

GW - 302

**PERMITS,
RENEWALS,
& MODS
Application**

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No _____ dated 7/3/09

or cash received on _____ in the amount of \$ 1700⁰⁰

from Enterprise Products

for GW-302

Submitted by: Lawrence Romero Date: 7/14/09

Submitted to ASD by: Lauren Roman Date: 7/14/09

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____



Enterprise Products™

RECEIVED
2009 JUL 13 PM 1 28

July 8, 2009

ENTERPRISE PRODUCTS PARTNERS LP
ENTERPRISE PRODUCTS OPERATING LLC

ENTERPRISE PRODUCTS GP, LLC, GENERAL PARTNER
ENTERPRISE PRODUCTS OLPGP, INC., SOLE MANAGER

Return Receipt Requested
7008 1830 0001 3448 3473

New Mexico Oil Conservation Division (OCD)
Santa Fe Office
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Mr. Glenn von Gonten

RE: Enterprise Field Services LLC/
Enterprise Products Operating, LLC
Discharge Permit Renewal
Potter Canyon Compressor Station (GW-302)
Rio Arriba County, New Mexico

Dear Mr. Glenn von Gonten:

Enterprise Products Operating, LLC submits the signed copy of the Discharge Permit Renewal for Potter Canyon Compressor Station (GW-302) with check no. 3229784 in the amount of \$1,700.00 for permit fees per your request in a letter dated July 1, 2009.

If you have questions or need additional information, please contact our Environmental Scientist, Ms. Runell Seale at 505-599-214 or myself at 713-381-6595.

Sincerely,

Shiver J. Nolan
Sr. Compliance Administrator

/bjm
Enclosure

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a compressor station with greater than 1001 horsepower is \$1700.00. Return a signed copy of the permit conditions within 30 days. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on July 14, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its December 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days. The OCD does not consider covering contaminated areas a remediation of the spill/release.

16. OCD Inspections: The OCD performed an inspection of this facility on June 9, 2009. Mr. Clay Roesler and Runell Seale witnessed the inspection. All photographs referenced below are located in the attachment of this permit. As a result of this, OCD inspection concluded the following:

- 1. Photo 1 & 2:** BGT (T512) and BGT (T504) verified dry with NO fluids within the leak detection system. Owner/Operator is reminded that all leak detection systems shall be monitored and recorded on a monthly basis. See Condition 11 for details.
- 2. Photo 3 & 4:** Both BGT (T511) and BGT (T509) indicated fluids within its leak detection system. Owner/Operator shall investigate the reason for fluids in the leak detection system and if need be verify tank integrity. The owner/operator shall monitor and keep record of these leak detection systems on a monthly basis. See Condition 11 for details.
- 3. Photo 5 - 9:** Fluids were noted to be present within the pigging sump/catch basin. Owner/Operator shall clean out and inspect the containment area. The presence of fluids and its below-grade construction qualifies this containment as a below grade tank, unless the owner/operator treats it as a sump. Fluids must be removed within 72 hours. See Condition 11 and 14 for details.
- 4. Photo 10:** Above ground storage tanks are not lined. Owner/Operator shall AST's line with an impermeable barrier. See Condition 9 for details.

Enterprise shall resolve **item 1 - 4 by August 15, 2009** and submit their findings to the OCD for review.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate

Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

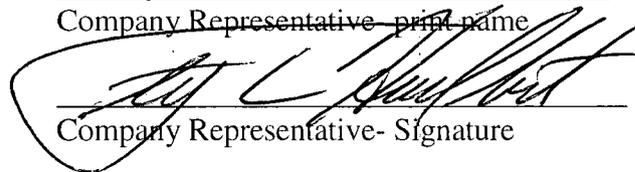
22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will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

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

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

Enterprise Field Services/Enterprise Products Operating LLC
Company Name-print name above

Terry L. Hurlburt
Company Representative-print name


Company Representative- Signature

Title: Sr. Vice President of Operations

Date: July 7, 2009

OCD Inspection: Enterprise Potter Canyon CS, GW - 302

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Clay Roesler and Runell Seale

Date: 06.10.09

Time: 14:12 – 14:35

Page 1



Photo 1: BGT (T512) verified DRY leak detection system.



Photo 4: BGT (T509) verified WET leak detection system.



Photo 2: BGT (T504) verified DRY leak detection system.

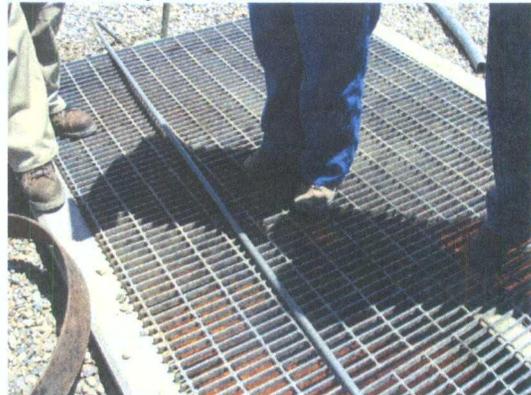


Photo 5: Fluids in pigging sump/catch basin.

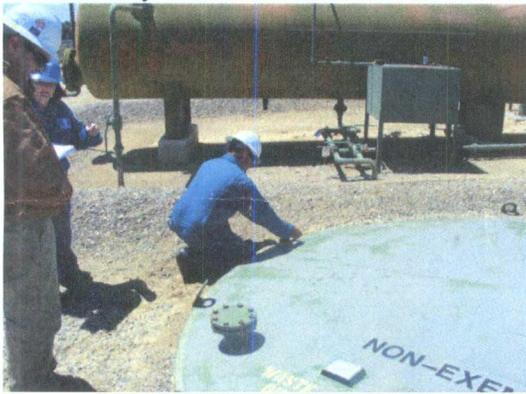


Photo 3: BGT (T511) verified WET leak detection system.



Photo 6: Fluids in sump.

OCD Inspection: Enterprise Potter Canyon CS, GW - 302

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Clay Roesler and Runell Seale

Date: 06.10.09

Time: 14:12 - 14:35

Page 2

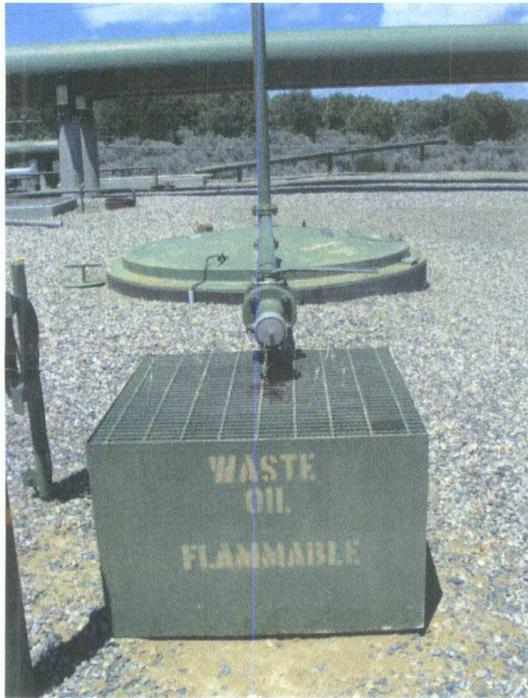


Photo 7: Catch bin for drain off of BGT.



Photo 8: Fluids in drain noted in Photo 7.



Photo 9: LACT unit sump.



Photo 10: Unlined ASTs.



Enterprise Products™
Enterprise Products Operating LLC
P.O. Box 4735
Houston, Texas 77210

PAGE: 1 of 1

DATE: July 3, 2009
 TRACE NUMBER: 6336816553229784
 CHECK NUMBER: 3229784



00008 CKS BA 09183 - 0003229784 NNNN 1835100005010 X14581 C
 STATE OF NEW MEXICO
 C/O OIL CONSERVATION DIVISION
 1220 SOUTH ST FRANCIS DR
 SANTA FE NM 87505-4225



18351000030410000901

DATE	INVOICE NO.	DESCRIPTION	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
06/30/09	170000JUN09C	ENTERPRISE FIELD SERVICES POTTER CANYON CS GW302	\$1,700.00	\$0.00	\$1,700.00
		TOTALS	\$1,700.00	\$0.00	\$1,700.00



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



July 1, 2009

Mr. Clay Roesler
P.O. Box 2521
Houston, Texas 77252-2521

Re: Discharge Permit Renewal
Potter Canyon Compressor Station (GW-302)
NW/4 NE/4 Section 19, Township 30 North, Range 10 West, NMPM,
San Juan County, New Mexico

Dear Mr. Roesler:

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 **Enterprise Field Services, LLC./Enterprise Products Operating LLC.**, discharge permit for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

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

Sincerely,



Glenn von Gonten
Acting Environmental Bureau Chief

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a compressor station with greater than 1001 horsepower is \$1700.00. Return a signed copy of the permit conditions within 30 days. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on July 14, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its December 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Part 29 (19.15.29 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days. The OCD does not consider covering contaminated areas a remediation of the spill/release.

16. OCD Inspections: The OCD performed an inspection of this facility on June 9, 2009. Mr. Clay Roesler and Runell Seale witnessed the inspection. All photographs referenced below are located in the attachment of this permit. As a result of this, OCD inspection concluded the following:

1. **Photo 1 & 2:** BGT (T512) and BGT (T504) verified dry with NO fluids within the leak detection system. Owner/Operator is reminded that all leak detection systems shall be monitored and recorded on a monthly basis. See Condition 11 for details.
2. **Photo 3 & 4:** Both BGT (T511) and BGT (T509) indicated fluids within its leak detection system. Owner/Operator shall investigate the reason for fluids in the leak detection system and if need be verify tank integrity. The owner/operator shall monitor and keep record of these leak detection systems on a monthly basis. See Condition 11 for details.
3. **Photo 5 - 9:** Fluids were noted to be present within the pigging sump/catch basin. Owner/Operator shall clean out and inspect the containment area. The presence of fluids and its below-grade construction qualifies this containment as a below grade tank, unless the owner/operator treats it as a sump. Fluids must be removed within 72 hours. See Condition 11 and 14 for details.
4. **Photo 10:** Above ground storage tanks are not lined. Owner/Operator shall AST's line with an impermeable barrier. See Condition 9 for details.

Enterprise shall resolve **item 1 - 4 by August 15, 2009** and submit their findings to the OCD for review.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate

Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title_____

Date:_____

OCD Inspection: Enterprise Potter Canyon CS, GW - 302

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Clay Roesler and Runell Seale

Date: 06.10.09



Photo 1: BGT (T512) verified DRY leak detection system.

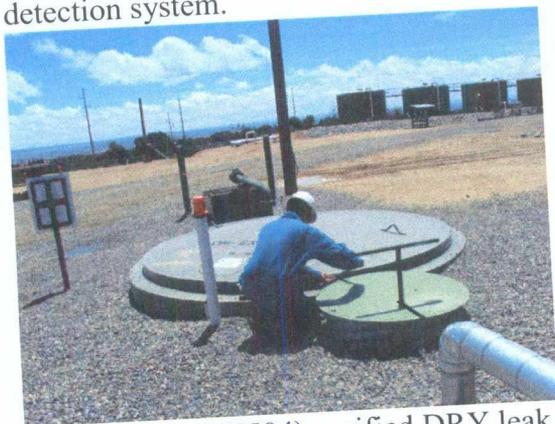


Photo 2: BGT (T504) verified DRY leak detection system.

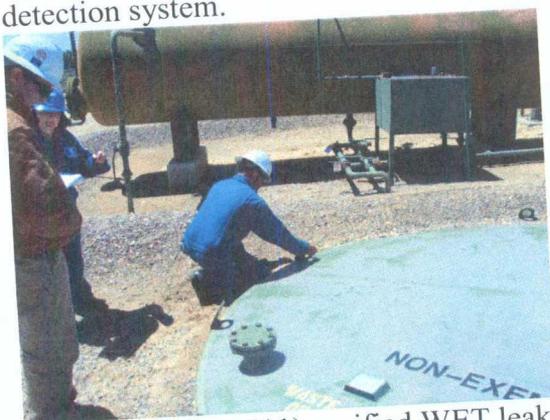


Photo 3: BGT (T511) verified WET leak detection system.



Photo 4: BGT (T509) verified WET leak detection system.

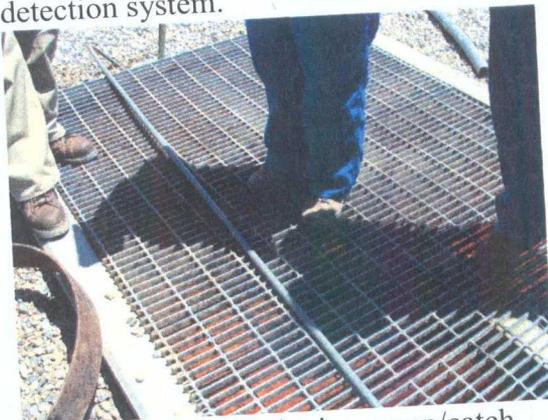


Photo 5: Fluids in pigging sump/catch basin.

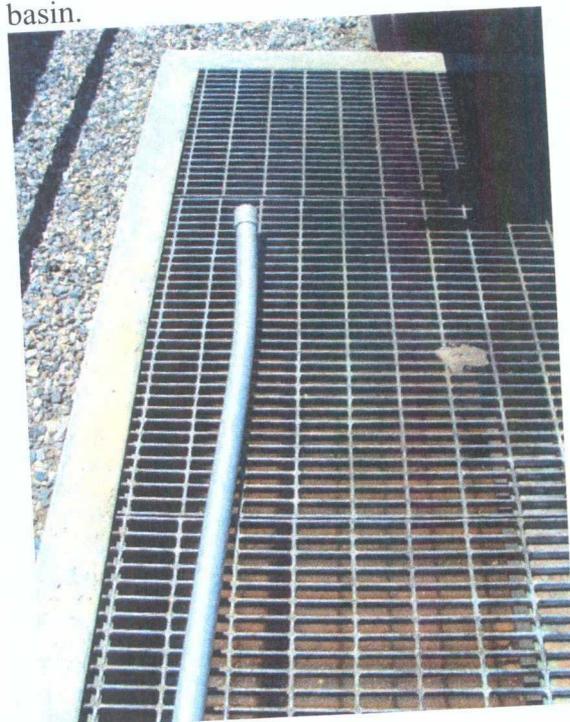


Photo 6: Fluids in sump.

OCD Inspection: Enterprise Potter Canyon CS, GW - 302

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Clay Roesler and Runell Seale

Date: 06.10.09

Time: 14:12 – 14:35

Page 2

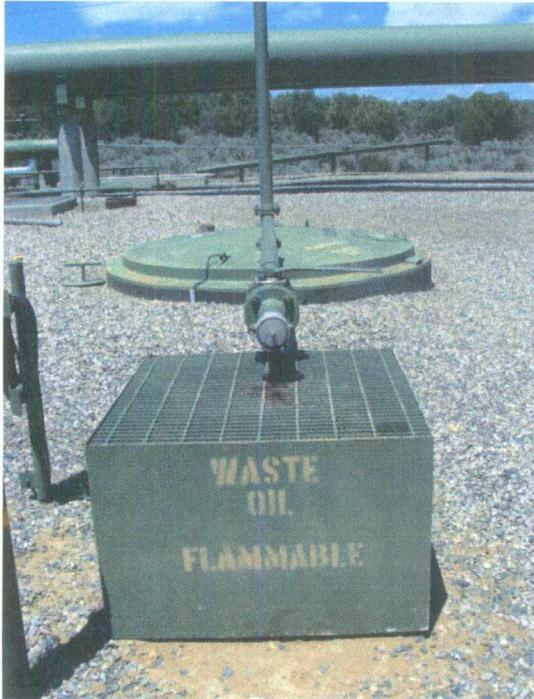


Photo 7: Catch bin for drain off of BGT.



Photo 8: Fluids in drain noted in Photo 7.

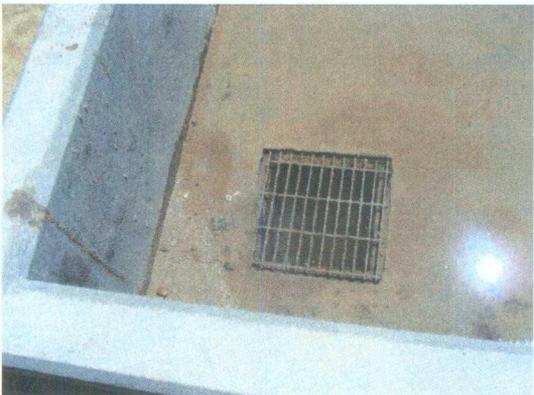


Photo 9: LACT unit sump.

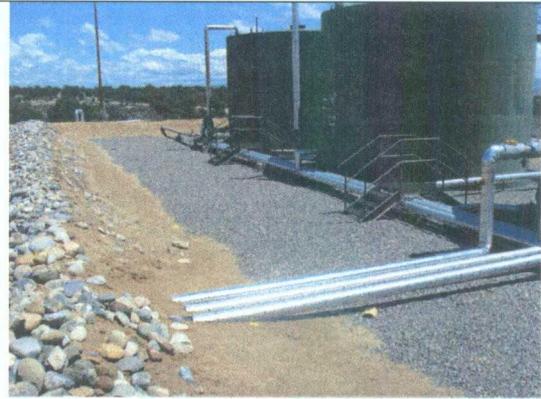


Photo 10: Unlined ASTs.

AFFIDAVIT OF PUBLICATION

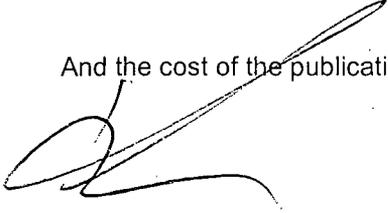
Ad No. 60829

STATE OF NEW MEXICO County of San Juan:

BOB WALLER, being duly sworn says: That he is the CLASSIFIED MANAGER of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication and appeared in the Internet at The Daily Times web site on the following day(s):

Wednesday October 29, 2008

And the cost of the publication is \$262.15


ON 10/31/08 BOB WALLER appeared before me, whom I know personally to be the person who signed the above document.

Kristine Sellers
My Commission Expires - 11/05/11

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

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

(GW-298) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Martinez Canyon Compressor Station located in the SE/4 of the SE/4 of Section 16, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. The aquifer beneath this facility lies at a depth greater than 200 feet below surface with a total dissolved solids concentration of approximately 500 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-302) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Potter Canyon Compressor Station located in the NW/4 of the NE/4 of Section 19, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 500 barrels per month of produced water with a dissolved solids concentration of 10,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 250 feet below surface with a total dissolved solids concentration of 2,000 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-303) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Navajo City Compressor Station located in the SW/4 of the NW/4 of Section 33, Township 30 North, Range 7 West, NMPM, San Juan County, New Mexico. Approximately 250 barrels per month of produced water with a dissolved solids concentration of up to 76,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 200 feet below surface with a total dissolved solids concentration of 1,000 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-304) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Turley Compressor Station (Trunk O) located in the SW/4 of the NW/4 of Section 30, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. Approximately 250 barrels per month of produced water with a dissolved solids concentration of up to 76,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 100 feet below surface with a total dissolved solids concentration of 300 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

If no public hearings are held, the Director will approve or disapprove the proposed permits based on information available, including all comments received. If public hearings are held, the Director will approve or disapprove the proposed permits based on information in the permit application and information submitted at the hearings.

Para obtener mas informacion sobre esta solicitud en español, sirvase comunicarse por favor a: New Mexico Energy, Minerals and Natural Resources Department (Departamento de Energía, Recursos Naturales de Nuevo México), Oil Conservation Division (Departamento de Conservación del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of October, 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Mark Fesmire, Director

S.E.A.L

Legal No. 60829 published in The Daily Times, Farmington, New Mexico on Wednesday October 29, 2008

THE SANTA FE
NEW MEXICAN
Founded 1849

NM EMNRD OIL CONSERV
1220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00272354 ACCOUNT: 00002212
LEGAL NO: 86210 P.O. #: 52100-00000137
317 LINES 1 TIME(S) 276.08
AFFIDAVIT: 7.00
TAX: 22.47
TOTAL: 305.55

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

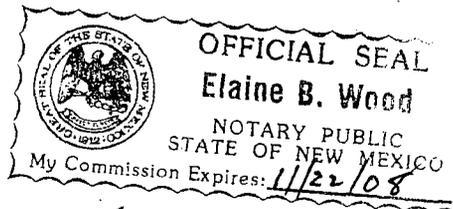
I, L. Paquin, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 86210 a copy of which is hereto attached was published in said newspaper 1 day(s) between 10/30/2008 and 10/30/2008 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 30th day of October, 2008 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/ L. Paquin
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 30th day of October, 2008

Notary Elaine B. Wood

Commission Expires: November 22, 2008



NOTICE OF PUBLICATION

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

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

(GW-298) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Martinez Canyon Compressor Station located in the SE/4 of the SE/4 of Section 16, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. The aquifer beneath this facility lies at a depth greater than 200 feet below surface with a total dissolved solids concentration of approximately 500 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-302) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Potter Canyon Compressor Station located in the NW/4 of the NE/4 of Section 19, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 500 barrels per month of produced water with a dissolved solids concentration of 10,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 250 feet below surface with a total dissolved solids concentration of 2,000 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-303) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Navajo City Compressor Station located in the SW/4 of the NW/4 of Section 33, Township 30

North, Range 7 West, NMPM, San Juan County, New Mexico. Approximately 250 barrels per month of produced water with a dissolved solids concentration of up to 76,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 200 feet below surface with a total dissolved solids concentration of 1,000 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-304) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Turley Compressor Station (Trunk O) located in the SW/4 of the NW/4 of Section 30, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. Approximately 250 barrels per month of produced water with a dissolved solids concentration of up to 76,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 100 feet below surface with a total dissolved solids concentration of 300 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 23rd day of October 2008.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION
S.E.A.L.
Mark Fesmire, Director
Legal No. 86210
Pub. Oct. 30, 2008



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Director
Oil Conservation Division



October 23, 2008

Mr. Clayton Roesler
Manager, Environmental Plans & Permitting
Enterprise Products Operating, LLC
PO Box 4324
Houston, Texas 77210-4324

TRANSMITTED VIA EMAIL: croesler@epco.com

**Re: Discharge Plan Permit Renewal Application GW-302
Potter Canyon Compressor Station (NW/4 of NE/4, Sec. 19, T30N, R10W)
San Juan County, New Mexico**

Mr. Roesler:

The Oil Conservation Division (OCD) has received Enterprise Products' application along with the associated filing fee for renewal of discharge permit GW-302 for the Potter Canyon Compressor Station. Upon preliminary review, your application has been deemed "administratively complete".

Therefore, the New Mexico Water Quality Control Commission public notice requirements under 20.6.2.3108 NMAC must now be satisfied and demonstrated to the OCD. Attached you will find a draft of the permit conditions pending a technical review by the OCD of the application. Final permit conditions may change as a result of that review and public comment.

If there are any questions regarding this matter, please do not hesitate to contact me by phone or email at jim.griswold@state.nm.us. Please refer to permit GW-298 in all future communication. On behalf of the OCD, I wish to thank you and your staff for your continued cooperation during the review process.

Respectfully,

Jim Griswold
Hydrologist

JG/jg
cc: OCD District III Office, Aztec



NOTICE OF PUBLICATION

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

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

(GW-302) Enterprise Products Operating, LLC, PO Box 4324 in Houston, Texas 77210-4324 has submitted an application for renewal of the discharge permit for their Potter Canyon Compressor Station located in the NW/4 of the NE/4 of Section 19, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico. Approximately 500 barrels per month of produced water with a dissolved solids concentration of 10,000 mg/l and 10 barrels per year of wash water is collected and transported off-site for disposal. The aquifer beneath this facility lies at an approximate depth of 250 feet below surface with a total dissolved solids concentration of 2,000 mg/l. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of October 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No: _____ dated 10/20/08

or cash received on _____ in the amount of \$ 100⁰⁰

from Enterprise Products

for GW-302

Submitted by: Lawrence Powell Date: 10/22/08

Submitted to ASD by: Lawrence Powell Date: 10/22/08

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____



Enterprise Products™

RECEIVED

ENTERPRISE PRODUCTS PARTNERS LP
ENTERPRISE PRODUCTS OPERATING LLC

ENTERPRISE PRODUCTS GP, LLC, GENERAL PARTNER
ENTERPRISE PRODUCTS OLPGP, INC., SOLE MANAGER

09 OCT 21 PM 2:52

October 20, 2008

Federal Express
8623 6321 2013

New Mexico Oil Conservation Division
Environmental Bureau
Attn: Jim Griswold/Wayne Price
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Groundwater Discharge Renewal Applications
Martinez Canyon Compressor Station – GW-298
Navajo City Compressor Station – GW-303
Potter Canyon Compressor Station – GW-302
Turley Compressor Station – GW-304**

Dear Mr. Griswold and Mr. Price:

Enclosed for your review and handling are the referenced Discharge Plan Applications. Also enclosed is a check in the amount of \$400 which covers the application fee for the permit. There have been no significant changes to these facilities since our last renewal.

Should you have questions or need additional information, please contact me at (713) 803-5470 or Ms. Runell Seale of my staff at (505) 599-2124.

Sincerely,

Clayton Roesler
Manager, Environmental Plans & Permitting

/ras
attachments

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: Potter Canyon Compressor Station, Discharge Plan #GW-302

2. Operator: Enterprise Products Operating LLC, Operator: Enterprise Field Services LLC, Owner

Address: P. O. Box 4324, Houston, TX 77210-4324

Contact Person: Clay Roesler Phone: 713-803-5470

3. Location: NW/4 NE/4 Section 19 Township 30N Range 10W

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

6. Attach a description of all materials stored or used at the facility. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

10. Attach a routine inspection and maintenance plan to ensure permit compliance. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

11. Attach a contingency plan for reporting and clean-up of spills or releases. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. **There are no significant changes at the facility since the last permit application on August 21, 2003.**

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: Clayton A. Roesler

Title: Manager, Plans & Permitting

Signature: 

Date: 10-20-08

E-mail Address: CRoesler@epco.com

ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL GW-302
EL PASO FIELD SERVICES
POTTER CANYON COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
November 18, 2003

1. Payment of Discharge Permit Fees: Both the \$100.00 filing fee and the \$1,700.00 flat fee have been received by the OCD.
2. Commitments: El Paso Field Services will abide by all commitments submitted in the discharge permit renewal application letter dated August 21, 2003 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD-approved facility. Only exempt oilfield wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD-approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis. Rule 712 Waste: Pursuant to Rule 712, disposal of certain non-domestic waste is permitted at solid waste facilities permitted by the New Mexico Environment Department as long as:
 1. the waste stream is identified, and authorized, as such in the discharge permit, and;
 2. existing process knowledge of such waste stream does not change without notification to the Oil Conservation Division.
4. Drum Storage: All drums containing material 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 must 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 below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge permit and available for NMOCD inspection. Permit holders may propose various methods for testing such as 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 approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge permit and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation 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 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, which inject domestic waste only, must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.

14. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: El Paso Field Services shall maintain storm water runoff controls. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water run-off, then El Paso Field Services shall: take immediate actions to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal storm water run-off containment plan and submit for OCD approval within 15 days.
16. Closure: The OCD will be notified when operations at the Potter Canyon Compressor Station are discontinued for a period in excess of six months. Prior to closure of the facility, the company will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: El Paso Field Services, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. El Paso Field Services further acknowledges that the division for good cause shown as necessary to protect fresh water, human health and the environment may change the conditions and requirements of this permit administratively.

El Paso Field Services

Print Name: RONALD E. SIPE

Signature: Ronald E. Sipe

Title: Manager

Date: 1-5-04



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

November 18, 2003

CERTIFIED MAIL
RETURN RECEIPT NO. 3930-0003

Mr. David Bays
El Paso Field Services
614 Reilly Ave.
Farmington, NM 87401

RE: Discharge Permit Renewal GW-302
El Paso Field Services
Potter Canyon Compressor Station
San Juan County, New Mexico

Dear Mr. Bays:

The ground water discharge permit renewal GW-302 for the El Paso Field Services Potter Canyon Compressor Station located in the NW/4 NE/4 of Section 19, Township 30 North, Range 10 West, NMPM, San Juan 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 thirty (30) days of receipt of this letter.** New mailing address appears below.

The discharge permit renewal application letter, dated August 21, 2003, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations includes all earlier applications and approvals and all conditions later placed on those approvals. The discharge permit is renewed pursuant to Section 3109.C. Note Section 3109.G, which provides for possible future amendment of the permit. Be advised that approval of this permit does not relieve El Paso Field Services of responsibility should operations result in pollution of surface water, groundwater or the environment. Nor does it relieve El Paso Field Services of its responsibility to comply with any other governmental authority's rules and regulations.

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

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

Mr. David Bays
GW- 302
November 18, 2003
Page 2

3107.C, El Paso 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.

Pursuant to Section 3109.H.4, this permit is for a period of five years. This permit will expire on July 14, 2008, and El Paso Field Services should submit an application in ample time before that date. Section 3106.F of the regulations states that 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.

The discharge permit renewal application for the El Paso Field Services Potter Canyon Compressor Station is subject to WQCC Regulation 3114. Every facility submitting a discharge permit application is assessed a filing fee of \$100.00. There is a renewal flat fee assessed for gas compressor stations with greater than 1,000 horsepower of \$1,700.00.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/eem
Attachment

Xc: OCD Aztec Office

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
OFFICIAL USE	
Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	
Sent To DAVID BAYS / El Paso F.S. Street, Apt. No., or PO Box No. 619208 City, State, ZIP+4 FARMINGTON, NM 87401	
PS Form 3800, January 2001 See Reverse for Instructions	

7001 1940 0004 3930 0000

GW-302

ATTACHMENT TO THE DISCHARGE PERMIT RENEWAL GW-302
EL PASO FIELD SERVICES
POTTER CANYON COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
November 18, 2003

1. Payment of Discharge Permit Fees: Both the \$100.00 filing fee and the \$1,700.00 flat fee have been received by the OCD.
2. Commitments: El Paso Field Services will abide by all commitments submitted in the discharge permit renewal application letter dated August 21, 2003 and these conditions for approval.
3. Waste Disposal: All wastes will be disposed of at an OCD-approved facility. Only exempt oilfield wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD-approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis. Rule 712 Waste: Pursuant to Rule 712, disposal of certain non-domestic waste is permitted at solid waste facilities permitted by the New Mexico Environment Department as long as:
 1. the waste stream is identified, and authorized, as such in the discharge permit, and;
 2. existing process knowledge of such waste stream does not change without notification to the Oil Conservation Division.
4. Drum Storage: All drums containing material 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 must 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 below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge permit and available for NMOCD inspection. Permit holders may propose various methods for testing such as 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 approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge permit and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation 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 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, which inject domestic waste only, must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.

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

15. Storm Water Plan: El Paso Field Services shall maintain storm water runoff controls. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water run-off, then El Paso Field Services shall: take immediate actions to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal storm water run-off containment plan and submit for OCD approval within 15 days.

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

17. Conditions accepted by: El Paso Field Services, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. El Paso Field Services further acknowledges that the division for good cause shown as necessary to protect fresh water, human health and the environment may change the conditions and requirements of this permit administratively.

El Paso Field Services

Print Name: _____

Signature: _____

Title: _____

Date: _____

ATTACHMENT TO THE DISCHARGE PLAN GW-302
EL PASO FIELD SERVICES
POTTER CANYON COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(July 14, 1998)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received. A flat fee of \$1,380.00 is required for discharge plans for compressor stations with horsepower rating greater than 3,000 horsepower. 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. El Paso Commitments: El Paso Field Services will abide by all commitments submitted in the discharge plan application dated April 7, 1998.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. 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: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Closure: The OCD will be notified when operations of the 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.

16. Certification: El Paso Field Services, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. El Paso 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:

EL PASO FIELD SERVICES

by *Joe Y. Velazquez - Manager*
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

July 14, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-989

Mr. David Bays
El Paso Field Services
614 Reilly Avenue
Farmington, New Mexico 87401-2634

RE: Discharge Plan GW-302
Potter Canyon Compressor Station
San Juan County, New Mexico

Dear Mr. Bays:

The ground water discharge plan GW-302 for the Potter Canyon Compressor Station located in the NW/4 NE/4 of Section 19, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan application dated April 7, 1998 and the conditions 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 10 working days of receipt of this letter.**

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 and 3109.G., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve El Paso 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.

Mr. David Bays
Potter Canyon Compressor Station
July 14, 1998
Page 2

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., El Paso 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.

Pursuant to Section 3109.H.4., this plan approval is for a period of five years. This approval will expire on July 14, 2003, and El Paso Field Services should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan application for the El Paso Field Services Potter Canyon Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$1,380.00 for compressor stations with a horsepower rating greater than 3,000 horsepower. The OCD has received the filing fee.

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

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

Sincerely,



Roger C. Anderson
Chief, Environment Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-302
EL PASO FIELD SERVICES
POTTER CANYON COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(July 14, 1998)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received. A flat fee of \$1,380.00 is required for discharge plans for compressor stations with horsepower rating greater than 3,000 horsepower. 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. El Paso Commitments: El Paso Field Services will abide by all commitments submitted in the discharge plan application dated April 7, 1998.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. 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: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Closure: The OCD will be notified when operations of the 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.

16. Certification: El Paso Field Services, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. El Paso 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:

EL PASO FIELD SERVICES

by _____
Title

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 Departments

Oil Conservation Division

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

Revised 12/1/95

Submit Original

Plus 1 Copy

to Santa Fe

Copy to appropriate

District Office

RECEIVED
AUG 27 2003
Environmental Bureau /
Oil Conservation Division

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

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

New

Renewed

Modification

1. Type: Potter Canyon Compressor Station, Discharge Plan No. GW-302

2. Operator: El Paso Field Services Co.

Address: 614 Reilly Avenue Farmington, NM 87401

Contact Person: David Bays

3. Location: NW/4 NE/4 Section 19 Township 30N Range 10W

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

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

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

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

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

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

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

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

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

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

14. CERTIFICATION

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

NAME: David Bays Title: Principal Environmental Scientist

Signature: *David Bays* Date: August 21, 2003

EL PASO FIELD SERVICES COMPANY
POTTER CANYON COMPRESSOR STATION
DISCHARGE PLAN GW-302 RENEWAL

Prepared for:

New Mexico Oil Conservation Division
August 2003

El Paso Field Services Company
614 Reilly Avenue
Farmington, NM 87401

Item I

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

Potter Canyon Compressor Station (Trunk H/H), is a natural gas compressor station owned and operated by El Paso Field Services Company (EPFS). The site will include the following equipment:

- Pigging operations.
- Three inlet scrubbers.
- Three portable skid-mounted Ariel compressors with electric motors.
- One gas cooler.
- One absorber tower.
- One coalescing filter separator.
- One glycol regenerator skid.
- One thermal oxidizer.
- One 90 bbl glycol storage tank.
- One 210 bbl methanol storage tank.
- Four 1000 bbl condensate storage tanks.
- One 120 bbl water and condensate tank.
- One 75 bbl skid drain tank.
- One 500 gallon engine lube oil tank.

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

The site rated compressor horsepower will be 13,500.

Item 2

Name of operator or legally responsible party and local representative.

Legally Responsible Party: **Mr. E. Randall West**
El Paso Field Services Company
4 Greenway Plaza
Houston, TX 77046
(832) 676-5410

Environmental Manager: **Mr. Douglas Jordan**
El Paso Field Services Company
4 Greenway Plaza
Houston, TX 77046
(832) 676-5454

Operator

El Paso Field Services Company
614 Reilly Avenue
Farmington, NM 87401-2634
(505) 325-2841
1-800-203-1347
(24 hour emergency notification)

Item 3

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

San Juan County, New Mexico
Township 30 North, Range 10 West, NW/4 of the NE/4, Section 19
The topographic map, figure 1, is located in appendix 1.

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

Item 5

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

A simplified process flow diagram (figure 2), site survey (figure 3) and site layout (figure 4) of the compressor site property are included in appendix 1.

Natural gas will enter the site from EPFS's lateral line via both underground and above ground piping. The gas will pass through the unit scrubbers, three Ariel compressors with electric motors and then to a separator and a glycol dehydrator. The gas will then be discharged into EPFS's lateral line-

The facility will also have weekly pigging operations. Condensate and field liquids from the pigging operations, unit scrubber, and separator will be piped underground to four condensate storage tanks.

Item 6

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

Container	ID	Material	Form	Volume	Location	Containment
Closed steel AGT-elev	Condensate tanks T-505 T-507 & T-508	Condensate & field liquids	liquid	1000 bbl	200 feet away from facility components	Impermeable barrier surrounded by gravel, dirt berm
Closed steel BGT	Skid drain T-504	lube oil & wash down water	liquid	75 bbl	Near compressor	Double-walled steel tank
Closed steel BGT	Produced water tank T-5097	Produced water	Liquid	120 bbl	Near condensate tanks	Double-walled steel tank
Closed steel AGT-elev	Engine lube oil	Compressor lube oil	Liquid	500 gal	On compressor skid	Steel containment basin (compressor skid)
Closed steel AGT-elev	Methanol storage	Methanol	Liquid	210 bbl	Adjacent to condensate tanks	Impermeable barrier surrounded by gravel, dirt berm
Closed steel AGT-elev	Glycol storage tank T-510	Glycol	Liquid	90 bbl	On glycol regen skid	Impermeable barrier by gravel, dirt berm

AGT – above ground tank (non-pressurized)

AGT-elev-above ground tank elevated or on saddle rack

BGT-below ground tank

Tanks T-505 through T-508, T-510 and the methanol tank will be from 10 to 15 feet in height above grade. These tanks will rest on a gravel support ring lined with a high density polyethylene liner to aid leak detection. An unlined earthen berm designed to hold one and one-third (1 1/3) the capacity of the largest interconnected tanks will be constructed around the perimeter of the tanks to contain their contents in the event of a tank rupture.

Condensate will be produced during weekly pigging operations, and scrubber and separator operation at the facility. The condensate will be transferred via pipelines from the slug catcher, scrubber and separator to onsite condensate storage tanks, T-505 through T-508.

Skid drains will empty into a piping system that leads to a double-walled steel sump tank, T-504. The sump tank will collect used drips, leaks and spills of lube oil, rainwater falling on the compressor skid, and wash down water. The sump tank will be equipped with a manual leak detection system.

Tank T-509 will be a double-walled steel sump tank collecting produced water from the condensate tanks, T-505 through T-508.

Lube oil will be supplied to the engine by an on-line reservoir on the compressor skid. Drips, leaks and spills of lube oil which occur on the compressor skid will be contained in tank T-504.

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

Item 7

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

Source	Type of Waste	Volume	Quality
Compressor via the skid drains	Spills, leaks and drips of engine oil, wash down water, and rain water collected on the skid	10 bbl/year	Used lube oil and water with detergents
Glycol dehydrator	Used filters	10 filters/month	No additives
Pigging operations, unit scrubber	Hydrocarbon condensate	3000 bbl/month	No additives
T-505 thru T-508	Produced water	500 bbl/month	No additives

According to A *Summary of the Regional Geology of the Permian and San Juan Basins of New Mexico* by Maureen Wilks, Ph.D., the total dissolved solids (TDS) of produced water in the San Juan Basin range from 8,000 ppm to 76,142 ppm. EPFS estimates TDS of produced water will range between 10,000 ppm to 15,000 ppm for Potter Canyon Compressor Site.

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

Type of Waste	Collection	Storage	Hauler	Disposal
Used oil, wash down water, rain water	Drained to an underground storage sump	Double-walled steel tank	Removed as generated by Dawn Trucking	EPFS, Kutz Hydrocarbon Recovery Facility
Used filters	Collected when replaced	Steel drum	Removed as generated by Waste Management	Crouch Mesa Landfill
Condensate, field liquids and produced water	Underground steel pipes	Steel tanks	Water and Hydrocarbons Dawn Trucking	Water-Basin Disposal; Hydrocarbons-Giant Industries

OCD Transporters/Disposal Facilities**Waste Management of Four Corners**, 101 Spruce St., Farmington, NM (505) 327-6284**Three Rivers Trucking**, 604 E. Murray Drive, Farmington, NM 87401 (505) 325-8017**Basin Disposal, Inc.**, 6 County Road 5046, Bloomfield, NM (505) 632-8936**Giant Industries**, 111 County Road 4990, Bloomfield, NM (505) 632-8024**EPFS, Kutz Hydrocarbon Recovery Facility**, East County Road 4900, Bloomfield, NM (505)632-2803**Exempt Waste**

Only exempt wastes, such as water from condensate and field liquids, and produced water will be disposed in Class II injection wells (Basin Disposal).

Used glycol dehydrator filters will be put into 55 gallon drums, drained of all free liquids and removed as needed by Waste Management of Four Corners.

Non-Exempt, Non-Hazardous Waste

Waste oil will be collected as generated from the compressor unit and removed from the site by Dawn Trucking. New lube oil will be brought to the site by vendors as needed and stored in the on-line reservoir. Waste oil from the compressor will be taken to EPFS Kutz Hydrocarbon Recovery Facility for storage pending recycling. Engine coolant will be replaced once per year and removed from the site by the current contractor, Dow, for recycling.

Wash down water from the compressor engine will be collected as generated in an underground storage tank. Wash down water will be brought to the facility as needed. A portable washer is kept in the maintenance truck to wash the compressor engine. Wash down water will be taken to EPFS Kutz Hydrocarbon Recovery Facility for disposal.

Hazardous Waste

No RCRA-listed hazardous wastes will be generated at the facility.

Other Solid Waste

There will be no solid waste or miscellaneous trash disposal at the facility. All solid waste will be brought to the Waste Management dumpsters at the district offices.

Item 9

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

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

Item 10

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

The facility is unmanned but will be inspected daily by an operator. Maintenance will be performed and records will be kept according to EPFS 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.

Item 11

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

EPFS will handle all spills and leaks immediately as required by company procedures and will report all spills and leaks according to the requirements of the State of New Mexico as found in NMOCD Rule 116 and WQCC Section 1203. Copies of these regulations are attached in appendix 2.

Item 12

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

The Potter Canyon Compressor Station site is about 4 miles east of Aztec, New Mexico near the divide that separates Potter Canyon (draining to the San Juan River) from Hampton Arroyo (which drains to the Animas River), Figure 1 shows the exact location of the site at an elevation of 6350 feet above sea level (asl). The site is at the headwaters of an unnamed arroyo that drains to Potter Canyon and thence to the San Juan River, more than 7 miles south. The USGS Aztec, New Mexico 7.5 minute quadrangle shows all of these drainages as perennial. Our site visit documents that these streams are actually ephemeral and no surface water bodies are within one mile of the location.

The upper portion of the Paleocene Nacimiento Formation underlies the compressor station as shown in Figure 5. The Nacimiento Formation is a sequence of interbedded mudstones and thin, fine- to coarse-grained sandstones. However, mudstone is the dominant lithology. According to data presented in Stone and others (1983), the Nacimiento is about 1000 feet thick near the site.

Other mapped units include unconsolidated Quaternary Terrace and apron deposits, Quaternary alluvium and the overlying San Jose Formation. Terrace and apron deposits are restricted to areas adjacent to the Animas River. Alluvium is mapped within Potter Canyon, about 2 miles downstream from the location. Figure 5 shows these deposits as well as the location of the compressor station site.

Stone and others (1983) provide water level data for only one well within 3 miles from the site. This well is located in Section 20, less than one mile east of the site. The well terminates in the Nacimiento Formation at a depth of 975 feet deep. The uppermost producing unit is screened from 246-266 feet below land surface. Stone and others provide no data on water level, Water within the Nacimiento Formation is generally under some artesian pressure.

Based upon specific conductance data in Stone and others (1983), the total dissolved solids content for the Nacimiento water is about 2000 mgA.

This artesian pressure combined with the dominant mudstone lithology of the Nacimiento Formation effectively prevents any discharge or leachate from entering groundwater from the compressor site. For any catastrophic release to enter groundwater within the Quaternary Alluvium of Potter, the discharge must flow overland for more than 1 mile. We maintain a discharge plan is not required for this facility. However, this document has been prepared as a conservative measure.

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 water quality standards should EPFS 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. Postclosure maintenance and monitoring plans would not be necessary unless contamination is encountered.