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail [carlj.chavez@state.nm.us](mailto:carlj.chavez@state.nm.us). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price

Environmental Bureau Chief

LWP/cc

Attachments-1

xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT  
DCP MIDSTREAM LP, BIG EDDY COMPRESSOR STATION (GW-277)  
DISCHARGE PERMIT APPROVAL CONDITIONS  
January 5, 2007**

**Please remit a check for \$1700.00 made payable to Water Quality Management Fund:**

**Water Quality Management Fund  
C/o: Oil Conservation Division  
1220 South 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 \$1700.00 renewal permit fee for a gas compressor station greater than 1001 horsepower.
- 2. Permit Expiration and Renewal:** 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 February 17, 2012** 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.
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- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its October 18, 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.

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**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.

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**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 the owner/operator can demonstrate 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).

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- 17. Storm Water:** The owner/operator shall implement and maintain run-on and run-off 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.

Ms. Elisabeth Klein  
January 5, 2007  
Page 7

**22. Closure:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

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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."

Conditions accepted by: **DCP Midstream LP**

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

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

Title \_\_\_\_\_

Date \_\_\_\_\_



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Director

**Oil Conservation Division**

November 17, 2006

Ms. Elisabeth Klein  
Senior Environmental Specialist  
Duke Energy Field Services  
370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202

Re: Discharge Permit GW-277 Renewal  
Big Eddy Compressor Station

Dear Ms. Klein:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby **approves the discharge permit** for the Duke Energy Field Services (owner/operator) Big Eddy Compressor Station GW-277 located in the NE/4 NE/4 of Section 19, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico, under the conditions specified in the enclosed **Attachment To The Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

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

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail [carlj.chavez@state.nm.us](mailto:carlj.chavez@state.nm.us). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wayne Price".

Wayne Price

Environmental Bureau Chief

LWP/cc

Attachments-1

xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT  
DUKE ENERGY FIELD SERVICES, BIG EDDY COMPRESSOR STATION (GW-277)  
DISCHARGE PERMIT APPROVAL CONDITIONS  
November 17, 2006**

**Please remit a check for \$1700.00 made payable to Water Quality Management Fund:**

**Water Quality Management Fund  
C/o: Oil Conservation Division  
1220 South 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 \$1700.00 renewal permit fee for a gas compressor station greater than 1001 horsepower.
- 2. Permit Expiration and Renewal:** 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 February 17, 2012** 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.
- 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 October 18, 2006 discharge permit 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 20.6.2.3109.G NMAC addresses possible future modifications of a permit. Pursuant to WQCC Regulation 20.6.2.3107.C NMAC, 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. Pursuant to WQCC Regulation 20.6.2.3109.E NMAC, 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 shall 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 the owner/operator can demonstrate 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 run-off 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:** The owner/operator shall notify the OCD prior to any transfer of ownership, control or possession of a facility with an approved discharge permit. The purchaser shall submit a written commitment to comply with the terms and conditions of the previously approved discharge permit and shall seek OCD approval prior to transfer.
22. **Closure:** The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit a closure plan for approval. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.
23. **Certification: Duke Energy Field Services,** by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained herein. **Duke Energy Field Services** 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.

Ms. Elisabeth Klein  
November 17, 2006  
Page 7

Conditions accepted by: **Duke Energy Field Services**

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

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

Date\_\_\_\_\_

Title\_\_\_\_\_



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

Joanna Prukop  
Cabinet Secretary

May 30, 2003

Lori Wrotenbery

Director

Oil Conservation Division

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

**RE: Minor Modification  
GW-277 Big Eddy Compressor Station  
Eddy County, New Mexico**

Dear Ms. Kimura:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated May 23, 2003 requesting a modification to the Big Eddy Compressor Station (GW-277) discharge permit for the installation of one below-grade tank utilizing the guidelines for the selection and installation of below-grade produced water tanks. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge permit and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Please note "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 Inc. is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment. If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,

Roger C. Anderson  
Environmental Bureau Chief

cc: OCD Artesia District Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-277  
DUKE ENERGY FIELD SERVICES  
BIG EDDY COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(November 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 compressor stations with a horsepower rating greater than 1001 horsepower equal to \$1,700.00. 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 Commitments: Duke Energy Field Services will abide by all commitments submitted in the discharge plan renewal application dated September 27, 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.
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 by a Duke Energy Field Services's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 20.6.2.1203 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: 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 plan 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 Big Eddy Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Big Eddy Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Duke Energy Field Services, 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 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

by Craig C Kauder  
Title  
Asset Manager



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

November 20, 2002

**Lori Wrotenberg**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 3929 9239**

Mr. Greg Kardos  
Duke Energy Field Services  
3300 North A Street, Building 7  
Midland, Texas 79705

**RE: Discharge Plan Renewal Approval GW-277  
Duke Energy Field Services  
Big Eddy Compressor Station  
Eddy County, New Mexico**

Dear Mr. Kardos:

The ground water discharge plan renewal GW-277 for the Duke Energy Field Services Big Eddy Compressor Station located in the NE/4 NE/4 of Section 19, Township 21 South, Range 28 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 January 7, 1997 and approved February 17, 1997. The discharge plan renewal application, dated September 27, 2002, was submitted pursuant to Sections 20.6.2.3106. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan is renewed pursuant to Sections 20.6.2.3106.F. and 20.6.2.3109.C. Please note Section 20.6.2.3109.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 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 20.6.2.3104 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 20.6.2.3107.C., Duke Energy Field Services 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.

Mr. Greg Kardos  
GW-277 Big Eddy Compressor Station  
November 20, 2002  
Page 2

Pursuant to Section 20.6.2.3109.H.4., this discharge plan is for a period of five years. This plan will expire on **February 17, 2007**, and Duke Energy Field Services should submit an application in ample time before this date. Note that under Section 20.6.2.3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan .

The discharge plan application for the Duke Energy Field Services Big Eddy Compressor Station is subject to WQCC Regulation 20.6.2.3114. Every billable facility submitting a discharge plan renewal application will be assessed a non-refundable fee equal to the filing fee of \$100.00. There is a flat fee assessed for compressor stations with horsepower rating greater than 1001 horsepower equal to \$1,700.00. 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

7001 1940 0004 4000 6426 9239

U.S. Postal Service  
CERTIFIED MAIL RECEIPT *10/11*  
(Domestic Mail Only: No Insurance Coverage Provided)

**RECEIVED**  
**OFFICIAL USE**

NOV 22 2002

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

OIL CONSERVATION DIVISION Postmark Here.

Sent To: *G. Kardos*  
Street, Apt. No.; or PO Box No.: *Duke*  
City, State, ZIP+4: *GW-277*

PS Form 3800, January 2001 See Reverse for Instructions

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-277  
DUKE ENERGY FIELD SERVICES  
BIG EDDY COMPRESSOR STATION  
DISCHARGE PLAN APPROVAL CONDITIONS  
(November 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 compressor stations with a horsepower rating greater than 1001 horsepower equal to \$1,700.00. 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 Commitments: Duke Energy Field Services will abide by all commitments submitted in the discharge plan renewal application dated September 27, 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.
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 by a Duke Energy Field Services's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 20.6.2.1203 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: 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 plan 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 Big Eddy Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Big Eddy Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Duke Energy Field Services, 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 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

by \_\_\_\_\_

Title

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 12/10/02,

or cash received on \_\_\_\_\_ in the amount of \$ 1,700.00

from Duke Energy Field Services

for Big Eddy O.S. GW-277

Submitted by: [Signature] Date: 12-19-02

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.

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

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

VENDOR NO. 0000678220	CHECK DATE 12/10/02	CHECK NUMBER [redacted]
PAY ONLY		CHECK AMOUNT *****1,700.00

NOT NEGOTIABLE AFTER 120 DAYS

TO THE ORDER OF  
NMED  
Water Quality Management Fund  
NM Oil Conservation District  
1220 South St Francis Drive  
Santa Fe, NM 87504

[Signature]  
AUTHORIZED SIGNATURE

One thousand seven hundred and 00/100 Dollars

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

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

VENDOR NUMBER  
0000078220  
VENDOR NAME  
NMED-

CHECK NUMBER  
[REDACTED]  
CHECK DATE  
12/10/02

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
120402-DSCHG PLA	12/04/02	1,700.00	
			<b>TOTAL PAID</b>
			<b>\$1,700.00</b>

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9/30/02,

or cash received on \_\_\_\_\_ in the amount of \$ 100.00

from Duke Energy Field Services

for Big Eddy C.S. GW-277

Submitted by: [Signature] Date: 10/10/02

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		62-907814
VENDOR NO.	CHECK DATE	CHECK NUMBER		
111515	09/30/02	[REDACTED]		
PAY ONLY			CHECK AMOUNT	*****\$100.00
TO THE ORDER OF NMED Oil Conservation Division 2040 S Pacheco St Santa Fe, NM 87505			NOT NEGOTIABLE AFTER 120 DAYS	
			[Signature] AUTHORIZED SIGNATURE	
One hundred and 00/100 Dollars				
HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR.				

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

VENDOR NUMBER  
111615  
VENDOR NAME  
NMED-

CHECK NUMBER  
[REDACTED]  
CHECK DATE  
09/30/02

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
0902-FILING FEE	09/27/02	100.00	DISCHARGE PLAN APPLIC FIL
			<b>TOTAL PAID</b>
			<b>\$100.00</b>

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

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-277) – Duke Energy Field Services, LP, Mr. Greg Kardos, Asset Manager, 3300 North A Street, Building 7, Midland, Texas 79705, has submitted a discharge plan renewal application for their Big Eddy Compressor Station located in the NE/4 NE/4, Section 19, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in closed top containers prior to transport of site to an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 40 feet with a total dissolved solids concentration of 6,090 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.

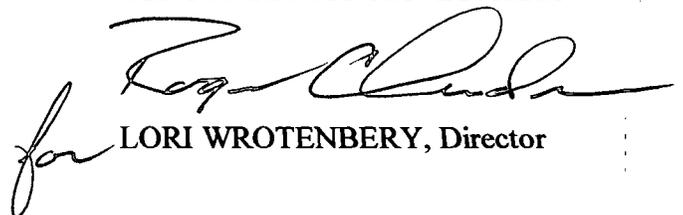
The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication 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 August, 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
for LORI WROTENBERY, Director

SEAL

Mr. Terry Christian  
Compressor Systems, Inc.  
"Big Eddy Lateral # 1" GW-277  
February 17, 1997  
Page 3

RECEIVED

MAR - 7 1997

Environmental Bureau  
Oil Conservation Division

**ATTACHMENT TO DISCHARGE PLAN GW-277**  
**Compressor Systems, Inc. Big Eddy Lateral # 1 Compressor Station**  
**DISCHARGE PLAN REQUIREMENTS**  
(February 17, 1997)

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 of \$138 per installment over the duration of the plan, with the first payment due upon receipt of this approval.
2. **Compressor Systems, Inc. Commitments:** Compressor Systems, Inc. will abide by all commitments submitted in the application dated January 7, 1997, the additional information dated February 10, 1997, both submitted by ESI on behalf of Compressor Systems, Inc., and this approval letter with conditions of approval from OCD dated February 17, 1997.
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.
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.

Mr. Terry Christian  
Compressor Systems, Inc.  
"Big Eddy Lateral # 1" GW-277  
February 17, 1997  
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.

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 Artesia OCD District Office at (505)-748-1283.

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

Accepted:  
Compressor Systems, Inc.

by Terry L. Christian, ENVT. Coord.  
Title 3-3-97

RECEIVED

MAR - 7 1997

Environmental Bureau  
Oil Conservation Division

rec'd 2-24-97



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

February 17, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-258-764**

Mr. Terry Christian  
Environmental Coordinator  
Compressor Systems, Inc.  
P.O. Box 60760  
Midland, TX 79711-0760

**RE: Approval of Discharge Plan GW-277**  
**"Big Eddy Lateral # 1" Compressor Station**  
**Eddy County, New Mexico**

Dear Mr. Christian:

The discharge plan GW-277 for the Compressor Systems, Inc. Big Eddy Lateral # 1 Compressor Station located in NE/4 NE/4, Section 19, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated January 7, 1997, the additional information dated February 10, 1997, both submitted by ESI on behalf of Compressor Systems, Inc., and this approval letter with conditions of approval from OCD dated February 17, 1997. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within ten (10) working days of receipt of this letter.**

The discharge plan application was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission Regulations. Please note Sections 3109.E and 3109.F which provide for possible future amendments or modifications of the plan. Please be advised that the approval of this plan does not relieve **Compressor Systems, Inc.** of liability should the operations associated with this facility result in pollution of surface water, ground water, or the environment.

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

Mr. Terry Christian  
 Compressor Systems, Inc.  
 "Big Eddy Lateral # 1" GW-277  
 February 17, 1997  
 Page 2

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

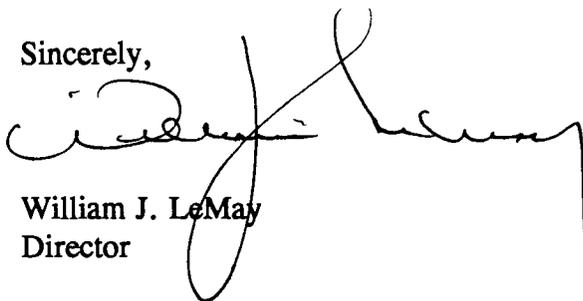
Pursuant to Section 3109.G.4, this plan is for a period of five (5) years. This approval will expire February 17, 2002, and an application for renewal should be submitted in ample time before that date. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan approval.

The discharge plan for the Compressor Systems, Inc. Big Eddy Lateral # 1 Compressor Station GW-277 is subject to the 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 dollars (\$50) plus a flat fee in the amount of six-hundred and ninety dollars (\$690) for compressor stations between 1,001 and 3,000 horsepower.

The \$50 filing fee has been received by the OCD. **The \$690 flat fee has not been received by the OCD and is due upon receipt of this approval letter.** The flat fee may be paid in one lump sum in the amount of \$690, or five equal annual installments of \$138 per installment, with the first installment due upon receipt of this approval letter. **All checks shall be made payable to NMED-Water Quality Management, and sent to OCD Santa Fe Division office.**

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

Sincerely,



William J. LeMay  
 Director

WJL/pws

Attachment

c: Artesia OCD District Office.

P 288 258 764

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

Sent to	CSI - Mr. Christian
Street & Number	GW-277 "Big Eddy"
Post Office, State, & ZIP Code	W. LeMay
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Mr. Terry Christian  
Compressor Systems, Inc.  
"Big Eddy Lateral # 1" GW-277  
February 17, 1997  
Page 3

**ATTACHMENT TO DISCHARGE PLAN GW-277**  
**Compressor Systems, Inc. Big Eddy Lateral # 1 Compressor Station**  
**DISCHARGE PLAN REQUIREMENTS**  
(February 17, 1997)

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 of \$138 per installment over the duration of the plan, with the first payment due upon receipt of this approval.
2. **Compressor Systems, Inc. Commitments:** Compressor Systems, Inc. will abide by all commitments submitted in the application dated January 7, 1997, the additional information dated February 10, 1997, both submitted by ESI on behalf of Compressor Systems, Inc., and this approval letter with conditions of approval from OCD dated February 17, 1997.
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.
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.

Mr. Terry Christian  
Compressor Systems, Inc.  
"Big Eddy Lateral # 1" GW-277  
February 17, 1997  
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.

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 Artesia OCD District Office at (505)-748-1283.

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

Accepted:  
Compressor Systems, Inc.

by \_\_\_\_\_  
Title



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

January 9, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-258-737**

Mr. Terry Christian  
Environmental Coordinator  
Compressor Systems, Inc.  
P.O. Box 60760  
Midland, TX 79711-0760

**RE: Temporary Authorization to Discharge - Big Eddy Lateral # 1  
Compressor Systems, Inc.(CSI)  
Eddy County, New Mexico**

Dear Mr. Christian:

The New Mexico Oil Conservation Division has received the request dated January 7, 1997 from CSI for temporary authorization to discharge without an approved discharge plan for 120 days while the discharge plan application dated January 7, 1997 is processed.

Pursuant to Water Quality Control Commission (WQCC) Regulations 3106.B, and for good cause shown, **CSI is authorized to discharge without an approved discharge plan until May 7, 1997 for the following CSI compressor station:**

- **Big Eddy Lateral # 1 Compressor Station located in the NE/4, Section 19, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico.**

Please be advised this authorization does not relieve CSI of liability should the operations of this facility result in pollution of surface waters, ground waters or the environment. Further, OCD authorization does not relieve CSI from responsibility for compliance with other federal, state, and local permitting requirements, rules, and regulations.

Sincerely,

William J. LeMay  
Director

xc: Mr. Wayne Price, Environmental Engineer - Hobbs OCD District Office

P 288 258 737

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

Sent to CSI - Christian	
Street & Number 6W-277 Extension.	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800 April 1995

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/15/97,

or cash received on \_\_\_\_\_ in the amount of \$ 690.00

from Compressor Systems

for Big Eddy Lateral #1 CS. GW-277

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. Chardem Date: 3/19/97

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility  Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment  or Annual Increment \_\_\_\_\_

If IMAGESAFE logo in light gray tone is not present on back of document - Do not cash.

COMPRESSOR SYSTEMS, INC.  
MIDLAND OFFICE  
P. O. BOX 60760  
MIDLAND, TX 79711-0760

March 5 1997 B

32-1/1110  
0

PAY TO THE ORDER OF NMED Water Quality Management \$ 690.00

Six hundred ninety dollars DOLLARS Security features are included. Details on back.

**NationsBank**  
NationsBank of Texas, N.A.

FOR NED Permit NCP Big Eddy 30-4450

Jodi Hodges  
J. S. Boswell

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 1/7/97,  
or cash received on \_\_\_\_\_ in the amount of \$ 50.00

from ESI for CSI

for Big Eddy lateral # GW-277  
(Facility Name) (DP No.)

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. Chaudhry Date: 1-24-97

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee  New Facility \_\_\_\_\_ Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
(quantity)

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_

ENVIRONMENTAL SERVICES, INC.  
4665 INDIAN SCHOOL RD. NE, STE. 106 PH. 266-6611  
ALBUQUERQUE, NM 87110

DATE 1/7/97 95-32/1070  
0109676338

PAY TO THE ORDER OF NM Water Quality Management Fund \$ 50.00

Fifty and no/100 DOLLARS  Security feature  
check on back.

**SUNWEST**  
SUNWEST BANK OF ALBUQUERQUE, N.A.  
ALBUQUERQUE, NEW MEXICO 87125-0500 (505) 765-2600

MEMO CSI 012 Sally Tucker MP

[redacted]

FINE LINE

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 the OCD Guidelines for assistance in completing the application)

New  Renewal  Modification

1. Type: Big Eddy Compressor Station

2. Operator: Duke Energy Field Services, LP

Address: See enclosed discharge plan.

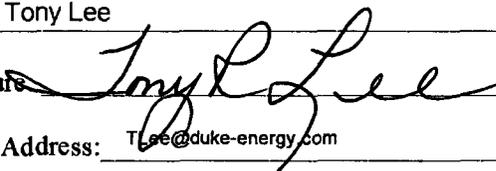
Contact Person: See enclosed discharge plan. Phone: \_\_\_\_\_

3. Location: NE /4 NE /4 Section 19 Township 21S Range 28E  
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: Tony Lee

Title: Asset Manager

Signature: 

Date: 10-18-06

E-mail Address: T.Lee@duke-energy.com

**Big Eddy Compressor Station (a.k.a. Big Eddy Lateral #1 Compressor Station)  
NE/4 NE/4 T 21S, R 28E, Section 19**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-277) for the Big Eddy Compressor Station as previously approved NMOCD on February 17, 2002. This Discharge Permit 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**

The facility is a compressor station. DEFS does not intend to discharge, and has not discharged, effluent or leachate from the facility that may move directly or indirectly into groundwater.

**2 Operator / Legally Responsible Party**

**Operator**

Duke Energy Field Services, LP  
10 Desta Drive, Suite 400W  
Midland, TX 79705  
(505) 397-5520  
Contact Person: Mr. Tony Lee – Asset Manager

**Legally Responsible Party**

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80020  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location Facility**

NE/4 NE/4 Section 19, Township 21S, Range 28E

See Figure 1 – Site Location Map.

**4 Landowner**

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

**5 Facility Description**

The facility provides compression for the Artesia Gathering System. The facility consists of three engines, a dehy and condenser, scrubber, aboveground storage containers that store condensate, used oil, engine

coolant, and glycol and a double-walled sump with a high level alarm that stores washwater from the engine skids and stormwater.

## 6 Materials Stored or Used

There are no materials stored on-site or used that are discharged so that they may move directly or indirectly into groundwater.

Material Stored/Used	Method of Storage
Condensate	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Triethylene glycol (TEG)	Aboveground storage tank within secondary containment.
Used Oil	Aboveground storage tank within secondary containment.
Engine Coolant	Aboveground storage tank within secondary containment.
Engine Skid Drain (equipment wash down water and stormwater)	Below-grade double-walled sump with a high level alarm

## 7 Sources and Quantities of Effluent and Waste Solids

There are no effluents or waste solids are 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 stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and 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 or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site for disposal to the Artesia Plant SWD, Well No. 1, a NMOCD permitted Class II well.

### Boilers and Cooling Towers/Fans

There are no boilers or cooling towers/fans at the facility.

### Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site for disposal at Artesia Plant SWD, Well No. 1.

### Solvents/Degreasers

Solvents 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 engine coolant is consumed by the engines so no waste coolant is generated. Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

### **Waste Lubrication and Motor Oils**

Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage containers within secondary containment and removed by a contractor for off-site recycling.

### **Used Oil Filters**

Used oil filters generated at the facility are collected in an aboveground storage bin and are 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 paint wastes generated on site are managed in aboveground containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Sewage**

Sewage is not generated at the facility.

### **Lab Wastes**

Lab wastes are not generated at the facility.

### **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 waste are collected and stored in containers for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

### On-site Disposal

There is no 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 are disposed 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/Condensate	Aboveground storage tank within secondary containment	~ 70 bbls per month	Off-site recycling	Artesia Plant SWD, Well No. 1.
Equipment Washdown Water/Stormwater	Below-grade double walled sump with a high level alarm	~ 2 bbls per month	Off-site disposal	Thermofluids, Inc.
Used Oil Filters	Aboveground storage bin	~ 6 per quarter	Off-site recycling	Thermofluids, Inc.
Used Oil	Aboveground storage tank within secondary containment	~ 2 bbls per month	Off-site recycling	Thermofluids, Inc.

## 9 Proposed Modifications

Some piping changes and installation of a pig receiver are planned. All effluent and waste solids generated from the installation and operation of the future piping and pig receiver will be stored on-site in enclosed tanks and containers and removed from the facility for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

## 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)

DEFS will respond to spills 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**

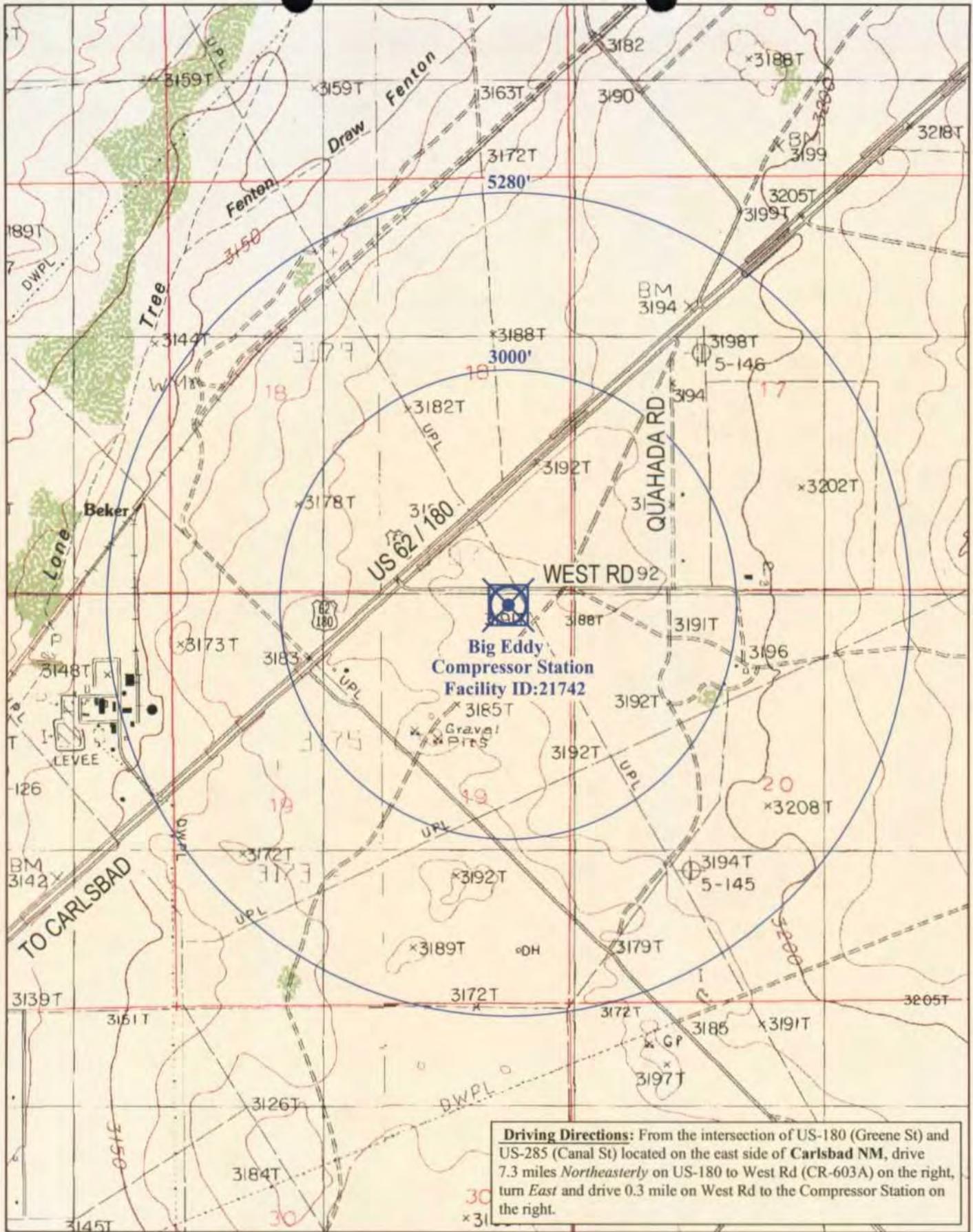
No Changes.

## **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 – Big Eddy Compressor Station.



**Driving Directions:** From the intersection of US-180 (Greene St) and US-285 (Canal St) located on the east side of Carlsbad NM, drive 7.3 miles *Northeasterly* on US-180 to West Rd (CR-603A) on the right, turn *East* and drive 0.3 mile on West Rd to the Compressor Station on the right.



**Duke Energy**  
**Field Services**

**Big Eddy Booster Station**  
Eddy County, New Mexico  
Zone 13 UTMH 582,745m UTMV 3593,152m  
Lat: 32° 28' 21" Long: 104° 07' 10"



32104D1 Indian Flats  
Source: USGS 1:24,000 scale  
Drawn by: JRE  
Revised by: JRE  
Date 9-18-06  
ENVIRONMENTAL  
AFFAIRS DEPARTMENT

FIGURE 2. Facility Plot Plan – Big Eddy Compressor Station.

