

**GW -** 291

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**  
2003 - 1997



Via Facsimile

March 4, 2003

Mr. Ed Martin  
New Mexico Oil Conservation Division  
Environmental Bureau  
1220 S. St. Francis  
Santa Fe, New Mexico 87505

**RE: Closure Report  
GW-290 and GW-291  
Trunk C/Trunk C Loop and Lateral C-15 Compressor Stations  
Rio Arriba County, New Mexico**

Dear Mr. Martin:

On behalf of Compressor Systems, Inc. (CSI), this letter is provided to document that CSI has ceased operations on these sites. Furthermore, the sites are clean, there is no visible staining, all equipment has been removed, and all underground piping has been closed. I look forward to inspecting the sites with you during the summer. Thank you very much.

If you have any questions, please call me at (915) 495-3169.

Sincerely,

**WARREN EQUIPMENT COMPANY**



Charles R. Viverette Jr.  
Environmental Technician

**WARREN EQUIPMENT COMPANY**

1220 S. St. Francis  
Santa Fe, NM 87505  
Phone: 505-476-3492  
Fax: 505-476-3471

**New Mexico Oil  
Conservation  
Division**

# Fax

**To:** Charles Vivarette

**From:** Ed Martin

**Fax:** 915-563-0820

**Pages:** 1

**Phone:** 915-563-1170

**Date:** 3/5/2003

**Re:** GW-290 and GW-291

**CC:** Denny Foust, Aztec OCD

**Urgent**     **For Review**     **Please Comment**     **Please Reply**     **Please Recycle**

**Received your fax on the above discharge permits. Closure report is approved. OCD acceptance of this report does not relieve CSI of any liability should subsequent contamination be discovered at the sites in question. OCD acceptance also does not relieve CSI of its responsibility to adhere to rules and regulations of any other federal, state or local government agency.**

**We will try and schedule a trip out to the sites when the weather is better or at least a little more predictable.**

**Thank you.**

**Martin, Ed**

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**From:** Martin, Ed  
**Sent:** Tuesday, January 08, 2002 2:16 PM  
**To:** Terry Christian (E-mail)  
**Cc:** Sally Cudney (E-mail)  
**Subject:** Discharge Plans

Terry, the New Mexico Oil Conservation Division Discharge Plans on the following expire as follows:

GW-277	Big Eddy Lateral #1 Compressor Station	Expires 2/17/02
GW-290	Trunk C Compressor Station	Expires 12/19/02
GW-291	Lateral C-15 Compressor Station	Expires 12/19/02

Renewal application forms may be found on our web site: <http://www.emnrd.state.nm.us/ocd/ocdforms.htm>

If you have questions, please contact me via e-mail or phone 505-476-3492.

I also need to speak with you at some point in time about inspecting the above facilities.

Ed Martin  
New Mexico Oil Conservation Division  
Environmental Bureau  
1220 S. St. Francis  
Santa Fe, NM 87505

**Martin, Ed**

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**To:** scudney@enservice.com  
**Subject:** Discharge Plans

Here are the CSI discharge plans coming due over the next year:

GW-277	Big Eddy Lateral #1 C.S.	Expires 2/17/02
GW-290	Trunk C C.S.	Expires 12/19/02
GW-291	Lateral C-15 C.S.	Expires 12/19/02

Please let me know who will be handling the renewals.

Thank you very much.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

August 12, 1999

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

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

**RE: Inspection Report  
GW-290 and GW-291  
Trunk C/Trunk C Loop and Lateral C-15 Compressor Stations  
Rio Arriba County, New Mexico**

Dear Mr. Christian:

The New Mexico Oil Conservation Division (OCD) conducted an inspection of the Trunk C/Trunk C Loop, GW-290 and the Lateral C-15, GW-291, Compressor stations on July 8, 1999. Present for the inspection were Mr. James Smith and Mr. Danny Rael, Compressor Systems, Inc., Mr. Denny Foust, OCD Aztec District Office, Ms. Martyne Keiling and Mr. Jack Ford, OCD Santa Fe office. OCD would like to thank Mr. Smith and Mr. Rael for their cooperation during the inspection.

Compressor Systems, Inc. applied for discharge plans for each of the above compressor stations and these applications were approved on December 18, 1997 for a term of five years. Inspection of the sites revealed that each of the sites had all equipment removed and the sites were inactive. All berms had been leveled to grade. No pits or underground sumps or tanks were found at either facility site. (Photos #1 through #4)

The approved discharge plans for GW-290 and GW-291 do not expire until December 18, 2002. If Compressor Systems, Inc. do not intend to re-establish these sites into active facilities, a closure report must be submitted to the OCD. Closure plans were made a part of the approved discharge plan and procedures for closure outlined in these plans must be followed.

Mr. Terry Christian  
August 12, 1999  
Inspection, GW-290 and GW-291  
Page 2

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The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109. Please note Sections 3109.E, 3109.F and 3109.G., which provide for possible future amendments or modifications of the plan together with a plan for closure of the facility. Please be advised that approval of this plan does not relieve Compressor Systems, Inc. of liability should the sites not be properly closed and closure approved by the OCD.

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., 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 including termination of operations. The OCD was not notified of termination of operations and removal of equipment at either GW-290 or GW-291 facilities.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during the inspection of Trunk C/Trunk C Loop (GW-290) and Lateral C-15 (GW-291).

Sincerely,

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

Attachments

xc: OCD Aztec Office

Photo #4



GW-291 COMPRESSOR SYSTEMS, INC. LATERAL C-15  
Equipment has been removed and station is inactive

Photo #5



GW-291 COMPRESSOR SYSTEMS, INC. LATERAL C-15  
Location of removed compressor equipment

Photo #6

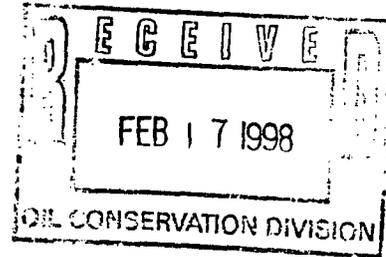


GW-291 COMPRESSOR SYSTEMS, INC. LATERAL C-15  
Inactive site with all equipment removed



**Compressor  
Systems, Inc.**

February 12, 1998



Mr. Jack Frost  
Environment Bureau  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

**Re: Discharge Plan GW-290, Trunk C / Trunk C Loop Compressor Station  
Discharge Plan GW-291, Lateral C-15 Compressor Station**

Dear Mr. Frost:

Enclosed are payment for the assessed fee (\$690 per discharge plan) and signed papers on each of the above discharge plans as requested in the Oil Conservation Division's letter. The check is in the amount of \$1,380 and equal payment (\$690) should be applied toward Discharge Plan GW-290 and Discharge Plan GW-291.

We appreciate your efforts in reviewing and approving these particular discharge plans. If you have questions regarding this information, please contact me at my voice mail number, 915-495-3155, or Brenda Davis at 915-495-3190.

Sincerely,

**COMPRESSOR SYSTEMS, INC.**

*Terry L. Christian*

Terry L. Christian  
Environmental Director

*CONNIE  
915-495-3169*

Enclosed: Check No. 259880 in the amount of \$1,380 and signed papers

cc: Environmental Files, Trunk C / Trunk C Loop and Lateral C-15

\*COMPRESSOR SYSTEMS, INC.

VENDOR: 526650

CHECK NO. [REDACTED]

DATE 02/13/98

VENDOR NO. 526650

259880

VOUCHER NO.	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMT
185110	020998	02/09/98	1,380.00	1,380.00	.00	1,380.00
					Check Total	1,380.00

FORM# MAC-APCHK TRANS-MICRO, INC., FT. PIERCE, FL (407) 464-5335



Compressor Systems Inc

P.O. BOX 60760 MIDLAND, TEXAS 79711-0760  
915-563-1170

NationsBank of Georgia  
DeKalb County, Georgia

64-1278/61 [REDACTED]

CHECK NO.	CHECK DATE	VENDOR NO.
259880	02/13/98	526650

PAY

ONE THOUSAND THREE HUNDRED EIGHTY AND 00/100 DOLLARS

AMOUNT  
\$1,380.00

TO THE  
ORDER  
OF

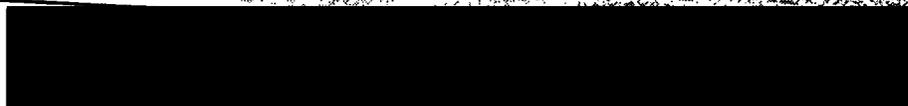
NMED-WATER QUALITY MANAGEMENT

2040 S. PACHERCO  
SANTA FE NM 87505

*Johnny R. Warren*

*Richard D. Falger*

VOID IF NOT CASHED IN 60 DAYS



RECEIVED

FEB 8 1998

Environmental Bureau  
Oil Conservation Division

FEB 17 1998

Environmental Bureau  
Oil Conservation Division

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 12/11/97

or cash received on \_\_\_\_\_ in the amount of \$ 50.00

from ESI for CSI

for Lateral C-15 GW-291

(Facility Name)

(CF No.)

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

Submitted to ASD by: R. Chud Date: 2/10/98

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

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

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

(Specify)

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

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

ENVIRONMENTAL SERVICES, INC. <u>GW-291</u>		[redacted]
4665 INDIAN SCHOOL RD. NE, STE. 106 PH. 266-6611		
ALBUQUERQUE, NM 87110		
DATE	<u>12/11/97</u>	95-32/1070 0109676338
PAY TO THE ORDER OF	<u>NM Water Quality Management Fund</u>	\$ <u>50.00</u>
	<u>Fifty and no/100</u>	_____ DOLLARS  Security features located inside on back.
<b>SUNWEST</b>		
SUNWEST BANK OF ALBUQUERQUE, N.A. ALBUQUERQUE, NEW MEXICO 87125-0500 (505) 765-2600		
MEMO	<u>CSI-lateral C-15</u>	<u>[Signature]</u>
[redacted]	[redacted]	[redacted]

DELUXE ENG. STAMP

FINE LINE

W-291



December 11, 1997

RECEIVED  
DEC 16 1997  
Environmental Bureau  
Oil Conservation Division

Mr. Roger Anderson  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Subject: Discharge Plan Application, Lateral C-15 Compressor Station, Rio Arriba County, NM

Dear Mr. Anderson

On behalf of Compressor Systems, Inc. (CSI), I am enclosing two copies of a discharge plan application for the Lateral C-15 Compressor Station. Please note that the facility will be constructed, owned, and operated by CSI. It will be located on El Paso Field Services Company's right-of-way.

The \$50.00 application fee is also enclosed. If you have any question, please don't hesitate to contact me or Terry Christian at (915) 495-3155.

Sincerely

*Robin K. DeLapp*

Robin K. DeLapp

xc: Terry Christian, CSI  
Dale Ballard, CSI  
Denny Foust, OCD Aztec office

4665 INDIAN SCHOOL NE

SUITE 106

ALBUQUERQUE

NEW MEXICO

87110

PHO 505 266 6611

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

DATE 12/11/97



95-32/1070  
0109676338

PAY TO THE  
ORDER OF

NM Water Quality Management Fund \$ 50.00

Fifty and no/100

DOLLARS  Security features  
included.  
Details on back.

**SUNWEST**

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

MEMO

CSI-lateral C-15

*[Signature]*

MP



FINE LINE

*GW-291*

**Application for  
Groundwater Discharge Plan**

**Lateral C-15  
Compressor Station**

prepared for

**Compressor Systems, Inc.  
December 11, 1997**



4665 INDIAN SCHOOL NE  
SUITE 106  
ALBUQUERQUE  
NEW MEXICO  
87110

District I - (505) 393-6161  
P. O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

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

Revised 12/1/95

Submit Original  
Plus 1 Copies  
to Santa Fe  
1 Copy to appropriate  
District Office

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,  
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS  
(Refer to the OCD Guidelines for assistance in completing the application)

New                       Renewal                       Modification

1. Type: Lateral C-15 Compressor Station
2. Operator: Compressor Systems, Inc.  
Address: P.O. Box 60760, Midland, TX 79711-0760  
Contact Person: Terry Christian Phone: (915) 495-3155
3. Location:                      /4                      <sup>NW/4</sup> /4                      Section                      <sup>7</sup> /36                      Township                      <sup>28 N</sup> /29                      Range                      <sup>7 W</sup> /8                       
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site. see attached item 3
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. see attached item 4
6. Attach a description of all materials stored or used at the facility. see attached item 5
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. see attached item 6
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. see attached item 7
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. see attached item 8
10. Attach a routine inspection and maintenance plan to ensure permit compliance. see attached item 9
11. Attach a contingency plan for reporting and clean-up of spills or releases. see attached item 10
12. Attach geological/hydrological information for the facility: Depth to and quality of ground water must be included. see attached item 11
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 attached item 12
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: Terry Christian Title: Environmental Director

Signature: Terry Christian Date: November 5, 1997

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**Item 1**

*Indicate the major operational purpose of the facility. If the facility is a compressor station include the total combined site rated horsepower.*

The Lateral C-15 Compressor Station, owned and operated by Compressor Systems, Inc. (CSI), is a compressor station and will include one portable skid-mounted Caterpillar G3516-TALE engine and compressor package and associated storage tanks. The site rated horsepower will be 1085. The facility will be located on El Paso Field Services (EPFS) Company's right-of-way.

The auxiliary equipment and tanks at the compressor station will be installed, maintained, and operated by CSI. CSI will be responsible for the hauling and disposal of the waste oil, used oil filters, and washdown water. EPFS will be responsible for the hauling and disposal of the condensate and field liquids.

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**Item 2**

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

**Legally Responsible Party**      Erich Hardaway, Western Division Manager  
Compressor Systems, Inc.  
P.O. Box 60760  
Midland, Texas 79711-0760  
(915) 495-3199

**Local Representative**      Dale Ballard  
Compressor Systems, Inc.  
P.O. Box 2144  
Farmington, NM 87499  
(505) 327-6943

**Operator**      Terry Christian  
Compressor Systems, Inc.  
P.O. Box 60760  
Midland, TX 79711-0760  
(915) 495-3155

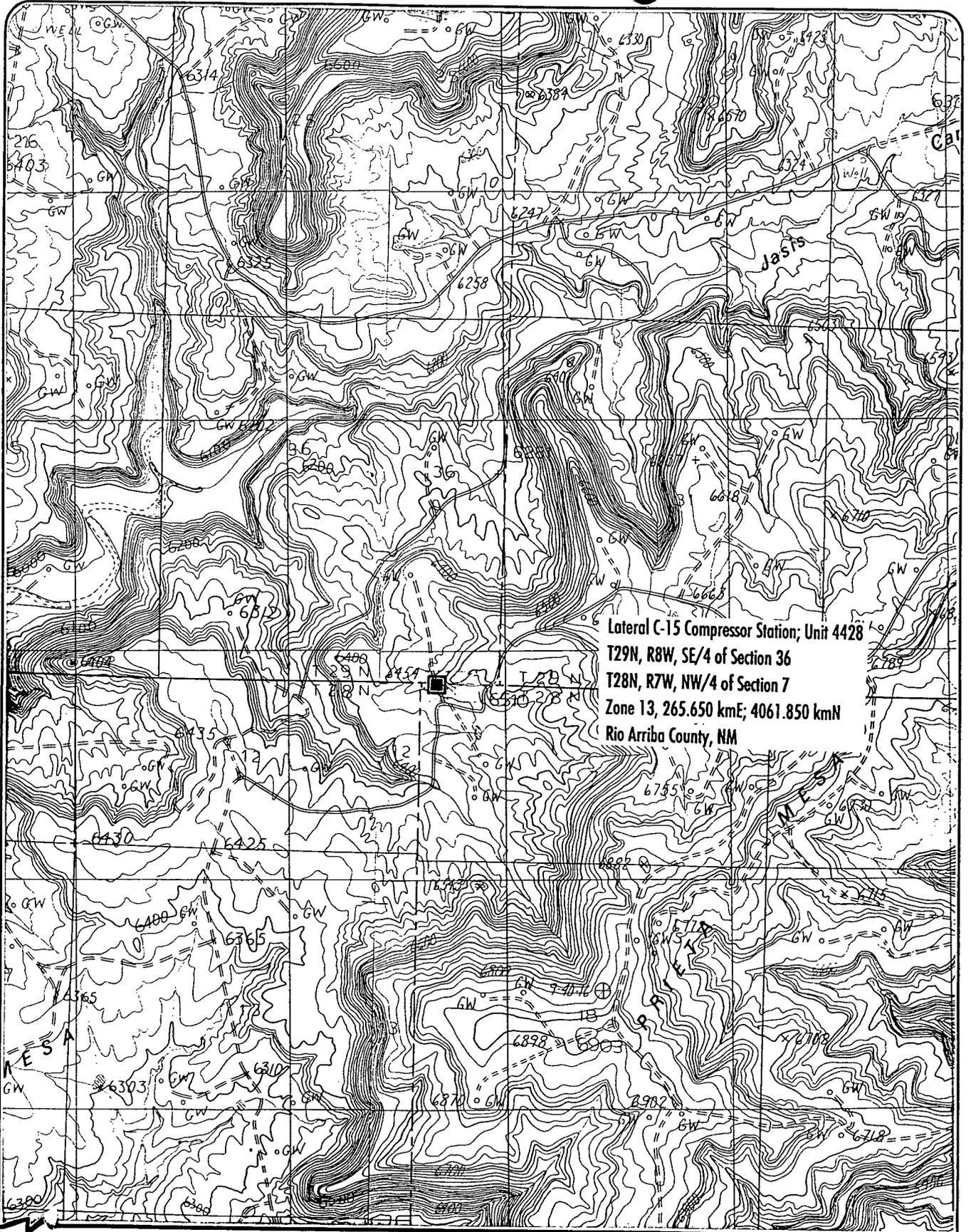


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**Item 3**

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

Rio Arriba County, New Mexico  
Township 29 North, Range 8 West, SE/4 sec. 36  
Township 28 North, Range 7 West, NW/4 sec. 7



Lateral C-15 Compressor Station; Unit 4428  
T29N, R8W, SE/4 of Section 36  
T28N, R7W, NW/4 of Section 7  
Zone 13, 265.650 kmE; 4061.850 kmN  
Rio Arriba County, NM



Scale: 1 in = 2000 ft  
1:24,000

**Location of Facility**  
Delgadita Mesa, NM 7.5 Minute Quadrangle

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**Item 4**

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

Bureau of Land Management  
1235 N. La Plata Highway  
Farmington, NM 87401  
(505) 599-6332



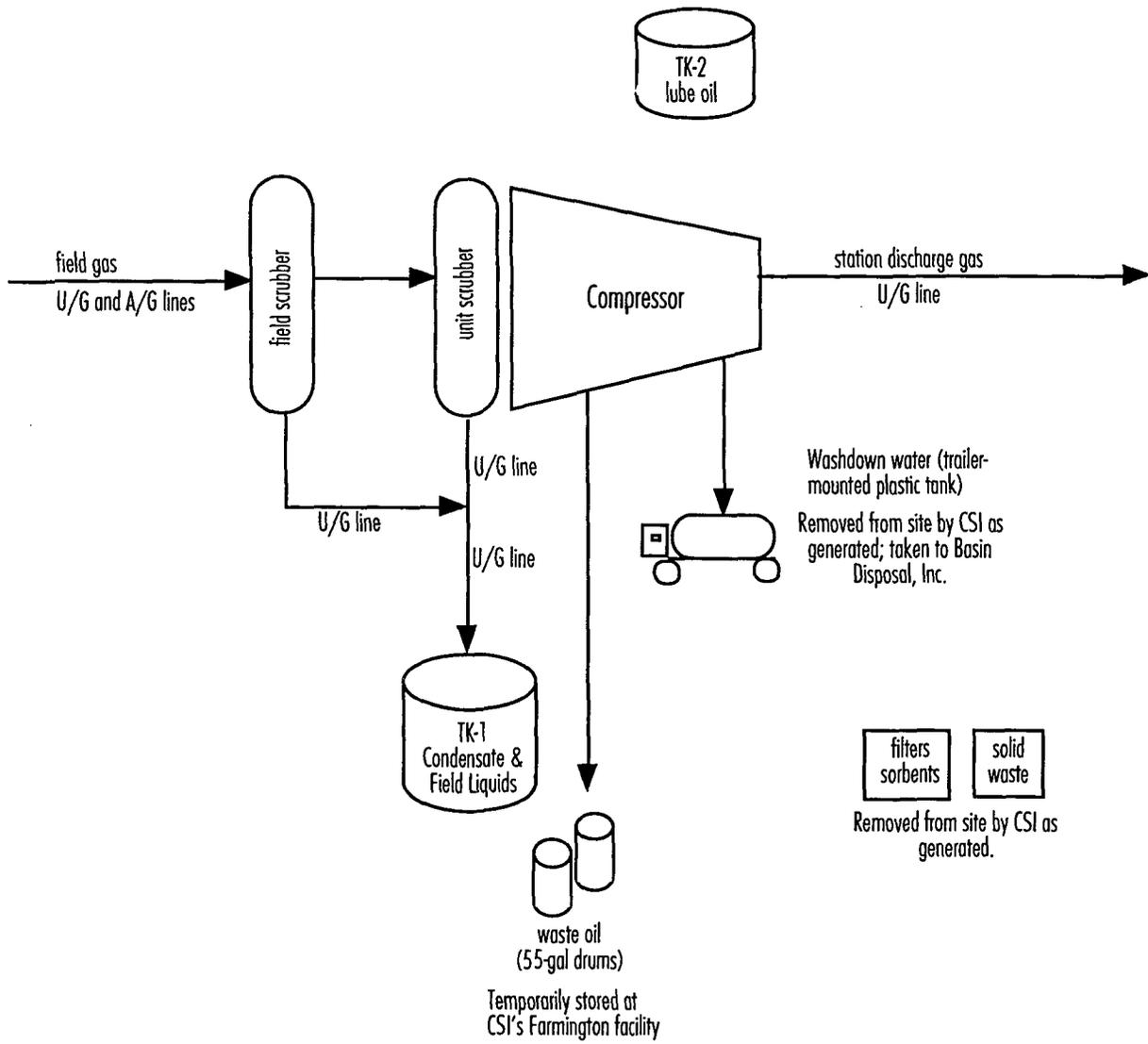
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**Item 5**

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

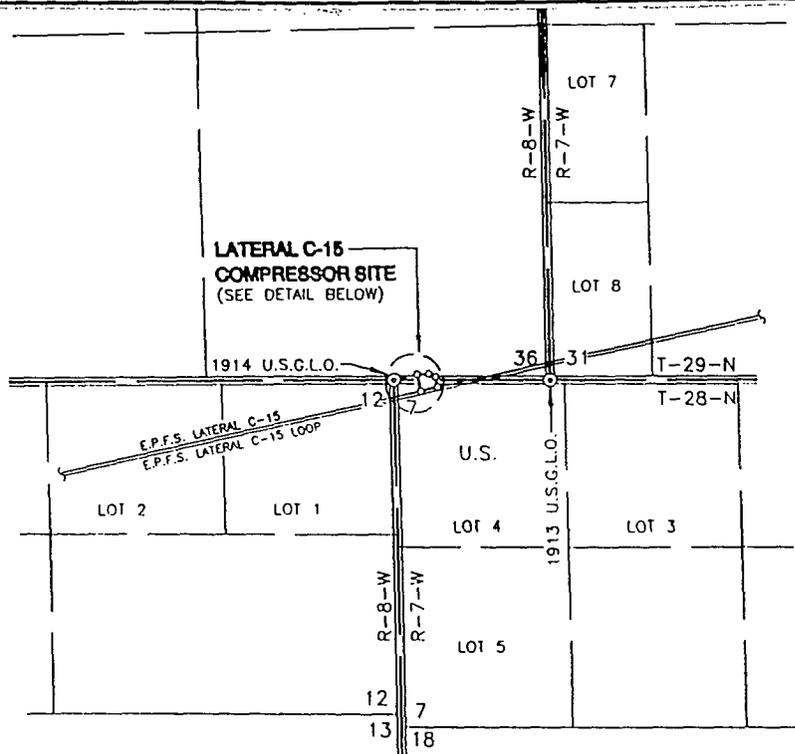
A simplified process flow diagram and survey of the compressor station property are attached. A site layout will be forwarded to the OCD as soon as one is available for this site.

Natural gas will enter the station from EPFS's lateral line via both underground and aboveground piping. The gas will pass through an inlet field scrubber and unit scrubber and then to the compressor which is driven by a Caterpillar G3516 TALE engine. Condensate and field liquids from the field scrubber and unit scrubber will be piped underground to a storage tank. The gas will then be discharged back into EPFS's lateral line.



es

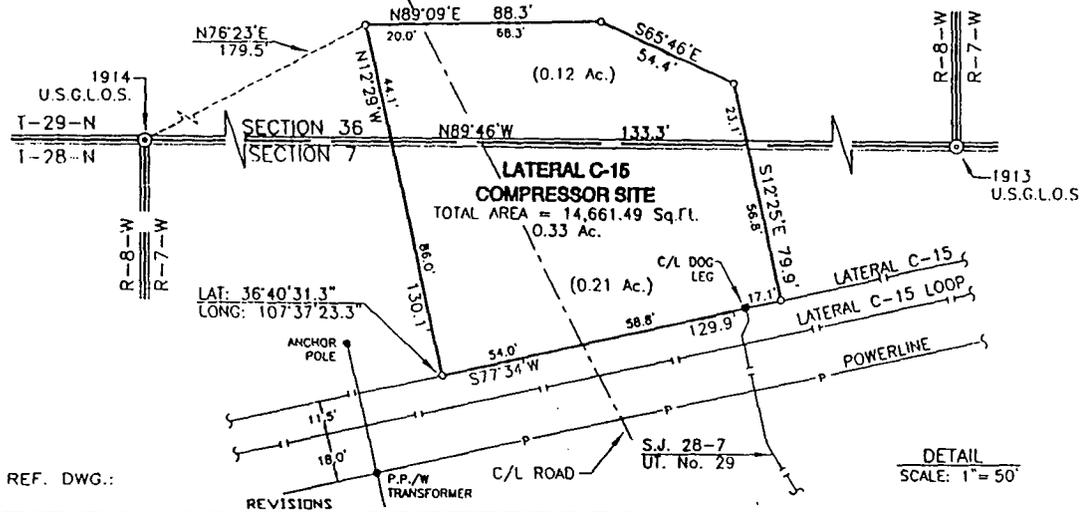
**Lateral C-15 Compressor Station  
Effluent and Solid Waste Production Diagram**



PLAN  
SCALE: 1"=1000'

OWNERSHIP

SUBDIVISION	OWNER	LESSEE	ACRE(S)
ALL SECTION 7	UNITED STATES	PACHICO RANCHES	0.21
ALL SECTION 36	STATE OF NEW MEXICO		0.12



REF. DWG.:

REVISIONS

DETAIL  
SCALE: 1"=50'



	R/W	ENG. REC.	DATE
3	SJ DIST.	DRAWN	IG 7/23/97
4	EP DIST.	CHECKED	MD 7/24/97
3		CHECKED	
		PROJ. APP.	
		SURVEYED	7/11/97

BLANCO GATHERING SYSTEM  
LATERAL C-15 COMPRESSOR SITE  
SEC. 7, T-28-N, R-7-W, AND SEC. 36, T-29-N, R-8-W,  
N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO

es



# Lateral C-15 Compressor Station Site Survey

**Item 6**

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

<b>Container</b>	<b>ID</b>	<b>Material</b>	<b>Form</b>	<b>Volume</b>	<b>Location</b>	<b>Containment</b>
Steel					Near	Impermeable barrier, surrounded by gravel,
AGT	1	Condensate	Liquid	100 bbl	compressor	secondary containment-dirt berm
Steel					Near	Steel containment basin
AGT-elev	2	Lube oil	Liquid	500 gal	compressor	(stock tank)
Drums (not stored on site)		Waste oil	Liquid	55 gal	Removed to CSI's Farmington facility	Curbed concrete pad
Trailer-mounted plastic tank (not stored on site)		Washdown water	Liquid	325 gal	Removed as generated to Basin Disposal, Inc.	Steel containment basin (stock tank) with concrete curb

AGT - aboveground tank (non-pressurized)

AGT-elev - aboveground tank elevated or on saddle rack

Drum - 55-gallon drum

All tanks will be installed on an impermeable layer and contained in berms constructed to contain 1.33 times the volume of the tank. Drums will be used to store waste oil but will not be stored at the facility. Any aboveground saddle tanks will be installed on an impermeable containment such as curbed concrete or a metal pan or fiberglass containment.

MSD sheets for the site are maintained in CSI's corporate office and are available upon request.



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**Item 7**

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

<i>Source</i>	<i>Unit</i>	<i>Type of waste</i>	<i>Volume</i>	<i>Quality</i>
Compressor Engine	Caterpillar G3516 TALE	Used engine oil	80 gal/mo	Used motor oil with no additives
		Used filters	1 bbl/yr	No additives
		Washdown water	100 gal/3 mo	Water with detergents and lube oil
		Sorbent material and rags	1 bbl/yr	No additives
Field scrubber Unit scrubber		Condensate and Field Liquids	15 bbl/day	No additives
Miscellaneous	Trash	Solid waste	varies	Paper and other solid waste

### Item 8

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

<i>Type of waste</i>	<i>Collection</i>	<i>Storage</i>	<i>Hauled by</i>	<i>Disposal</i>
Used oil and filters	Drained in 55-gal. drums	Steel drum (not stored on site)	Removed as generated by CSI to CSI's corporate office, Farmington, NM	Used oil—Mesa Oil & Safety-Kleen Used filters—Waste Management
Waste water	Collected during washing event	Skid-mounted plastic tank (not stored on site)	Removed as generated by CSI, hauled to Basin Disposal, Inc.	Basin Disposal, Inc.
Solid waste	None on-site	Trash receptacle	Removed as generated by CSI to CSI's corporate office, Farmington, NM	Waste Management
Condensate and Field Liquids	Underground steel pipes	TK-1	Water—Dawn Trucking Hydrocarbons—Giant Refinery, Inc.	Water—Basin Disposal Hydrocarbons—Giant Refinery

### Receiving Facilities

**Safety-Kleen Corp.**, 4210A Hawkins Road, Farmington, NM 87401 (505) 327-9070

**Mesa Oil, Inc.**, 7239 Bradburn Blvd., Denver, CO (303) 426-4777

**Waste Management of Four Corners**, 101 Spruce St., Farmington, NM (505) 327-6284

**Dawn Trucking Company**, 318 E. Highway 64, Farmington, NM (505) 327-6314

**Basin Disposal, Inc.**, 6 Road 5046, Bloomfield, NM (505) 632-8936

**Giant Refinery Inc.**, 5764 US Highway 64, Bloomfield, NM (505) 632-8024

Exempt and non-exempt wastes will be managed separately. Only exempt wastes will be disposed down Class II injection wells. No RCRA-listed hazardous wastes will be contained in the wash water.

Waste oil will be collected as generated from the compressor units and removed from the site. The waste oil will be temporarily stored in 55-gallon drums at CSI's Farmington facility. New lube oil will be brought to the site by vendors as needed and stored in a day tank. Washdown water from the compressor engines will be collected as generated. A PM steam unit will be brought in to wash the compressor engines. This unit will also collect the washdown water from the engine skids in a trailer-mounted plastic tank and remove it from the site. Washdown water will be taken to Basin Disposal Inc. for disposal.



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**Item 9**

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

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

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**Item 10**

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

The facility will be inspected daily by the operator. Maintenance will be performed and records will be kept according to CSI procedures. The integrity of any buried piping installed at the facility will be tested prior to commencement of operation and then re-tested once every five years.

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**Item 11**

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

CSI will handle all spills and leaks immediately as required by CSI procedures and will report all spills and leaks according to the requirements of the State of New Mexico found in NMOCD Rule 116 and WQCC Section 1203. Copies of these regulations are attached. CSI will notify El Paso Field Services of any and all spills and/or releases.



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

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE  
OF CONSIDERING:**

**CASE NO. 11352  
ORDER NO. R-10766**

**APPLICATION OF THE NEW MEXICO  
OIL CONSERVATION DIVISION TO  
AMEND RULE 116 OF ITS GENERAL  
RULES AND REGULATIONS PERTAINING  
TO THE NOTIFICATION OF FIRES, BREAKS,  
LEAKS, SPILLS AND BLOWOUTS.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on October 29, 1996 and November 14, 1996 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 13th day of February, 1997, the Commission, a quorum being present, having considered the record and being fully advised in the premises,

**FINDS THAT:**

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) On August 3, 1995, the Commission commenced a public hearing to consider revisions to current Oil Conservation Division (OCD) Rule 116 which deals with spill/release reporting requirements.
- (3) On August 25, 1995, the Chairman of the Commission appointed a Rule 116 Committee (Committee) to study this matter and to report to the Chairman of the Commission by February 1, 1996.
- (4) On October 29, 1996, the Commission commenced a public hearing to hear testimony on Rule 116 revisions. The appointed chairman of the Committee and other witnesses presented the Committee report containing recommended rule changes in the form of a draft rule. The Committee draft rule was made a part of the public record and distributed to all those requesting a copy.
- (5) On November 14, 1996 the Commission continued the public hearing and received additional testimony from Marathon Oil Company, the U.S. Bureau of Land Management (BLM), Public Service Company of New Mexico (PNM), Southwest Research and Information Center, and New Mexico Citizens for Clean Air and Water on the Committee draft rule.

The record was then left open for an additional two weeks for additional comment. Written comment was received from Giant Industries, El Paso Natural Gas Company, Mack Energy, Yates Petroleum, Marathon Oil Company, OCD, Amerada Hess, Texaco Exploration and Production Company and PNM.

- (6) The Committee unanimously recommended additional definitions for incorporation in Rule 116 which were generally noncontroversial. The new definitions should be incorporated

(7) The Committee unanimously recommended the adoption of a new reporting form which was noncontroversial and should be incorporated into the new rule.

(8) Much of the testimony and many of the written comments concerned whether releases of natural gas should be reportable releases under Rule 116. El Paso, Amerada Hess and others make the argument that a requirement to report small volumes of released gas is impractical because such releases are impossible to quantify and that this reporting requirement would be extremely difficult to enforce since natural gas releases to the atmosphere do not leave evidence of the occurrence as oil does.

Those advancing the argument to require reporting of natural gas releases (OCD, BLM and others) argue that reporting is necessary for public safety and waste-of-resource reasons. Also since the BLM already requires gas release reporting, this requirement would not further burden industry.

The Commission believes that a "best guess" is better than "no guess" in estimating and reporting natural gas releases and as long as the BLM requires these releases to be reported, industry will not be further burdened by similar reporting to the OCD. Also by limiting the reporting to "unauthorized" releases of natural gas there are many categories of "authorized" releases such as permitted flares and drill stem test releases which do not require reporting.

(9) The Commission should adopt the simplified version of classifying volumes of released fluid and gas into "major" and "minor" releases with different reporting requirements for each release; this was a noncontroversial recommendation.

(10) The lack of a requirement in OCD's current rules for remediation of spills is the main reason for the proposed revisions to current Rule 116. The Committee unanimously agreed on the language requiring that a remediation plan or abatement plan be submitted to the OCD for approval. The Commission concurs.

(11) The witness for the New Mexico Citizens for Clean Air and Water recommended adding provisions for the reporting of cumulative effects of spills. Although in principle this proposal has merit, the Commission believes that it would be extremely difficult to quantify and relate volumes, timeframes and acreage into a usable and understandable rule which would not cause confusion.

(12) The Commission concurs with the recommendation to incorporate into Rule 116 the notification requirements formerly contained in Section N of the Committee draft Rule 19. This consolidates reporting requirements and eliminates confusion.

(13) Adoption of the Committee proposed Rule 116, as amended, and shown on Exhibit "A" attached hereto, will prevent waste of valuable hydrocarbons and protect human health and the environment.

**IT IS THEREFORE ORDERED THAT:**

(1) OCD Rule 116 is hereby amended, compiled, recodified and adopted as shown in Exhibit "A", attached hereto and made a part of this order.

(2) Rule 116 as amended shall be effective as of the date said order is filed with the State Records Center.

(3) OCD Form C-141, entitled "Release Notification and Corrective Action", shown as Exhibit "B" attached hereto, is hereby adopted for industry use in filing timely written notification to the OCD District Offices.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinafter designated.

**STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION**

signed by  
**JAMI BAILEY, Member**

signed by  
**WILLIAM W. WEISS, Member**

signed by  
**WILLIAM J. LEMAY, Chairman**

**S E A L**

EXHIBIT A

116 RELEASE NOTIFICATION AND CORRECTIVE ACTION

116.A. NOTIFICATION:

(1) The Division shall be notified of any **unauthorized** release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50... - - 97]

(2) The Division shall be notified in accordance with this Rule with respect to **any** release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [- 97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements:

(1) A **Major Release** shall be reported by giving **both** immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

(a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;

(b) an unauthorized release of any volume which:

(i) results in a fire;

(ii) will reach a water course;

(iii) may with reasonable probability endanger public health; or

(iv) results in substantial damage to property or the environment;

(c) an unauthorized release of natural gases in excess of 500 mcf; or

(d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3).[- 97]

(2) A **Minor Release** shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [- -97]

116.C. CONTENTS OF NOTIFICATION:

(1) **Immediate verbal notification** required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, **immediate verbal notification** pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73... - -97]

(2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate

additions or corrections to the information contained in the prior verbal notification. [5-22-73... - -97]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A.19). [ - -97].

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B. Plans, specifications and reports required by this Section, if related to facilities for the production, refinement and pipeline transmission of oil and gas, or products thereof, shall be filed instead with the Oil Conservation Division. [1-4-68, 12-1-95]

C. Plans and specifications required to be filed under this Section must be filed prior to the commencement of construction. [9-3-72]

1203. NOTIFICATION OF DISCHARGE--REMOVAL.

A. With respect to any discharge from any facility of oil or other water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, the following notifications and corrective actions are required: [2-17-74, 12-24-87]

1. As soon as possible after learning of such a discharge, but in no event more than twenty-four (24) hours thereafter, any person in charge of the facility shall orally notify the Chief of the Ground Water Protection and Remediation Bureau of the department, or his counterpart in any constituent agency delegated responsibility for enforcement of these rules as to any facility subject to such delegation. To the best of that person's knowledge, the following items of information shall be provided:

- a. the name, address, and telephone number of the person or persons in charge of the facility, as well as of the owner and/or operator of the facility;
  - b. the name and address of the facility;
  - c. the date, time, location, and duration of the discharge;
  - d. the source and cause of discharge;
  - e. a description of the discharge, including its chemical composition;
  - f. the estimated volume of the discharge; and
  - g. any actions taken to mitigate immediate damage from the discharge.
- [2-17-74, 2-20-81, 12-24-87, 12-1-95]

2. When in doubt as to which agency to notify, the

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person in charge of the facility shall notify the Chief of the Ground Water Protection and Remediation Bureau of the department. If that department does not have authority pursuant to commission delegation, the department shall notify the appropriate constituent agency. [12-24-87, 12-1-95]

3. Within one week after the discharger has learned of the discharge, the facility owner and/or operator shall send written notification to the same department official, verifying the prior oral notification as to each of the foregoing items and providing any appropriate additions or corrections to the information contained in the prior oral notification. [12-24-87]

4. The oral and written notification and reporting requirements contained in this Subsection A are not intended to be duplicative of discharge notification and reporting requirements promulgated by the Oil Conservation Commission (OCC) or by the Oil Conservation Division (OCD); therefore, any facility which is subject to OCC or OCD discharge notification and reporting requirements need not additionally comply with the notification and reporting requirements herein. [2-17-74, 12-24-87]

5. As soon as possible after learning of such a discharge, the owner/operator of the facility shall take such corrective actions as are necessary or appropriate to contain and remove or mitigate the damage caused by the discharge. [2-17-74, 12-24-87]

6. If it is possible to do so without unduly delaying needed corrective actions, the facility owner/operator shall endeavor to contact and consult with the Chief of the Ground Water Protection and Remediation Bureau of the department or appropriate counterpart in a delegated agency, in an effort to determine the department's views as to what further corrective actions may be necessary or appropriate to the discharge in question. In any event, no later than fifteen (15) days after the discharger learns of the discharge, the facility owner/operator shall send to said Bureau Chief a written report describing any corrective actions taken and/or to be taken relative to the discharge. Upon a written request and for good cause shown, the Bureau Chief may extend the time limit beyond fifteen (15) days. [12-24-87, 12-1-95]

7. The Bureau Chief shall approve or disapprove in writing the foregoing corrective action report within thirty (30) days of its receipt by the department. In the event that the report is not satisfactory to the department, the Bureau Chief shall specify in writing to the facility owner/operator any shortcomings in the report or in the corrective actions already taken or proposed to be taken relative to the discharge, and shall give the facility owner/operator a reasonable and clearly specified

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time within which to submit a modified corrective action report. The Bureau Chief shall approve or disapprove in writing the modified corrective action report within fifteen (15) days of its receipt by the department. [12-24-87]

8. In the event that the modified corrective action report also is unsatisfactory to the department, the facility owner/operator has five (5) days from the notification by the Bureau Chief that it is unsatisfactory to appeal to the department secretary. The department secretary shall approve or disapprove the modified corrective action report within five (5) days of receipt of the appeal from the Bureau Chief's decision. In the absence of either corrective action consistent with the approved corrective action report or with the decision of the secretary concerning the shortcomings of the modified corrective action report, the department may take whatever enforcement or legal action it deems necessary or appropriate. [12-24-87, 12-1-95]

9. If the secretary determines that the discharge causes or may with reasonable probability cause water pollution in excess of the standards and requirements of Section 4103 of this Part, and the water pollution will not be abated within one hundred and eighty (180) days after notice is required to be given pursuant to Section 1203.A.1 of this Part, the secretary may notify the facility owner/operator that he is a responsible person and that an abatement plan may be required pursuant to Sections 4104 and 4106.A of this Part. [12-1-95]

B. Exempt from the requirements of this Section are continuous or periodic discharges which are made: [2-17-74]

1. in conformance with regulations of the commission and rules, regulations or orders of other state or federal agencies; or [2-17-74]

2. in violation of regulations of the commission, but pursuant to an assurance of discontinuance or schedule of compliance approved by the commission or one of its duly authorized constituent agencies. [2-17-74]

C. As used in this Section and in Sections 4100 through 4115, but not in other Sections of this Part: [2-17-74, 12-1-95]

1. "discharge" means spilling, leaking, pumping, pouring, emitting, emptying, or dumping into water or in a location and manner where there is a reasonable probability that the discharged substance will reach surface or subsurface water; [2-17-74]

2. "facility" means any structure, installation, operation, storage tank, transmission line, motor vehicle, rolling

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stock, or activity of any kind, whether stationary or mobile;  
[2-17-74]

3. "oil" means oil of any kind or in any form including petroleum, fuel oil, sludge, oil refuse and oil mixed with wastes; [2-17-74]

4. "operator" means the person or persons responsible for the overall operations of a facility; and  
[12-24-87]

5. "owner" means the person or persons who own a facility, or part of a facility. [12-24-87]

D. Notification of discharge received pursuant to this Part or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except for perjury or for giving a false statement.  
[2-17-74]

E. Any person who has any information relating to any discharge from any facility of oil or other water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, is urged to notify the Chief of the Ground Water Protection and Remediation Bureau of the department. Upon such notification, the secretary may require an owner/operator or a responsible person to perform corrective actions pursuant to Sections 1203.A.5 or 1203.A.9 of this Part. [12-1-95]

[1204-1209] Reserved

1210. VARIANCE PETITIONS.

A. Any person seeking a variance pursuant to Section 74-6-4 (G) NMSA 1978, shall do so by filing a written petition with the commission. The petitioner may submit with his petition any relevant documents or material which the petitioner believes would support his petition. Petitions shall: [7-19-68, 11-27-70, 9-3-72]

1. state the petitioner's name and address;  
[7-19-68, 11-27-70]

2. state the date of the petition; [7-19-68]

3. describe the facility or activity for which the variance is sought; [7-19-68, 11-27-70]

4. state the address or description of the property upon which the facility is located; [11-27-70]

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## Item 12

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

Lateral C-15 Compressor Station is on the northwestern slope of Prieta Mesa. The facility is located approximately 1000 feet north of an unnamed intermittent drainage and a small intermittent pond. These appear to be the closest documented sources of groundwater downgradient of the subject site. The Delgadita Mesa and Cutter Canyon 7.5 minute topographic maps illustrate approximately six intermittent streams located within one mile of the facility. These drainages appear to originate on the Prieta Mesa and flow north toward Jasis Canyon.

The facility is underlain by alluvial and eolian material over a thick layer of sandstones and shales of the San Jose Formation which is the youngest Tertiary bedrock unit in the San Juan Basin. The aquifers in the San Jose Formation have been largely untested.

No wells are recorded within 0.25 miles of the perimeter of the facility on the 7.5 minute topographic map or in available hydrologic data for the San Juan Basin (Klausing and Welder, 1984, *Availability of Hydrologic Data in San Juan County, NM* and Stone, et. al., 1983, *Hydrogeology and Water Resources of San Juan Basin, NM*). The closest recorded well, however, is located 2.1 miles northwest of the facility, in Township 29 North, Range 8 West, Section 26. This well (SJ-006), owned by El Paso Natural Gas and used for industrial purposes, was dug to a depth of 560 feet below ground surface. The aquifer was perforated between 448 and 560 feet below ground surface.

Lateral C-15 is located in an area designated as a "Less Sensitive Area" on an Aquifer Sensitivity Map for Rio Arriba County compiled by Lee Wilson and Associates for the New Mexico Environmental Improvement Division in 1989. A "Less Sensitive Area" is a location in which the depth to ground water is greater than 300 feet; or, the depth to ground water is more than 100 feet and the ground water contains greater than 10,000 milligrams per liter (mg/l) or less Total Dissolved Solids (TDS). Based on the elevation of the facility (6460 feet above mean sea level), the depth to ground water at the site appears to be approximately 300 feet below ground surface.

Dissolved-solids concentration (TDS) in the Tertiary rocks of the San Jose Formation is expected to be between 1000-4000 mg/l (Lyford, F. P., 1979, *Ground Water in the San Juan Basin, NM and Colorado*, Water-Resources Investigations 79-73).



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The soil type at the facility is Vessilla-Menefee-Orlie complex, which is typically on mesas and plateaus. The Vessilla soils are well-drained sandy soil. The Menefee soils are colluvium derived clay loam. The Orlie soils are alluvium derived silt and clay loam. Depth to bedrock in this complex is typically 10 to 15 inches (Unpublished Soil Survey, Rio Arriba County Area, New Mexico, U.S.D.A., Soil Conservation Survey).

Flooding potential at the facility is low as the site is located on well-drained soils with medium runoff. Flooding is not probable in this soil type (Unpublished Soil Survey, Rio Arriba County Area, New Mexico, U.S.D.A., Soil Conservation Survey). Any runoff from the facility would probably collect in the unnamed intermittent drainage and small intermittent pond to the south of the facility.



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**Item 13**

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

All reasonable and necessary measures will be taken to prevent the exceedance of 20 NMAC 6.2.3103 quality standards should CSI choose to permanently close the facility. Closure measures will include removal or closure in place of all underground piping and equipment. All tanks will be emptied. No potentially toxic materials or effluents will remain on site. All potential sources of toxic pollutants will be inspected. Should contaminated soil be discovered, any necessary reporting under NMOCD Rule 116 and 20 NMAC 6.2.1203 will be made, and clean-up activities will commence. Post-closure maintenance and monitoring plans would not be necessary unless contamination is encountered.

