State of New Mexico
Energy, Minerals and Natural Resources Department

BY ELECTRONIC MAIL

March 14, 2025

Ms. Clara Cardoza
Hilcorp Energy Company
111 Travis Street
Houston, TX 77002
ccardoza@hilcorp.com

RE: Hilcorp Energy Company – Notice of an Administratively Complete Discharge Permit Application for San Juan Gas Plant, San Juan County, New Mexico

Dear Ms. Cardoza:

The New Mexico Energy, Minerals and Natural Resource Department's Oil Conservation Division (OCD) has reviewed the amended discharge permit application dated February 19, 2025, and submitted to the OCD on February 28, 2025, for Hilcorp Energy Company's (Hilcorp) San Juan Gas Plant located in San Juan County, New Mexico. OCD has determined that the amended discharge permit application is administratively complete.

Given OCD's determination, Hilcorp must provide public notice within 30 days of receipt of this letter (i.e., April 13, 2025) in accordance with the requirements of 20.6.2.3108(B) NMAC to the general public in the locale of the Plant by each of the methods listed below:

1. Prominently posting a synopsis of the public notice at least 2 feet by 3 feet in size, in English and in Spanish, at the main entrance to the Facility and at the Bloomfield, New Mexico Post Office for 30 days;

2. Providing written notice of the discharge by mail or electronic mail, to owners of record of all properties within a 1/3 mile distance from the boundary of the property where the discharge site is located; if there are no properties other than properties owned by the discharger within a 1/3 mile distance from the boundary of property where the discharge site is located, Hilcorp shall provide notice to owners of record of the next nearest adjacent properties not owned by the discharger;

3. Providing notice by certified mail, return receipt requested, to the owner of the discharge site if Hilcorp is not the owner; and

4. Publishing a synopsis of the notice in English and in Spanish, in a display ad at least three inches by four inches not in the classified or legal advertisements section, in the *Tri-City Record.*

Within 15-days of completion of the public notice requirements in 20.6.2.3108(B) NMAC, Hilcorp must submit to the OCD proof of the notice, including affidavit of mailing(s) and the list of property owner(s), proof of publication, and an affidavit of posting, as appropriate.

Also, as part of the discharge permit application, Hilcorp was required to submit a Closure/Post Closure Plan for OCD approval. OCD has reviewed this plan and hereby approves the Closure/Post Closure Plan. The financial assurance (FA) associated with this plan is $6,189,000.00. The FA must be on OCD prescribed forms, or forms otherwise acceptable to the OCD, payable to the OCD. Bond forms can be found at the bottom of OCD's Forms Page located at https://www.emnrd.nm.gov/ocd/ocd-forms/. The FA is due to the OCD within 30 days of email receipt of this letter (i.e., April 13, 2025).

If you have any questions, please do not hesitate to contact me by email at joel.stone@emnrd.nm.gov or by phone at (505) 709-5149. On behalf of the OCD, I wish to thank you and your staff for your cooperation during this process.

Respectfully,

Joel Stone

Joel Stone
Environmental Scientist & Specialist-Advanced

ENSOLUM

DISCHARGE PERMIT APPLICATION

Property:
San Juan Gas Plant
1001 Arizona
Bloomfield, New Mexico 87413

February 19, 2025

Prepared for:

Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002

TABLE OF CONTENTS

FIGURES

TABLES

APPENDICES

1.0 INTRODUCTION

This document provides information for a discharge permit application for the San Juan Gas Plant (Facility) operated by Hilcorp Energy Company (Hilcorp) in response to a notice from the New Mexico Oil Conservation Division (NMOCD) stating the Facility is subject to the permitting requirements of Title 20, Chapter 6, Part 2 of the New Mexico Administrative Code (NMAC). There are no intentional discharges to groundwater at the Facility. Instead, this discharge permit application describes the measures that prevent potential discharges to groundwater of any water contaminant listed in 20.6.2.3103 NMAC or any toxic pollutant. Existing regulatory and operational programs are discussed in the context of site-specific environmental and operational conditions to verify that inadvertent releases of liquids stored and used at the Facility are minimized and contained, waste is managed appropriately, and groundwater resources are protected.

This discharge permit application relies heavily on the existing and approved SPCC plan, which is attached as an appendix:

- *Hilcorp Energy Company Spill Prevention, Control, and Countermeasure Plan, San Juan Gas Plant,* ***Appendix A***.

2.0 FACILITY DESCRIPTION

The Facility is located 1.5 miles northeast of Bloomfield, New Mexico along Arizona Street, in the NW 1/4, NW 1/4 Section 14, Township 29 North, Range 11 West in San Juan County. The Facility is southeast of the intersection of Arizona and Saiz Lane, with a latitude of 36.732544° North and a longitude of 107.966467° West as depicted in **Figure 1**.

The Facility is designed to extract hydrocarbon liquids from a natural gas inlet stream operating at approximately 550 million cubic feet per day (MMCFD) with two cryogenic trains, each rated at 275 MMCFD. Produced natural gas is delivered to the Facility via Hilcorp and Enterprise gas gathering pipelines. Liquid hydrocarbons including ethane, propane, butane, and natural gasoline are removed from the inlet gas using a cryogenic extraction process. Processed natural gas (residue) is delivered off site to respective vendors. Recovered liquids are transported to a fractionator in southeast Texas via the Enterprise Mid-America Pipeline system.

The non-process equipment in the San Juan Gas Plant consists of oil-containing storage tanks, compressor day tanks, wastewater ponds, transformers/electrical equipment, hot oil expansion vessels, surge vessels, skimmer pits, oil drums, separators, pump tanks, lube oil skids, filters, and scrubbers. Nonproduction equipment and tanks located on site may contain natural gas, crude oil, condensate, produced water, lubrication oil, diesel, hydraulic oil, gasoline, fresh water, or other chemicals in use at the plant.

2.1 Property, Operator, and Facility Ownership and Contacts

The following list outlines key entities associated with the Facility ID fGP00000000026, OGRID 372171.

Facility Name and Address:
San Juan Gas Plant
1001 Arizona
Bloomfield, New Mexico 87413

Landowner: Hilcorp owns the property where the Facility is located:
Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002

Facility Owner and Operator: Hilcorp and IKAV Energy Inc. jointly own the facility.
Hilcorp Energy Company

Company Contact:	Site Contact:
Clara Cardoza	Kevin Reese
1001 Arizona St	1001 Arizona St
Bloomfield, New Mexico 87413	Bloomfield, New Mexico 87413
(505) 632-4907	(505) 632-4907

Facility Diagrams: Facility maps and diagrams are described below and referenced as attachments.

- A Site Location Map depicting topography and the location of the Facility relative to nearby environmental receptors (waterways and water wells) is included in **Figure 1**.
- A Site Layout Map depicting an aerial image of the Facility is included in **Figure 2**.
- A diagram depicting detailed components of the Facility, including stormwater flow directions, locations and contents of storage containers and process facilities; storage areas; pits; dikes; and tanks are included in **Figure 3**.

- A diagram of the Facility process flow is included in **Figure 4**.
- A schematic diagram of the wastewater drainage system is included as **Figure 5**.

2.2 Fencing

The Facility includes an outer chain-link perimeter fence. The location of the Facility boundaries is depicted in **Figure 2 and 3**.

2.3 Tanks

The Facility utilizes aboveground storage tanks (ASTs), below ground storage tanks (BGSTs), totes, and sumps for storage. The locations of these tanks are included in the Facility Diagram in **Figure 3**. Details about tank content, size, and construction are included in Appendix D of the SPCC Plan (located in Appendix A of this application).

2.4 Process Vessels

This Facility utilizes oil-filled manufacturing equipment such as flow-through process vessels for continuous recovery and intermediate storage of liquids entrained in natural gas. Flow-through process vessels are inspected per API 510.

2.5 Secondary Containment

Metal, concrete, or plastic containment listed in **Appendix B** prevents any spills or leaks from tanks, drums, or equipment from moving out of the bermed area that surround storage areas. Bulk storage container installations are constructed to provide secondary containment for the entire capacity of the largest single container and sufficient freeboard to contain precipitation. Hilcorp uses the 25-year 24-hour storm event for precipitation calculations. Containment calculations for bermed areas have been completed and are provided in **Appendix B**. The SPCC Plan identifies two berms (Berm 3 and Berm 4) that are insufficient to contain the required volume. Hilcorp is scheduled to increase the size of the berms in 2025 and the SPCC Plan will be updated upon completion of work. Containment areas are sufficiently impervious to contain discharged oil. Should a release occur in containment, all impacted loose gravel, or soil must be removed and disposed of or treated in accordance with appropriate regulatory requirements. All spills or leaks from valves, gauges, or other associated components must be cleaned upon discovery, with any needed repairs made as soon as practicable.

2.6 Loading Areas

The majority of the liquids arrive and exit the Facility through pipelines. The Facility uses truck loading and unloading areas for the shipping and receiving of slop oil, amine, stormwater, process water, and produced water. Truck loading and unloading activities occur only in the designated areas shown on **Figure 3**. Drivers are trained on specific loading procedures at the Facility. Spill pans and other catchment devices are utilized, and all transfers are monitored by the driver and a Facility employee. To prevent premature vehicular departure, the Facility posts warning signs in the loading areas and requires truck drivers to chock their wheels prior to loading. Drain and outlets on tank trucks are checked for leakage before loading/unloading or departure, and if necessary, are tightened, adjusted, or replaced. Spill cleanup materials are located onsite at the nearby former oil storage building, in case of a spill. The stormwater and surface runoff catch basin is a surface depression located at the southern edge of the property that is designed to collect any liquids that may spill during loading operations and prevent any oil or water from leaving the facility. In the unlikely event of a significant amount of oil or water reaching this barrier, a third-party cleanup will be authorized to remove any retained oil. **Figure 3** shows the catch basin location and the Facility surface water flow directions.

2.7 Storage Areas

The Facility utilizes indoor storage areas, outdoor storage areas, and roll-off boxes to store materials and equipment within the Facility. A storage yard includes equipment that is not in service, including valves, piping, fittings, gaskets, and bolts/tools. Any liquids in storage areas are stored in plastic or stainless-steel totes/containers and fitted on individual containment structures.

2.8 Pits, Ponds, and Impoundments

There are evaporation ponds for Cooling Tower (CT) blowdown water waste accumulation located in the southeast corner at this Facility as shown in **Figure 3**. This fluid is circulated with freshwater and with amendments to control pH and conductivity to prevent the buildup of solids and corrosion. Both ponds were installed in 1993 and re-lined in 2001. The standard maintenance procedure and monthly leak detection procedure for the evaporation ponds is attached as **Appendix C.**

Stormwater remains on site and is allowed to percolate into unpaved areas of the Facility or is diverted to the onsite southern stormwater catch basin located in the southern central portion of the Facility as shown on **Figure 3** and discussed in **Section 4.3 Stormwater Management**.

2.9 Disposal Facilities

There is no on-site disposal at the Facility.

3.0 SITE CHARACTERISTICS

The following sections describe the hydrologic/geologic characteristics in the Facility's vicinity.

3.1 General Description of Topography, Elevations, and Vegetation Types

The Facility is located within a portion of the San Juan Surface Water Basin and the Bloomfield Declared Groundwater Basin[1]. This area of the San Juan Basin is located near the center of a large, elevated plateau north of Bloomfield, New Mexico. The plateau consists of broad open valleys, mesas, buttes, and hogbacks. The topography is relatively flat away from major valleys and canyons. The surficial soils are locally stabilized with sparse native vegetation primarily consisting of desert scrub (Sage and Chamisa). The vegetation on these soils ranges from open grass stands, grasses, shrubs, desert succulent mixtures, and some piñon-juniper woodlands in the higher elevations. The Facility is approximately 5,590 feet above mean sea level (amsl).

3.2 Soil Type

Based on the available site-specific and regional subsurface information, the Facility is underlain by Fruitland sandy loam, 0-2 percent (%) slopes. These surficial soils are classified as well drained and somewhat excessively drained soils that formed in eolian material and moderately coarse textured alluvium derived from sandstone and shale. Further classification of these soils indicates that the capacity of the most limiting layer to transmit water is high (6.00 to 20.00 inches per hour), and runoff potential is very low to medium. Soil consists of physically weathered parent rock. Aeolian and to a lesser degree fluvial depositional systems are responsible for the material transport in this area [2].

3.3 Surface Water Features

Figure 1 is a topographic map depicting water bodies, streams, watercourses, and potential groundwater discharges within a 1-mile radius of the Facility boundary. These include the West Fork Wash of Bloomfield Canyon 0.30 miles to the northwest, an unnamed drainage 0.37 miles to the east, and an emergent freshwater wetland 0.64 miles to the south. There are no natural surface bodies of water or groundwater discharge sites within 0.25 miles of the Facility, however there is an irrigation ditch called Citizen's Ditch that is directly adjacent to the southeastern Facility boundary. Citizens Ditch carries water diverted from the San Juan River to the Aragon Reservoir, at which point the water enters the City's surface water treatment facility for use as potable water supply[3]. In low areas where drainages exist, they are ephemeral, discontinuous, and dry washes. Bloomfield Canyon is 0.12 miles northeast of the facility. Nearby surface water features are depicted in **Figure 1**.

The Facility is located within the Upper San Juan watershed, United States Geological Survey (USGS) Hydrologic Unit Code (HUC) #14080101. The nearest receiving water to the Facility is the San Juan River, located approximately 1.6 miles South. Bloomfield Canyon flows to the south and connects with an unnamed ditch immediately south of the Facility ultimately discharging to the San Juan River. Surface drainage from the Facility flows north to south. **Figure 1** applies the following databases for surface water features: National Wetlands Inventory, National Hydrography Dataset, and United States Geological Survey (USGS). Surface water bodies are identified within the datasets and depicted within 0.25 miles of the Facility, and just over 0.75 miles from the Facility. They are topographic depressions that receive surface runoff and

[1] New Mexico Office of the State Engineer (NMOSE) – online query July 2024
[2] Natural Resources Conservation Services. Web Soil Survey. National Cooperative Soil Survey. San Juan County, New Mexico. Online query accessed July 2024. https://websoilsurvey.sc.egov.usda.gov/App/HomePage.htm
[3] Accessed online July 2024 at Water Treatment Facility | Bloomfield New Mexico (bloomfieldnm.gov)

temporarily store precipitation for short periods until evaporation occurs. They are mostly dry except during large storm events.

3.4 Water Wells

Using information from the New Mexico Water Rights Database from the New Mexico Office of the State Engineer (NMOSE), three water wells exist within a 0.25-mile radius of the Facility boundary as shown **Figure 1**. The closest Point of Diversion (POD) recorded with NMOSE is Permit Number SJ-04254. SJ-04254 is approximately 678 feet north of the Facility. The depth to the first water-bearing strata was recorded on the boring log at 55 feet bgs[4]

3.5 Shallowest Aquifer

In this area of the San Juan Basin, groundwater occurs in Cretaceous and Tertiary sandstones and Quaternary alluvial deposits. The Facility is located on Quaternary alluvium consisting of sand, silt, clay, and gravel. The alluvium varies in thickness from less than 3 feet to more than 75 feet[5]. Beneath the alluvium is the Tertiary Nacimiento Formation consisting of interbedded, coarse to medium-grained arkosic sandstone, siltstone, and shale which were characterized as channel fill and floodplain deposits[4]. The depth to the first water bearing strata was recorded on the boring log at 9 to 55 feet bgs[6]

3.6 Geological Characteristics

The Facility is constructed on Quaternary alluvium above the Nacimiento Formation. The lower portions of the Nacimiento Formation are composed of interbedded black carbonaceous mudstones and sandstones. Shales and conglomerates are often interbedded within the mudstone and sandstones. The Nacimiento Formation is generally slope forming, even in the sandstone units. The thickness of the Nacimiento Formation ranges from 418 to 2,232 feet. Overlying the Nacimiento Formation is the San Jose Formation, and the Ojo Alamo underlays the Nacimiento Formation. The Nacimiento Formation consists of eroded sandstones, shales, and conglomerates, and the San Jose Formation is composed mostly of medium-grained mixed clastic rocks[7].

3.7 Site Flooding Potential

The annual precipitation of the region in San Juan County is 8 to 10 inches. The most likely flood events occur from heavy storms during the summer months of June through September, resulting from prolonged heavy rainfall over dry areas and are characterized by peak flows of moderate duration. These summer rain showers and thunderstorms account for more than half of the annual precipitation[8]. Most of this rainfall collects and runs through dry arroyos, none within the Facility. Based on Federal Emergency Management Agency (FEMA) National Flood Hazard Layer (NFHL), the nearest mapped floodplain is associated with the nearest receiving water, which is Bloomfield Canyon. Bloomfield Canyon flows approximately 1.72 miles south to the San Juan River. Surface drainage from the Facility flows south. The regional surface water features near the Facility depicted on FEMA NFHL are topographic depressions that receive surface runoff and

[4] NMOSE Online Map query accessed July 2024. https://ose.maps.arcgis.com/home/index.html
[5] Bechtel Environmental, 1988. Groundwater Investigation Report, El Paso Natural Gas Company's Blanco Plant, San Juan County, New Mexico. January.
[6] NMOSE Online Map query accessed July 2024. https://ose.maps.arcgis.com/home/index.html
[7] Stone et. al 1983 Stone, W., Lyford, F., Frenzel, P., Mizell, N., & Padgett, E. (1983). Hydrogeology and Water Resources of San Juan Basin, New Mexico. New Mexico Bureau of Mines & Mineral Resources.
[8] Flood Insurance Study San Juan County New Mexico and Incorporated areas. Prepared by Federal Emergency Management Agency (FEMA) Flood Insurance Study Number 35045CV000A. Effective August 5, 2010. Online query accessed December, 2022. https://msc.fema.gov/portal/advanceSearch

temporarily store precipitation for short periods until evaporation occurs. They are mostly dry except during large storm events.

3.8 Groundwater Characteristics

Groundwater in this region is sourced from the alluvial aquifers of the Nacimiento Formation. The transmissivity and specific conductance of water within the Nacimiento Formation is 100 square feet per day and 1,500 to 2,000 micromhos[7]. San Juan Basin is classified as slightly saline water (from 1,000 parts per million (ppm) to 3,000 ppm) with the median value of total dissolved solids (TDS) content of 1,125 ppm. It contains greater than 800 mg/l sulfate and 400 mg/l of chloride. [9] Previous studies have used groundwater monitoring points on site to measure depth to groundwater ranging from 9 to 50 feet bgs[10]. Further results of these studies indicate the average hydraulic conductivity was estimated to be 2.1 x 10-4 centimeters per second.

[9] Land, Lewis, 2016, Overview of Fresh and Brackish Water Quality in New Mexico, New Mexico Bureau of Geology Mineral Resources, Open-file Report, v. 0583, pp. 55. https://geoinfo.nmt.edu/publications/openfile/details.cfml?Volume=583

[10] El Paso Natural Gas Company, 1989. Groundwater Investigation Report, El Paso Natural Gas Company's Blanco Plant, San Juan County, New Mexico. January.

4.0 POTENTIAL DISCHARGES

There are no intentional discharges at the Facility; however, the NMOCD has determined that inadvertent discharges of liquids or improper disposal of waste solids stored at the Facility have the potential to impact groundwater. The information provided below discusses Facility operations and the use or storage of materials, as requested by NMOCD. The immediate manned response from San Juan Gas Plant to any release based on 24-hour staffing, in addition to reporting and remediation required in 19.15.29 NMAC, further decreases the likelihood of an accidental discharge impacting groundwater.

All tanks and containers for oil, volume of those containers, associated containments, and the predicted direction of a release should containment fail, are included in the SPCC Plan, **Appendix A**. Similarly, details of process and oil-filled operational equipment are included in the SPCC Plan. Other materials used or stored onsite that are not oil-based are listed in **Table 1**. The information provided below discusses Facility operations and use or storage of any materials to further mitigate unintentional discharges to groundwater.

Miscellaneous chemicals that are not always on-site are included in the Safety Data Sheet (SDS) inventory because they are sometimes used for the maintenance of equipment. These materials are maintained temporarily at minimal volumes (spray bottles, 5-gallon buckets) and stored in a shed or closet when present. The SDS for these materials can be provided at the request of the NMOCD.

4.1 Onsite Disposal

This Facility has two evaporation ponds that were installed in 1993 and re-lined in 2001. The cooling tower blowdown is directed to these ponds. **Appendix C** provides details on the construction and operation of the ponds. There is one additional catch water basin/dry out pit for drying out sludge/sediment that accumulates in the evaporation pond and cooling tower basin. When this maintenance occurs, the drying pit is temporarily lined. Sludge is disposed of at local landfill. Also included is a copy of the Pond's Monthly Leak Detection procedure.

There are no injection wells or leach fields on-site. There is no on-site solids disposal or landfarms associated with the facility.

4.1.1 Sanitary Sewage

Sanitary sewage is a separate system and does not commingle with any process waste generated by gas processing at the Facility. The sewage is disposed via pipeline into the City of Bloomfield's wastewater treatment system.

4.1.2 Ponds, Lagoons, and Catchments

There is a stormwater pond located in the southern portion of the Facility that is normally dry. Details about the pond and stormwater collection are included in the SPCC Plan (**Appendix A**). Two evaporation ponds are located in the southeastern corner used for the following effluents at approximately 550,000 gallons per month: wastewater from cooling towers. The evaporation ponds are double-lined and include an interstitial leak detection to monitor fluid containment. The leak detection devices are monitored monthly as described in **Appendix C**.

4.2 Off-site Disposal

Liquid and solid waste are collected at the Facility, properly characterized, and transported off-site for disposal. Hilcorp has established methods of disposal for recovered materials in

accordance with applicable legal requirements. Hilcorp manages the disposal of any transported materials according to waste management practices, details of which are listed in **Appendix D**.

4.2.1 Waste Streams

The majority of liquid and solid waste generated at the Facility are exempt from Resource Conservation and Recovery Act (RCRA) as exploration and production generated under 40 Code of Federal Regulations (CFR) 261, except for the pond sludge, some filters, and laboratory waste. These RCRA non-exempt wastes are tested and profiled as specified in the waste management practices. Analytical results for profiling liquid and solid waste are obtained as required by the disposal facilities, state, or federal laws. The analytical results are maintained at the Facility as required. Waste streams are listed in **Appendix D.**

Process areas are located on graded concrete pads with drainage to a wastewater collection system. All other equipment foundations are connected to an open drain system that leads to the skimmer pit (M-1407). At the skimmer, gravity separation segregates slop oil (process liquids) from wastewater. The slop oil is transferred by a float-operated pump to the Slop Oil Tank (TK-1402), and then sold to Marathon Petroleum. The wastewater, stormwater, and wash water are diverted and transferred by a float-operated pump to the Process Wastewater Tank (TK-1403). Process wastewater in TK-1403 has been profiled and classified as nonhazardous oilfield waste. Used equipment oil (equipment lube oil) is pumped to the Waste Lube Oil Tank (TK-1402A).

Precautions have been implemented to prevent contamination of the storage tanks. For example, any oil that enters the open drain system must pass through the Skimmer Basin, an oil-water separator where oil will be removed. If that separator fails to operate properly, the oil-contaminated wastewater will be pumped to the TK-1403. Then, a specific gravity sensitive switch will alarm the Plant Operator to rectify the situation.

Waste materials collected in the open drain system are handled in underground vessels or the double walled skimmer pit (M-1407). The two single walled below grade vessels (V-806 and V-807) are installed in the gas treating area (Amine System) at an approximate depth of eight (8) feet. Both are tested annually for mechanical integrity. Details for underground vessels are provided in **Appendix E**. Sulfuric acid is stored in the Acid Storage Tank (V-1201) and is fed into the cooling water system to control the pH; thus, stable pH of the blowdown water is maintained. Methanol is used periodically to prevent freezing during gas processing. The methanol stays in the product stream and exists at the Facility with the natural gas liquid (NGL) products.

Any losses of diethanolamine (DEA) solution from the amine unit or amine process area are collected in the Waste Amine/Stormwater Tank (TK-803) and then gravity fed to the Process Wastewater Tank (TK-1403). When the chemical is spent, it is drained to the Waste Amine/Stormwater Storage Tank (TK-803) and then gravity fed to the Process Wastewater Tank (TK-1403). The amine solution has been profiled as nonhazardous oilfield waste.

TK-1414 is located in the Used Oil System. Safety Kleen/Clean Harbors recycles the used oil, picking it up periodically by truck. Oil filters are drained, dried and stored in special waste dumpsters awaiting transfer and disposal by Waste Management.

4.2.2 Storage Tank Bottom Sludge/Sludge

Oil and sludge can accumulate in the bottom of compressor skids, containments, or tanks. Tanks may be periodically taken out of service for integrity inspections and/or service changes. This material is collected as RCRA exempt exploration and production waste with a vacuum truck and disposed of offsite by an approved third-party vendor at a nearby disposal facility.

4.2.3 Maintenance Materials

During equipment maintenance, used oils filters, used process filters, rags, and absorbent pads are collected and stored in containers with general secondary containment. Periodically, this material is shipped off-site for recycling. Various quantities of lubricants, oils, and chemicals for operations are stored outside on secondary containment pallets.

4.2.4 Petroleum Hydrocarbon Impacted Soil

Nonhazardous soils that may be impacted by petroleum products are promptly removed and disposed in accordance with local, state or federal disposal requirements. Secondary containment systems are provided to prevent releases.

4.2.5 Miscellaneous Solid Waste

Non-hazardous solid waste is segregated on-site and contained in roll-off boxes that are inventoried and labeled pending removal from the facility according to waste stream. These include, but are not limited to waste from the office, RCRA-exempt exploration and production waste from operations, process filters, and scrap metal. All are segregated, handled, transported, and disposed of in accordance with local, state, and federal disposal regulations.

4.2.6 Groundwater Contamination

There is no known groundwater contamination currently associated with the Facility, and as a result no groundwater monitoring is conducted at this time.

4.2.7 Commingled Waste Streams

In addition to the waste streams listed above in **Section 4.2.1**, water from the V-1402 separator, stormwater and wash water are commingled in TK-1403, the wastewater tank. Baseline sampling documents that these wastewater streams are characterized as nonhazardous oilfield waste.

4.3 Stormwater Management

Stormwater surface flow is depicted on the Facility Diagram and is generally directed through the Facility to avoid contact with equipment and storage containers/tanks. Stormwater is generally allowed to percolate into unpaved areas of the Facility or is diverted to the onsite stormwater pond located in the south central of the Facility as shown in **Figure 3**. Additionally, the Facility property is graded, with drainage flowing from north to south. All process transfer and storage equipment have secondary containment. Process areas are located on graded concrete pads with stormwater drainage to the wastewater collection system. An elevated field road just outside the fence property provides a berm to prevent any stormwater from reaching Citizen's Ditch. All other equipment foundations are connected to an open drain system that leads to the Skimmer Basin. No stormwater is discharged outside of containment.

5.0 COLLECTION AND STORAGE SYSTEMS

Storage and collection areas are located on graded concrete slabs which drain to a wastewater collection system. To prevent discharges from reaching the surface and groundwater, the Facility implements procedures detailed in the SPCC Plan. **Figure 3** shows the location of tanks and process areas. **Figure 5** is a diagram of the Facility's wastewater system. Wastewater temperatures are not expected to exceed the ambient temperature.

The Facility uses aboveground storage tanks for hydrocarbon and chemical storage. For each storage tank the construction material is compatible with the material stored and the designed use of the tank. For each tank the container ID, material stored, material state, container type, volume, and content are listed in the storage tank summary, Table 1.

Tanks are surrounded by metal, concrete, or plastic dikes with clay pads large enough to satisfy the NMOCD required capacity. The concrete containments are fitted with manually operated positive shut-off valves. These containments are drained only after visual inspection assures no oil sheen is present. All tanks and piping were pressure-tested prior to being placed in service to ensure equipment integrity. Numerous pressure monitors are located on plant piping, tanks and vessels for leak detection. Above ground vessels and piping are tested for metal thickness approximately every two years.

5.1 Buried Storage Tanks and Sumps

The Facility has an out of service partially buried separator onsite (M-1402), two underground amine storage vessels (amine drain V-806 and amine waste sump V-807) and one underground cold drain vessel (V-1403). Details for underground vessels are included in **Appendix E**. No bunkered metallic tanks are located onsite. The underground vessels are pressure tested every year.

5.2 Piping

In-plant piping was designed and tested in accordance with American National Standards Institute (ANSI) B 31.3. Most piping is carbon steel pipe. It was wrapped and checked with a holiday detector prior to installation. The design corrosion allowance is 0.063 inches. The 6-inch sanitary sewer line (Line No. 6 DY16101) is a standard polyvinyl chloride (PVC) pipe. The 3-inch wastewater pipeline (Line No. 3 WP 14 4) is PE3408 SDR 9 polyethylene pipe. **Appendix F** lists the piping specifications and includes underground pipeline numbers with respective wall thickness, operating pressure and temperature, and design pressure and temperature.

All piping was pressure-tested prior to being placed in service to ensure equipment integrity. Numerous pressure monitors are located on plant piping, tanks and vessels for leak detection. Plant piping and equipment are designed to resist corrosion for the life of the Facility. All underground steel piping is doped and wrapped. Underground process/wastewater lines are tested on a 5-year interval. Additional testing is performed on an as-needed basis.

5.3 Effluent Treatment Facilities

There are no effluent treatment facilities, practices, or procedures implemented on Site at this time.

5.4 Aboveground Valves and Piping

This Facility has aboveground piping that is regularly examined during normal facility walk-through inspections for general condition and necessary for corrective action. Facility walk-throughs are

generally conducted daily for flange joints, expansion joints, piping supports, metal surfaces, catch pans, and valve locks and/or seals.

6.0 INSPECTION, MAINTENANCE, AND REPORTING

Facility operators perform informal daily visual inspections of ASTs and process vessels. All visible surfaces of the containers are inspected for signs of leaks, corrosion, or deterioration. If any leaks are observed, the cause of the leak is determined and immediately corrected. During the visual inspections, proper labeling of contents must be verified. Plant personnel also conduct monthly preventative maintenance inspections, specifically around the ASTs, for good housekeeping issues, operation and maintenance issues, soil erosion, and the condition of structural controls. A formal inspection of containment structures is conducted annually. Sample inspection forms are provided in the SPCC Plan. Inspection records are signed by the appropriate supervisor or inspector. Copies of this plan, discharge events, and inspection records are retained digitally for at least five years on the Hilcorp internal server and can be accessed from all Hilcorp offices. These inspections include non-oil chemical containers and storage areas, both inside and out.

Shop constructed steel ASTs must be inspected and tested in accordance with the Steel Tank Institute (STI) Standard for Inspection of Aboveground Storage Tanks (SP001-4th Edition). Given that spill control mechanisms are in place at the facilities, formal external inspections by a Certified Inspector and integrity testing are required at 10-year intervals. Formal internal inspections are also required every 20 years for the ASTs. Alternatively, a formal external inspection every five years plus a leak test every 10 years can be conducted at the plant. Field constructed ASTs must be inspected and tested in accordance with the API Standard for Tank Inspection, Repair, Alteration, and Reconstruction (API 653).

The Facility conducts formal internal and external inspections as well as leak testing per the STI SP001 and API 653 inspection schedule on all ASTs. Annual external inspections by qualified facility personnel are required for ASTs of any size. Annual inspections include checking containment structures, container supports, and foundations. Sample forms for the annual inspection are provided in the SPCC and are also applied to non-oil based chemical storage containers. All documentation pertaining to the tank inspections will be kept electronically via Plant Condition Management System (PCMS) for the lifetime of the tanks.

7.0 PROPOSED MODIFICATIONS

No modifications of the existing collection, treatment, and/or disposal systems are proposed currently. However, in the case of Facility expansion or process modifications, the Facility will notify NMOCD in writing for modification of this discharge permit. An application and a description of the requested modifications will be included in the written notice.

8.0 SPILL/LEAK PREVENTION AND REPORTING PROCEDURES (CONTINGENCY PLAN FOR RELEASES)

The Facility is designed to prevent any released liquids or stormwater from flowing offsite. The gas treatment system is contained with concrete flooring and curbed, providing secondary containment of potentially contaminated stormwater and/or wash water and any spills. The curbed area drains to TK-803, a 500-barrel tank. All other equipment foundations are equipped with drains to collect dripped fluids and wash water. These areas drain to TK-1403. A primary catch water basin was constructed inside the fence at the south edge of the property. The catch water basin contains all other stormwater, preventing any runoff to surrounding areas. If for any reason a release should occur, a third party will be contacted immediately to provide whatever services are necessary to remedy the situation. A list of service providers is maintained in the SPCC Plan.

As required by Federal regulations, 40 CFR 112, the Facility operates in compliance with an SPCC Plan. The SPCC Plan specifies containment requirements for tanks and other equipment. All tanks that are used to store hydrocarbons or hazardous substances are diked or curbed to prevent releases in the event of tank failure. Facility personnel receive annual training on spill prevention, containment, cleanup, and notification procedures. In the event of a spill of oil or other regulated materials, the appropriate state and federal regulatory agencies will be notified as required.

The Facility has implemented an Emergency Response Plan as part of the SPCC Plan for the Facility. The Emergency Response Plan and SPCC Plan describe processes necessary to respond to discharges of oil. A general response will include ensuring all personnel are notified, isolating the source, establishing an appropriate perimeter and control points, assessing the hazard, then implementing appropriate control measures. These actions vary based on size and source and are described in the attached plans. Chemicals stored on site that are not oil-based are minimal in volume and unlikely to result in a discharge to groundwater based on the extent, underlying lithology, and short-term identification and response associated with a manned Facility. However, Hilcorp treats non-oil based chemical releases in a similar manner with the same response procedures described in the SPCC Plan.

In the event of a reportable release of any kind, Hilcorp will work with NMOCD to develop a plan for remediation according to 19.15.29 NMAC. For de minimis (less than 5 barrels) releases, the response will generally involve stopping the release, use of absorbent materials, collection and containerization of the spill and any contaminated media, and notification of additional response personnel if needed.

8.1 Notifications Procedures

Notification of discharges in accordance with local, state, and federal requirements will be directed by the Response Coordinator in accordance with Hilcorp's Emergency Response Plan. It will be the responsibility of the Plant Supervisor to act as the Initial Response Coordinator. The Supervisor will provide information regarding the characteristics of the materials and equipment involved and provide access to Hilcorp resources as requested by responding agencies. The Response Coordinator will determine if emergency contractors are needed and contact them for assistance. In addition, the Response Coordinator will perform a site inspection to verify any spill at the facility of a reportable quantity or if any quantity has reached a waterway and will report such spills to the appropriate governmental agency. For all releases, regardless of volume. Hilcorp will comply with 19.15.29.8 NMAC. For major and minor releases, Hilcorp shall also comply with 19.15.29.9, 19.15.29.10, 19.15.29.11, 19.15.29.12 and 19.15.29.13 NMAC.

9.0 PUBLIC NOTICE

Hilcorp will provide written notice of the Discharge Permit Application by the following methods per Subsection B of 20.6.2.3108 NMAC.

- One sign measuring at least 2 feet by 3 feet will be displayed at the main entrance to the Facility. The sign will display the public notice in English and Spanish languages and be displayed for 30 days.
- One additional notice will be posted at the Bloomfield, New Mexico Post Office. The sign will display the public notice in English and Spanish languages and be displayed for 30 days.
- Written notice will be given by mail or electronic mail in English and Spanish to owners of all properties within a 1/3-mile distance from the property boundary of the Site.
- A summary of the notice will be given in English and Spanish languages in a display ad at least 3 inches by 4 inches in a newspaper of general circulation (not in a classified or legal advertisement section) in The Tri-City Record, a newspaper of general circulation in northwestern New Mexico.

9.1 Schedule

Hilcorp will issue a public notice within 30 days after the NMOCD determines the Discharge Permit application is administratively complete. This includes public notice to the newspapers and mailings to the appropriate surface owners identified for distribution. The newspaper publication will run for one business day.

Within 15 days of completion of the public notice requirements, Hilcorp will submit proof of notice to the NMOCD that includes an affidavit of mailings and a list of property owners, proof of publication in a newspaper, and an affidavit of posting.

9.2 Proposed Public Notice

The proposed public notice is presented below and includes the items specified in Subsection F of 20.6.2.3108.

NOTICE OF PUBLICATION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 of the New Mexico Administrative Code), 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) 476-3441:

NMOCD Discharge Permit Number GW-XXX
Hilcorp Energy Company
San Juan Gas Plant
1001 Arizona
Bloomfield, New Mexico 87413
N36.732544, W107.966467
NW 1/4, NW 1/4 Section 14, Township 29 North, Range 11
Kevin Reese, 505-632-4907 kreese@hilcorp.com

Hilcorp announces the submittal of an application for potential unintended discharges at the San Juan Gas Plant (Facility) located approximately 1.5 miles northeast of Bloomfield, New Mexico. The Facility is designed to extract hydrocarbon liquids from a natural gas inlet stream operating at approximately 550

million cubic feet per day (MMCFD) with two cryogenic trains, each rated at 275 MMCFD. Produced natural gas is delivered to the Facility via Hilcorp and Enterprise gas gathering pipeline. Liquid hydrocarbons including ethane, propane, butane, and natural gasoline are removed from the inlet gas using a cryogenic extraction process. Processed natural gas (residue) is delivered off site to respective vendors. Recovered liquids are transported to a fractionator in southeast Texas via the Enterprise Mid-America Pipeline system. The Facility is a gas processing plant, through which natural gas and condensate from nearby oil and gas production facilities are transported by pipeline for treatment and processing. The discharge permit application includes a description of materials stored and used at the Facility and any waste generated for off-site disposal. Groundwater at the facility is estimated to be less than 50 feet, but deeper than 9 feet and contains total dissolved concentrations (TDS) of approximately 1,125 ppm milligrams per liter (mg/l). The discharge permit addresses how liquids and solid waste will be handled, stored, and disposed of, including procedures to prevent unintended discharge. Response actions and abatement requirements for spills and leaks are addressed.

The NMOCD has determined the application is administratively complete and is in the process of preparing a draft permit. The NMOCD shall post a notice on its website and distribute notice of the submittal of the discharge application to affected local, state, federal, tribal, or pueblo government agency, political subdivisions, ditch associations, and land grants as identified by the department and persons on a general and facility-specific list maintained by the department who have requested notice of discharge permit applications. Interested people may obtain information, submit comments, and request to be placed on a facility-specific mailing list for future notices. The NMOCD will also accept comments and statements of interest regarding the draft permit and will create a facility-specific mailing list for people who wish to receive future notices. Prior to ruling on any proposed permit, the Director shall allow at least 30 days after the draft permit is posted, during which time interested people may submit comments.

People interested in obtaining further information, submitting comments, or requesting to be on a facility-specific mailing list for future notices may contact the Oil Conservation Division contact listed below:

Mr. Joel Stone
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Division
1220 South St. Francis Drive Santa Fe, NM 87505
(505) 709-5149

10.0 FACILITY CLOSURE/POST CLOSURE PLAN

Since this discharge permit is for unintended discharges, a closure and post-closure plan must include the entire Facility. The following general procedures will apply to prevent impacts on groundwater upon cessation of Facility operations:

- Hilcorp will remove all fluids from storage tanks or secondary containments. The liquids and sludges will be contained and disposed of off-site as described above in **Section 4.2**.
- Liquids that are not oil-based will be segregated. Any unused chemicals will be identified and profiled, then handled and disposed of using a third-party waste handler licensed and certified to handle hazardous and non-hazardous waste.
- All ASTs, storage vessels, process equipment, and piping will be dismantled and removed from the Facility. BGSTs and sumps will be excavated. Disposal of scrap material and equipment will be through recycling or offsite disposal based on appropriate waste profiling.
- Below-ground piping will be cut at least 3 feet bgs, capped on both ends, and buried in place.
- Any solid waste, such as building materials, concrete, containment metal, liner, and miscellaneous metal or lumber will be recycled or disposed of off-site as solid waste.
- Any releases that were deferred under 19.15.29 NMAC will be addressed under the requirements of Part 29.
- Once all equipment has been removed, Hilcorp will collect soil samples from each plant process area (**Figure 6)**. Sample locations will be based on operations and designed to identify any residual impacted soil prior to reclamation.
    - Soil samples will be collected from the ground surface and field screened for volatile organic compounds (VOCs) utilizing a calibrated photoionization detector (PID) and chloride using Hach® chloride QuanTab® test strips. If field screening indicates the samples exceed 100 milligrams/kilogram total petroleum hydrocarbons (TPH) or 600 mg/kg chloride, a hand auger will be used to advance a borehole in that location. Samples will be collected every foot until field screening indicates residual impacts are absent. If the boreholes are advanced deeper than 4 feet, field screening results will be compared to 2,500 mg/kg TPH and 20,000 mg/kg chloride.
    - All soil samples will be placed directly into pre-cleaned glass jars, labeled with the location, date, time, sampler name, method of analysis, and immediately placed on ice. The soil samples were transported at or below 4 degrees Celsius (°C) under strict chain-of-custody procedures to a certified laboratory for analysis of the following chemicals of concern (COCs): Benzene, Toluene, Ethylbenzene, Total Xylenes (BTEX) following the United States Environmental Protection Agency (EPA) Method 8021B; Total petroleum hydrocarbons (TPH)-gasoline range organics (GRO), TPH-diesel range organics (DRO), and TPH-motor oil range organics (MRO) following EPA Method 8015M/D; and chloride following EPA Method 300.0.
    - Laboratory analytical results will be compared to the requirements of 19.15.29 NMAC and reported, addressed, and closed according to those regulations.

- Following any remediation of impacted soil, Hilcorp will restore the Facility footprint to match surrounding contours and reseed according to the preferences of the landowner.
- Hilcorp will monitor revegetation for two successive growing seasons and reseed, apply fertilizer or water, or repair any areas not successfully exhibiting growth. Once revegetation achieves 70% of surrounding conditions, Hilcorp will close the Facility through NMOCD and the landowner.
- Hilcorp will submit a Closure Report detailing closure actions, sampling results, and, if necessary, any ongoing maintenance or monitoring.

11.0 FINANCIAL ASSURANCE

The estimated costs for closure/post-closure activities are located in Appendix G. Hilcorp will submit financial assurance to the NMOCD in the amount of the Facility's estimated closure and post-closure costs within 30 days of NMOCD's approval. The financial assurance will be provided on NMOCD-prescribed forms or forms otherwise acceptable to the NMOCD, payable to the NMOCD.

12.0 GROUND WATER DISCHARGE PERMIT APPLICATION AND PERMIT FEES

Pursuant to 20.6.2.3114 NMAC, a filing fee of $100.00 is being submitted with this application. The permit fee of $4,000.00 for a gas processing plant will be submitted within 30 days of receipt of the approved Discharge Permit.

13.0 CERTIFICATION

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

Printed Name: Matt Henderson

Signature: Matt Henderson

Title: Environmental Manager

Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002

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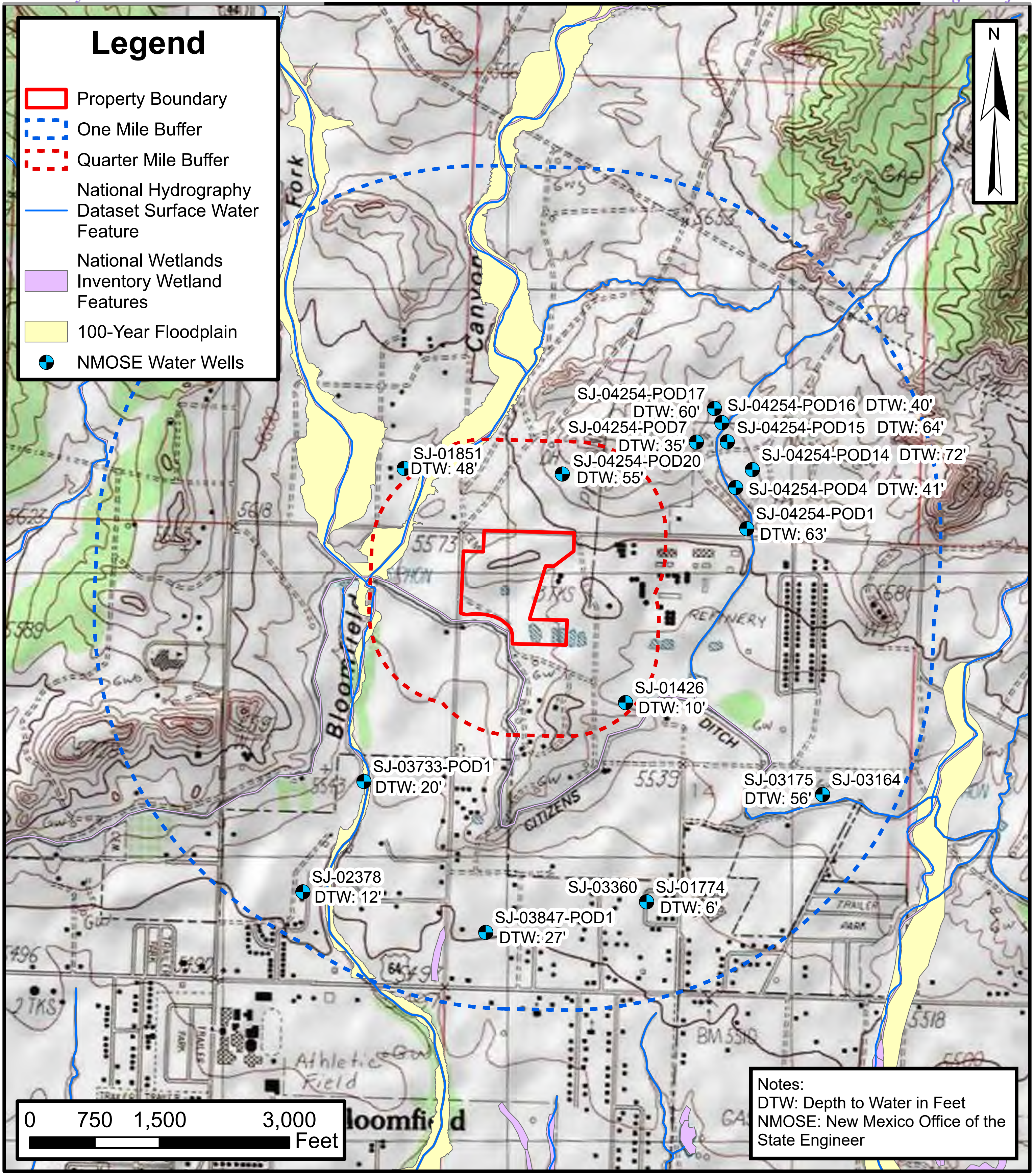
FIGURES



ENSOLUM
Environmental, Engineering and Hydrogeologic Consultants

Site Location Map

San Juan Gas Plant
Hilcorp Energy Company

36.732544, -107.966467
San Juan County, New Mexico

FIGURE
1

Sources: Environmental Systems Research Institute (ESRI), United States Geologic Survey (USGS), United States Fish and Wildlife Service (USFWS), National Geographic Society, i-cubed

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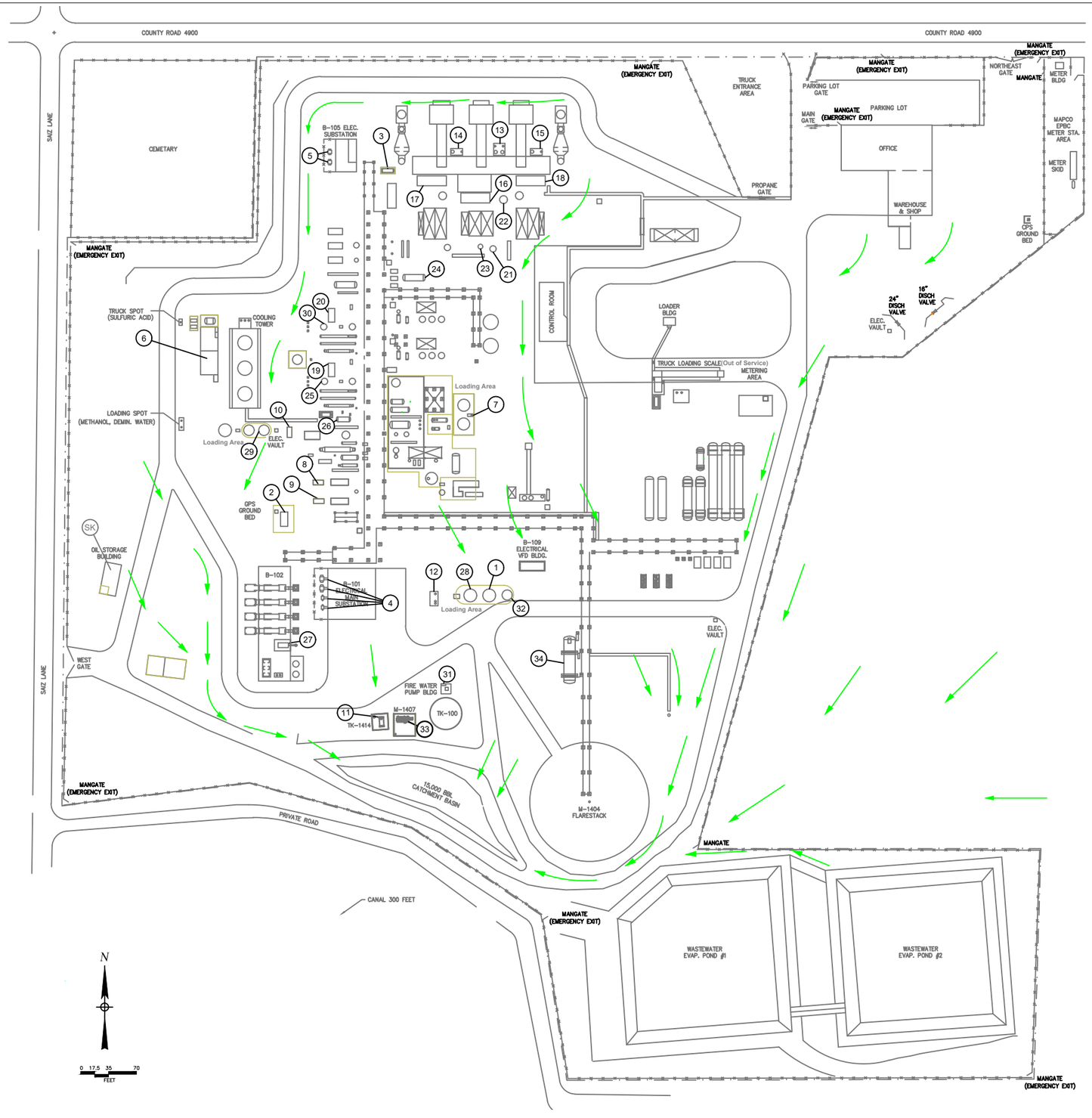
ENSOLUM
Environmental, Engineering and Hydrogeologic Consultants

Site Layout Map

San Juan Gas Plant
Hilcorp Energy Company
36.732544, -107.966467
San Juan County, New Mexico

FIGURE
2

Sources: Environmental Systems Research Institute (ESRI), Maxar



ITEM	SPCC EQUIPMENT DESCRIPTION	EQUIPMENT #	SIZE (BBL)
1	SLOP OIL STORAGE TANK	TK-1402	500
2	GENERATOR LUBE OIL TANK	TK-1300	13.4
3	TURBINE OIL TANK	TK-101	26.9
4	B-101 OIL FILLED TRANSFORMERS (QU-4)	B-101 - B-104	6.7 EACH
5	B-105 OIL FILLED TRANSFORMERS (QU-2)	B-105 - B-106	3.8 EACH
6	LUBE OIL STORAGE (30 DRUMS)		1.3 EACH
7	DIESEL FUEL TANK	TK-01	7.1
8	C-901 A COMPRESSOR OIL DAY TANK	TK-02	7.1
9	C-901 B COMPRESSOR OIL DAY TANK	TK-03	7.1
10	C-1411 VRU COMPRESSOR OIL DAY TANK	TK-04	7.1
11	WASTE LUBE OIL TANK	TK-1414	42
12	O/W SEPERATOR (SKIMMER PIT)	M-1402	11.9
13	G.G.-101 LUBE OIL SKID	GG-101	2.6
14	G.G.-201 LUBE OIL SKID	GG-201	2.6
15	G.G.-301 LUBE OIL SKID	GG-301	2.6
16	C-101 DRESSER LUBE OIL SKID	C-101	104
17	C-201 DRESSER LUBE OIL SKID	C-201	104
18	C-301 DRESSER LUBE OIL SKID	C-301	104
19	TRAIN 1 EXPANDER LUBE OIL SKID	V-608	6.5
20	TRAIN 2 EXPANDER LUBE OIL SKID	V-708	6.5
21	HIGH PRESSURE INLET GAS SEPARATOR	V-101	181.4
22	LOW PRESSURE INLET GAS SEPARATOR	V-102	181.4
23	INLET COMPRESSOR DISCHARGE SCRUBBER	V-103	68.6
24	HOT OIL EXPANSION VESSEL	V-1101	215
25	TRAIN 1 COLD SEPARATOR	V-601	109.7
26	CLOSED DRAIN VESSEL	V-1402	80.6
27	BACK UP GENERATOR DIESEL DAY TANK	TK-1301	11.9
28	WASTE WATER STORAGE TANK	TK-1403	500
29	PROCESS WATER TANK	TK-1203	500
30	TRAIN 2 COLD SEPARATOR	V-701	109.7
31	FIRE WATER PUMP DIESEL DAY TANK	TK-1302	11.4
32	WASTE LUBE OIL TANK	TK-1402A	39.4
33	SKIMMER PIT (DOUBLE WALL)	M-1407	55
34	FLARE KNOCKOUT TANK	FK-01	1535

LEGEND

SK SPILL KIT

SURFACE WATER FLOW DIRECTION

LT Environmental, Inc. Denver, Colorado

Advancing Opportunity.

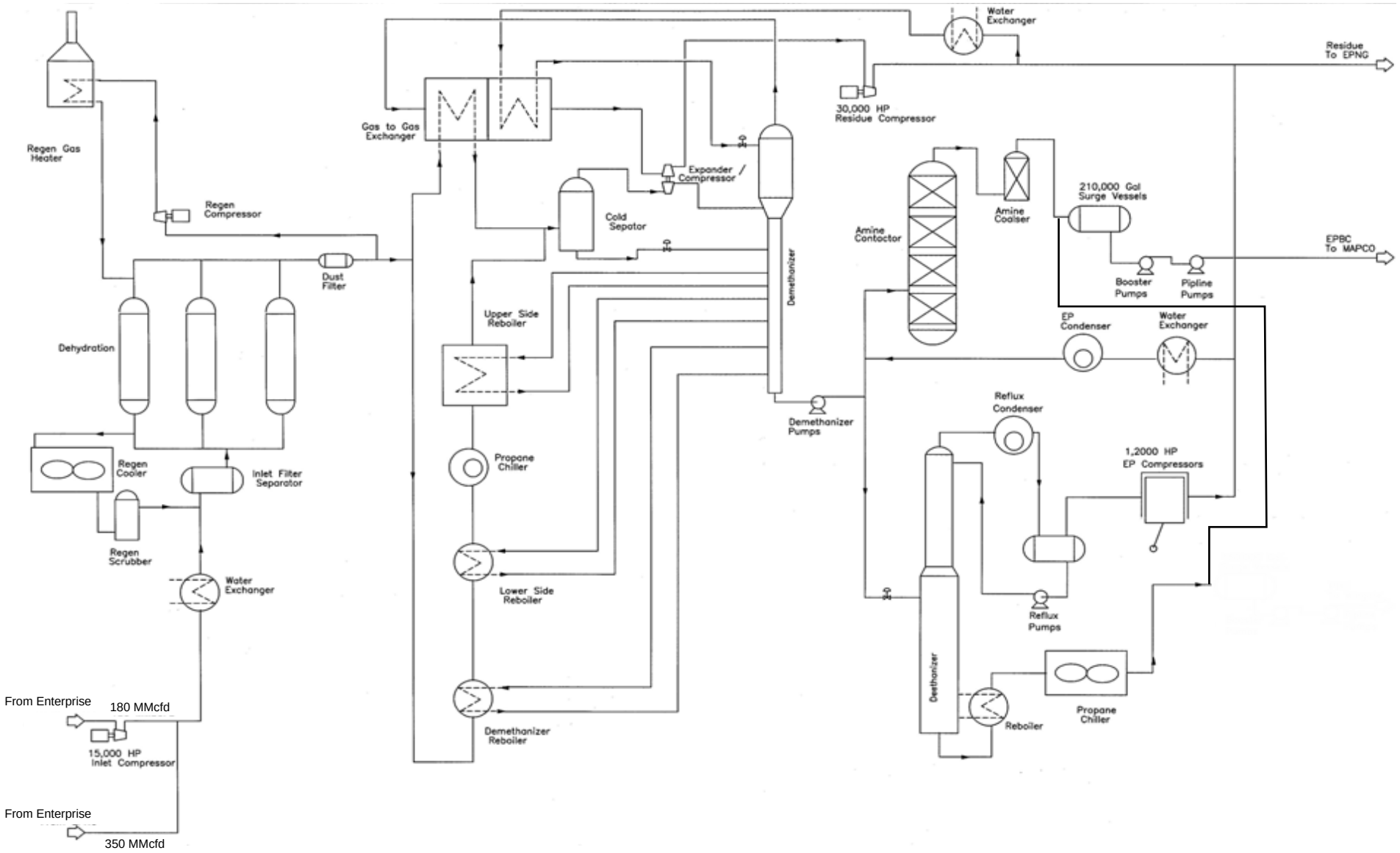
SAN JUAN GAS PLANT - Figure 3

Stormwater Flow and Vessel Summary

PROJECT LOCATION: SAN JUAN COUNTY, NEW MEXICO	PROJECT NO. 0178-18019
CLIENT: HARVEST MIDSTREAM COMPANY	

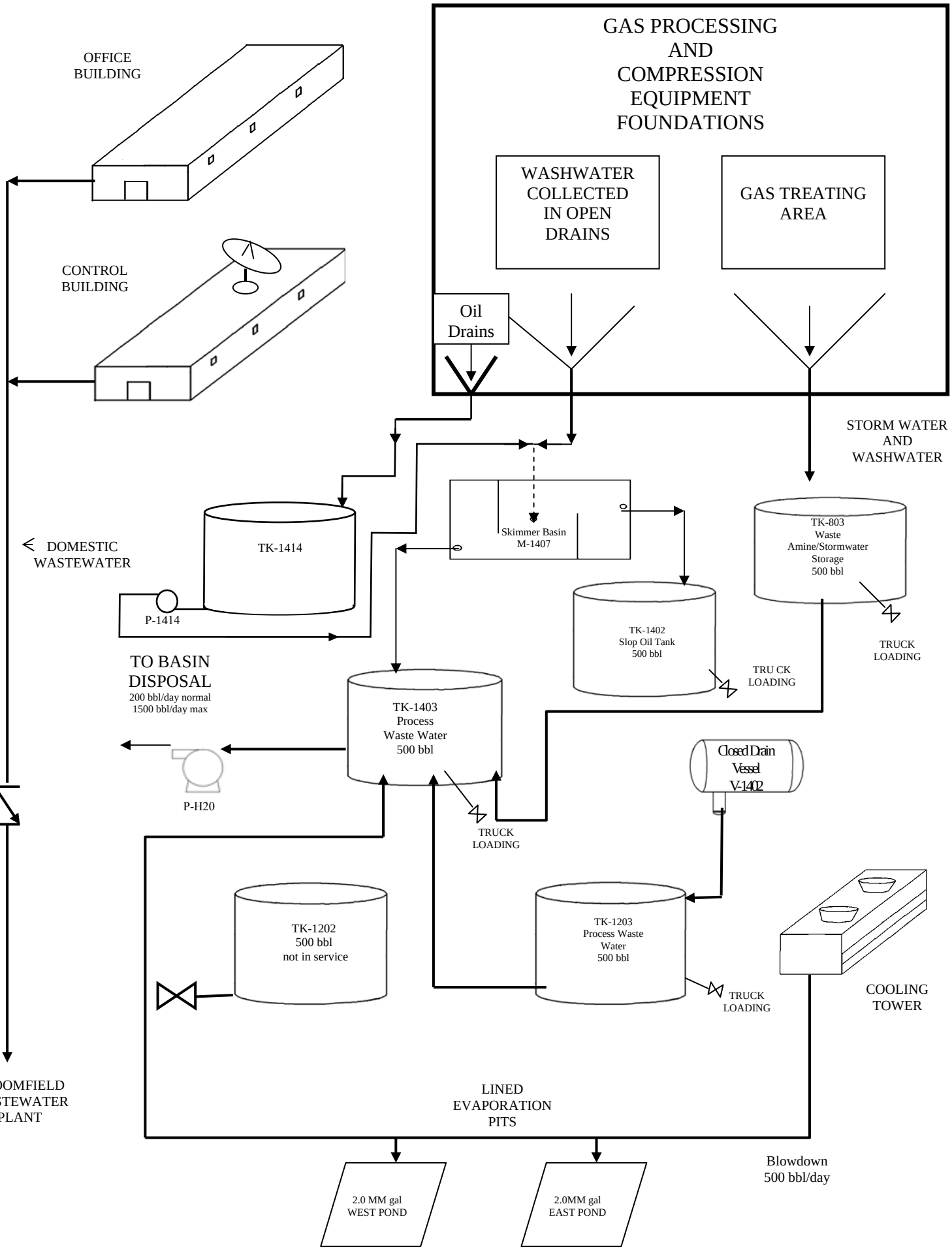
San Juan Gas Plant - Figure 4
Facility Process Flow Diagram

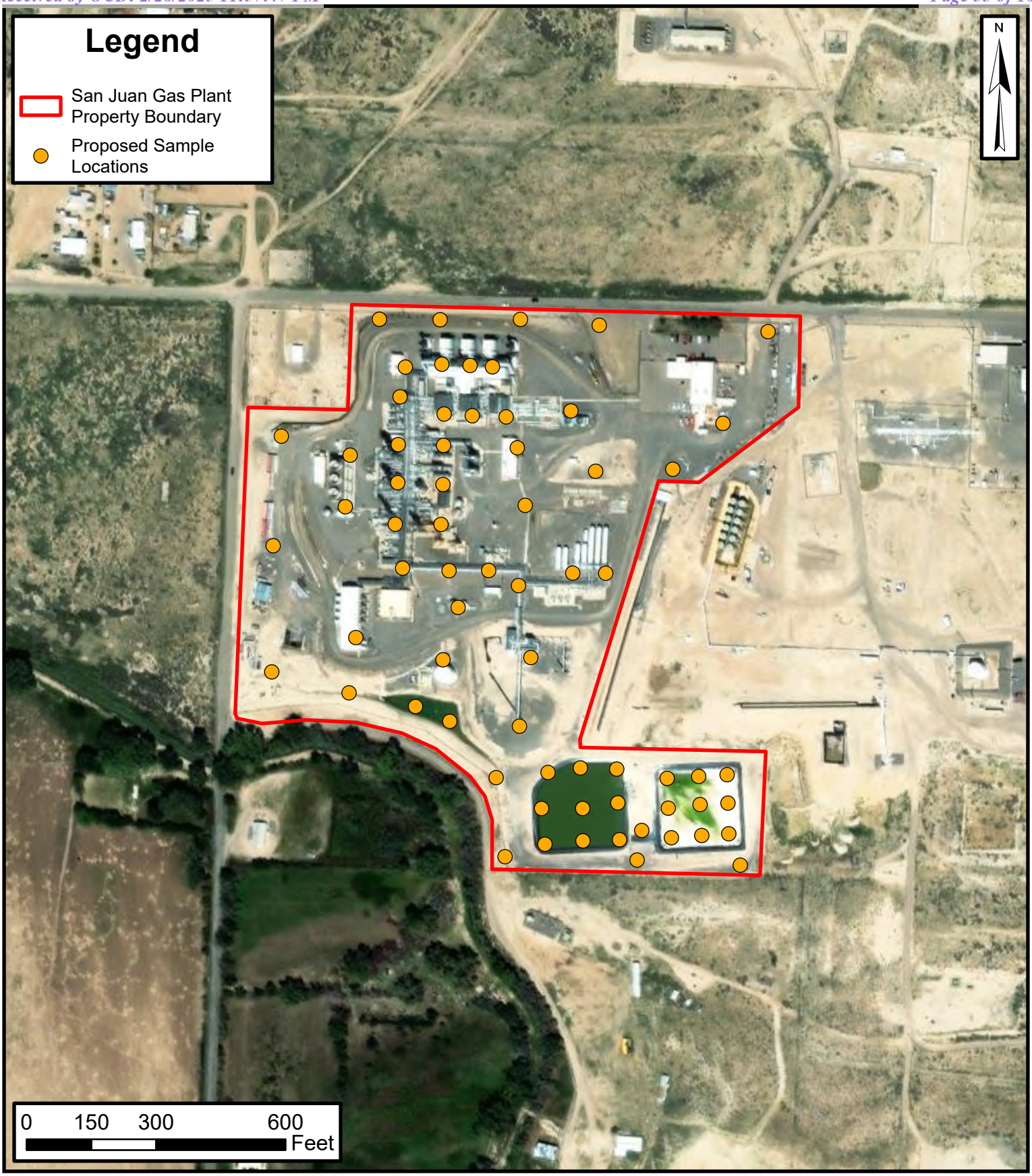
San Juan Basin Gas Plant - Process Flow Diagram



San Juan Gas Plant - Figure 5
Facility Waste Flow Diagram

SCHEMATIC DIAGRAM WASTEWATER DRAINAGE SYSTEM
SAN JUAN BASIN GAS PLANT





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Environmental, Engineering and Hydrogeologic Consultants

Proposed Closure Sampling Grid

San Juan Gas Plant
Hilcorp Energy Company
36.732544, -107.966467
San Juan County, New Mexico

FIGURE
6

Sources: Environmental Systems Research Institute (ESRI), Maxar

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TABLES

Table 1

SAN JUAN PLANT CHEMICAL STORAGE INVENTORY

Chemical	Manufacturer	Quantity (Lbs)		Quantity (Gal, Bbl,...)				Days On Site	Location
		Maximum	Average	Maximum		Average			
Carbon Dioxide	General Electric	50,000	40,000					365	Process & Amine Area
Diesel, No. 2		33,900	18,300					365	Solar & Firewater Pump Bldgs, Between TK-801 and TK-802
Diethanolamine 85%	VoPak USA	200,000	100,000					365	TK-801
Hydrogen Sulfide		2,000	1,500					365	Amine Area Amine Area
Methane (Sweet Natural Gas)		1,100,000	1,000,000					365	Process & Compression
Methanol	DuPont	44,270	35,000					365	TK-1401
PBC Mix/EPBC Mix		1,431,800	505,165					365	Product Surge Tanks
Propane		208,304	185,670					365	Refrigerant Area
Slop Oil		125,000	62,500					365	TK-1402
Sulfuric Acid	Koch	22,000	10,000					365	V-1201 & Cooling Twr
Activated Alumina	Alcoa	16,000	16,000					365	EPBC Dryer Vessels
Angry Orange Biodegradable Degreaser	American Sales and Service			110	gal	< 110	gal	365	B-107
Mobil Jet II	Mobil			1100	gal	660	gal	365	B-107
Mobil DTE 832	Mobil			4500	gal	3900	gal	365	Turbine Building Area, Refrig Gearboxes, other
B&B 3100	B&B Chemical Co.	300	200					365	Turbine Building
Synturion 6 Barrier Fluid				55	gal	< 55	gal	365	B-107, pumps
Benzene	DuPont	Not Stored							

Chemical	Manufacturer	Quantity (Lbs)		Quantity (Gal, Bbl,...)				Days On Site	Location
		Maximum	Average	Maximum		Average			
Capella Oil WF68 (01562)	Texaco	2,700	2,000					365	B-107, Refrig Compressors
Cecarbon Activated Carbon	Atochem	2,000	1,100					365	Oil Storage
Cer-Wool Blanket Types: HT, HP, RT, LT	C-E Refractories								Process
Cer-Wool Moldable F	C-E Refractories								Process
Cerablanket	Manville Bldg Materials								Process
Chemguard Purple-K Dry Chemical	Chemguard Inc.	300	200					365	Oil Storage
P66 R. O. Oils	Phillips 66	3,600	2,300					365	B-107
C41 Bromine	Chemtreat			800	gal	400	gal	365	B-107
Sodium Hypochlorite (Bleach)	Thatcher			350	gal	200	gal	365	B-107
CL8003	Chemtreat			800	gal	400	gal	365	B-107
Foamglas Insulation	Pittsburgh Corning								Process
DeFoamer	Chemtreat			55	gal	30	gal	365	B-107
Gear Oils 68, 100, 150, 220	Phillips 66	2,500	2,000					365	B-107
Terrestic 150 Oil	Mobil			1050	gal	500	gal	365	Reciprocating Compressors
Quin-Syn Plus Oil	Quincy			25	gal	<15	gal	365	Air Compressors
SPX Heat Transfer Oil	Phillips 66	180,000	175,000					365	V-1101, Hot Oil System, Old Oil Storage Bldg.
T5X Heavy Duty Motor Oil	Phillips 66			55	gal	25	gal	365	B-107
Turbine Oil 46	Phillips 66			10	gal	<5	gal	365	B-107
Micro-Lok Fiber Glass Insulation	Johns Manville								Process
SHC 624 Oil	Mobil			5	gal	<5	gal		B-107
Chemical	Manufacturer	Quantity (Lbs)		Quantity (Gal, Bbl,...)				Approx. Days On Site	Location
		Maximum	Average	Maximum		Average			
Molecular Sieve Type UI-94	UOP LLC	135,000	135,000					365	Inlet Dehydration
SHC 626 Oil	Mobil			5	gal	<5	gal	365	B-107
Safety-Kleen Premium Gold Solvent	Safety-Kleen Corp.	250	0	30	gal	<30	gal	365	Shop
Soda Ash	Rhone-Poulenc Basic Chemicals Co.	2,500	1,250					365	Cooling Tower
CL4500	Chemtreat			350	gal	200	gal	365	Cooling Tower, B-107
CL 2155	Chemtreat			110	gal	<55	gal	365	Cooling Tower, B-107
CL450	Chemtreat			55	gal	<55	gal	365	Cooling Tower, B-107
DTE 10 Excel 68	Mobil			700	gal	600	gal	365	Expanders, B-107
Dynalife 220 #2 Grease	Phillips 66	20	10					365	Oil Storage
Polyrex EM Polyurea Grease	Mobil	60	30					365	B-107
SHC 824 Oil	Mobil			4,000	gal	2,500	gal	365	Solars & TK-1300
T-HIB CI 4480-L	Thatcher			165	gal	<55	gal	365	Inlet Area
Unleaded Gasoline				50	gal	25	gal	365	Outside Warehouse

lbs = pounds
gal = gallons

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APPENDIX A

Spill Prevention, Control and Countermeasures Plan

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SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN
SAN JUAN GAS PLANT

SAN JUAN COUNTY, NEW MEXICO

Owner/Operator:
Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002

September 2024

Ensolum Project No.: 07A1988073

Hilcorp

TABLE OF CONTENTS

APPENDICES

SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN

PROPERTY OWNER:

Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002

PROPERTY ADDRESS:

San Juan Gas Plant
1001 Arizona
Bloomfield, New Mexico 87413
505.632.4900

In the event of an oil release, refer to the *Spill Response Notification Flowchart* in Appendix A and the *Oil Spill Contingency Plan* in Appendix C.

IN THE EVENT OF A FIRE OR LIFE-THREATENING RELEASE, CONTACT 911 AND THE RESPONSE COORDINATOR IMMEDIATELY.

LIMITATIONS

This Spill Prevention, Control, and Countermeasure (SPCC) Plan has been prepared in accordance with the Code of Federal Regulations (CFR), Chapter 40, Part 112. Field and operator specific information was obtained from communications with Hilcorp Energy Company (Hilcorp) personnel and through site inspection. Ensolum, LLC, the Certifying Professional Engineer, or their representatives shall not be held liable for non-compliance issues as a result of information that was not fully disclosed by Hilcorp personnel.

This SPCC Plan must be properly maintained and implemented by Hilcorp, including but not limited to, record keeping, testing, inspecting, maintaining equipment, and providing proper spill response materials, to remain compliant. Any technical changes made at the facility, including changes to tanks or contents, require recertification by a Professional Engineer.

REGULATORY CROSS-REFERENCE		
Citation	**Description**	**Section**
40 CFR 112.1	**General Applicability**	**Throughout**
40 CFR 112.3	**Requirement to Prepare and Implement a SPCC Plan**	**1.0**
40 CFR 112.3	Owner/operator must prepare SPCC Plan	1.1
40 CFR 112.3(d)	Professional Engineer Certification	page v
40 CFR 112.3(e)	Maintain complete copy of plan	1.1
40 CFR 112.4	**Amendment of SPCC Plan by Regional Administrator**	**See below**
40 CFR 112.4(a)	Report to EPA after specific discharges	5.2, App A, App C
40 CFR 112.4(c)	Send above report to appropriate state agencies	5.2, App A, App C
40 CFR 112.5	**Amendment of SPCC by Owners / Operators**	**See below**
40 CFR 112.5(a)	Amendment of SPCC Plan by owner or operator	page viii, 1.3.2
40 CFR 112.5(b)	Management of Five-Year Review	page viii, 1.3.1
40 CFR 112.5(c)	PE certification of amendments	page viii, 1.3.3
40 CFR 112.7	**General Requirements for SPCC Plans**	**See below**
40 CFR 112.7	Management approval of plan	page iv
40 CFR 112.7	Cross reference table if plan does not follow sequence of regulations	page ii
40 CFR 112.7	Facilities not yet fully operational	page vi
40 CFR 112.7(a)(1)	Discussion of conformance with the requirements of SPCC	Throughout
40 CFR 112.7(a)(2)	Explanation of any deviations	1.2, 3.3.1, 11.0
40 CFR 112.7(a)(3)	Physical layout of the facilities including facilities diagram	3.0, App E
40 CFR 112.7(a)(3)(i)	Type of oil in each container and its storage capacity	App E
40 CFR 112.7(a)(3)(ii)	Discharge prevention measures including procedures for routine handling of products	5.1, 7.0
40 CFR 112.7(a)(3)(iii)	Discharge or drainage controls such as secondary containment around containers and other structures, equipment and procedures for control of a discharge	3.3, App C
40 CFR 112.7(a)(3)(iv)	Countermeasures for discharge discovery, response and cleanup	5.2, App A, App C
40 CFR 112.7(a)(3)(v)	Methods of disposal of recovered materials	3.3.1.1, 6.1
40 CFR 112.7(a)(3)(vi)	Contact list and phone numbers	App A, App C
40 CFR 112.7(a)(4)	Procedures for reporting a discharge, unless FRP has been submitted	5.2, App A, App C
40 CFR 112.7(b)	Discharge prediction / Fault analysis	5.1
40 CFR 112.7(c)	Appropriate containment or diversion	3.3, 5.1, App C
40 CFR 112.7(d)	Deviations due to impracticability	1.2
40 CFR 112.7(e)	Inspections, tests, and records	6.0
40 CFR 112.7(f)	Employee training and discharge prevention procedures	5.1, 7.0
40 CFR 112.7(f)(1)	Oil-handling personnel training	7.0
40 CFR 112.7(f)(2)	Accountable person for discharge prevention	page iv
40 CFR 112.7(g)(1)	Fencing and lock/guard gates	3.3.3
40 CFR 112.7(g)(2)	Fail-safe valves for containers	3.3.3
40 CFR 112.7(g)(4)	Loading/unloading connections of oil pipelines or facilities piping when not in service	3.3.3, 5.1.1, 8.0, App C
40 CFR 112.7(g)(5)	Lighting	5.1.2.1
40 CFR 112.7(h)	Tank Car and Tank Truck Loading / Unloading Rack (excludes offshore facilities)	8.0
40 CFR 112.7(h)(1)	Handling discharges	5.2, App A, App C
40 CFR 112.7(h)(2)	Preventing early vehicle departure	5.1.1.2
40 CFR 112.7(h)(3)	Inspection for discharges prior to filling and departure	5.1.1.2
40 CFR 112.7(i)	Evaluate field-construct above ground tanks upon repair, etc.	9.0
40 CFR 112.7(j)	Conformance with other requirements	10.0
40 CFR 112.8	**Requirements for onshore facilities (excluding Production facilities)**	**See below**
40 CFR 112.8(a)	General and specific requirements	Throughout
40 CFR 112.8(b)	Facilities drainage	6.1
40 CFR 112.8(c)	Bulk storage containers	6.2

40 CFR 112.8(d)	Facilities transfer operations, pumping, and facilities process	6.3
40 CFR 112.9	**Requirements for onshore production facilities**	**See below**
40 CFR 112.9(a)	General and Specific requirements	N/A
40 CFR 112.9(b)	Oil production facility drainage	N/A
40 CFR 112.9(c)	Oil production facility bulk storage containers	N/A
40 CFR 112.9(d)	Facility transfer operations, oil production facility	N/A
40 CFR **112.10**	**Requirements for onshore oil drilling and workover facilities**	**See below**
40 CFR 112.10(a)	General and specific requirements	N/A
40 CFR 112.10(b)	Mobile facilities	N/A
40 CFR 112.10(c)	Secondary containment – catchment basins or diversion structures	N/A
40 CFR 112.10(d)	Blowout prevention (BOP)	N/A
40 CFR 112.20(e)	**Appendix C. Substantial Harm Criteria**	**Page vii**

MANAGEMENT APPROVAL AND DESIGNATED PERSONS

Facility Name: San Juan Gas Plant

Owner/Operator Responsible for Facility: Hilcorp Energy Company

Hilcorp Energy Company is committed to preventing discharges of oil and oil products to navigable waters of the United States or adjoining shorelines. By signature below, I approve this Plan and acknowledge that the elements identified in the Plan have been implemented. The Designated Person Accountable for Oil Spill Prevention at the facility, as identified below, has been given the authority to commit the necessary resources to implement this Plan. This SPCC Plan will be implemented as herein described. Details to any impracticability are discussed in Section 1.2 of this SPCC Plan.

Signature: Matt Henderson Date: September 18, 2024

Name: Matt Henderson

Title: Environmental Manager

Designated Person Accountable for Oil Spill Prevention at the facility:

Name: Kevin Reese

Title: Plant Manager

PROFESSIONAL ENGINEER CERTIFICATION

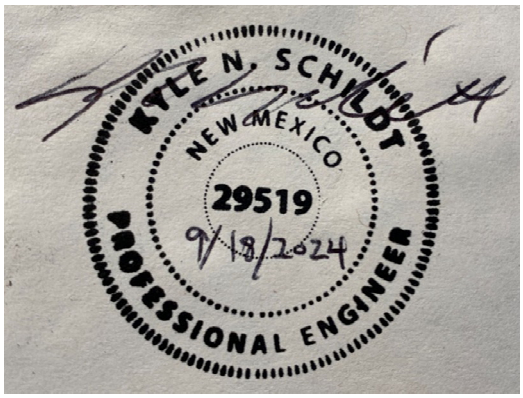
By means of this Professional Engineer Certification, I hereby attest to the following:

- I am familiar with the requirements of 40 CFR Part 112 and have verified that this Plan has been prepared in accordance with the requirements of this Part.
- I or my agent have visited and examined the facility included in this Plan.
- I have verified that this Plan has been prepared in accordance with good engineering practice, including consideration of applicable industry standards.
- I have verified that the required inspection and testing procedures have been established as described in this Plan.
- I have verified that the content included in this Plan is adequate for the facility included in it.
- This SPCC Plan is valid only to the extent that the owner or operator of the facility maintains, tests, and inspects equipment, containment, and other devices as described in the Plan.

Kyle N. Schildt, PE

Name of Registered Professional Engineer

NM PE No: 29519



Signature of Registered Professional Engineer:

Date: September 18, 2024

PLAN IMPLEMENTATION MEASURES NOT YET FULLY OPERATIONAL

- Any general implementation measures that are required by this Plan or recommended by the Registered Professional Engineer to bring the facility into compliance with the SPCC requirements shall be identified on the following table. Site-specific corrective actions are identified in Appendix C.
- The Plan is conditionally approved and certified by the Registered Professional Engineer based upon satisfactory completion and documentation of the implementation measures identified below and in Appendix C.
- These measures must be satisfied by the scheduled completion date by the responsible party.
- Upon completion, a date and signature shall be provided and the actions that were taken to address the implementation measures must be noted.
- Example implementation measures that may not be fully operational at the time of Plan development include but are not limited to:
  - Secondary containment structures
  - Diversionary structures
  - Security measures
  - Integrity testing program

Implementation Measure	Resp. Party	Scheduled Due Date	Actions Taken	Completed	
				Date	Signature
None.					

CERTIFICATION OF THE APPLICABILITY OF THE SUBSTANTIAL HARM CRITERIA

Facility Name: San Juan Gas Plant

Facility Address: 1001 Arizona, Bloomfield, New Mexico 87413

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

   YES ☐ NO ☒

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

   YES ☐ NO ☒

3. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons ***and*** is the facility located at a distance (as calculated using the appropriate formula in Attachment C-III to this appendix or a comparable formula[1]) such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments? For further description of fish and wildlife and sensitive environments, see Appendices I, II, and III to DOC/NOAA's "Guidance for Facilities and Vessel Response Plans: Fish and Wildlife and Sensitive Environments" (59 FR 14713, March 29, 1994) and the applicable Area Contingency Plan.

   YES ☐ NO ☒

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

   YES ☐ NO ☒

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

   YES ☐ NO ☒

CERTIFICATION

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

Matt Henderson
Signature

Environmental Manager
Title

Matt Henderson
Name (please type or print)

September 18, 2024
Date

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

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

LOG OF PLAN REVIEW AND AMENDMENTS

NON-TECHNICAL AMENDMENTS

- Non-technical amendments do not require recertification by a Professional Engineer.
- Examples of changes include, but are not limited to, phone numbers, name changes, or any non-technical text change(s).

TECHNICAL AMENDMENTS

- Technical amendments require recertification by a Registered Professional Engineer.
- Examples of changes include, but are not limited to, commissioning or decommissioning containers; replacement, reconstruction, or movement of containers; reconstruction, replacements, or installation of piping systems; construction or demolition that might alter secondary containment structures; changes of product or service; or revision of standard operation or maintenance procedures at a facility.
- An amendment made under this section will be prepared within six (6) months of the change and implemented as soon as possible but not later than six (6) months following preparation of the amendment.

MANAGEMENT REVIEW

Management will review this SPCC Plan at least once every five (5) years and document the review on the form below.

Review/ Amend Date	By Whom	Activity	PE Certification Required? (Yes/No)	Comments/ Affected Section(s)
August 2019	LT Environmental	Original Plan	Yes	Entire Plan
September 2024	Ensolum, LLC	5-year review, updates, re-format	Yes	Entire Plan

1.0 PLAN INTRODUCTION

1.1 Plan Overview and Availability [40 CFR 112.1 and 40 CFR 112.3(e)]

This Spill Prevention, Control, and Countermeasure (SPCC) Plan has been prepared for the San Juan Gas Plant, owned and operated by Hilcorp Energy Company (Hilcorp), located in San Juan County, New Mexico.

This SPCC Plan has been prepared in accordance with the United States Environmental Protection Agency (U.S. EPA) Code of Federal Regulations (CFR) Title 40 Part 112, Oil Pollution Prevention; specifically Sections 112.1 through 112.7 of Subpart A and Section 112.8 of Subpart B as applicable to onshore oil and gas facilities.

The SPCC regulations apply to owners or operators of non-transportation-related onshore and offshore facilities engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, or consuming oil and oil products that meet each of the following criteria:

- Have an aggregate aboveground storage capacity greater than 1,320 gallons (31.4 barrels) excluding containers less than 55 gallons and/or has an underground storage capacity greater than 42,000 gallons (1,000 barrels); and
- Due to their location, could reasonably be expected to discharge oil in quantities that may be harmful into or upon navigable waters of the United States or adjoining shorelines.

Copies of this Plan are retained digitally on the Hilcorp internal server, which can be accessed from all Hilcorp offices. The Plan must be available for on-site review or inspection by the United States Environmental Protection Agency (U.S. EPA) Regional Administrator or state agencies. Supporting documentation (i.e., inspection records, training records, spill reports, etc.) is also maintained digitally in Hilcorp internal databases.

1.2 Deviations to the SPCC Rule [40 CFR 112.7(d)]

The SPCC rule allows deviations from most technical elements, with the exception of secondary containment requirements, general recordkeeping, training provisions, and administrative provisions of the rule (40 CFR 112.1 through 112.5), provided that equivalent environmental protection measures are provided to prevent a discharge. Any deviations to the rule will be identified in this plan along with reasoning for the nonconformance and a detailed description of the alternative method and how that method will achieve equivalent environmental protection.

This SPCC Plan does not deviate from the SPCC Plan requirements of 40 CFR 112.

1.3 Plan Review and Updates [40 CFR 112.5]

1.3.1 *Five-Year Review [40 CFR 112.5(b)]*

Hilcorp will complete a formal review and evaluation of this SPCC Plan at least once every five (5) years and document the review on the Log of Plan Review and Amendments on page viii. This review will be conducted by the Designated Person identified on page iv, with assistance from a Professional Engineer, as needed, and will include the following:

- Accuracy of the Plan with current operations, procedures, and emergency contacts
- Accuracy of the Plan with current SPCC Regulations

- Applicability of new prevention and control technology that may significantly reduce the likelihood of a spill event from the facility if such technology has been field-proven at the time of review
- Capacity and structural integrity of secondary containment systems
- SPCC inspection documentation and records

1.3.2 Changes to Facilities Requiring Plan Revision

This SPCC Plan will be amended any time there is a change to the facility design, construction, operation, or maintenance that materially affects the potential for a discharge of oil or refined products into or upon navigable waters of the United States or adjoining shorelines. These changes are referred to as technical changes and may include, but are not limited to:

- Commissioning or decommissioning of containers
- Replacement, reconstruction, or movement of containers
- Reconstruction, replacement, or installation of piping systems
- Construction or demolition that might alter secondary or tertiary containment structures and/or drainage systems
- Revision of standard operating or maintenance procedures

The SPCC Plan will be revised or amended within six (6) months of the date of the technical change and be fully implemented as soon as possible but no later than six (6) months after the amendment certification. Amendments to the SPCC Plan will be documented on the Log of Plan Review and Amendments on page viii.

1.3.3 Certification of Revisions

All amendments that could materially affect the facility's potential for a discharge into navigable waters of the United States or adjoining shorelines (technical amendments) must be certified by a State of New Mexico Registered Professional Engineer (PE). Non-technical amendments for administrative changes such as personnel, contact information, and other non-technical text changes within the Plan do not require certification by a PE.

2.0 EMERGENCY CONTACT INFORMATION [40 CFR 112.7(a)(3)(vi)]

San Juan Gas Plant (plant) personnel are responsible for discharge prevention at the San Juan Gas Plant. Contact information for Hilcorp personnel and emergency response contractors is provided in Appendix A, Table A-1. Contact information for regulatory agencies is provided in Appendix A, Table A-2. Spill response procedures are summarized in Section 6.

In the event of a release, the discovering person should contact the Plant Manager, who will notify the Environmental Department. In the event that the Plant Manager is not available, the Plant Lead should be notified (see Table A-1).

3.0 GENERAL FACILITY INFORMATION

3.1 Facility Description [40 CFR 112.7(a)(3)]

3.1.1 Location and Activities

The San Juan Gas Plant is located one mile northeast of Bloomfield, New Mexico along Arizona Street, in the northeast quarter of Section 14, Township 29 North, Range 11 West. The plant is southeast of the intersection of Arizona and Saiz Lane, with a latitude of 36°43'57.16"N and a longitude of 107°57'59.23"W.

The plant is designed to extract hydrocarbon liquids from a natural gas inlet stream of approximately 550 million cubic feet per day (MMCFD) with two cryogenic trains, each rated at 275 MMCFD. Produced natural gas is delivered to the San Juan Gas Plant via Enterprise Products gas gathering pipelines. Liquid hydrocarbons including ethane, propane, butane, and natural gasoline are removed from the inlet gas using a cryogenic extraction process. Processed natural gas (residue) is delivered to Kinder Morgan, TransWestern and/or Trans Colorado at the tailgate of the plant. Recovered liquids are transported to a fractionator in Mont Belvieu, Texas via the Enterprise MAPL pipeline.

The non-production equipment in the San Juan Gas Plant consists of oil-containing storage tanks, compressor day tanks, wastewater ponds, transformers/electrical equipment, hot oil expansion vessels, surge vessels, skimmer pits, oil drums, separators, pump tanks, lube oil skids, filters, and scrubbers. Non-production equipment and tanks located on site may contain natural gas, crude oil, condensate, produced water, lubrication oil, diesel, hydraulic oil, gasoline, fresh water, or other chemicals in use at the plant. Descriptions of the oil-related storage equipment and containment structures in use at the facility and the facility diagram are included in Appendix D.

3.1.2 Oil Storage

Appendix D provides a listing of oil storage, including containers, volumes, and material stored, and a facility diagram. The diagram includes the following details:

- Container locations, volumes, and contents
- Aboveground piping
- Loading and unloading areas

3.2 Evaluation of Discharge Potential [40 CFR 112.7(a)(3)(ii)]

Site-specific information provided in Appendix D presents a summary of containment structures including construction, capacity, and loadout containment.

The following discharge scenarios have been evaluated for the San Juan Gas Plant:

- Partial or complete failure of aboveground storage tanks (AST) up to the full container capacity
- Leak in piping, valve failure, transfer hose, or fittings

The table below summarizes the types of failures expected at the facility, the potential volume released, and the potential spill rate for each type of equipment failure.

POTENTIAL FAILURE	POTENTIAL VOLUME RELEASED	POTENTIAL SPILL RATE
Partial or complete failure of tank	Up to 21,000 gallons	Gradual to instantaneous
Tank overfill	Up to 21,000 gallons	Up to 120 gallons per minute
Pipe/hose/fitting failure	Up to 21,000 gallons	Up to 250 gallons per minute
Leaking pipe or valve failure	Up to 21,000 gallons	Up to 250 gallons per minute
Transfer pump rupture or failure	Up to 21,000 gallons	Up to 450 gallons per minute
Gas/diesel tanker truck overfill, leak or failure	Up to 1,250 gallons	Up to 150 gallons per minute
Reasonable (expected) release during gas/diesel loading	Up to 300 gallons	Up to 100 gallons per minute
Partial or complete failure of separator	Up to 7,620 gallons	Gradual to instantaneous
Leaking pipe or valve failure (separator)	Up to 7,620 gallons	Gradual

3.2.1 Distance to Navigable Waters

The surface water runoff direction shown on the site-specific diagram in Appendix D is based on the observed topography surrounding the plant at the time of inspection. The plant is located on variable terrain with surrounding areas that consist of hillsides that can serve as preferential pathways for surface runoff during a precipitation event. The nearest watercourse (i.e. river, lake, pond, creek, drainage/wash, or ditch) to the facility is Citizens Ditch located approximately 150 feet to the southwest.

The ground surrounding the plant is generally set to an even grade prior to facility construction to provide a stable base for the equipment and structures. The even surface reduces runoff from the site, thereby reducing the potential for a release to nearby ditches, creeks, or watercourses.

3.2.2 Spill History [40 CFR 112.4]

If a facility has discharged 1,000 gallons or greater of oil in a single discharge or has had two (2) discharges of 42 gallons or greater of oil within a 12-month period, to navigable water, a report must be submitted to the EPA Regional Administrator within 60 days from the event. This SPCC Plan must be amended if requested by the EPA Regional Administrator.

The San Juan Gas Plant has had no discharges meeting the criteria listed above in the last five years.

4.0 DISCHARGE PREVENTION – GENERAL REQUIREMENTS

4.1 Spill Reporting [40 CFR 112.7(a)(4)]

Discharges are typically discovered using instrumentation and during routine inspections. Hilcorp's internal reporting and initial spill response procedures are summarized in Section 6. Contact lists and phone numbers of key personnel and organizations to notify in the event of a discharge are included in the Appendix A tables. When reporting a spill, the discovering person must provide all known pertinent information, including facility name, coordinates, release type and volume (use the spill estimate tool), and photos. A sample Spill/Gas Release Report (for Hilcorp internal use), which summarizes the information that must be provided when reporting a release, is included in Appendix B.

If the spill creates an imminent health threat, local emergency authorities (fire department, police department, etc., as appropriate) will also be notified. Follow-up written reports will be made as instructed by the regulatory authority.

All spills in New Mexico will be reported to the New Mexico Oil Conservation Division (NMOCD), NRC, and the New Mexico Environment Department, as applicable. Reporting procedures are detailed in the New Mexico Spill Reporting Flowchart included in Appendix A.

Chemical spills and releases shall be reported in accordance with applicable state and federal laws, including the Emergency Planning and Community Right-to-Know Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Oil Pollution Act, and the Clean Water Act, as applicable.

4.2 Potential Discharge Volumes and Direction of Flow [40 CFR 112.7(b)]

The potential oil spill sources at the facility are summarized in Appendix D. The Appendix includes a listing of applicable bulk storage containers (tanks, drums, and totes), operational equipment, and/or any other potential spill source items or areas, volumes, discharge rates, direction of flow, and available containment.

Flow direction and nearest watercourse are indicated on the facility diagrams in Appendix D.

4.3 Containment and Diversionary Structures [40 CFR 112.7(c)]

4.3.1 Containment

Bulk storage container installations are constructed so that a means of secondary containment is provided for the entire capacity of the largest single container and sufficient freeboard to contain precipitation. Containment areas are sufficiently impervious to contain discharged oil. Interior areas at the facility provide sufficient containment for bulk storage containers plus freeboard for precipitation (25-year 24-hour storm event).

Specific containment structures for bulk storage containers are described in Section 5.3 and listed in Appendix D. Containment calculations are provided in Appendix D.

General secondary containment is provided by flat areas, grading, and spill kit materials.

4.3.2 Practicality of Containment

Secondary containment is practical at this facility and installed around all oil storage tanks and containers.

4.4 Inspections, Tests, and Records [40 CFR 112.7(e)]

Informal regular visual inspections of aboveground storage containers are performed during facility operations. All visible surfaces of the containers are to be inspected for signs of leaks, corrosion, or deterioration. If any leaks are observed, the cause of the leak is determined and immediately corrected. During the visual inspections, proper labeling of contents must be verified.

Plant personnel also conduct periodic inspections, specifically around oil storage containers, for good housekeeping, operation and maintenance issues, soil erosion (where applicable), and the condition of structural controls. A formal documented inspection of containment structures is conducted annually. Sample inspection forms are provided in Appendix B.

An integrity testing program has been established and is discussed in Section 5.6.

Inspection records are signed by the appropriate supervisor or inspector. Copies of this plan, discharge events, and inspection records are retained digitally for three (3) years on the Hilcorp internal server and can be accessed from all Hilcorp offices.

4.5 Training and Discharge Prevention Procedures [40 CFR 112.7(f)]

The facility provides the following minimum training to oil-handling personnel:

- Operation and maintenance of equipment to prevent oil discharges
- Oil discharge procedure protocols
- Applicable oil spill prevention (state and federal) laws, rules, and regulations
- General facility operations
- The contents of the facility SPCC Plan and applicable pollution control laws, rules, and regulations

Hilcorp provides SPCC compliance training to all oil-handling personnel on an annual basis. Additional training is provided before and during certain jobs to review spill potential and response procedures. Annual training includes an overview of known releases and recently developed precautionary measures. A sample SPCC training record form is provided in Appendix B. Training records are maintained on the Hilcorp internal server.

In addition to the items listed above, the training program topics include:

- Equipment operation and maintenance: Review maintenance and inspection procedures to prevent discharges. Conduct discussion of potential discharges, component failures, and precautionary measures.
- Good Housekeeping: Review basic cleanup procedures and identify proper disposal locations.
- Spill Prevention and Response: Review notification procedures and location of spill control equipment. Identify potential spill areas and drainage routes and review cleanup procedures. Review applicable pollution control laws and contents of the SPCC Plan.
- Material Management Practices: Identify materials stored on site, review recordkeeping procedures, and review inspection procedures. Discuss any previous spills, their cause, and corrective measures implemented.

4.6 Security [40 CFR 112.79(g)]

The plant is located in an industrial area. Site security is monitored via a manned on-site control room. The control room allows for process surveillance and control, can place the facility into emergency shutdown, and has phone and communication access. The control room is manned 24 hours a day, 7 days a week. In addition, there are low, low/low, high, and high/high pressure alarms throughout the plant. Hilcorp personnel and third party contractors are present at the facility 24 hours a day, 7 days a week. In addition, access to the facility is restricted via a perimeter fence with check-in required at the office.

When the plant is not operating and loading operations would be considered to be on standby, master drain valves, load valves, and any other valves that could potentially result in a release to the surface are secured using a cap or blank flange, or equivalent. This includes loading connections and out-of-service connections. Restricted access to the plant should prevent access to any pump or equipment controls by unauthorized personnel.

4.7 Loading Racks [40 CFR 112.79(h)]

Loading racks are not present at the plant. No procedures have been established.

4.8 Brittle Fracture Requirements [40 CFR 112.7(i)]

If a field-constructed aboveground container undergoes a repair, alteration, reconstruction, or a change in service that might affect the risk of a discharge or failure due to brittle fracture or other catastrophe, the container is required to be evaluated. If a field-constructed aboveground container has discharged oil or failed due to brittle fracture failure or other catastrophe in the past, appropriate corrective actions must be taken. Tanks TK 100, TK 801, TK 803, TK 1402, and TK 1403 were built on-site in accordance with American Petroleum Institute's (API) 650 standards.

4.9 Conformance With Other Requirements [40 CFR 112.7(j)]

Plant construction and operation must conform to state and local requirements, including all applicable Uniform Fire Code (UFC) regulations and local fire codes.

Releases to surface or subsurface soil or groundwater will be remediated to meet the applicable NMAC standards for soil and groundwater.

4.10 Oil-Filled Operational Equipment – Alternative Requirements [40 CFR 112.7(k)]

Oil-filled operational equipment is equipment that includes an oil storage container in which the oil is present solely to support the function of the apparatus or the device. Examples of oil-filled operational equipment include but are not limited to: hydraulic systems or units; lubricating systems for pumps, compressors, and other rotating equipment; gear boxes; machining coolant systems; heat transfer systems; transformers; circuit breakers; electrical switches; and other systems containing oil solely to enable the operation of the device.

Oil-filled operational equipment is required to either have secondary containment similar to oil-filled storage containers or can meet alternative requirements that include a regular inspection or monitoring program and an oil spill contingency plan with a written commitment of manpower, equipment, and materials to control a spill.

Oil-filled equipment at the facility includes six transformers:

- B-101 XFM (6.7 barrels each) – 4 transformers
- B-105 XFM (3.8 barrels) – 2 transformers

5.0 DISCHARGE PREVENTION – ONSHORE FACILITIES (EXCLUDING PRODUCTION)

5.1 Facility Drainage [40 CFR 112.8(b)]

The surface water runoff direction shown on the site-specific diagram in Appendix D is based on the observed topography surrounding the plant at the time of inspection. The plant is located on variable terrain with surrounding areas that consist of hillsides that can serve as preferential pathways for surface runoff during a precipitation event. The nearest watercourse (i.e. river, lake, pond, creek, drainage/wash, or ditch) to the plant is Citizens Ditch located approximately 150 feet to the southwest.

All surface runoff flows via open ditches toward the southwest property line where an earthen catchment basin prevents a spill from leaving facility. Should the catchment basin overflow, runoff would flow to Citizens Ditch located southwest of the facility fence line. The San Juan River is located approximately 3 miles to the south. Because of the relatively small quantity of rainfall in the region, drainage systems are simple yet provide adequate containment and control.

The ground surrounding the facility is generally set to an even grade prior to facility construction to provide a stable base for the equipment and structures. The even surface reduces runoff from the site, thereby reducing the potential for a release to nearby ditches, creeks, or watercourses.

5.2 Bulk Storage Containers, Construction, and Compatibility [40 CFR 112.8(c)(1)]

Appendix D summarizes the containers, construction, and contents at the facility. The material and construction of bulk storage containers are compatible with the material stored and conditions of storage such as pressure and temperature.

5.3 Secondary Containment [40 CFR 112.8(c)(2)]

Metal, concrete, or earthen containment prevents any spills or leaks from tanks, drums, or equipment from moving out of the bermed area. Following a release, any contaminated loose gravel must be removed and disposed of or treated in accordance with appropriate regulatory requirements. All spills or leaks (leaks on valves, gauges, or other associated equipment) must be cleaned up upon discovery with any needed repairs made as soon as practicable.

Bulk storage container installations are constructed to provide secondary containment for the entire capacity of the largest single container and sufficient freeboard to contain precipitation (25-year 24-hour storm event). Containment calculations for bermed areas are provided in Appendix D. Containment areas are adequate to contain a release from the largest tank in each containment and are sufficiently impervious to contain any discharged oil.

Portable containment is generally used for drums or elevated storage tanks of glycol, lube oil, or treatment chemicals. The drum or tank is generally set within the containment. All spills or leaks must be cleaned up upon discovery and any needed repairs made as soon as practicable.

General secondary containment has been provided for the facility by a 15,000-barrel catchment basin on the south end of the property with associated drainage trenches; low areas; grading; and spill kit materials.

5.4 Drainage of Diked Areas [40 CFR 112.8(c)(3)]

Standing precipitation, when accumulated in the secondary containment area, is removed by vacuum truck and taken to Basin Disposal. Additional details are provided in Section 4.9 of this SPCC plan. A sample form for discharge records is provided in Appendix B.

5.5 Buried, Partially Buried, and Bunkered Tanks [40 CFR 112.8(c)(4) and (5)]

The facility does not have any SPCC-regulated completely buried metallic storage tanks installed on or after January 10, 1974. The facility does have an out-of-service partially buried separator on-site (M-1402), and two exempt tanks (Amine Drip Tank V-806 and Amine Waste Sump V-807). No bunkered metallic tanks are located at the plant.

5.6 Integrity Testing [40 CFR 112.8(c)(6)]

Shop constructed Steel aboveground storage tanks (ASTs) must be inspected and tested in accordance with the Steel Tank Institute (STI) Standard for Inspection of Aboveground Storage Tanks (SP001-4th Edition). Given that spill control mechanisms are in place at the facilities, formal external inspections by a Certified Inspector and integrity testing are required at 10-year intervals. Formal internal inspections are also required every 20 years for the ASTs. Alternatively, formal external inspection every 5 years plus a leak test every 10 years can be conducted at the plant.

Field constructed ASTs must be inspected and tested in accordance with the API Standard for Tank Inspection, Repair, Alteration, and Reconstruction (API 653).

Tank No.	Construction Date	Last Inspection Date	Inspection Schedule
TK-100	1986	9/27/2022	5 year
TK-801	1986	03/15/2017	20 year
TK-803	1986	8/20/2023 (external) 08/30/2006 (internal)	5 year 20 year
TK-1402	1986	06/28/2019	20 year
TK-1403	1986	06/28/2019	20 year

The San Juan Gas Plant conducts formal internal and external inspections as well as leak testing per the STI SP001 and API 653 inspection schedule on all ASTs.

Annual external inspections by qualified facility personnel are required for ASTs of any size. Annual inspections include checking containment structures, container supports, and foundations. Sample forms for the annual inspection are provided in Appendix B. All documentation pertaining to the tank inspections will be kept electronically via PCMS for the lifetime of the tanks.

5.7 Heating Coils [40 CFR 112.8(c)(7)]

The plant does not use internal heating coils within oil bulk storage containers.

5.8 Overfill Prevention Systems [40 CFR 112.8(c)(8)]

Tanks are to have one of the following: high-liquid-level audible or visual alarm; high-liquid-level pump cutoff device to stop flow at a predetermined content level, audible or code signal communication, digital computers, telepulse, or direct vision gauges. If present, plant personnel must regularly test liquid-level sensing devices to ensure proper operation.

If direct vision gauges are the only overfill prevention system at a tank, a designated and trained employee must be present to supervise refueling operations.

Tanks at the plant are monitored through the control room and have both high-level and low-level alarms as well as real time tank readings.

5.9 Effluent Treatment Facilities [40 CFR 112.8(c)(9)]

Process areas are located on graded concrete slabs which drain to a wastewater collection system. A gravity oil/water skimmer basin collects oil, which is then transferred to slop oil storage by a permanently mounted lift pump. Wastewater from the separator is transferred to a produced water storage tank by one of two permanently mounted lift pumps. Process area wash water and stormwater is collected in the drains and transferred to storage. The water is pipelined to a commercial injection well for proper disposal. The wastewater system is managed and observed frequently (daily visual inspections), and system tanks are staged within secondary containment. Any upset conditions would be immediately noted by the control room operators.

5.10 Visible Discharges [40 CFR 112.8(c)(10)]

Visible discharges, which result in a loss of product from containers, will be promptly corrected. Any accumulations of oil in the containment area(s) will be visually inspected and removed with a vacuum truck or pump for disposal or recycling in accordance with applicable regulations.

5.11 Mobile and Portable Containers [40 CFR 112.8(c)(11)]

Mobile/portable oil storage containers in the form of 55-gallon drums are located at the plant. All oil-containing 55-gallon drums are provided with sized-secondary containment.

5.12 Transfer Operations [40 CFR 112.8(d)]

Truck bulk lube oil, gasoline, and diesel loading/unloading operations are supervised by the driver. Infrequently, slop oil and produced water are loaded on-site. No other truck loading is conducted on-site. Spill cleanup materials are located on-site at the nearby former oil storage building, in case of a spill.

5.12.1 Buried Piping at Transfer Operations [40 CFR 112.8(d)(1)]

Buried piping that was installed or replaced on or After August 16, 2002 is provided with protective wrapping and coating and is cathodically protected. Any time that a section of buried line is exposed for any reason, Hilcorp personnel carefully inspect it for deterioration. If corrosion damage is identified, corrective measures are taken.

5.12.2 Terminal Connections at Transfer Operations [40 CFR 112.8(d)(2)]

When piping is not in service or in stand-by mode for an extended time, terminal connections at the transfer point must be capped or blank-flanged and marked as to its origin.

5.12.3 Pipe Supports at Transfer Operations [40 CFR 112.8(d)(3)]

There are pipe supports for transfer operations at this facility. Pipe supports appear in good condition.

5.12.4 Inspections at Transfer Operations [40 CFR 112.8(d)(4)]

All aboveground valve terminal connections (including any flange joints, valve glands and bodies, catch pans, pipe supports, locking of valves, and metal surfaces) are regularly examined during use to ensure that the terminal connections and valves are appropriately closed, and a complete visual inspection is conducted annually.

5.12.5 Vehicle Warnings for Aboveground Piping [40 CFR 122.8(d)(5)]

Aboveground piping is present at the plant. The piping is installed overhead or enclosed by barriers in vehicle traffic areas.

6.0 DISCHARGE RESPONSE

6.1 Discovery [40 CFR 112.7(a)(3)(iv)]

Discharges are typically discovered by instrumentation or during routine inspections. The facility response team relies on input from the control room and various sensors to ensure a proper response to each event. The control room allows for process surveillance and control, can place the facility into emergency shutdown, and has phone and communication access. The control room is manned 24 hours a day, 7 days a week. In addition, there are low, low/low, high, and high/high pressure alarms throughout the facility.

Routine inspections are conducted at the plant, including daily informal inspections by plant personnel and annual formal SPCC inspections. Hilcorp internal reporting and initial spill response procedures are included in the Oil Spill Contingency Plan included in Appendix C. Contact lists and phone numbers of key personnel and organizations to notify if a discharge is discovered are included in Appendix A. A form has been included in Appendix B summarizing the information that must be provided when reporting a discharge.

6.2 Minor and Major Discharges [40 CFR 112.7(a)(5)]

Operators are trained in the safe handling of materials and spill discovery, response, and cleanup procedures during safety meetings. Emergency phone numbers are included in Appendix A.

In general, small spills will be handled by facility personnel. Methods for handling oil spills are outlined in Appendix B. The Plant Manager or designee will handle spills and emergencies. In most cases, an absorbent material is used to clean up the spill. Spill response equipment is located on-site at the former oil storage building, the warehouse mezzanine, and the maintenance shop. Outside contractors will be engaged to respond to larger spills.

For the protection of spill response personnel, all drums, tanks, and other containers are clearly labeled to identify contents.

6.3 Waste Disposal [40 CFR 112.7(a)(3)(v)]

Hilcorp has established methods of disposal for recovered materials in accordance with applicable legal requirements. The Plant Manager will coordinate the disposal of spilled materials.

6.4 Discharge Notification [40 CFR 112.7(a)(3)(vi)]

Emergency contact information is provided in Appendix A. In the event of a reportable spill, Hilcorp personnel will notify the appropriate agency as listed in Appendix A. If the spill creates an imminent health threat, local emergency authorities (fire department, police department, etc., as appropriate) will also be notified. Follow-up written reports will be made as instructed by the regulatory authority.

6.5 Cleanup Contractors [40 CFR 112.7(a)(3)(iv)]

The contracted resources available to the facility for discharge cleanup are listed in Appendix A. Local cleanup companies may also be contracted.

ENSOLUM

APPENDIX A

Emergency Notifications and Spill Reporting

TABLE A-1

Emergency Notifications

Contact	Primary	Secondary
Internal Emergency Notifications		
San Juan Gas Plant Control Room – Outside Line	(505) 632-3991	(505) 632-4918
San Juan Gas Plant Radio Communications Frequencies Base TX 452.450 MHz Within 8 Miles of the Plant (Radio to Radio) TX 457.450 MHz		
Plant Manager – Kevin Reese	(505) 320-4124	(505) 632-4907
Plant Lead – Mike Alba	(505) 360-7144	(505) 632-4944
Plant Lead – Scott Davis	(505) 360-3466	(505) 632-4943
Plant Engineer – Paul Harris	(505) 860-0783	(505) 632-4937
Environmental Compliance – Clara Cardoza	(505) 793-2784	(505) 564-0733
Environmental Manager – Matt Henderson	(512) 983-2098	(713) 289-2970
Emergency Response Contractors		
Primary Emergency Spill Response Contractor – Envirotech, Inc. 5796 US 64 Farmington, NM 87401	(505) 632-0615	(24-hour) (800) 362-1879

TABLE A-2

External Notifications

Agency	Phone
Public Safety Notifications	
Emergency Notification – Fire/Ambulance	**911**
Highway Patrol New Mexico State Highway Patrol New Mexico State Police – District 10 (Farmington) Local Non-Emergency Number	 (505) 827-9300 (505) 325-7547 (505) 334-6622
Fire Department New Mexico State Fire Marshal San Juan County Fire Department Bloomfield Fire Department Farmington Fire Department	 (970) 382-6000 (505) 476-0173 (505) 632-6363 (505) 599-1430
Ambulance San Juan County EMS	 (505) 334-1180
Hospital San Juan Regional Medical Center, Farmington	 (505) 609-2000
Police Aztec Police Department Bloomfield Police Department Farmington Police Department San Juan County Sheriff's Office	 (505) 334-7601 (505) 632-6311 (505) 599-1053 (505) 334-6107
Emergency Management Agencies	
Local Emergency Planning Committee (LEPC) San Juan County Office of Emergency Management Ryan Briggs, LEPC Chair 209 South Oliver Drive Aztec, NM 87410	 (505) 334-7700
State Emergency Management Commission (SERC) New Mexico Department of Homeland Security and Emergency Management 13 Bataan Boulevard Santa Fe, NM 87508	 (505) 476-9600
Government Agency Notifications	
National Response Center	(24-hour) 1-800-424-8802
U.S. Environmental Protection Agency Region 6 (NM) Within Region 6 States Outside Region 6 States	 (800) 887-6063 (214) 665-2760

Agency	Phone
New Mexico Environment Department	
Business Hours	(505) 827-2855
24-hour	(800) 219-6157
New Mexico Oil Conservation Division (NMOCD)	
District 3 (Aztec)	(505) 334-6178
24-hour	(505) 320-0243
New Mexico Department of Game & Fish	
Business Hours	(505) 476-8000
U.S. Forest Service	(970) 884-2512

ENSOLUM

APPENDIX B

Forms and Checklists

SJN
Page 1 of 2

Hilcorp Energy Company Corp. Office
1111 Travis Street
Houston, TX 77002
713-209-2400

Hilcorp Energy Company
SJN SPILL / GAS RELEASE REPORT

Is this an HEC Spill? _____ HEC Supervisor _____
Signature

Date:	Time:	HEC Personnel who verified spill:		
Fluid Type / Estimated Volume	Oil / Condensate (circle one) bbls		Gas mcf	Field:
Capacity (if known)	Produced Water bbls		Other	Precise Location/GPS Cord:
Temp:	Wind Direction/Speed:		API:	County/Parish:
Source: (flowline,valve, tank, etc)			Primary Cause: (ext corrosion, equip failure, weather, op error, etc)	
Status:(in-service, out of service)		Above / Below Surface (circle one)	Secondary Cause: (design, installation, procedural, maintenance, etc)	
Detailed Description Of The Incident:				

Notification	Phone No.	Time Notified / Incident # / Name	Notification	Phone No.	Time Notified / Incident # / Name
WSP, Inc.	970-385-1096		NMOCD (Aztec)	505-334-6178	
Ensolum, LLC	844-500-7775		NMOCD (Santa Fe)	505-476-3441	
Envirotech Environmental	505-632-0615 800-362-1879		NM State Land Ofc	505-326-5716	
			CDPHE (Denver)	877-518-5608	
			COGCC	719-641-0291	
EPA Region 8 (CO)	800-227-8917		Navajo Nation	505-368-1037	
EPA Region 6 (NM)	866-372-7745		SUIT	970-563-0135	
BLM-FFO (NM)	505-564-7600		Ute Mtn Ute	970-564-5432	
BLM (Tres Rios)	970-882-7296				
USFS (NM)	505-632-2956		**Local Emergency - Aztec Police Department**	**505-334-6622**	
National Resp Center	**800-424-8802**		LEPC - San Juan	505-334-1180	
			LEPC - Rio Arriba	505-747-6367	
			LEPC - La Plata	970-382-6275	

Impacted Area: (inside berm, on/off location,water, marsh, etc)	Prod Loss Due To Spill:
Physical Description Of Impacted Area:	
Response & Clean-up/Remedial Activities:	
Corrective Actions:	

SJN

Name	Home	Office / Other	Mobile	Time
Austin Harrison - Operations Manager	--	713-289-2945	318-230-1395	
Jackson Lancaster - Operations Engineer	--	713-289-2629	--	
Hayden Moser - Operations Engineer	--	713-757-5276	479-899-8940	
Trey Misuraca - Operations Engineer	--	832-839-4603	225-610-7136	
Freddy Proctor - Foreman	--	505-599-3426	505-486-6937	
Chris Bramwell - Foreman	--	505-326-9749	505-486-9408	
Cary Green - Foreman	--	505-324-5105	505-320-2636	
Kelly Davidson - Foreman	--	505-564-0721	505-860-3134	
Mike Murphy - Foreman	--	505-324-5131	505-402-9870	
Chad Perkins - Const. Foreman	--	505-564-0735	505-516-7177	
Dale Crawford - Const. Foreman	--	505-324-5158	505-947-5731	
Jamie Huffman - SWD Foreman	--	--	505-320-8729	
Josh Hatch - Pipeline Foreman	--	--	970-946-0922	
Jose Morales - Wellsite Supervisor	--	--	505-609-0215	
Mitch Killough - Env. Specialist	--	713-757-5247	281-851-2338	
Brandon Sinclair - Field Environmental Specialist	--	--	505-386-8996	
Jimmy Watson - Safety Manager	--	505-564-0732	907-795-6517	
Paul Kelloff - Safety Specialist	--	505-324-5180	505-486-5640	

The following are considered reportable incidents:

SPILLS-

*A reportable spill shall be deemed any liquid spill greater than or equal to one barrel or causes a sheen on the water.
Note: Any spill less than one barrel should be reported to the Supervisor.

*All gas pipeline leaks or ruptures which could cause harm or damage to the environment, people or wildlife.

*Any other incident which you deem could cause harm to people or the environment.

The following steps should be taken immediately:

1. Eliminate the source of the problem (spill / leak)
2. Contain the problem.
3. Notify appropriate Federal/State/Local Authorities.
4. Notify appropriate HEC personnel.
   1. Area HEC Foreman
   2. Operations Manager
   3. Environmental/Safety Department

   All of the above Hilcorp personnel are to be notified
   Use corporate address for all reporting responses - 1111 Travis St., Houston, TX 77002

FIELD STAFF MEDIA MANAGEMENT PROTOCOL

In the event of an incident or on-site media inquiry, field employees should immediately refer to this policy to ensure full compliance. This policy states that no Hilcorp employee is authorized to answer questions or provide any information to a reporter without the approval of the External Affairs Manager or the designated alternate.

All media inquiries for the lower 48 should immediately be referred to the Corporate Manager of External Affairs, Justin Furnace, at (713) 289-2735 (office) or (409)-201-2031 (cell).

All media inquiries for Alaska should immediately be referred to the Manager of External Affairs for Hilcorp-Alaska, Lori Nelson, at (907) 777-8392 (office) or (907) 947-3028 (cell).

One Hilcorp employee on-scene will be designated to speak to arriving or inquiring media and will refer them to the appropriate corporate spokesperson (see above instruction). The following language is recommended for ensuring a prompt and appropriate handoff of media inquiries:

"The appropriate Hilcorp contact for all media questions is Justin Furnace. He may be reached at his office at (713) 289-2735, or on his cell phone at (409)-201-2031. He will have all the details and will be your best source of information."

In response to any follow-up questions from reporters or requests for comment from on-scene employees, the above statement should be re-stated as needed.

Employees are advised to remove themselves from close proximity to reporters and their cameras. It should be remembered that cameras and microphones have considerable reach. Employees are expected to act in an appropriate manner and avoid using language or behavior that may be captured by the media and reflect poorly on the employees and Hilcorp.

If on-scene security is available, those persons responsible should be advised that reporters or unauthorized third-parties are not allowed access to Hilcorp property or facilities. Outside agencies such as the State Police and Sheriff's Department can provide assistance as needed.

However, every effort should be made to handle interaction with reporters on-site with respect and cooperation, always bearing in mind that safety of employees, contractors, agency representatives and others is Hilcorp's highest priority.

SPCC Annual Inspection Form

Date:	Time:	Region:	Field / Route:
Inspected by:			Site Name:
Lead Operator:			Foreman:

Comments & estimated repair costs are required for all deficient observations.
Comments should include Tank #, description of issue, corrective action, and costs. Additional space is provided on the back of this form.

Question	Observation			Comments	
1.0 Storage Tanks/Containers				*(Tank #, Description of Issue, Corrective Action Recommendation)*	Est. Cost
1.1 Do tanks show visible signs of corrosion, damage, or leaks? This also includes the foundation below the storage tank(s).	N/A	Yes	No	Comment if "Yes"	N/A
1.2 If a tank shows signs of corrosion, damage, leaks, do repairs need to be made immediately?	N/A	Yes	No	Comment if "Yes"	
1.3 Do all oil filled containers have secondary containment?	N/A	Yes	No	Comment if "No"	N/A
1.4 Are all storage tanks and containers properly labeled?	N/A	Yes	No	Comment if "No"	N/A
2.0 Secondary Containment				*(Tank #, Description of Issue, Corrective Action Recommendation)*	Est. Cost
2.1 Are drains, sumps, drip pans and secondary containment free of accumulation of oil and water?	N/A	Yes	No	Comment if "No"	N/A
2.2 Does secondary containment show visible signs of cracks, low spots, holes, animals burrows or erosion?	N/A	Yes	No	Comment if "Yes"	N/A
3.0 Piping and Valves				*(Tank #, Description of Issue, Corrective Action Recommendation)*	Est. Cost
3.1 Do valves, piping, flanges, joints show signs of corrosion, leaks or improper operation?	N/A	Yes	No	Comment if "Yes"	N/A
3.2 Are caps or plugs placed on load lines, open ended piping and valves, and out-of-service lines?	N/A	Yes	No	Comment if "No"	N/A
3.3 If valves, piping, flanges, or joints show signs of corrosion, leaks, or improper operation, do repairs need to be made immediately?	N/A	Yes	No	Comment if "Yes"	
4.0 Separators				*(Tank #, Description of Issue, Corrective Action Recommendation)*	Est. Cost
4.1 Do separators show any signs of corrosion, damage or leaks?	N/A	Yes	No	Comment if "Yes"	N/A

4.2 If the separator does show signs of corrosion, damage or leaks, do repairs need to be made immediately?	N/A	Yes	No	Comment if "Yes"	
5.0 Site-Wide/Miscellaneous				*(Tank #, Description of Issue, Corrective Action Recommendation)*	Est. Cost
5.1 Are your storage tank drain valves properly sealed?	N/A	Yes	No	Comment if "No"	N/A
5.2 Does the facility have ready access to all necessary tools, containment media, and clean up material to isolate and control minor spills?	N/A	Yes	No	Comment if "No"	N/A
5.3 Has oil containing equipment (Tanks, Separators, Engines, etc.) been added to or removed from the site since the last annual inspection?	N/A	Yes	No	Comment if "Yes"	N/A

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Comment:	Question #:	Tank/Container #

Personnel Spill Prevention Training Log

(Oil-handling personnel must be trained at least once a year in the prevention of oil discharges; discharge procedure protocols; applicable pollution control laws; general facility operations; and the contents of this SPCC Plan.)

Sign In Sheet

Topics Covered:

_____

_____

_____

(Note: Required topics must include the facility SPCC Plan.)

Name (please print)	Company/Position	Phone Number
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		

Instructor: _____ Date: _____

Subject/Issue Identified	Required Action
	Implementation Date: _____

Attach additional documentation/photographs to support descriptions   **Storm Water Discharge Report**   *Multiple dates and multiple locations*

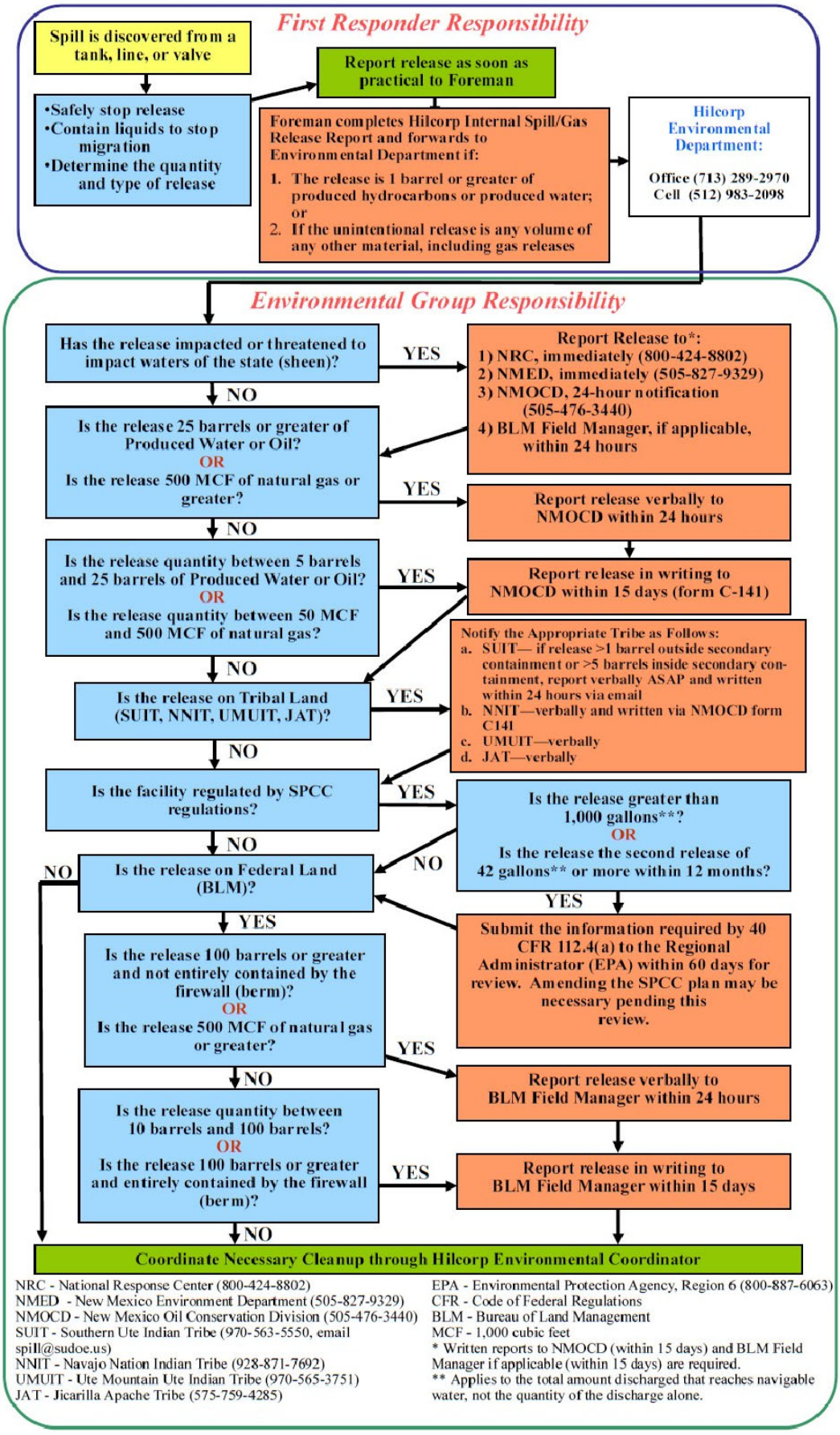
Storm Water Discharge Report

FIELD ______________________________

MM/DD/YY   *HH:MM am/pm*   *First Initial + Last Name*   *No; Yes - complete Leak Evaluation Report;*   *No, Yes*   *No, Yes*   *should be < 500 ppm*

Date	Start Time	End Time	Operator	Leak or sheen Identified?	Fecal	Solids	Chlorides ppm	Barrels Discharged

New Mexico Release Notification Procedures



ENSOLUM

APPENDIX C

Oil Spill Contingency Plan

APPENDIX C

TABLE OF CONTENTS

1.0 INTRODUCTION

In accordance with 40 CFR 112.7 (d), this Oil Spill Contingency Plan (OSCP) has been prepared as required under 112.7(d)(1) to meet the requirements of 40 CFR 109.5.

1.1 Critical Water Supplies

Using the SPCC Plan site-specific facility diagram and descriptions, the Response Coordinator (see below description) will identify critical water sources near the facility in the event of an oil discharge. The Response Coordinator will be responsible for identifying public water supplies and notifying downstream water users of the spill.

1.2 Emergency Response

1.2.1 Spill Response Team

The response team, comprised of trained facility employees including the First Responder, Plant Manager, and other qualified individuals listed below, will initiate, support, or completely implement the spill response activities. The degree of involvement from internal personnel will depend on the magnitude of the release. It will be the responsibility of the Plant Manager to act as the Response Coordinator. The Response Coordinator, along with the Environmental Department, will determine if emergency contractors are needed and contact them for assistance. If the Plant Manager is not available, the Plant Lead will act as the Response Coordinator.

1.2.2 Facility Contact Information

Corporate Contact and Address Information

Hilcorp Energy Company
1111 Travis Street
Houston, Texas 77002
(713) 209-2400

Facility Contact and Address Information

San Juan Gas Plant Control Room – Outside Line
..... (505) 632-3991
..... (505) 632-4918

San Juan Gas Plant Radio Communications Frequencies:
Base TX 452.450 MHz
Within 8 Miles of the Plant (Radio to Radio) TX 457.450 MHz

Plant Manager – Kevin Reese
Mobile ..... (505) 320-4124
Office ..... (505) 632-4907

Plant Lead – Mike Alba
Mobile ..... (505) 360-7144
Office ..... (505) 632-4944

Plant Lead – Scott Davis
Mobile ..... (505) 360-3466
Office ..... (505) 632-4943

Plant Engineer – Paul Harris
Mobile ..... (505) 320-0783
Office ..... (505) 654-0733

Environmental Compliance – Clara Cardoza
Mobile ..... (505) 793-2784
Office ..... (505) 289-2970

Environmental Manager – Matt Henderson
Mobile ..... (512) 983-2098
Office ..... (713) 289-2970

Emergency Response Contractors

24-Hour Emergency Spill Response & Absorbent Material Supplier – Envirotech, Inc.
5796 US 64
Farmington, NM 87401
Office ..... (505) 632-0615
24-Hour Emergency Response ..... (800) 362-1879

1.3 Equipment

As stated on page vi of the SPCC Plan, Hilcorp is committed to provide all appropriate manpower, equipment, and materials required to expeditiously control and remove any harmful quantity of produced oil discharged from the facilities covered in the SPCC Plan. Hilcorp has contracted with the emergency contractors (above) to provide additional manpower and equipment if necessary.

The availability of equipment, material, and labor is very important. Depending on the terrain and size of the discharge, the following equipment and materials may be needed: dozers, backhoes, tanks or vacuum trucks, pumps, hose, booms, fencing, and/or other materials. On-site Hilcorp personnel will be provided with spill cleanup materials for small spills. Additional spill response equipment is kept at the former oil storage building.

1.4 Response Office

During an oil spill emergency, the San Juan Gas Plant control room will be used as the response operations center. The control room will provide access to telephone (landlines) and email communication. Personnel at the response operations center will contact the on-site field response team via cellular phone.

1.5 Safety Measures

Safety procedures to be observed during any spill response:

- Remove possible ignition sources and do not smoke.
- Restrict access to the spill area by roping or barricading the entire spill area and establishing one easily controlled point of entry.
- Establish reliable communication between persons entering the spill area and those remaining outside.
- Establish a “buddy system” and rescue mechanism.

- Unless the spill involves a known substance, approach the spill location on the assumption that the material is extremely hazardous, from upwind, with a predetermined escape route established, and with a breathing apparatus.
- Avoid contact with the spilled material.

2.0 TYPES OF SPILLS

Despite precautions taken, discharges can occur. The location and magnitude of discharges can vary greatly; therefore, this section provides general guidelines and usable techniques for containment and cleanup operations.

2.1 Minor Discharges

The most common minor discharges occurring at the plant would be from a pipe, hose, or fitting failure; a leaking pipe, valve, or tank; tank overfills and loading operations (tanker truck leak or failure, transfer hose leak, etc.); or pump failure or pump control failure. Minor discharges will typically be discovered by Hilcorp personnel or by contractor personnel during routine daily activities at the plant. Hilcorp will maintain materials and equipment to clean up small spills at the Aztec, New Mexico Field Office. Example spill response materials and equipment include absorbent materials, booms, shovels, and gloves.

Most small discharges can be contained and mitigated by Hilcorp personnel by constructing diversion berms or the use of sorbent materials. In the event a release occurs that reaches surface water, the methods detailed in Section 4.0 of this OSCP will be implemented.

2.2 Major or Catastrophic Discharges

The most damaging type of discharge occurs when a large volume of product is lost in a short period of time. This is usually caused by ruptured tanks, equipment failure, major power outages, and/or produced oil and flow line breaks. In such cases, the containment equipment and manpower will be concentrated well below the leading edge of the discharged produced oil. This will ensure ample time for installation of containment dikes, dams, and equipment. Example materials and equipment needed to clean up a catastrophic spill include vacuum trucks, backhoes, other heavy equipment, and booms. The contractors identified in Section 1.2 will be notified immediately and mobilize to the site with the appropriate equipment.

The maximum produced oil discharge anticipated would be based upon the size of the largest produced oil aboveground storage tank (AST) at the facility (see Appendix D). In the event of a catastrophic spill, emergency contractors, the United States Environmental Protection Agency (EPA), and other agencies will be contacted for assistance in the cleanup process.

2.3 Flammability

If discharged material is flammable and is located in a congested area, the local fire and police departments will be notified immediately. The fire and police departments will initiate proper evacuation measures.

3.0 RESPONSE

The following procedures will be implemented following spill discovery in the event that the release is not hazardous or life threatening. If it is not safe to implement these procedures, the Plant Manager should be immediately notified (Step 5). If the Plant Manager is unavailable, contact the Plant Lead. Following these procedures will reduce the quantity of produced oil released to the environment and facilitate initiation of cleanup and disposal procedures.

1. **Shut off produced oil supply, if possible, by turning off supply pumps and closing supply valves.**
2. **Stop valve leaks, if possible, by closing all valves and checking the valve connection for a proper seal.**
3. **Stop pipe leaks, if possible, by minimizing flow to the leaking pipe or connection.**
4. **Shut off ignition sources, if possible.**
5. **Contact the Plant Manager to report the release. (See chain of command and contact information in Appendix A of the SPCC Plan and Section 1.2 of this OSCP.) If the Plant Manager cannot be reached, contact the Plant Lead.**
6. **Contain the spill and/or construct a berm or dike ahead of the spill pathway.**
7. **Protect nearby people, property, surface waters, and equipment from the spill.**
8. **The Response Coordinator will evaluate the situation to obtain and direct the personnel, materials, and equipment required to clean up the spill area.**
9. **The Response Coordinator or Environmental Department will notify appropriate outside parties, including federal, state, and local governmental agencies and public safety personnel.**
10. **If necessary, local emergency agencies (e.g., fire department, Local Office of Emergency Management) will be contacted to assist in minimizing public exposure by evacuating the public, controlling traffic, assisting in fire control, and providing emergency medical care.**
11. **A Hilcorp representative will perform a site inspection to verify spill quantity and verify the protection of sensitive potential receptors.**

4.0 CONTROL

Upon discovery of a spill, the first action taken is the safeguarding of life and property. The next step is to find the source of discharge and stop additional loss of fluid.

Fast action to contain the discharged fluid is of the utmost importance. It not only reduces the size of the area affected, but it also reduced the cost of cleanup operations.

4.1 Containment on Land

If the oil has not reached water, the following actions should be taken:

- Deploy sandbags and absorbent socks/material downgradient from the oil, or erect temporary barriers such as trenches or mounds to prevent the oil from flowing towards nearby water.
- Implement land-based response actions such as digging containment pits, ponds, or curbs to prevent the flow of oil into nearby water.
- Deploy absorbent sock and sorbent material along the shoreline to prevent the continued flow of oil off-site and into nearby water.
- Utilize available on-site secondary containment as much as practicable.
- Contact vacuum truck service to assist in the recovery of free product within containment.
- Contact backhoe service in a catastrophic spill to remove contaminated soil from a facility. Contaminated soil will be transported to an approved disposal facility.

4.2 Containment on Water

If the oil has reached water, the equipment listed in Section 2.0 of this OSCP can be used for the construction of a skimming pond or boom deployment. The following actions should be taken, under the supervision of the Response Coordinator:

- Contact cleanup contractor(s) listed in Section 1.2 immediately.
- Deploy floating booms or construct a filter fence downstream from the release point.
- Control oil flow on the ground by placing absorbent socks and other sorbent material or physical barriers across the flow path. Examples include “kitty litter,” sandbags, an earthen berm, or a trench.
- Deploy additional protective booming or construct a filter fence to protect downstream receptors that may be impacted by the spill.

4.2.1 Removal Process

Ideally, produced oil removal will be a two-stage operation. The first step is to consolidate the produced oil slick as much as possible (greater produced oil thickness allows for more efficient use of skimming equipment). Produced oil recovered by this process can often be placed back into the production system and thus recovered. The second stage is to remove the remaining produced oil slick. This is done by covering the slick with floating sorbent material and retrieving the saturated materials manually.

Practically, produced oil is diverted to the most suitable or accessible point where removal equipment can be located. Wind and water currents can be used to help float the produced oil

into pockets for removal. However, wind and water currents can also hinder the operation. Always be aware of these two factors.

4.3 Treating Agents

Produced oil spill treating agents are generally classified as dispersants, collecting agents, sinking agents, burning agents, or gelling agents.

Chemical agents are not allowed to be used without prior approval of the U.S. EPA.

Hilcorp does not keep chemical treating agents on-hand and does not intend for them to be used on any produced oil spill unless approval is first received from management and the U.S. EPA.

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APPENDIX D

Site-Specific Information

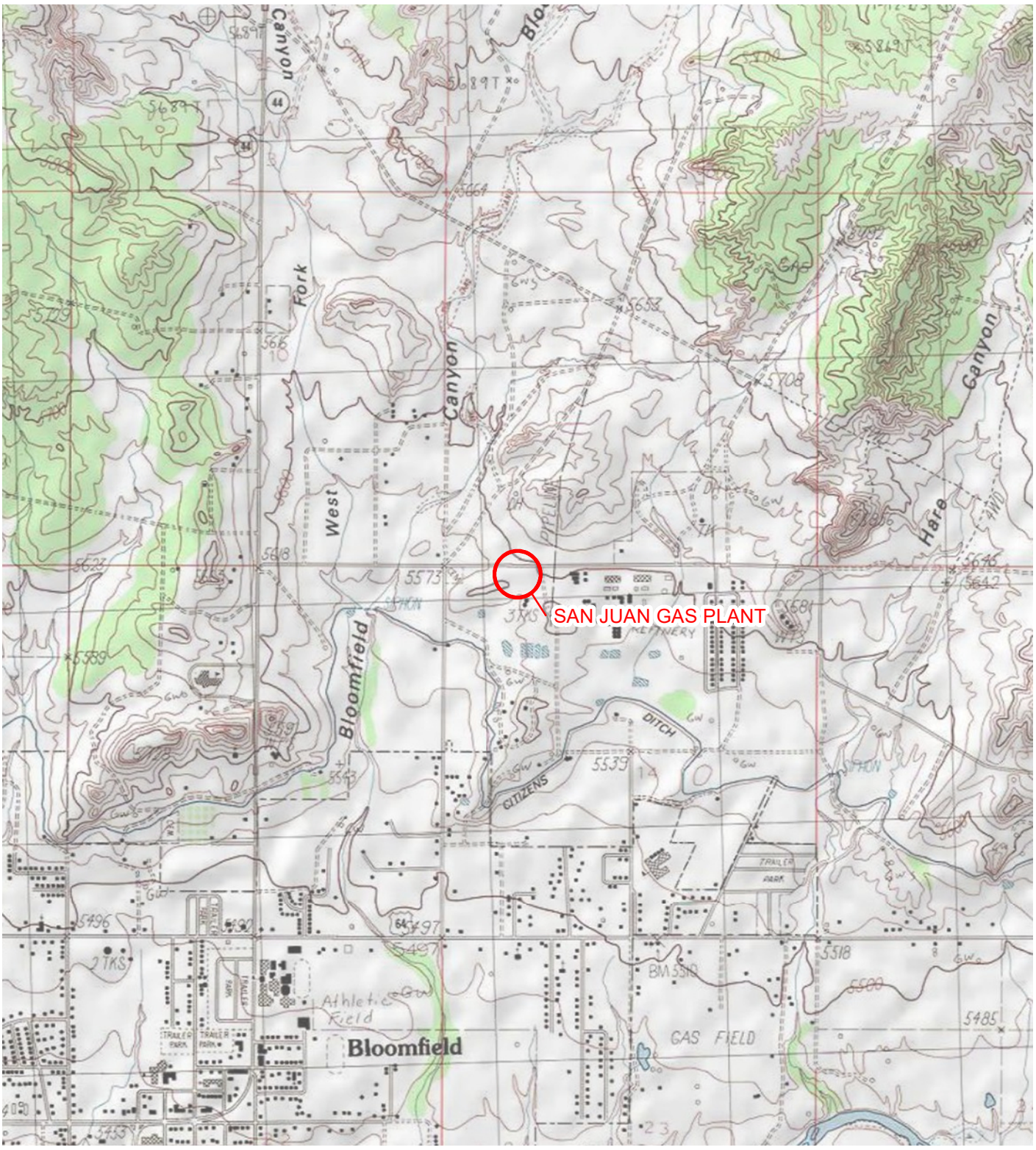


IMAGE COURTESY OF ESRI/USGS

LEGEND

SITE LOCATION

0 2,000 4,000

Feet

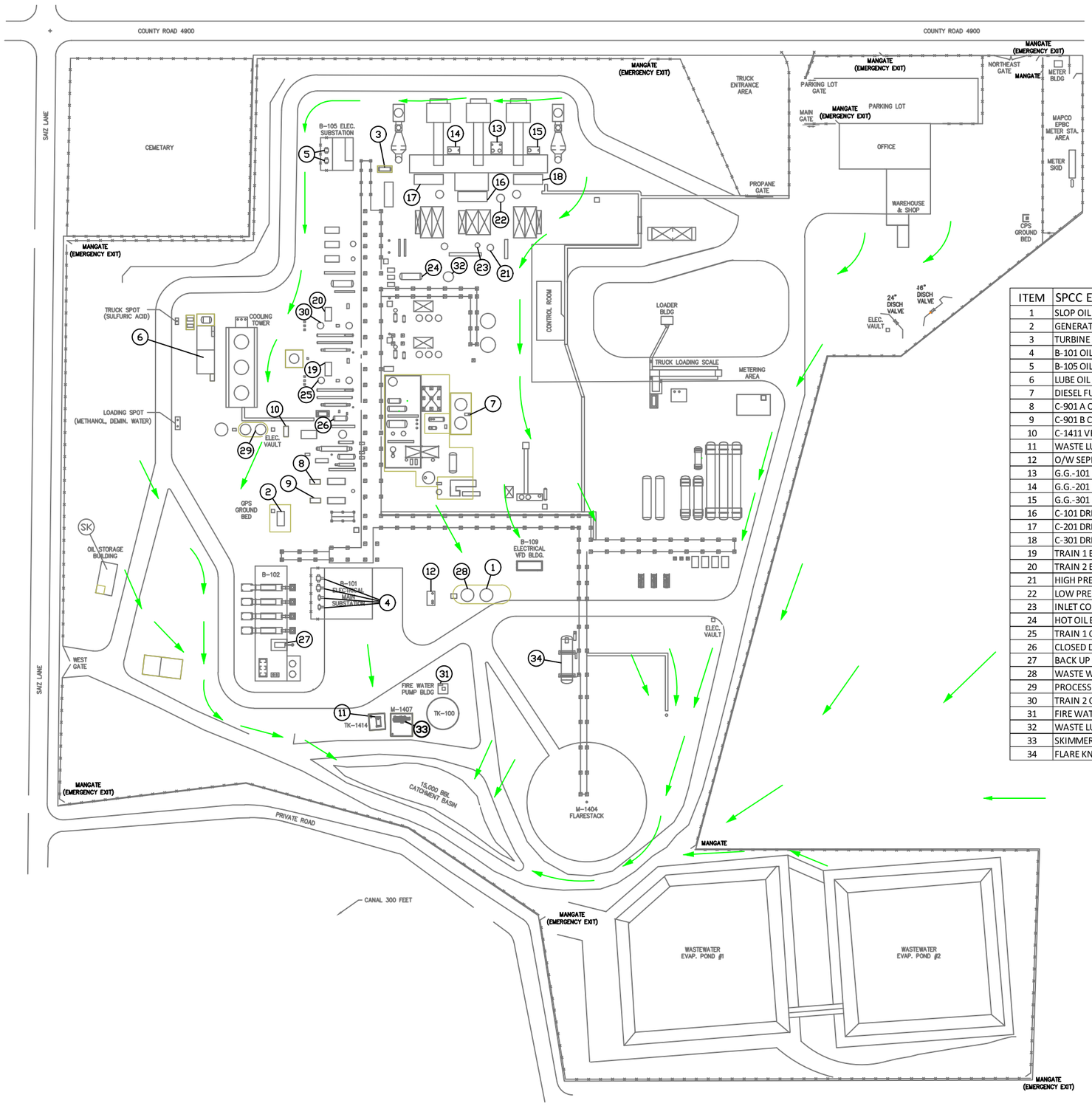
N

NEW MEXICO

FIGURE 1
SITE LOCATION MAP
SAN JUAN GAS PLANT
SAN JUAN COUNTY, NEW MEXICO

HARVEST MIDSTREAM COMPANY

ENSOLUM



LEGEND

SK — SPILL KIT

SURFACE WATER FLOW DIRECTION

N

ITEM	SPCC EQUIPMENT DESCRIPTION	EQUIPMENT #	SIZE (BBL)
1	SLOP OIL STORAGE TANK	TK-1402	500
2	GENERATOR LUBE OIL TANK	TK-1300	13.4
3	TURBINE OIL TANK	TK-101	26.9
4	B-101 OIL FILLED TRANSFORMERS (QU-4)	B-101 - B-104	6.7 EACH
5	B-105 OIL FILLED TRANSFORMERS (QU-2)	B-105 - B-106	3.8 EACH
6	LUBE OIL STORAGE (30 DRUMS)		1.3 EACH
7	DIESEL FUEL TANK	TK-01	7.1
8	C-901 A COMPRESSOR OIL DAY TANK	TK-02	7.1
9	C-901 B COMPRESSOR OIL DAY TANK	TK-03	7.1
10	C-1411 VRU COMPRESSOR OIL DAY TANK	TK-04	7.1
11	WASTE LUBE OIL TANK	TK-1414	42
12	O/W SEPERATOR (SKIMMER PIT) (out of service)	M-1402	11.9
13	G.G.-101 LUBE OIL SKID	GG-101	2.6
14	G.G.-201 LUBE OIL SKID	GG-201	2.6
15	G.G.-301 LUBE OIL SKID	GG-301	2.6
16	C-101 DRESSER LUBE OIL SKID	C-101	104
17	C-201 DRESSER LUBE OIL SKID	C-201	104
18	C-301 DRESSER LUBE OIL SKID	C-301	104
19	TRAIN 1 EXPANDER LUBE OIL SKID	V-608	6.5
20	TRAIN 2 EXPANDER LUBE OIL SKID	V-708	6.5
21	HIGH PRESSURE INLET GAS SEPARATOR	V-101	181.4
22	LOW PRESSURE INLET GAS SEPARATOR	V-102	181.4
23	INLET COMPRESSOR DISCHARGE SCRUBBER	V-103	68.6
24	HOT OIL EXPANSION VESSEL	V-1101	215
25	TRAIN 1 COLD SEPARATOR	V-601	109.7
26	CLOSED DRAIN VESSEL (out of service)	V-1402	80.6
27	BACK UP GENERATOR DIESEL DAY TANK	TK-1301	11.9
28	WASTE WATER STORAGE TANK	TK-1403	500
29	PROCESS WATER TANK	TK-1203	500
30	TRAIN 2 COLD SEPARATOR	V-701	109.7
31	FIRE WATER PUMP DIESEL DAY TANK	TK-1302	11.4
32	WASTE LUBE OIL TANK	TK-1402A	39.4
33	SKIMMER PIT (DOUBLE WALL)	M-1407	55
34	FLARE KNOCKOUT TANK	FK-01	1535

0 — 35 — 75

Approximate Scale

NOTES:

ENSOLUM
Environmental, Engineering and Hydrogeologic Consultants

SITE MAP
HILCORP ENERGY COMPANY
SAN JUAN GAS PLANT

San Juan Gas Plant
SAN JUAN COUNTY, NEW MEXICO
36°43'51.2904"N, 107°57'55.0944"W

FIGURE

2

PROJECT NUMBER: 07A1988064

Hilcorp Energy Company
Spill Prevention, Control, and Countermeasure Plan
San Juan Gas Plant
San Juan County, New Mexico

Nearest Watercourse Information

Watercourse Name: Citizens Ditch

Direction: Southwest

Distance: 150 feet

Tank Information

Containment	Tank Name	Tank Contents	Construction Material	Height/Length (feet)	Width (feet)	Diameter (feet)	Volume (barrels)	Tank Quantity	Total Volume
Berm 1	TK-101	Turbine Oil	Steel	10		4.5	28.3	1	28.3
Berm 2	TK-1300	Lube Oil	Steel	6		4	13.4	1	13.4
Berm 3	TK-1203	Process Water	Steel	20		13.5	500	1	500
Berm 4	TK-1402	Slop Oil	Steel	16		15.5	500	1	500
Berm 4	TK-1403	Waste Water	Steel	16		15.5	500	1	500
Berm 5	TK-01	Diesel	Steel	4.5		3.5	7.1	1	7.1
Berm 6	TK-1414	Waste Lube Oil	Steel	12		5.5	42	1	42
Berm 7	TK-04	Compressor Oil	Steel	5		3.2	7.2	1	7.2
Berm 8	TK-02	Compressor Oil	Steel	5		3.2	7.2	1	7.2
Berm 9	TK-03	Compressor Oil	Steel	5		3.2	7.2	1	7.2
Berm 10	Mult. Drums	Lube Oil	Steel	3		1.75	1.3	30	39
Berm 11	TK-1402a	Lube Oil	Steel	5		7.5	39.4	1	39.4
General	V-1101	Hot Oil	Steel	24		8	215	1	215
General	V-101	Separator	Steel	16		9	181.4	1	181.4
General	V-102	Separator	Steel	16		9	181.4	1	181.4
General	V-601	Separator	Steel	16		7	109.7	1	109.7
General	V-701	Separator	Steel	16		7	109.7	1	109.7
General	V-1402 (OOS)	Drain Vessel	Steel	16		6	80.6	1	80.6
General	V-103	Scrubber	Steel	10		7	68.6	1	68.6
General	B-101 - B-104	Oil-Filled Transformers	Steel	6	2	5	6.7	4	26.8
General	B-105 - B-106	Oil-Filled Transformers	Steel	5	2	5	3.8	2	7.6
General	M-1402 (OOS)	Skim Tank	Steel	16.5	8.33	8.5	11.9	1	11.9
General	M-1407	Skim Tank	Steel	5.5	14	4	55	1	55
General	TK-1302	Diesel	Steel	4	8	2	11.4	1	11.4
General	FK-01	Flare Knockout	Steel	56		14	1535	1	1535
Skid-Mounted	C-101	Lube Oil	Steel	11	11	5	104	1	104
Skid-Mounted	C-201	Lube Oil	Steel	11	11	5	104	1	104
Skid-Mounted	C-301	Lube Oil	Steel	11	11	5	104	1	104
Skid-Mounted	V-608	Lube Oil	Steel	7		3.5	6.5	1	6.5
Skid-Mounted	V-708	Lube Oil	Steel	7		3.5	6.5	1	6.5
Skid-Mounted	GG-101	Lube Oil	Steel	5	1.5	2	2.6	1	2.6
Skid-Mounted	GG-201	Lube Oil	Steel	5	1.5	2	2.6	1	2.6
Skid-Mounted	GG-301	Lube Oil	Steel	5	1.5	2	2.6	1	2.6
Skid-Mounted	TK-1301	Diesel	Steel	6.5	7	1.5	11.9	1	11.9

Hilcorp Energy Company
Spill Prevention, Control, and Countermeasure Plan
San Juan Gas Plant
San Juan County, New Mexico

Containment Calculations

Containment	Construction Material	Shape	Height (feet)	Length (feet)	Width (feet)	Empty Capacity (barrels)	Displacement (barrels)	Precipitation Volume (barrels)	Available Containment (barrels)	Required Containment (barrels)	Containment Adequate?
Berm 1	Concrete	Rectangle	2	15	8	42.7	0	4.3	38.5	28.3	Yes
Berm 2	Concrete	Rectangle	0.6	14.5	14.5	22.5	0	7.5	15.0	13.4	Yes
Berm 3	Metal	Capsule	1.5			398.8	38.2	52.9	307.6	500	No
		Empty capacity = ((inner rectangle (37x26) + (half circle (r=13) x 2))*height Empty capacity = ((37 * 26) + ((3.14*13^2)/2*2)*1.5									
Berm 4	Metal	Capsule	1.5			563.7	50.4	73.3	440.1	500	No
		Empty capacity = ((inner rectangle (50x29) + (half circle (r=14.5) x2)) *height Empty capacity = ((50 * 29) + ((3.14*210.25)/2*2)*1.5									
Berm 5	Concrete	Rectangle	3.3	51	25	749.3	221.7	45.2	482.4	7.1	Yes
Berm 6	Metal	Rectangle	1.5	20	20	106.9	0	14.2	92.7	42	Yes
Berm 7	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 8	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 9	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 10	Building	Rectangle	0.1	70	21	26.2	0	0.0	26.2	1.3	Yes
Berm 11	Plastic	Rectangle	1	19	13	44.0	0	8.8	35.2	39.4	Yes
General											Yes
Skid-Mounted											Yes

Precipitation for San Juan County (25-year, 24-hour storm event) = 2.39 inches

Containment is adequate if Available Containment (Empty Capacity - Displacement - Precipitation Volume) > Required Containment (volume of largest tank in containment)

Corrective Actions

1. Berm 3 (TK-1203) is insufficient to contain the volume of the largest tank plus precipitation. Increase the berm height to at least 2.25 feet.

2. Berm 4 (TK-1402 and TK-1403) is insufficient to contain the volume of the largest tank plus precipitation. Increase the berm height to at least 1.75 feet.

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APPENDIX B

Secondary Containment Volumes

Hilcorp Energy Company
Spill Prevention, Control, and Countermeasure Plan
San Juan Gas Plant
San Juan County, New Mexico

Containment Calculations

Containment	Construction Material	Shape	Height (feet)	Length (feet)	Width (feet)	Empty Capacity (barrels)	Displacement (barrels)	Precipitation Volume (barrels)	Available Containment (barrels)	Required Containment (barrels)	Containment Adequate?
Berm 1	Concrete	Rectangle	2	15	8	42.7	0	4.3	38.5	28.3	Yes
Berm 2	Concrete	Rectangle	0.6	14.5	14.5	22.5	0	7.5	15.0	13.4	Yes
Berm 3	Metal	Capsule	1.5			398.8	38.2	52.9	307.6	500	No
		Empty capacity = ((inner rectangle (37x26) + (half circle (r=13) x 2))*height Empty capacity = ((37 * 26) + ((3.14*13^2)/2*2)*1.5									
Berm 4	Metal	Capsule	1.5			563.7	50.4	73.3	440.1	500	No
		Empty capacity = ((inner rectangle (50x29) + (half circle (r=14.5) x2)) *height Empty capacity = ((50 * 29) + ((3.14*210.25)/2*2)*1.5									
Berm 5	Concrete	Rectangle	3.3	51	25	749.3	221.7	45.2	482.4	7.1	Yes
Berm 6	Metal	Rectangle	1.5	20	20	106.9	0	14.2	92.7	42	Yes
Berm 7	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 8	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 9	Metal	Rectangle	1	8	6.5	9.3	0	1.8	7.4	7.2	Yes
Berm 10	Building	Rectangle	0.1	70	21	26.2	0	0.0	26.2	1.3	Yes
Berm 11	Plastic	Rectangle	1	19	13	44.0	0	8.8	35.2	39.4	Yes
General											Yes
Skid-Mounted											Yes

Precipitation for San Juan County (25-year, 24-hour storm event) = 2.39 inches

Containment is adequate if Available Containment (Empty Capacity - Displacement - Precipitation Volume) > Required Containment (volume of largest tank in containment)

Corrective Actions

1. Berm 3 (TK-1203) is insufficient to contain the volume of the largest tank plus precipitation. Increase the berm height to at least 2.25 feet.

2. Berm 4 (TK-1402 and TK-1403) is insufficient to contain the volume of the largest tank plus precipitation. Increase the berm height to at least 1.75 feet.

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APPENDIX C

Evaporation Pond Leak Detection Procedures

Standard Maintenance Procedure
Evaporative Pond Monthly Leak Detection

Refer to MSDS for the hazards and proper PPE when working with materials contained in this system.

1. Obtain a blank Monthly Pond Data form from 3 ring binder titled “Pond Report” located in Process Foreman’s office.

2. Obtain cleaned water sample bottles from lab for both ponds and both liner sumps.

3. At the east pond, use the PVC pole and gauge the 6” PVC sump pipe which is between the liners.

4. Using the mark on the gauge pole, see if the water level has increased from the previous month (remember the gauge pole is at an angle).

5. Record the blowdown meter reading on the Pond report form.

6. Record the Close Meter Reading on the Monthly Pond data form. If any level increase from the previous month is gauged, install the submersible pump down the 6” PVC sump pipe to remove liquid from the sump into the pond and obtain a sample of the liner water for conductivity testing. When pumping is complete, record the Open Meter Reading on Monthly Pond Data form. Remove pump from the sump pipe and cap the sump pipe.

7. Obtain a grab sample from the east pond pump discharge line.

8. Use the PVC gauge pole, gauge the water level between the liners on the west pond. If any level increase from the previous month is gauged, install the submersible pump down the 6” PVC sump pipe on the west pond. Record the Close Meter Reading on the Monthly Pond Data form before pumping begins. Pump the sump liquid into the pond and obtain a sample of the water for conductivity testing. When pumping is complete, record the Open meter reading on Monthly Pond Data form. Remove pump from the sump pipe and cap the sump pipe.

9. Obtain sample from the west pond pump discharge line.

10. In the lab, test each sample’s conductivity and record on Monthly Pond Data form.

11. File the report in the 3 ring binder labeled “Pond Report” located in the Process Foreman’s office.

12. Compare conductivity results with previous monthly test results. Report any significant changes to the Process Foreman for follow-up.

13. Process Foreman will report any suspected leaks to OCD in compliance with our SJGP Water Discharge Plan.

EFFLUENT DISPOSAL

A. Existing Operations

1. On-Site Disposal

Two ponds will be engineered and constructed according to the preliminary design in the attached drawing with 3:1 slopes on both sides of each levee, a maximum height of 10' and a total lined surface area of 115,500 sq. ft. (2.65 acres). The top of the levees will be 12' wide to provide a service road access to all four sides of each of the ponds. Transfer structures will be provided between the ponds with gate valves to control the level and flows between the ponds; a dispersion pipe array will disperse the drainage into the West Pond to absorb solar heat from liner slope and maximize evaporation.

The ponds will be sized as follows:

	West Pond	East Pond
Base Elevation	94'	102'
Levee Elevation	102'	110'
Area (berm to berm)	183'x 226' = 41,357 sq. ft.	234'x 230'=54,510 sq. ft.
Area (@ 6' depth)	171'x 214' = 36,594 sq. ft.	225'x 218'=49,050 sq. ft.
Volume (@ 6' depth)	1.35 million gallons	2.20 million gallons
Sprinkling system	15 - 2.5" nozzles	20 - 2.5" nozzles

Each pond will be equipped with a sprinkler system designed to enhance the yearly solar evaporation rate by 2 - 3 times with an anemometer monitor and several valve stations to limit and control overspray. An 8" PVC line from the cooling tower will feed a 6" PVC grid system with 3" PVC risers to nozzles fixed at 9' above the pond's bottom surface. The estimated flow rate is 50-60 gpm per sprinkler.

The primary liner in each pond will be 36 ml hypalon with a secondary 30 ml PVC liner. The liners will be vented according to NMOCD guidelines. The leak detection bedding will be 8 oz. geotextile for each pond.

The drainage and sump leak detection system will consist of 4" perforated PVC piping with 20' maximum spacing and slope equal to 6" per 50'. A corrosion-proof sump will be located outside the pond.

CONOCO EVAPORATION PONDS
Plan View - Scale: 1" = 40'

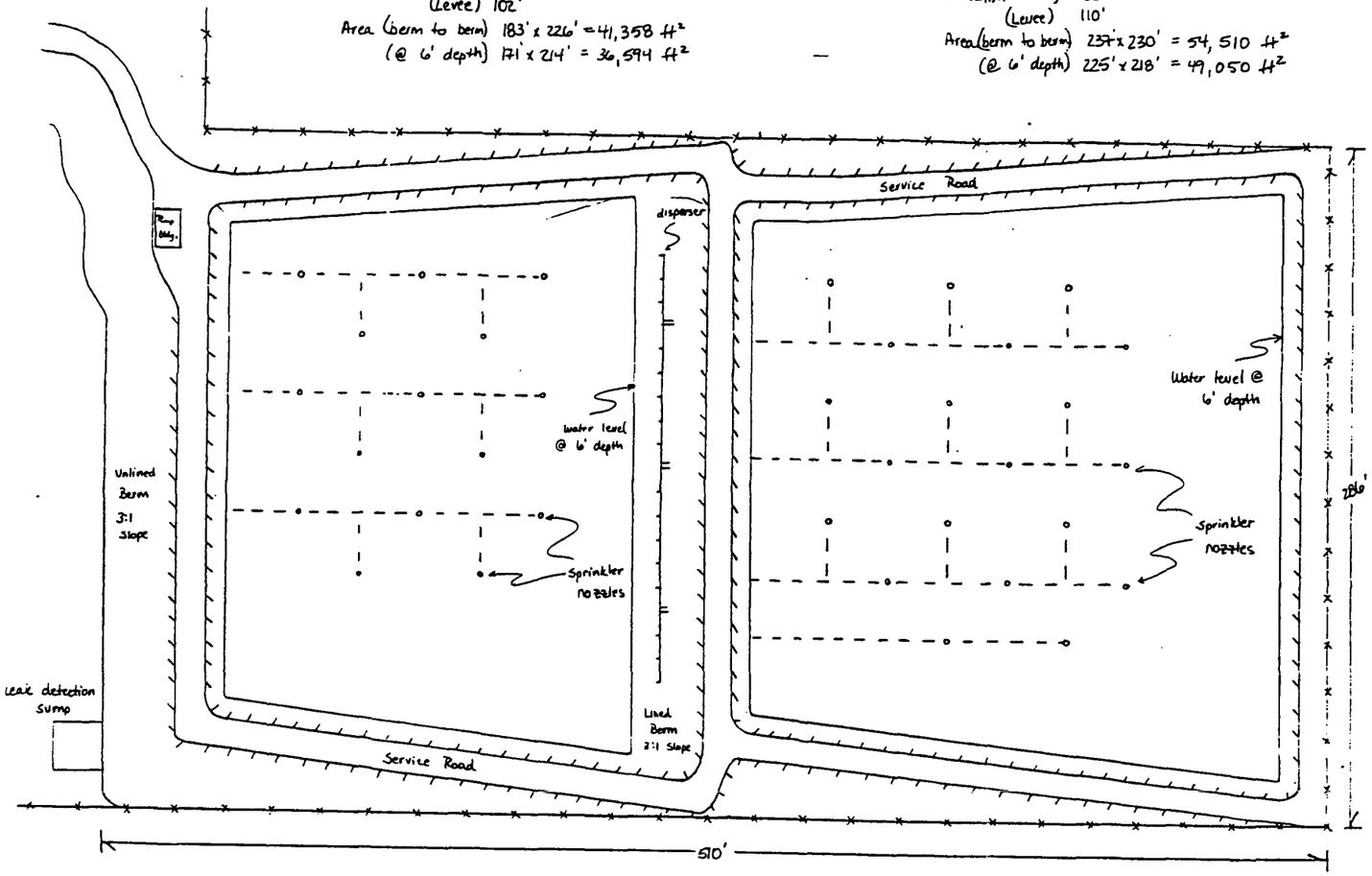
rmi
P.O. Box 2522
Farmington, NM 87499
505-327-5966

WEST POND

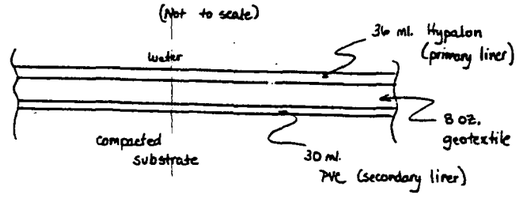
Elevation (Base) 94'
(Levee) 102'
Area (berm to berm) 183' x 226' = 41,358 ft²
(@ 6' depth) 171' x 214' = 36,594 ft²

EAST POND

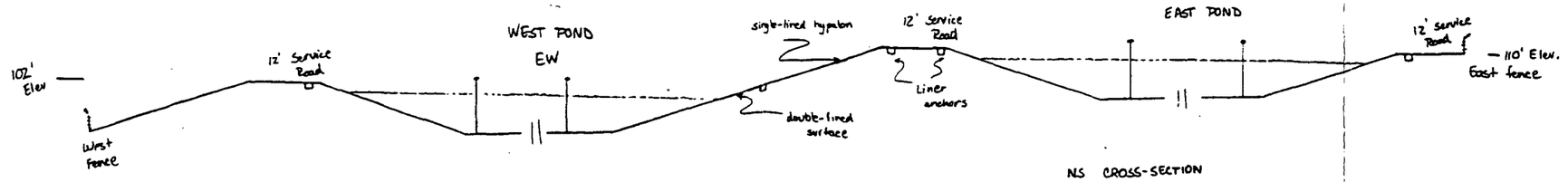
Elevation (Base) 102'
(Levee) 110'
Area (berm to berm) 237' x 230' = 54,510 ft²
(@ 6' depth) 225' x 218' = 49,050 ft²



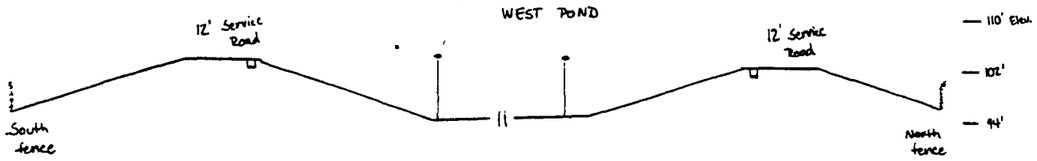
LINER DETAIL
(Not to scale)



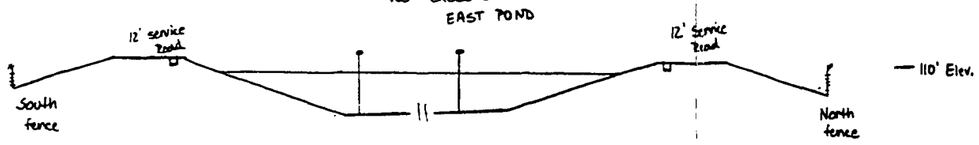
EW CROSS-SECTION Scale: 1" = 24'



NS CROSS-SECTION
WEST POND



NS CROSS-SECTION
EAST POND



11/02/92

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APPENDIX D

Waste Management Practices

San Juan Gas Plant

Appendix D - Waste Management Practices

Solid Waste	Process Generating Waste	Number of Units	Quantity per unit	Totals	Frequency of change "Months"	Annualized Waste Generated	Disposal	RCRA Exempt	Special Instructions
Amine Sock Filters	Amine System	1	200	200	3	800	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Amine Charcoal Filters	Amine System	1	45	45	3	180	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
D-R Lub Skid Filters	D-R Compressor Units	3	51	153	24	76.5	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Solar Lub Skid Filters	Solar Generator Units	4	5	20	12	20	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Refrigeration Compressor Lub Filters	Refrig. Compressor Units	3	1	3	12	3	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
EP Compressor Lub Filters	EP Compressor Units	2	1	2	12	2	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Instrument Air Compressor Filters	Instrument Air Units	3	9	27	12	27	- Disposed of at local landfill	No	Reference baseline profile for disposal
Instrument Air Dehy Filters	Instrument Air Dehy System	1	10	10	6	20	- Disposed of at local landfill	No	Reference baseline profile for disposal
Expander Lub Skid Filters	Expander Lub Skid	2	3	6	12	6	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Emergency Generator Filters	Emergency Generator	1	10	10	12	10	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Fire Water Pump Filters	Fire Water Pump	1	3	3	12	3	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Regen Compressor Lub Filters	Regen Compressors	2	1	2	24	1	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
P-903 Pump Lube Filters	EPBC Pumps	4	1	4	6	8	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Inlet Gas Filters	Inlet Gas Dehy Units	2	28	56	6	112	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Inlet Gas Coalescing Filters	Inlet Gas Dehy Units	2	27	54	12	54	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Inlet Gas Dust Filters	Inlet Gas Dehy Units	2	55	110	6	220	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
EPBC Coalescing Filters	EPBC Dryer Unit	1	25	25	3	100	- Drain, dried, keep separate, & disposed at local landfill	No	Reference baseline profile for disposal
Avon Inlet Air Filters	D-R Compressor Units	3	224	672	24	336	- Disposed of at local landfill	No	Reference baseline profile for disposal
Solar Inlet Air Filters	Solar Generator Units	4	48	192	24	96	- Disposed of at local landfill	No	Reference baseline profile for disposal
				Total Annual Filters Waste:	2,075				
Molecular Sieve UI94	Inlet Gas Dehy Units			3516 ft3	36	1,172 ft3	- Disposed of at local landfill	No	Reference baseline profile for disposal
Support Balls	Inlet Gas Dehy Units	6	586 ft3	198 ft3	36	99 ft3	- Disposed of at local landfill	No	Reference baseline profile for disposal
Activated Alumina	EPBC Dryer Units	6	33 ft3	390 ft3	36	130 ft3	- Disposed of at local landfill	No	Reference baseline profile for disposal
Activated Alumina	Instrument Air Dryer Unit	2	195 ft3	16 ft3	12	16 ft3	- Disposed of at local landfill	No	Reference baseline profile for disposal
Activated Carbon	Instrument Air Dryer Unit	1	16 ft3	4 ft3	12	4 ft3	- Disposed of at local landfill	No	Reference baseline profile for disposal
Oil Adsorbing Material	Clean-up around	1	4 ft3	675 ft3	4	2,025 ft3	- Drain, dried, keep separate, & disposed at local landfill	Yes	
Evaporation / Cooling Tower sediment	Plant Cooling Tower	-	675 ft3	75 yd3	12	60 yd3	- Drain, dried, keep separate, & disposed at local landfill	Yes	
Pipe scale	Piping and Equipment	3	25 yd3	-	-	-	- Disposed of at local landfill	No	Reference baseline profile for disposal
Oily Rags	Plant maintenance activities	-		-	-	-	- Drain, dried, keep separate, & disposed at local landfill	Yes	
Insulation Material	Plant maintenance activities	-		-	-	-	- Disposed of at local landfill	No	Reference baseline profile for disposal
Aerosol Cans	Plant maintenance activities	-		-	-	-	- Safety Kleen pick up	No	Reference baseline profile for disposal
Paper Trash	Office Trash	-					- Disposed of at local landfill	No	
Sand Blasting Media - B/B Abrasive	Sand blasting						- Disposed of at local landfill	No	Reference baseline profile for disposal
Floresent lamps	Office lighting, Plant lighting						- Safety Kleen pick up	No	New profile required for disposal
Petroleum Impacted Soils	Spill Response						- Disposed of at local landfill	No	approval Reference baseline profile for
Scrap Metal	Plant Maintenance activities						- Recycled	No	disposal Reference baseline profile for
Sludge	Exploration and Production						- Disposed of at local landfill	Yes	
Slop Oil (process liquids)	**Process Generating Waste / This Waste**	**Storage Unit**	**Quantity per Day**	**Quantity per Month** (Gallons)		**Annualized Waste Generated**			
Produced Waste Waters	Inlet Scrubber Dumps	TK-1403	7,900	240,950	-	2,891,400 gal	- Pumped/hauled to Disposal Well		
CT Blowdown water	Cooling Tower	Ponds	18,000	550,000	-	6,600,000 gal	- SJ Evaporation ponds or Disposal Well	Yes	
Waste Amine	Waste Amine System	TK-803	3,600	10,920	-	131,040 gal	- Pumped/hualed to Disposal Well	Yes	
Slop Oil (process liquids)	Inlet Scrubber Dumps	TK-1402	25	760	-	9,120 gal	- Sale to Marathon Petroleum	No	Reference baseline profile for disposal
Solvents	Parts cleaning Unit	-	-	40	-	480 gal	- Recycled	Yes	
Paint & Activator	Plant maintenance activities	-	-	-	-	-	- Use up all paint, dry out cans, & dispose at local landfill	No	Reference baseline profile for disposal
Waste/Used oil (equipment lube oils)	Compressors/Turbines	TK-1402A	-	250	-	3000	- Recycled	No	Reference baseline profile for disposal
Lab Waste	Laboratory	Satellite Accumulation	-	5 lbs.	-	60 lbs.	- As needed upon OCD approval	Yes	
Spent H2S scavenging solution HSW-700/710	Amine System	TK-804				25,200 gal	- As needed to Disposal Well	No	Reference baseline profile for disposal
								No	Reference baseline profile for disposal

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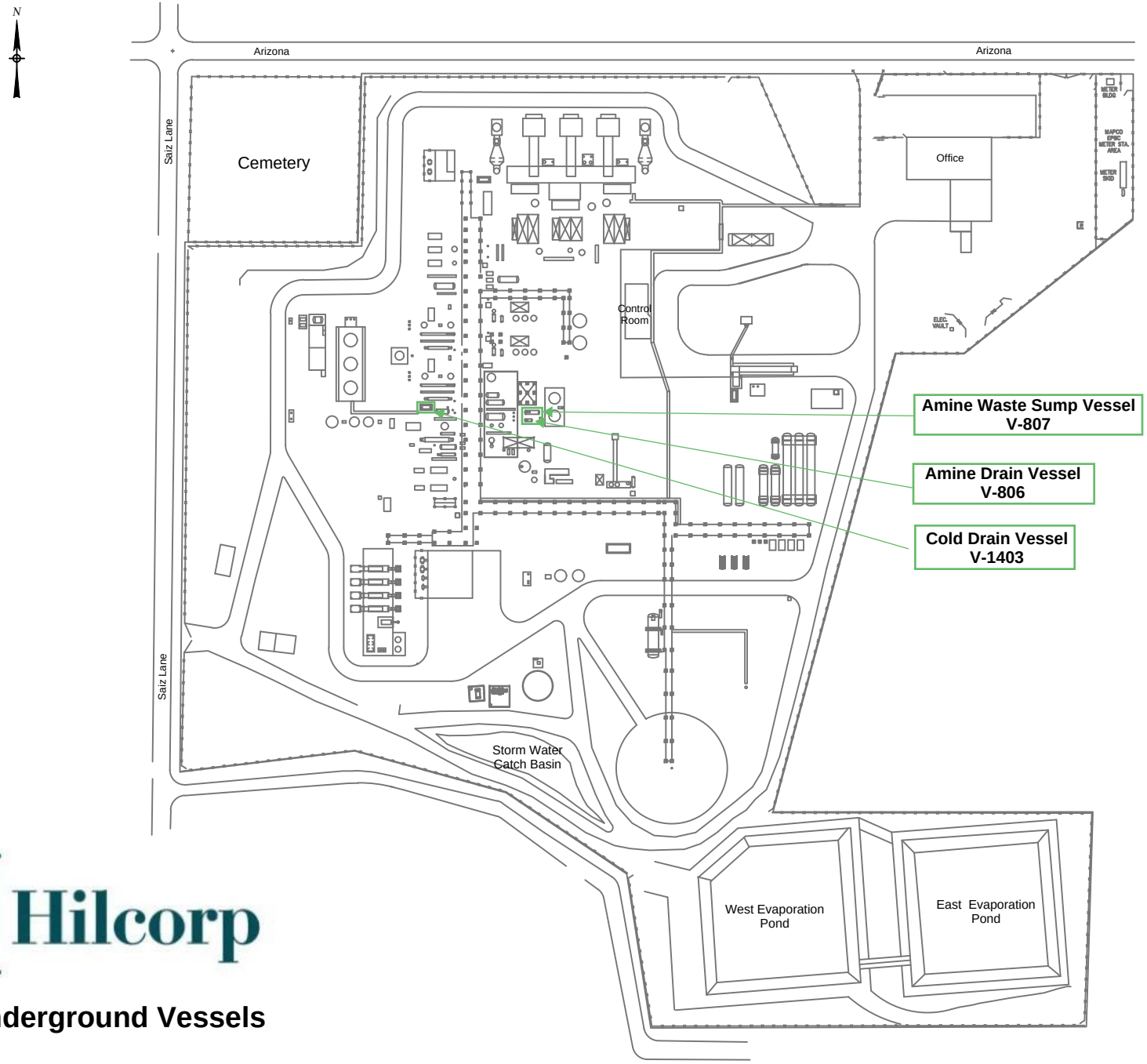
APPENDIX E

Underground Vessels

UNDERGROUND VESSELS

Vessel Number	V-806	V-807	V-1403
Vessel Name	Amine Drain	Amine Waste Sump	Cold Drain
Commodity Stored	30% Diethanolamine(1)	Stormwater(2)	NGL Vapors(3)
Capacity (gallons)	950	4,200	1,253
Construction Material	Carbon Steel	Carbon Steel	Stainless Steel
Dimensions	48" OD x 10' T/T	72" OD x 20' T/T	48" ID x 12' T/T (2:1 elliptical heads)
Wall Thickness(4)	0.25"	0.25"	0.25"
External Protection	Epoxy Coating	Epoxy Coating	Contained within concrete and sand(5)
Design Pressure(6)	16 psig @ 150° F	16 psig @ 150° F	50 psig @ 250 to 350° F

(1) DEA solution from system blowdown. This material can be returned to the process unit or disposed of via TK-803
(2) Stormwater from curbed gas-treating area; stormwater through drain to TK-803 via V-807
(3) Non-storage flash vessel vented to flare; not designed to hold liquids
(4) Wall thickness includes 0.125" corrosion allowance
(5) Not designed as external protection, designed to retain heat
(6) All vessels were pressure tested prior to installation and are tested every year



Hilcorp

SJGP Underground Vessels

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APPENDIX F

Piping Specifications

PIPING SPECIFICATIONS

LINE NUMBER	SCH OR WT	OPER. PRES.	OPER. TEMP.	DESIGN PRES.	DESIGN TEMP.
Cooling Water					
1.5" WC 12 135 1.5" WC 12 136 1.5" WC 12 141 1.5" WC 12 142	80	70	80	100	150
2" WC 12 115 2" WC 12 116 2" WC 12 134	80	70	71	100	150
3" WC 12 108 3" WC 12 109	STD	70	71	100	150
3" WC 12 124 3" WC 12 125	STD	50	81	100	150
6" WC 12 101 6" WC 12 117 6" WC 12 120	STD	50	81	100	150
8" WC 12 104 8" WC 12 139	STD	70	71	100	150
8" WC 12 140	STD	50	81	100	150
10" WC 12 101 10" WC 12 103 10" WC 12 106 10" WC 12 107	STD	70	71	100	150
10" WC 12 119 10" WC 12 122 10" WC 12 123 10" WC 12 131	STD	50	81	100	150
12" WC 12 118	STD	50	81	100	150
14" WC 12 101 14" WC 12 131	STD	50	81	100	150
16" WC 12 131	STD	50	81	100	150
24" WC 12 101 24" WC 12 132	STD	70	71	100	150
Firewater					
8" WF 14 104 8" WF 14 105 8" WF 14 107 8" WF 14 109 8" WF 14 110 8" WF 14 111 8" WF 14 112 8" WF 14 113	STD	ATM	AMB	NA	NA
12" WF 14 100 12" WF 14 102 12" WF 14 109	STD	ATM	AMB	NA	NA

PIPING SPECIFICATIONS - (Continued)

LINE NUMBER	SCH OR WT	OPER. PRES.	OPER. TEMP.	DESIGN PRES.	DESIGN TEMP.
Utility Water					
1" WU 14 109 1" WU 14 110 1" WU 14 111 1" WU 14 112 1" WU 14 113 1" WU 14 114 1" WU 14 115 1" WU 14 116 1" WU 14 118 1" WU 14 119	80			200	150
3" WU 14 101	10S	ATM	AMB	100	150
4" WU 14 102	STD			200	150
6" WU 14 101	0.280			200	150
Treated Water					
1.5" WT 14 111	40S	50	AMB	100	150
2" WT 14 104	40S	50	AMB	100	150
3" WT 14 101	10S	ATM	AMB	100	150
Drinking Water					
1.5" WD 14 104 1.5" WD 14 106 1.5" WD 14 107 1.5" WD 14 108	STD	60	70	100	150
2" WD 14 101	STD	60	70	100	150
3" WD 14 101	STD	60	70	100	150
Process Hydrocarbon Liquids					
3" HL 14 106	STD	ATM	AMB	50	150
4" HL 9 180	80	820	110	1415	150
6" HL 9 159 6" HL 9 182	80	1687	83	1815	150
8" HL 9 161	0.322	1687	83	1815	150
Process Hydrocarbon Gas					
20" HG 1 101	STD	345	110	596	150
20" HG 1 112	0.750	845	110	940	150
24" HG 1 111	0.750	845	80	940	150
24" HG 2 110	0.750	850	120	940	150

LINE NUMBER	SCH OR WT	OPER. PRES.	OPER. TEMP.	DESIGN PRES.	DESIGN TEMP.
Amine					
2" XA 8 125 2" XA 8 132 2" XA 8 144	80	36	70	272	200
2" XA 8 145 2" XA 8 146	80	ATM	AMB	100	150
2" XA 8 150 2" XA 8 151 2" XA 8 153 2" XA 8 160	80	22	AMB	200	150
3" XA 8 129	STD	ATM	AMB	100	150
3" XA 8 142	STD	12	248	100	300
6" XA 8 100 6" XA 8 148	STD	ATM	AMB	100	150
Refrigerant					
1.5" RF 10 140	80	200	100	250	150
2" RF 10 113	80	70	44	250	150
3" RF 10 141	STD	200	100	250	150
Fuel Gas					
2" FG 14 112	80	60	42	110	175
Flare					
2" FL 14 240 2" FL 14 241	80	ATM	AMB	50	-20/260
Methanol					
2" XX 14 101	80	50	110	100	150
Sanitary Sewer					
6" DY 14 101	Standard PVC pipe				
Closed Drain System					
1" DC 14 135	80	300	80	350	275
2" DC 14 102	80	300	80	350	275
2" DC 14 107 2" DC 14 110 2" DC 14 116	40S	40	-200	50	-220/350
3" DC 14 101	STD	300	80	350	275
3" DC 14 122 3" DC 14 127	10S	40	-200	50	-220/350
4" DC 14 109 4" DC 14 112	10S	40	-200	50	-220/350
6" DC 14 123	10S	40	-200	50	-220/350

PIPING SPECIFICATIONS - (Continued)

LINE NUMBER	SCH OR WT	OPER. PRES.	OPER. TEMP.	DESIGN PRES.	DESIGN TEMP.
Open Drain System					
2" DO 14 102	80	ATM	AMB	50	150
2" DO 14 103					
2" DO 14 109					
2" DO 14 110					
2" DO 14 114					
2" DO 14 119					
2" DO 14 120					
2" DO 14 121					
2" DO 14 124					
2" DO 14 125					
2" DO 14 129					
2" DO 14 131					
2" DO 14 132					
2" DO 14 133					
2" DO 14 134					
2" DO 14 135					
2" DO 14 136					
2" DO 14 137					
2" DO 14 142					
2" DO 14 143					
2" DO 14 144					
2" DO 14 145					
2" DO 14 146					
2" DO 14 147					
2" DO 14 149					
2" DO 14 153					
2" DO 14 157					
2" DO 14 158					
2" DO 14 173					
2" DO 14 183					
2" DO 14 202					
3" DO 14 104	STD	ATM	AMB	50	150
3" DO 14 112					
3" DO 14 126					
3" DO 14 150					
3" DO 14 151					
4" DO 14 107	STD	ATM	AMB	50	200
4" DO 14 155					
6" DO 14 138	STD	ATM	AMB	50	150
6" DO 14 140					
Instrument Air					
1" AI 14 118	STD	125	120	150	300
1" AI 14 119					
Utility Air					
2" AU 14 109	STD	125	120	150	300

PIPING SPECIFICATIONS

LINE NUMBER	SCH OR WT	OPER. PRES.	OPER. TEPM.	DESIGN PRES.	DESIGN TEMP.
Waste Water Disposal					
3" WP 14 4	PE3408 SDR 9	150	N/A	200	N/A

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APPENDIX G

Estimated Costs to Closure

COSTS TO CLOSURE San Juan Gas Plant Hilcorp Energy Company Bloomfield, New Mexico	
TASK	**ESTIMATED COST**
Task 1: Removal of Plant Vessels and Piping	
Purge and Flush, Waste Disposal, and Isolate / Lockout	$3,500,000.00
Task 2: Removal of Buildings	
Purge and Flush, Waste Disposal, and Isolate / Lockout	$500,000.00
Task 3: Removal of Underground Piping	
Purge and Flush, Waste Disposal, and Isolate / Lockout	$1,000,000.00
Task 4: Removal of Flare and Retention Pond Restoration	
Purge and Flush, Waste Disposal, and Isolate / Lockout	$750,000.00
Task 5: Remediation and Contingency Costs	
Soil Sampling	$25,000.00
Remediation (assume 1,200 cubic yards)	$180,000.00
Subtotal	$205,000.00
Task 6: Reclamation and Monitoring	
Restoration, Reseeding, Monitoring	$234,000.00
Total	**$6,189,000.00**

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 437987
	Action Type: [UF-DP] Discharge Permit (DISCHARGE PERMIT)

CONDITIONS

Created By	Condition	Condition Date
joel.stone	OCD emailed the discharge permit application approval letter to Clara Cardoza (Hilcorp) on March 14, 2025. The emailed approval is attached to this application.	3/14/2025