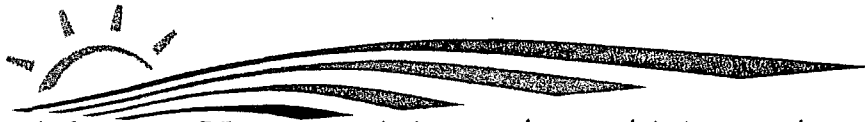


GW-277

**TERMINATION
PERMIT
2012**



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



FEBRUARY 14, 2012

Mr. Keith Warren
DCP Midstream
1625 West Marland
Hobbs, New Mexico 88240

Dear Mr. Warren:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit", the Oil Conservation Division (OCD) has determined that three of your facilities with soon to expire permits are not required to operate under a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit for **GW-069** (Duke Carlsbad GP), **GW-277** (Big Eddy Lateral No. 1 CS), and **GW-280** (Duke Carlsbad CS) will be allowed to expire and you are not required to proceed with the renewal of these expired WQCC Discharge Permits. OCD will close these discharge permits in its database.

Because these WQCC Discharge Permits will now longer be in effect, you may be required to obtain separate OCD permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfarms and landfills. OCD will determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required. Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit.

If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

Jami Bailey
Director

JB/gvg