

GW - 352

**PERMITS,
RENEWALS,
& MODS
Application**

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 8/27/08

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

from Williams Four Corners

for GW-352

Submitted by: Lawrence Romero Date: 9/8/08

Submitted to ASD by: Yolanda Romero Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

4

RECEIVED

2008 AUG 21 PM 2 50

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. The flat fee for a compressor station with horsepower greater than 1001 hp is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on October, 8, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its May 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspection of this facility on July 30, 2008. Mr. David Bays, Williams Four Corners and Mr. Brandon Powell, OCD Aztec were in attendance. Inspection photos referenced below are attached to the permit. The inspection concluded the following:

1. Several contaminated soils were noted throughout the facility, reference photos 2, 9, 10, 11, 14, 15, 16, 17, 20, 25, and 26. Williams Four Corners shall clean and properly dispose of these soils and prevent any more unnecessary discharges.
2. Several standing fluids were noted throughout the facility, reference photos 1, 7, 8, 13, 15, 21, 22, 24, and 28. Standing fluids in secondary containments and sumps are to be removed within 72 hours. Secondary containments are not intended to hold fluids for normal working function of the facility but only for prevention of discharge on to the ground. Williams Four Corners shall remove any fluids in a timely manner as to not violate its discharge plan permit conditions.
3. Below Grade Tanks with leak detection appear to contain fluids. During the monthly inspection of these systems Williams Four Corners shall immediately address the cause for fluid presence. A leak detection system is not intended to hold fluids indefinitely. Williams Four Corners shall test their BGT's to ensure it still has integrity and submit the report to the OCD. All personnel at this facility shall monitor all BGT's leak detection system as noted within the permit conditions.
4. The secondary containment for the Used Oil and Produced Water appears to have a leaking crack, see photo 20. There appears to be a breach in the lower seam of the outer containment area. Williams Four Corners shall address this concern and provide the OCD the findings of this concern.
5. The OCD would like Williams Four Corners to present the Discharge Plan Permit conditions to all Williams Four Corners and operators of this facility. This is to ensure that all personnel at this facility understand the conditions pertaining to this facility.

All these findings are stated within the Permit conditions. This inspection concluded violations of the existing permit. **Williams Four Corners has 60 days from this permit date to address theses concerns.** The OCD will expect a resolution and report for each of these findings. A Notice of Deficiency letter was previously sent to Williams Four Corners addressing these identical concerns. In order to not incur any fines or penalties Williams Four Corners shall address these findings within this time allotted by the New Mexico Oil Conservation Division and work to prevent reoccurrence of such activities in the future at this and all their facilities.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good

Mr. David Bays
Williams Four Corners, LLC.
GW-149
August 13, 2008
Page 7

cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively

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

Williams Four Corners, LLC

Company Name-print name above

David Bays

Company Representative- print name

David Bays

Company Representative- Signature

Title Sr. Environmental Specialist

Date: 08/18/2008

OCD Inspection: Williams Four Corners, El Cedro Gas Plant GW - 149

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 09:40 - 10:50

Page 1

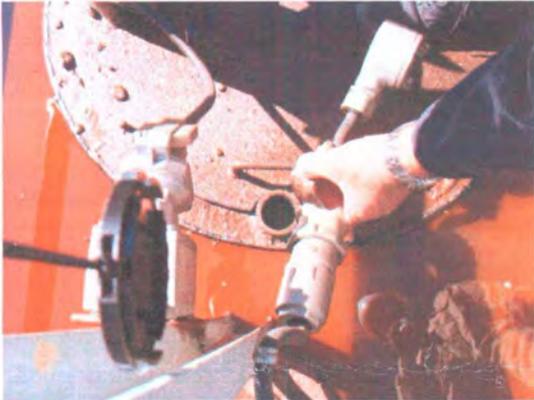


Photo 1: Leak detection in submerged sump.



Photo 2: Stained gravel next to submerged sump in Photo 1.



Photo 3: Two unlabeled saddle tanks on the south side of yard.



Photo 4: Sump in secondary containment of unused heater with a crack in containment.



Photo 5: Close up on crack in Photo 4.



Photo 6: A sump holding liquids.

OCD Inspection: Williams Four Corners, El Cedro Gas Plant GW - 149

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 09:40 – 10:50

Page 2



Photo 7: Fluids within secondary containment of amine recovery tank.



Photo 8: Container holding fluids.



Photo 9: Soil/gravel staining on ground.



Photo 10: Gravel/soil staining near fan.



Photo 11: Large amount of unauthorized discharge near compressor engine.



Photo 12: Same as Photo 11.

OCD Inspection: Williams Four Corners, El Cedro Gas Plant GW - 149

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 09:40 – 10:50

Page 3



Photo 13: Saddle lube tank with fluids in secondary and a clogged drain.

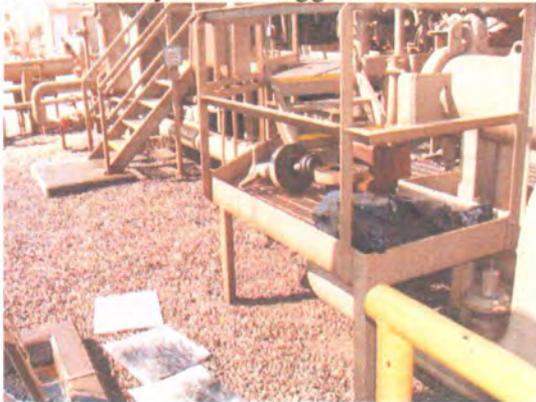


Photo 14: Gravel/soil staining near compressor engines.



Photo 15: Fluids in another lube tank containment area.



Photo 16: Staining around another lube tank area.



Photo 17: Another lube tank stained area.



Photo 18: Secondary containment for used oil and condensate tank. Staining on floor.

OCD Inspection: Williams Four Corners, El Cedro Gas Plant GW - 149

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 09:40 – 10:50

Page 4



Photo 19: One of two sumps in secondary containment for used oil and condensate tanks.



Photo 20: Secondary containment for Used Oil and Condensate tanks appear to be leaking.



Photo 21: Standing fluids in secondary containment area.



Photo 22: Standing fluid in sump.



Photo 23: Label on tank is not legible.

OCD Inspection: Williams Four Corners, El Cedro Gas Plant GW - 149

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 09:40 – 10:50

Page 5



Photo 24: Standing fluid in methanol secondary containment area.



Photo 27: Overflowed sump with fluids in secondary leak detection system.



Photo 28: Filter drain area with standing fluids in secondary containment.



Photo 25: Soil staining on ground.



Photo 26: Overflowed sump.

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

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

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

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspection of this station on July 30, 2008. Attached to this permit are the inspection photographs, reference photos there. The inspection concluded the following.

1. The produced water tank was not labeled. Properly label tank, photo 5.
2. Liquids need to be removed from below grade tank secondary containment. Static liquids defeat the purpose of designed BGT leak detection system, photo 6.
3. Empty container located directly on ground, photo 2. All containers empty/full shall be properly stored according to *Condition 7* of permit.
4. Soil staining, photo 4, around tank. The OCD has noted the lease amount of staining at this station and that there is always room for improvement.

Williams Four Corners must address # 1 within 60 days of this permit date. Once completed Williams Four Corners shall submit to the NMOCD a photograph for record of the completed task. All other items are addressed within the permit conditions, Williams Four Corners shall adhere to all these conditions.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Williams Four Corners, LLC

Company Name-print name above

David Bays

Company Representative- print name

David Bays

Company Representative- Signature

Title Sr. Environmental Specialist

Date: 08/18/2008

OCD Inspection: Williams Four Corners, Cabresto CS, GW - 352

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 07:15 - 09:05

Page 1

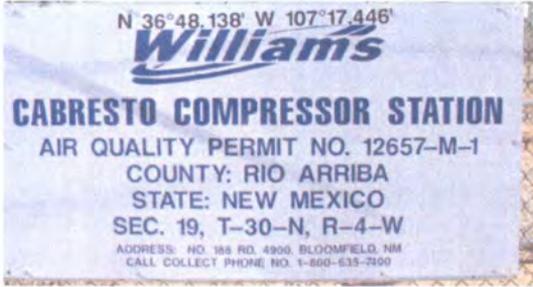


Photo 1: Facility sign.



Photo 4: Stained soil near saddle tank.



Photo 2: Container located directly on the ground.

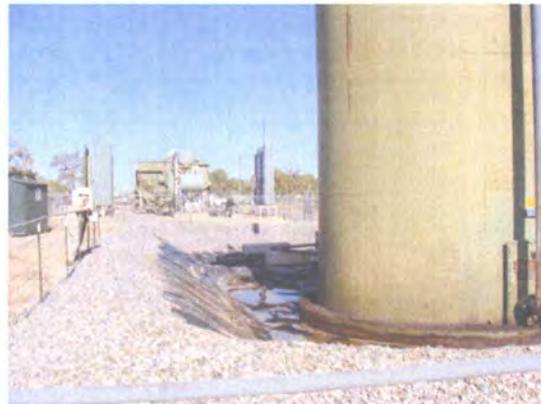


Photo 5: Produced water tank is not labeled.



Photo 3: Contaminated soil covered in plastic.



Photo 6: BGT has fluids/water in its bermed area.



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 6, 2008

Mr. David Bays
Williams Four Corners
188 Road 4900
Bloomfield, N.M. 87413

Re: Discharge Permit Renewal
Cabresto compressor station (GW-352)
NE/4 NE/4 Section 19, Township 30 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Bays:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Four Corners LLC**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

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

Sincerely,

Original Signed by W. Price

Wayne Price
Environmental Bureau Chief

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

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

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

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD performed an inspection of this station on July 30, 2008. Attached to this permit are the inspection photographs, reference photos there. The inspection concluded the following.

1. The produced water tank was not labeled. Properly label tank, photo 5.
2. Liquids need to be removed from below grade tank secondary containment. Static liquids defeat the purpose of designed BGT leak detection system, photo 6.
3. Empty container located directly on ground, photo 2. All containers empty/full shall be properly stored according to *Condition 7* of permit.
4. Soil staining, photo 4, around tank. The OCD has noted the lease amount of staining at this station and that there is always room for improvement.

Williams Four Corners must address # 1 within 60 days of this permit date. Once completed Williams Four Corners shall submit to the NMOCD a photograph for record of the completed task. All other items are addressed within the permit conditions, Williams Four Corners shall adhere to all these conditions.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title _____

Date: _____

OCD Inspection: Williams Four Corners, Cabresto CS, GW - 352

Inspector(s): Brandon Powell and Leonard Lowe

Company Rep: Mr. David Bays

Date: 07.30.08

Time: 07:15 - 09:05

Page 1



Photo 1: Facility sign.



Photo 2: Container located directly on the ground.



Photo 3: Contaminated soil covered in plastic.



Photo 4: Stained soil near saddle tank.



Photo 5: Produced water tank is not labeled.



Photo 6: BGT has fluids/water in its bermed area.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Friday, June 20, 2008 1:22 PM
To: 'Bays, David'
Cc: 'Deklau, Ingrid'
Subject: GW-352 Administratively Complete
Attachments: GW-352, Admin Complete Letter.pdf; GW-352, Draft Permit.pdf; GW-352, OCD PN.pdf

Mr. David Bays,

GW-352 has been determined to be administratively complete.

Your submitted public notice has been approved for publishing.

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 20, 2008

Mr. David Bays
Williams Four Corners
188 Road 4900
Bloomfield, N.M. 87413

**Re: Discharge Plan Renewal Permit GW-352
Williams Four Corners, LLC
Cabresto compressor station
Rio Arriba County, New Mexico**

Dear Mr. Bays:

The New Mexico Oil Conservation Division (NMOCD) has received Williams Four Corners' request and initial fee, dated May 13, 2008, to renew GW-352 for the Cabresto compressor Station located in the NE/4 NE/4 of Section 19, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

The submitted applicant public notice has been demonstrated and has met the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC and has therefore been **approved** for publishing. Please submit to the OCD a proof of publication affidavit once published. NMOCD will provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or leonard.lowe@state.nm.us. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leonard Lowe".

Leonard Lowe
Environmental Engineer

LRL/lrl

xc: OCD District III Office, Aztec





New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 20, 2008

Mr. David Bays
Williams Four Corners
188 Road 4900
Bloomfield, N.M. 87413

Re: **DRAFT** Discharge Permit Renewal
Cabresto compressor station (GW-352)
NE/4 NE/4 Section 19, Township 30 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico

Dear Mr. Bays:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Williams Four Corners LLC**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

The final permit should be issued in approximately 45 days. If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

Attachments-1
xc: OCD District Office

Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. *The flat fee for a compressor station with a horsepower greater than 1001 hp is \$1700.00. Please submit this amount along with the signed certification item 23 within 45 days. Checks should be made out to the New Mexico Water Quality Management Fund.*
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on October, 3, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its May 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one atmosphere shall use the normal operating pressure, if possible, or for atmospheric drain systems, test at 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 15 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

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

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

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

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulations 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

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

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. *An unauthorized discharge is a violation of this permit.*

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

20. Additional Site Specific Conditions: N/A

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

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the

department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

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

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

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

Company name-print name above

Company Representative- print name

Company Representative- Signature

Title

Date:

NOTICE OF PUBLICATION

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

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

(GW-352) Williams Four Corners., Mr. David Bays, Senior Environmental Specialist, 188 County Road 4900, Bloomfield, N.M. 87413, has submitted a renewal application for the previously approved discharge plan for their Cabresto compressor station, located in the NE/4 NE/4 of Section 19, Township 30 North, Range 4 West, NMPM, Rio Arriba County, approximately 39 miles east of Bloomfield, New Mexico. The facility provides metering and compression services to various producers for the gathering of natural gas for treatment and delivery. Approximately 100-5000 gal/year/unit of waste/wash down water; 1000-4000 bbl/year of used glycol and 500-2000 gal/year/engine of used oil are generated and stored in onsite within a bermed area prior to disposal at an NMOCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100-400 feet, with a total dissolved solids concentration of approximately 200 - 2000 mg/l. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 20th day of June 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Cirrus Consulting, LLC

May 28, 2008

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Subject: Discharge Plan Renewal Applications
Williams Four Corners, LLC El Cedro Plant (GW-149) and Cabresto Compressor
Station (GW-352)

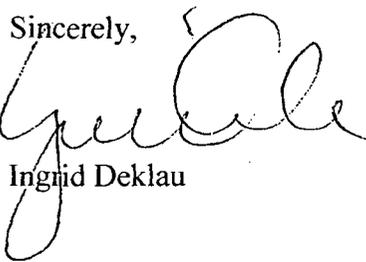
Dear Mr. Lowe:

On behalf of Williams Four Corners, LLC, Cirrus Consulting, LLC is pleased to submit Discharge Plan renewal applications for the El Cedro Plant (GW-149) and Cabresto Compressor Station (GW-352).

Enclosed are two copies of each application and a check for \$100 for each facility's filing fee.

If any additional information is needed, please contact me at the number below or Mr. David Bays of Williams Four Corners, LLC at (505) 634-4951.

Sincerely,



Ingrid Deklau

xc: Brandon Powell, OCD District 3
David Bays

RECEIVED
2008 JUN 3 PM 1 57

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. dated 5/28/08

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

from Erbeesto Williams

for GW-352

Submitted by: Lawrence Romero Date: 6/4/08

Submitted to ASD by: Lawrence Romero Date: 6/4/08

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

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

New Renewal Modification

1. Type: Natural Gas Compressor Station (Cabresto Station, GW-352)
2. Operator: Williams Four Corners, LLC
Address: 188 Road 4900, Bloomfield, NM 87413
Contact Person: David Bays Phone: (505) 634-4951
3. Location: NE/4 NE/4 Section 19 Township 30 North Range 4 West
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average daily quality and daily volume of waste water must be included.
8. Attach a description of current liquid waste and solid waste collection/treatment/disposal systems.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other rules, regulations, and/or orders.
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: David Bays Title: Environmental Specialist
Signature: David Bays Date: May 13, 2008
E-Mail Address: david.bays@williams.com



Cabresto Compressor Station

**NMOCD Discharge Plan
GW-352 Renewal**

**Williams Four Corners, LLC
188 CR 4900
Bloomfield, NM 87413**

June 2008

Item 1

Indicate the major operational purpose of the facility. If the facility is a natural gas purification plant (CO₂ removal) and compressor station include the total combined site rated horsepower.

The Cabresto Compressor Station was constructed in 2002 to provide metering and compression services to various producers for the gathering of natural gas for treatment and delivery through the Williams Field Services (WFS) system. The site is permitted for one Waukesha compressor engine up to 1,354 hp in size. In addition, there are various storage tanks, support structures and ancillary equipment. Records related to facility operations are maintained at central office locations.

Item 2

Name of operator or legally responsible party and local representative.

**Legally Responsible Party/
Operator** Williams Four Corners, LLC
188 County Road 4900
Bloomfield, NM 87413
(505) 632-4600/4634
(800)-645-7400 (24 hour emergency notification)

Local Representative David Bays
Williams Four Corners, LLC
188 County Road 4900
Bloomfield, NM 87413
(505) 634-4951

Item 3

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

Rio Arriba County, New Mexico
Township 30 North, Range 4 West, NE/4 NE/4 Section 19
The topographic map is attached as Figure 1.

Item 4

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

U.S. Forest Service
644 E. Broadway
Bloomfield, NM 87413
505-632-2956

Item 5

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

There have been no modifications to this section. See information on-file at OCD. The facility plot plan is included with this document as Figure 2.

Item 6

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

Table 1 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site.

MSDSs for materials at the site will be maintained in Williams' corporate office and will be available upon request.

Item 7

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

The source, quantity, and quality of effluent and waste solids expected to be generated at the compressor station are summarized in Table 2.

Item 8

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

There have been no modifications except that used oil filters and oil soaked pads and socks will be recycled per OCD regulations. This is reflected in Table 1, which describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site. See additional information on-file at OCD.

Item 9

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

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

Item 10

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

There have been no modifications to this item. See information on-file at OCD.

Item 11

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

There have been no modifications to this item. See information on-file at OCD.

Item 12

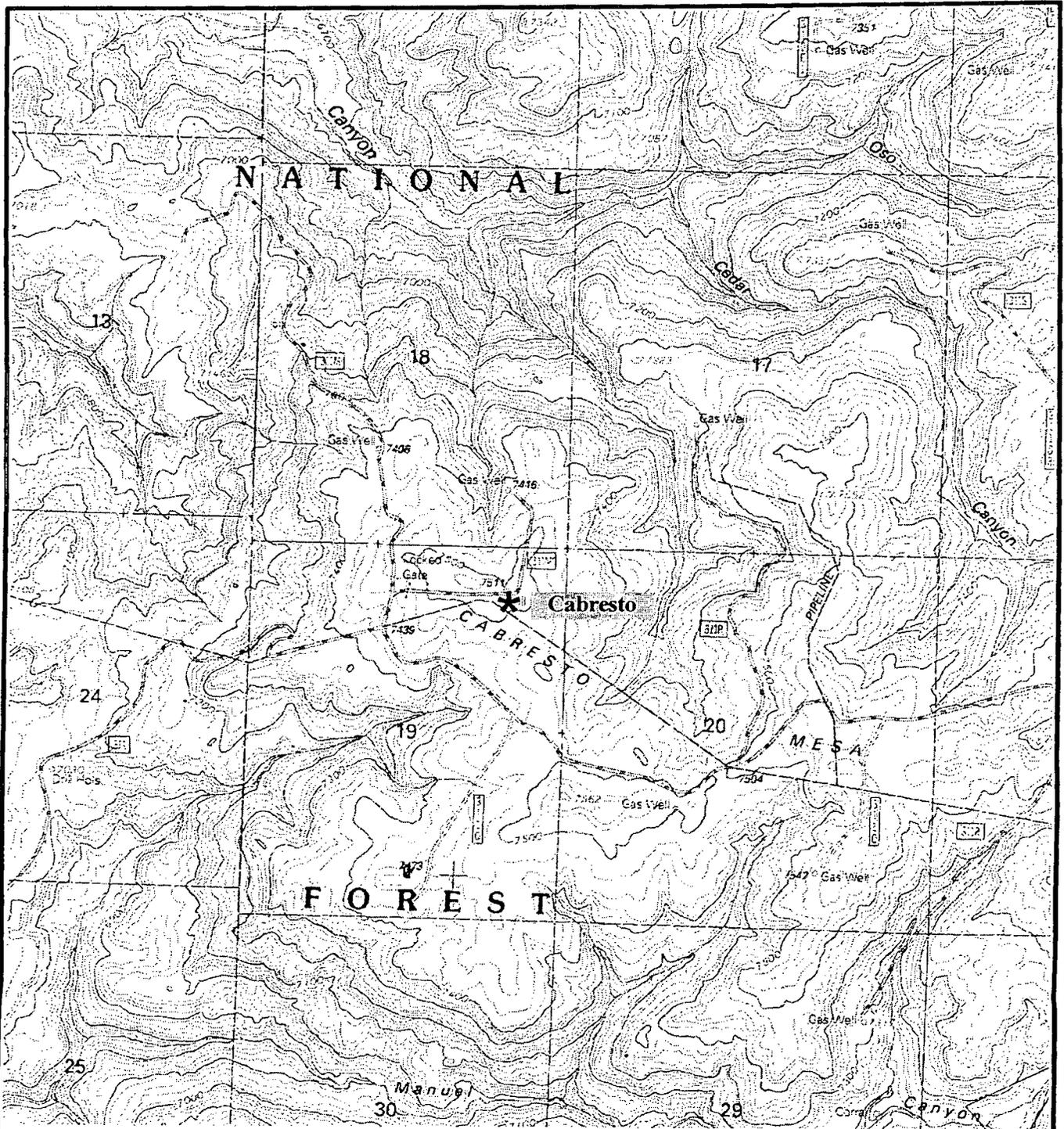
Attach ecological/hydrological information for the facility. Depth to and quality of groundwater must be included.

A current well search was performed using the New Mexico Office of the State Engineer's WATERS Database for this renewal application. There is no new information to report for this item. Information previously reported to OCD indicates estimated groundwater depth at the site is 100-400 feet. The total dissolved solids concentration of area groundwater is expected to range from 200 to 2000 parts per million. See additional information on-file at OCD.

Item 13

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

There have been no modifications to this section. See information on-file at OCD.



Source: USGS Espinosa Ranch, New Mexico Quadrangle

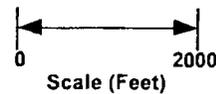


Figure 1 Site Vicinity / Topographic Map
Cabresto Compressor Station
 Section 19, Township 30N Range 4W
 Rio Arriba County, New Mexico

**Table 1
Transfer, Storage and Disposal of Process Fluids, Effluent and Waste Solids**

PROCESS FLUID/WASTE	STORAGE	STORAGE CAPACITY (approx/imate)	CONTAINMENT/ SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
Used Oil	Above Ground Storage Tank	500 gal	Wastewater system	Non-exempt	May be hauled to a Williams or contractor consolidation point before transport to EPA-registered used oil marketer for recycling.
Natural Gas Condensate/ Produced Water	Above Ground Storage Tank	400 bbl	Lined Berm	Exempt	Saleable liquids may be sold to refinery. The remaining liquids may be transported to a Williams' evaporation facility or may be disposed at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste.
Waste Water/ Produced Water/ Wash-down Water	Above Ground Storage Tank	95 bbl	Lined Berm	Non-Exempt	Saleable liquids may be sold to refinery. The remaining liquids may be transported to a Williams' evaporation facility or may be disposed at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste.
Used Oil Filters and Oil Soaked Pads and Socks	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Used oil filters and oil soaked pads and socks will be recycled as required by OCD regulations.
Used Process Filters	Drum or other container	Varies	Transported in drum or other container	Exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Spill Residue (e.g., soil, gravel, etc.)	N/A	N/A	In situ treatment, land-farm, or alternate method	Incident dependent	Per Section VI, Remediation, in 8/13/93 NMOCD Guidelines for Remediation of Leaks, Spills, and Releases.
Used Absorbents	Drum or other container	Varies	Transported in drum or other container	Non-exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at any facility permitted by any state, federal, or tribal agency to receive industrial solid waste. Any waste that is determined to be hazardous as defined by 40 CFR 260-265 will be disposed only at a facility permitted to accept such hazardous waste. A Waste Acceptance Profile will be filed with the disposal facility as necessary. Recycling options may be considered when available.
Empty Drums / Containers	N/A	N/A	Berm	Non-exempt	Barrels are returned to supplier or transported to a Williams or contractor consolidation point and ultimately recycled/disposed consistent with applicable regulations.
Lube Oil	Above Ground Storage Tank	500 gal	Wastewater system	N/A	Off-spec material recycled or disposed consistent with applicable regulations.
Antifreeze	Above Ground Storage Tank	500 gal	Berm	N/A	Off-spec material recycled or disposed consistent with applicable regulations.

*Number of tanks installed dependent on number of engines and dehydrators installed on site. Engines and dehydrators are installed or removed to meet demand.

Table 2
Source, Quantity, and Quality of Effluent and Waste Solids

PROCESS FLUID / WASTE	SOURCE	QUANTITY (Ranges)	QUALITY
Produced Water/Natural Gas Condensate	Inlet Scrubber, Gas Inlet Separator, Dehydrators	2000-8000 bbl/year	No Additives
Waste Water /Wash Down Water	Compressor and Dehy Skids; Process Areas	100-5000 gal/year/unit	Biodegradable soap and tap water with traces of used oil
Used Glycol	Site and Field Dehydration	1000-4000 bbl/yr	No additives
Used Solvent	Parts Cleaner	0-500 gal/year	No additives
Used Oil	Compressors	500-2000 gal/year/engine	Used Motor Oil w/ No Additives
Used Oil Filters	Compressors	50-500/year/engine	No Additives
Lab Waste	Onsite testing glycol, amine, etc.	0-200 gal/yr	No additives
Used Process Filters	Charcoal, Activated Carbon, Molecular Sieve	50-500 cubic yd/yr	No Additives
Used Process Filters	Air, Inlet, Fuel, Fuel Gas, Glycol, Amine, Ambientrol	75-500/year	No Additives
Empty Drums/Containers	Liquid Containers	0-80/year	No Additives
Spill Residue (i.e. soil, gravel, etc)	Incidental Spill	Incident Dependent	Incident Dependent
Used Adsorbents	Incidental Spill/Leak Equipment Wipe-down	Incident Dependent	No Additives

See attached DRAFT Public Notice, to include the following:

- Newspaper notice published in Farmington Daily Times in English and Spanish
- Landowner notice to USFS



Four Corners Area
Environmental Department
#188 County Road 4900
Bloomfield, N.M. 87413
Phone: (505) 632-4625
Fax: (505) 632-4781

~~May 28, 2008 - DRAFT~~

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

U.S. Forest Service
644 E. Broadway
Bloomfield, NM 87413

Dear Madam/Sir:

This letter is to advise you that Williams Four Corners, LLC is submitting a Discharge Plan Renewal application for the permitted Cabresto Compressor Station (GW-352) to the Oil Conservation Division. This notice is a requirement pursuant to New Mexico Water Quality Control Commission Regulations. We submitted the Discharge Plan Renewal application to the Oil Conservation Division during May 2008.

The facility, located on U.S. Forest Service land in the NE/4, NE/4 Section 19, Township 30 North, Range 4 West, Rio Arriba County, New Mexico, approximately 39 miles east of Bloomfield, provides natural gas compression and conditioning services.

The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Typical materials generated or used at the facility include natural gas condensate/produced water, new and used lube oil, oily waste water from equipment wash down, and glycol. The facility does not discharge to surface or subsurface waters. The quantity of wastewater generated is 100–5000 gallons per year per engine. All wastes generated will be temporarily stored in tanks or containers equipped with secondary containment. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. The estimated ground water depth at the site is expected to be in the range of 100-400 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 200-2,000 parts per million.

Comments or inquiries regarding this permit or the permitting process may be directed to:

Leonard Lowe
New Mexico Oil Conservation Division
1220 South Saint Francis Dr.
Santa Fe NM 87505
505-476-3492

Respectfully submitted,

David Bays
Sr. Environmental Specialist

PUBLIC NOTICE - DRAFT

Williams Four Corners, LLC, 188 County Road 4900, Bloomfield, New Mexico 87413, submitted a renewal application in May 2008 to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division for the previously approved discharge plan GW-352 for their Cabresto Compressor Station located in the NE/4, NE/4 of Section 19 Township 30 North, Range 4 West in Rio Arriba County, New Mexico. The facility, located approximately 39 miles east of Bloomfield, provides natural gas compression and conditioning services.

The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Typical materials generated or used at the facility include natural gas condensate/produced water, new and used lube oil, oily waste water from equipment wash down, and glycol. The quantity of wastewater generated is 100 – 5000 gallons per year per engine. The facility does not discharge to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers equipped with secondary containment. Waste shipped offsite will be disposed or recycled at a facility permitted by state, federal, or tribal agency to receive such waste. The estimated ground water depth at the site is expected to be in the range of 100-400 feet. The total dissolved solids concentration of area ground water is expected to be in the range of 200-2,000 parts per million.

Any interested person or persons may obtain information, submit comments, or request to be placed on a facility-specific mailing list for future notices by contacting Leonard Lowe at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3492. The OCD will accept comments and statements of interest regarding the renewal and will create a facility-specific mailing list for persons who wish to receive future notices.

ATENCIÓN PÚBLICA - DRAFT

Williams Four Corners, LLC, County Road 4900, Bloomfield, NM 87413, han presentado una aplicación de renovación en el mai de 2008 a la New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division para la descarga antes aprobada planean GW-352 para su Cabresto Compressor Station localizada en el NE/4, NE/4 de la Sección 19, Municipio 30 Norte, Recorren 4 Oeste en Rio Arriba County, New Mexico. La instalación, este de aproximadamente 39 millas localizado de Bloomfield, proporciona servicios de acondicionamiento y compresión de gas naturales.

El plan de descarga se dirige como las caídas, los agujeros, y otras descargas casuales a la superficie serán manejados. Los materiales típicos generados o usados en la instalación incluyen el echar agua condensado/producir de gas natural, el petróleo de lubricación nuevo y usado, echar agua de desecho aceitoso del equipo se lavan abajo, y glicol. La cantidad de wastewater generado es 100 – 5000 galones por año por motor. La instalación no descarga para revestir o subrevestir los echares agua. Toda la basura generada será temporalmente almacenada en tanques o contenedores equipados con la contención secundaria. La basura transportó offsite será dispuesto o reciclado en una instalación permitida por la agencia estatal, federal, o tribal recibir tal basura. Se espera que la profundidad de agua subterránea estimada en el sitio esté en la variedad de 100-400 pies. El total se disolvió se espera que la concentración de sólidos del agua subterránea de área esté en la variedad de 200-2,000 partes por millón.

Cualquier persona interesada o personas pueden obtener la información, presentar comentarios o solicitar para ser colocado en una lista de direcciones específica de instalación para futuros avisos por ponerse en contacto con Leonard Lowe en el Nuevo México OCD en 1220 Sur San. Francis Drive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3492. El OCD aceptará comentarios y declaraciones del interés en cuanto a la renovación y creará una lista de direcciones específica de instalación para personas que desean recibir futuros avisos.

ATTACHMENT TO THE DISCHARGE PLAN GW-149
WILLIAMS FIELD SERVICES COMPANY
EL CEDRO COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(July 9, 2003)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. The \$1,700.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. Williams Field Services Company Commitments: Williams Field Services Company will abide by all commitments submitted in the discharge plan renewal application dated April 17, 2003 and these stipulations for renewal.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans that are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: Williams Field Services Company shall maintain storm water runoff controls. As a result of Williams Field Services Company's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Field Services Company shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Field Services Company shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the El Cedro Compressor Station are discontinued for a period in excess of six months. Prior to closure of the El Cedro Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Williams Field Services Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted: 

WILLIAMS FIELD SERVICES COMPANY

by ENVIRONMENTAL SPECIALIST
Title

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 10/23/03,
or cash received on _____ in the amount of \$ 1,700-

from Williams Field Services

for Cabresto C.S. GW-357

Submitted by: [Signature] Date: 11-3-03

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

THIS MULTI-TONE AREA OF THE DOCUMENT CHANGES COLOR GRADUALLY AND EVENLY FROM DARK TO LIGHT WITH DARKER AREAS BOTH TOP AND BOTTOM. IT ALSO HAS A REFLECTIVE WATERMARK ON THE BACK.

Williams
WILLIAMS FIELD SERVICES COMPANY
P.O. Box 21118 • Tulsa, OK 74121-1118
10-9232110
AZC 9401157

DATE: 10/23/2003

PAY TO THE ORDER OF _____

PAY *******\$1,700.00**

WATER MANAGEMENT QUALITY MANAGEMENT FUND
C/O OIL CONSERVATION DIV
1220 S ST FRANCIS DR
SANTA FE NM 87505

Back One, NA
llindia

[Signature]
Authorized Signat



INVOICE NUMBER	INVOICE DATE	BATCH NAME	INVOICE DESCRIPTION	NET AMOUNT
13-OCT-03	20031013	IMAGING-PATH-22-OCT-03	CABRESTO FLAT FEE OCD DISCHARGE PLAN	1,700.00

CHECK NUMBER	PAY DATE	SUPPLIER NUMBER	SUPPLIER NAME	TOTAL AMOUNT
	10/23/2003	94141	WATER MANAGEMENT QUALITY MANAGEMENT FUND	\$1,700.00

MA1353(CORPAP001) (AP)

ATTACHMENT TO THE DISCHARGE PERMIT GW-352
WILLIAMS FIELD SERVICES COMPANY
CABRESTO COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
(October 3, 2003)

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. The \$1,700.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.
2. Williams Field Services Company Commitments: Williams Field Services Company will abide by all commitments submitted in the Discharge Permit application dated July 14, 2003.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to Discharge Permit. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans that are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: Williams Field Services Company shall maintain storm water runoff controls. As a result of Williams Field Services Company's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Field Services Company shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Field Services Company shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the Cabresto Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Cabresto Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Williams Field Services Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

WILLIAMS FIELD SERVICES COMPANY

by 
Title



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

October 3, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Mr. Michael K. Lane
Williams Field Services Company
118 County Road 4900
Bloomfield, New Mexico 87413

**RE: Discharge Permit GW-352
Williams Field Services Company
Cabresto Compressor Station
Rio Arriba County, New Mexico**

Dear Mr. Lane:

The ground water Discharge Permit GW-352 for the Williams Field Services Company Cabresto Compressor Station located in the NE/4 NE/4 of Section 19, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge permit consists of the original application dated July 14, 2003 and the attached stipulations of approval. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter.**

The Discharge Permit application was submitted pursuant to 20 NMAC 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to 20 NMAC 3109.A. Please note 20 NMAC 3109.E and 20 NMAC 3109.F, which provide for possible future amendments or modifications of the permit. Please be advised that approval of this permit does not relieve Williams Field Services Company of liability should operations result in pollution of surface water, ground water, or the environment.

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

Please note that 20 NMAC 3104 of the regulations provides: "When a permit has been approved, discharges must be consistent with the terms and conditions of the permit." Pursuant to 20 NMAC 3107.C., Williams Field Services Company is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Mr. Michael K. Lane
GW-352 Cabresto Compressor Station
October 3, 2003
Page 2

Pursuant to 20 NMAC 3109.G.4., this permit is for a period of five years. This approval will expire on **October 3, 2008**, and Williams Field Services Company should submit an application in ample time before this date. Note that under 20 NMAC 3106.F. of the regulations, if a discharger submits a Discharge Permit application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge permit facilities will be required to submit the results of an underground drainage testing program as a requirement for Discharge Permit.

The Discharge Permit application for the Williams Field Services Company Cabresto Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge permit application will be assessed a fee equal to the filing fee of \$100 plus a flat fee of \$1,700.00 for compressor station with greater than 1,001 horsepower rating. The OCD has received the filing fee.

Please make all checks payable to: Water Management Quality Management Fund
C/o: Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505.

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-352
WILLIAMS FIELD SERVICES COMPANY
CABRESTO COMPRESSOR STATION
DISCHARGE PERMIT APPROVAL CONDITIONS
(October 3, 2003)

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. The \$1,700.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the permit, with the first payment due upon receipt of this approval.
2. Williams Field Services Company Commitments: Williams Field Services Company will abide by all commitments submitted in the Discharge Permit application dated July 14, 2003.
3. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to Discharge Permit. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans that are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: Williams Field Services Company shall maintain storm water runoff controls. As a result of Williams Field Services Company's operations any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any storm water runoff then Williams Field Services Company shall notify the OCD within 24 hours, modify the plan within 15 days and submit for OCD approval. Williams Field Services Company shall also take immediate corrective actions pursuant to Item 12 of these conditions.

16. Closure: The OCD will be notified when operations of the Cabresto Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Cabresto Compressor Station a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Certification: Williams Field Services Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Williams Field Services Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

WILLIAMS FIELD SERVICES COMPANY

by _____
Title

INVOICE NUMBER	INVOICE DATE	BATCH NAME	INVOICE DESCRIPTION	NET AMOUNT
02-JUL-03	20030702	IMAGING-PATH-02-JUL-03	DISCHARGE PLAN APPLICATION & FILING FEE	100.00

CHECK NUMBER	PAY DATE	SUPPLIER NUMBER	SUPPLIER NAME	TOTAL AMOUNT
	07/07/2003	71717	WATER MGMT & QUALITY MGMT FUND	\$100.00

MA1353(CORPAP001) (AP)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Revised March 17, 1999
Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

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

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

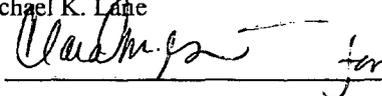
New Renewal Modification

1. Type: Compressor Station (Cabresto Compressor Station)
2. Operator: Williams Field Services Company
Address: 188 CR 4900, Bloomfield, New Mexico 87413
Contact Person: Michael K. Lane Phone: (505) 632-4625
3. Location: NE/4 NE/4 Section 19 Township 30 North Range 4 West
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
14. CERTIFICATION

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

Name: Michael K. Lane

Title: Environmental Specialist

Signature: 

Date: July 14, 2003



Cabresto
Compressor Station

NMOCD
Discharge Plan

Williams Field Services
188 CR 4900
Bloomfield, NM 87413



Table of Contents

1.0 Type of Operation-----3
2.0 Legally Responsible Party -----3
3.0 Location of Facility-----3
4.0 Landowner-----3
5.0 Facility Description -----9
6.0 Source, Quantity and Quality of Effluents and Waste Solids -----3
7.0 Transfer, Storage and Disposal of Process Fluids, Effluents and Waste Solids -----4
8.0 Storm Water Plan-----4
9.0 Inspection, Maintenance, and Reporting-----5
10.0 Spill/Leak Prevention and Reporting (Contingency Plans)-----5
11.0 Site Characteristics-----6
12.0 Facility Closure Plan-----6

List of Tables

- Table 1 – Source, Quantity and Quality of Effluent and Waste Solids
- Table 2 – Transfer, Storage and Disposal of Process Fluids, Effluents, and Waste Solids

List of Figures

- Figure 1 - Site Vicinity / Topographic Map
- Figure 2 - Facility Plot Plan
- Figure 3 – Site Survey

List of Appendices

- Appendix A – WFS Spill Control Procedures
- Appendix B – NMOCD Notification of Fire, Breaks, Spills, Leaks, and Blowouts
- Appendix C – Public Notice



Cabresto Compressor NMOCD Discharge Plan

Effective Date:

June 20, 2003

Page 3 of 6

1.0 TYPE OF OPERATION

The Cabresto Compressor Station was constructed in 2002 to provide metering and compression services to various producers for the gathering of natural gas for treatment and delivery through the Williams Field Services (WFS) system.

2.0 LEGALLY RESPONSIBLE PARTY

Williams Field Services
188 CR 4900
Bloomfield, NM 87413
(505) 632-4625

Contact Person:
Michael K. Lane, Senior Environmental Specialist
Phone and Address, Same as Above

3.0 LOCATION OF FACILITY

The facility is located in Section 19, Township 30 North, Range 4 West, in Rio Arriba County, New Mexico, approximately 39 miles east of Bloomfield, New Mexico. The facility latitude and longitude are North 36° 48.130,14' and West 107° 17.371,44'. A site location map is attached (USGS 7.5 Min. Quadrangle: Espinosa Ranch, New Mexico) as Figure 1. A site survey is also included as Figure 3.

4.0 LANDOWNER

Williams Field Services is leasing the subject property from:

U. S. Forest Service
644 E. Broadway
Bloomfield, NM 87413
(505) 632-2956

5.0 FACILITY DESCRIPTION

This facility is classified as a field compressor station and is unmanned. The air quality permit for this site has allowed the operation of one 1,354-hp engine. In addition, there are various storage tanks, support structures and ancillary equipment. Records related to facility operations are maintained at central office locations.

6.0 SOURCE, QUANTITY AND QUALITY OF EFFLUENTS AND WASTE SOLIDS

The source, quantity, and quality of effluent and waste solids generated at the compressor station are summarized in Table 1.



Cabresto Compressor NMOCD Discharge Plan

Effective Date:

June 20, 2003

Page 4 of 6

7.0 TRANSFER, STORAGE AND DISPOSAL OF PROCESS FLUIDS, EFFLUENTS AND WASTE SOLIDS

Wastes generated at this facility fall into two categories: exempt and non-exempt. Exempt wastes include, but may not be limited to, used process filters, condensate spill cleanups (spill residue), certain absorbents, and produced water with or without de minimus quantities of non-hazardous liquids. Non-exempt wastes include, but may not be limited to, used oil, used oil filters, and engine coolant. Table 2 describes the transfer, storage and disposal of exempt and non-exempt process fluids, effluents, and waste solids expected to be generated at the site.

Non-exempt waste management will be conducted in accordance with NMOCD requirements including the preparation of a Certificate of Waste Status for each non-exempt waste stream. Non-exempt wastes will be analyzed at a minimum for BTEX, TPH, RCRA D-List metals, ignitability, corrosivity, and reactivity to initially determine if such waste are hazardous as defined in 40 CFR Part 261. All wastes at the facility will be periodically surveyed for naturally occurring radioactive material (NORM) to determine if the concentrations of radium 226 exceed 30 picocuries per gram or if radiation exposure exceeds 50 microroentgens per hour. If affirmed, such materials will be handled and disposed in accordance with NMOCD NORM Regulations.

Barring facility modification and/or process changes, the classification of non-exempt wastes by laboratory analyses will be made once during the approval period of this plan. Subsequent laboratory analyses will be performed at the generator's discretion (minimum of once every five years), or more frequently to comply with waste acceptance procedures of the disposal facility.

8.0 STORM WATER PLAN

This storm water section was developed to provide a plan to monitor and mitigate impact to storm water runoff from the facility. It serves to satisfy storm water management concerns of the NMOCD. It is not intended to comply with 40 CFR Part 122, Storm Water Discharges as this facility is excluded in 122.26 (c) (1) (iii).

This section concentrates on the identification of potential pollutants, inspection and maintenance of the pollutant controls, and gives a description of structural controls to prevent storm water pollution.

8.1 Site Assessment and Facility Controls

An evaluation of the material used and stored on this site that may be exposed to storm water indicates that no materials would routinely be exposed to precipitation. There are no engineered storm water controls or conveyances; all storm water leaves the site by overland flow.

Any leakage or spill from the identified potential pollutant sources, if uncontained by existing berms, curbs, or emergency response actions, could flow overland to open off-site drainage ditches (arroyos) and thus impact storm water. In such an event, containment would occur by blocking the ditch or culvert downstream of the pollutant. Cleanup of the substance and implementation of mitigation measures could be conducted while protecting downstream storm watercourses.



8.2 Best Management Practices

Following are Best Management Practices (BMPs) to be implemented to prevent or mitigate pollution to storm water from facility operations:

- All waste materials and debris will be properly disposed of on an on-going basis in appropriate containers and locations for collection and removal from the site.
- Temporary storage of potential pollutant sources will be located in areas with appropriate controls for storm water protection. This would include ensuring all containers are sealed/covered and otherwise protected from contact with precipitation.
- Periodic inspection of channels and culverts shall be performed at least twice annually and after any major precipitation event.
- Sediment deposits and debris will be removed from the channels and culverts as necessary and any erosion damage at the outfall (if any) will be repaired or controlled.
- Conduct inspections of the facility on a regular basis as part of the preventive maintenance site check. Such inspections will include the visual assessment of corroded or damaged drums and tanks, broken or breached containment structures, collapsed or clogged drainages or drain lines.

Implementation of the BMPs will prevent or mitigate impact to storm water runoff from this facility.

9.0 INSPECTION, MAINTENANCE AND REPORTING

Williams personnel will operate and maintain the compression unit at the facility. The facility will be remotely monitored for equipment malfunctions through Gas Dispatch. The facility will be visited several times per week at a minimum, and an operator will be on call 24 hours per day, 7 days per week, 52 weeks per year. The above ground and below-grade tanks will be gauged regularly, and monitored for leak detection.

In the event of a release of a reportable quantity, the operator reports the release to a contracted spill notification service. The service immediately notifies the Williams Environmental Department and all appropriate agencies.

10.0 SPILL/LEAK PREVENTION AND REPORTING (CONTINGENCY PLANS)

Spill containment berms around above ground storage tanks will be designed to contain 133% of the tank capacity. The below-grade tanks will be constructed with a means of leak detection, and will either be double-walled tanks, double-bottomed tanks or a tank set on an impermeable pad.

Williams corporate policy and procedure for the controlling and reporting of Discharges or Spills of Oil or Hazardous Substances is provided in Appendix A. Significant spills and leaks are reported to the NMOCD pursuant to NMOCD Rule 116 and WQCC 1-203 using the NMOCD form (see Appendix B).



11.0 SITE CHARACTERISTICS

The site elevation is approximately 7,515 feet above mean sea level. The natural ground surface topography slopes downward toward the southeast. The maximum relief over the site is approximately 5 feet. Site drainage is to the southeast. Intermittent flow from the site will follow natural drainage south approximately 1/2 mile to the Manuel Canyon drainage. Manuel Canyon drains to the west into La Fragua Canyon, approximately 5 miles to the west of the site. The nearest down gradient perennial source of surface water is the Navajo Lake at the western-most reach of the La Fragua Canyon and is located approximately 10 miles down gradient from the site, at an elevation of approximately 6,100 feet.

A review of the available hydrologic data^{1,2} for this area revealed that there are no water wells within a 1/4-mile radius of Cabresto Compressor Station. The water-bearing unit in this area is the San Jose Formation. The San Jose Formation is the youngest Tertiary bedrock unit. This formation consists of a sequence of interbedded sandstone and mudstone. The estimated ground water depth at the site is 100 to 400 feet. The total dissolved solids concentration of area ground water is expected to range from 200 to 2,000 parts per million.

The 100-year 24-hour precipitation event at a regional weather station is 2.8 inches. This small amount of rainfall for the area should pose no flood hazards. Vegetation in the area consists predominantly of sagebrush and native grasses

Flood Protection: Surface water runoff from the area surrounding the site will be diverted around the facility into the natural drainage path.

References

¹Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., Padgett, E.T., 1983, Hydrology and Water Resources of San Juan Basin, New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.

²Online Well Reports and Downloads, New Mexico Office of the State Engineer, 2000.

12.0 FACILITY CLOSURE PLAN

All reasonable and necessary measures will be taken to prevent the exceedence of WCQQ Section 3103 water quality standards should Williams choose to permanently close the facility. Williams will submit a detailed closure plan to the NMOCD prior to closure.

Generally, closure measures will include removal or closure in place of underground piping and other equipment. All wastes will be removed from the site and properly disposed in accordance with the rules and regulations in place at the time of closure. When all fluids, contaminants, and equipment have been removed from the site, the site will be graded as close to the original contour as possible.

Should contaminated soil be discovered, any necessary reporting under NMOCD Rule 116 and WQCC Section 1203 will be made and clean-up activities will commence. Post-closure maintenance and monitoring plans would not be necessary unless contamination is encountered.

Tables

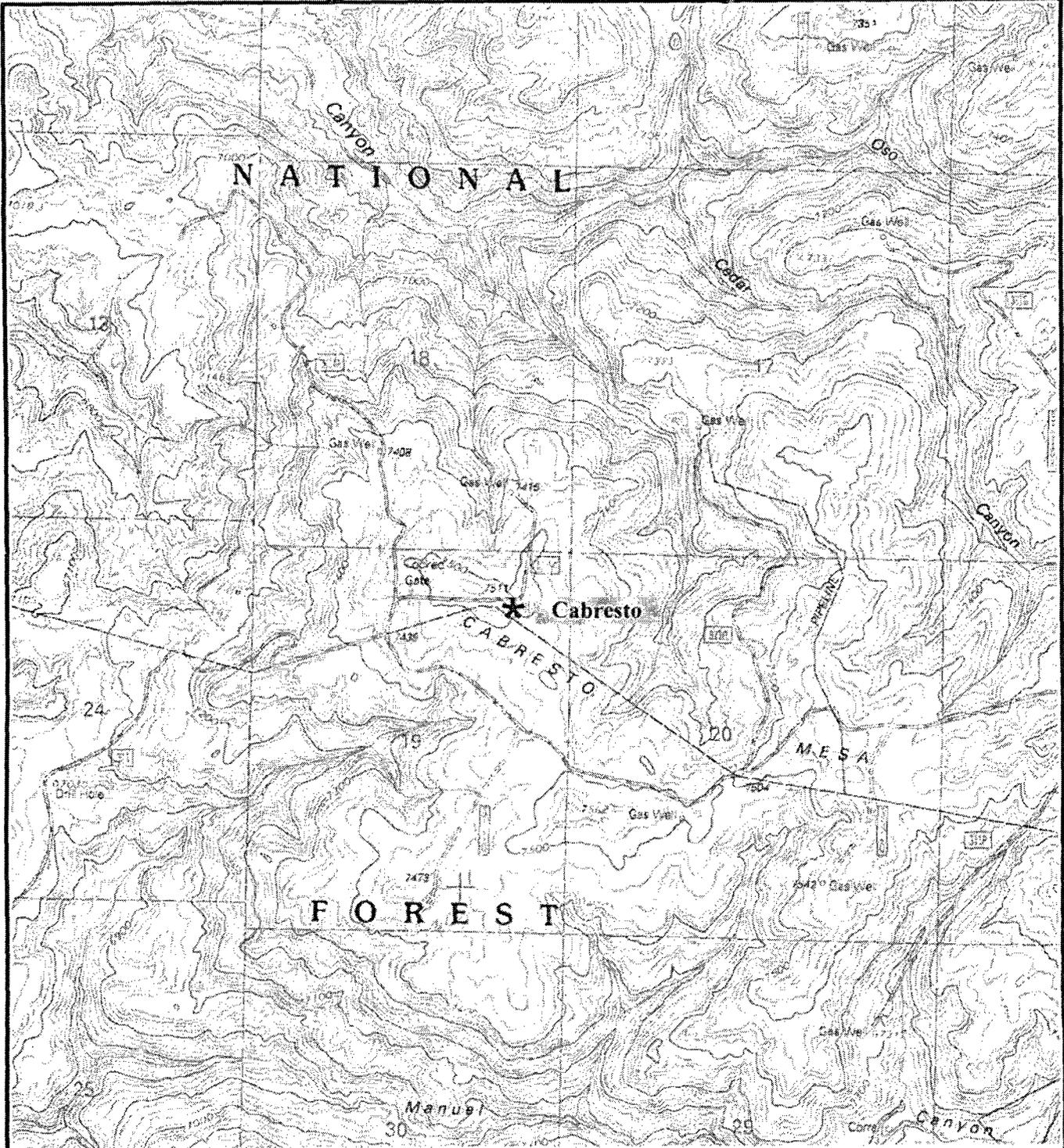
TABLE 1
SOURCE, QUANTITY AND QUALITY OF EFFLUENT AND WASTE SOLIDS
CABRESTO COMPRESSOR

PROCESS FLUID / WASTE	SOURCE	QUANTITY (Ranges)	QUALITY
Used Oil	Compressor	1,000-1,500 gallons/year/engine	Used Motor Oil w/ No Additives
Used Oil Filters	Compressor	50-100 gallons/year/engine	No Additives
Natural Gas Condensate	Scrubber	500-1,500 barrels/year/engine	No Additives
Produced Water	Gas Inlet Separator and Scrubber	2,000-9,000 barrels/year/engine	No Additives
Waste Water	Compressor Skid	500-1,500 barrels/year/engine	Biodegradable soap and tap water w/ traces of oil.
Used Process Filters	Air, Inlet and Fuel Gas	75-100/year	No Additives
Empty Drums/Containers	Liquid Containers	10-40/year	No Additives
Spill Residue (i.e. soil, gravel, etc)	Incident Spill	Incident Dependent	Incident Dependent
Used Adsorbents	Incident Spill/Leak Equipment Wipe-down	Incident Dependent	No Additives

**TABLE 2
TRANSFER, STORAGE AND DISPOSAL OF PROCESS FLUIDS, EFFLUENT AND WASTE SOLIDS
CABRESTO COMPRESSOR**

PROCESS FLUID / WASTE	STORAGE	STORAGE CAPACITY	CONTAINMENT / SPILL PREVENTION	RCRA STATUS	DESCRIPTION OF FINAL DISPOSITION
Used Oil	Above Ground Storage Tank	500 gallons	Waste Water System	Non-Exempt	Transported to a Williams or contractor consolidation point before transport to an EPA-registered used oil marketer for recycling.
Used Oil Filters	Drum or Other Container	Varies	Transported to a Williams or Contractor Facility in Drum or Other Container	Non-Exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at an approved disposal facility. A Waste Acceptance Profile will be filed with the disposal facility. Recycling options may be considered when available.
Natural Gas Condensate/ Produced Water	Above Ground Storage Tank	400 barrels	Lined Berm	Exempt	Saleable liquids may be sold to a refinery. The remaining liquids may be transported to a Williams evaporation facility or a NMOCD-approved disposal facility.
Waste Water/ Produced Water	Above Ground Storage Tank	95 barrels	Lined Berm	Non-Exempt	Water may be transported to a Williams evaporation facility or a NMOCD-approved disposal facility.
Used Process Filters	Drum or Other Container	Varies	Transported to a Williams or Contractor Facility in Drum or Other Container	Exempt	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at an approved disposal facility. A Waste Acceptance Profile will be filed with the disposal facility. Recycling options may be considered when available.
Empty Drums/Containers	N/A	N/A	Transported to a Williams or Contractor Facility	Non-Exempt	Barrels are returned to supplier or transported to a Williams or Contractor consolidation point and ultimately recycled/disposed consistent with applicable regulations.
Spill Residue (i.e. soil, gravel, etc)	N/A	N/A	In Situ Treatment, Land Farm, or Alternate Method	Incident Dependent	Per Section VI, Remediation, in the 8/13/93 NMOCD Guidelines for Remediation of Leaks, Spills, and Releases.
Used Adsorbents	Drum or Other Container	Varies	Transported to a Williams or Contractor Facility in Drum or Other Container	Incident Dependent	Transported to a Williams or contractor consolidation point, drained, and ultimately transported for disposal at an approved disposal facility. A Waste Acceptance Profile will be filed with the disposal facility. Recycling options may be considered when available.
Compressor Oil	Above Ground Storage Tank	500 gallons	Waste Water System	N/A	Off-spec material is recycled or disposed consistent with applicable regulations.
Antifreeze	Above Ground Storage Tank	500 gallons	Steel Containment	N/A	Off-spec material is recycled or disposed consistent with applicable regulations.

Figures



Source: USGS Espinosa Ranch, New Mexico Quadrangle

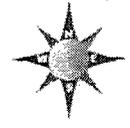
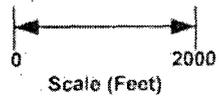
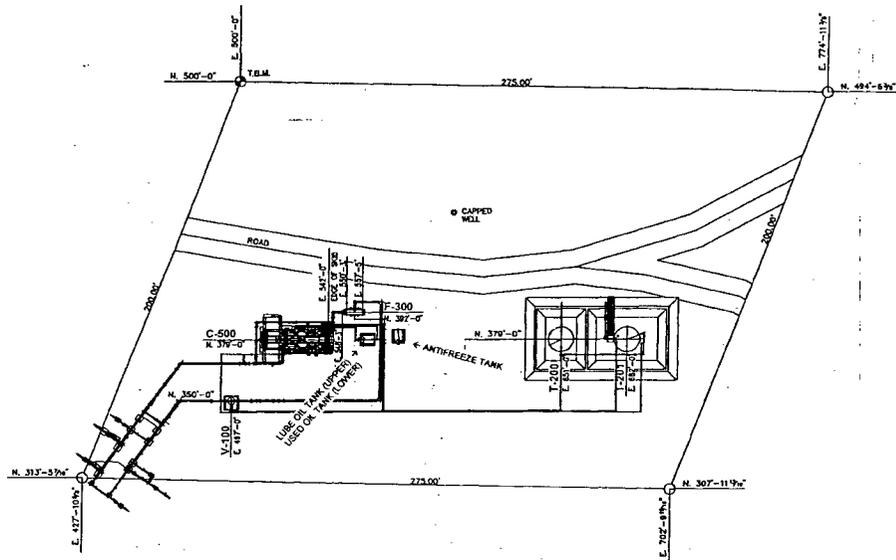


Figure 1 Site Vicinity / Topographic Map
Cabresto Compressor Station
 Section 19, Township 30N Range 4W
 Rio Arriba County, New Mexico



EQUIPMENT LIST		
P&ID	TAG	DESCRIPTION
6014-201-02	C-500	COMPRESSOR
6014-201-02	F-300	FILTER SEPARATOR
6014-201-03	T-200	DRAIN TANK
6014-201-03	T-201	CONDENSATE STORAGE TANK
6014-201-02	T-202	LUBE OIL TANK
6014-201-02	T-203	WASTE OIL TANK
6014-201-02	V-100	SCRUBBER



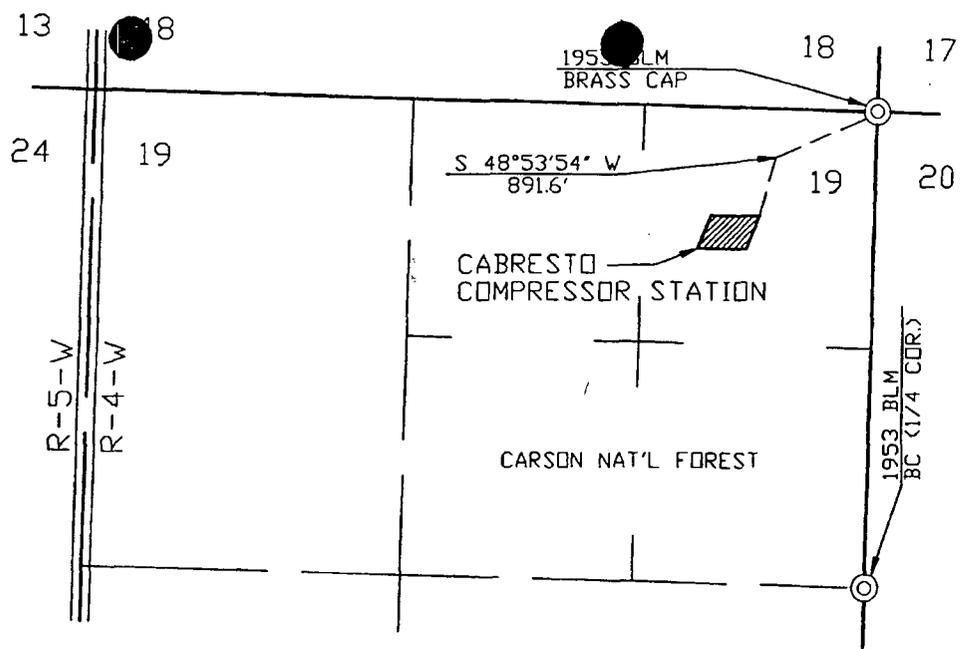
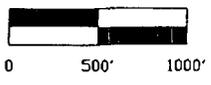
NOTES:
 1. STATION COORDINATES SHOWN ARE FOR THIS COMPRESSOR STATION.
 FOR TRUE COORDINATES REFER TO DRAWING 755.8-7-63.

NO.	DESCRIPTION	DATE	BY	CHK	REV.
1	ISSUED FOR CONSTRUCTION	08-23-62	AL		
2	REVISED				
3	REVISED				
4	REVISED				
5	REVISED				
6	REVISED				
7	REVISED				
8	REVISED				
9	REVISED				
10	REVISED				
11	REVISED				

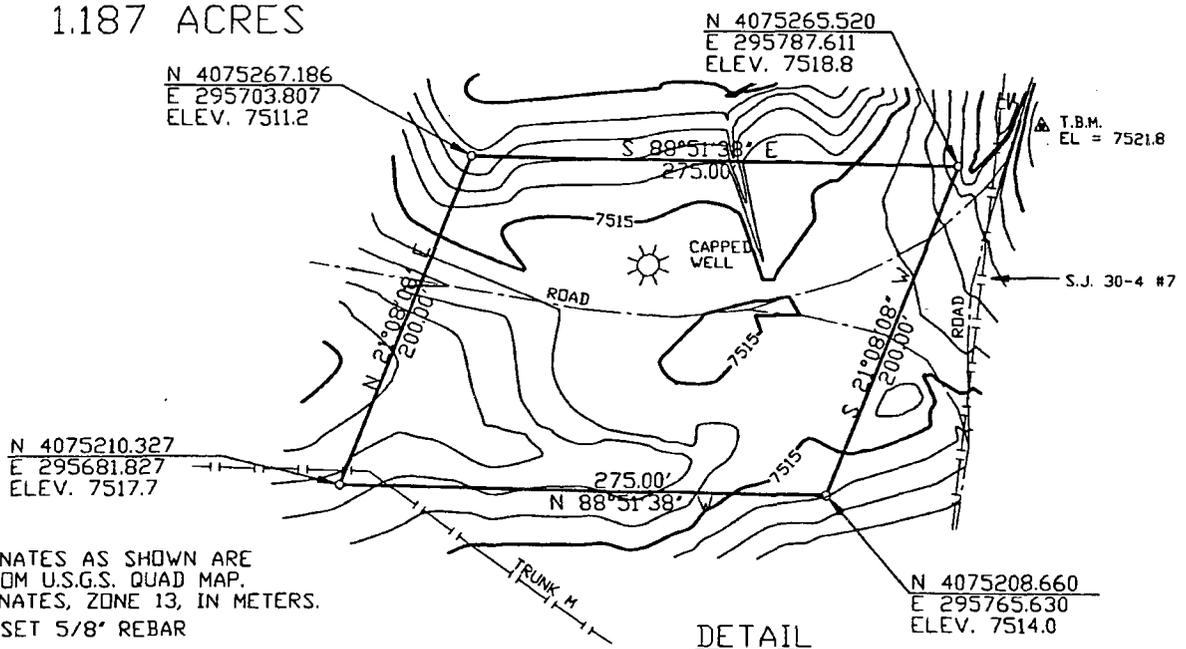
THE HANOVER COMPANY
 HANOVER TURBINE & TREATING
 7700 N. Highway 77
 (214) 342-7700

WILLIAMS GAS PROCESSING CABREITO COMPRESSOR STATION			
Figure 2 Site Plan			
NO.	DATE	BY	CHK
1	08-23-62	AL	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			

NOTE: BEARINGS ARE BASED ON A GRID BEARING.
ALONG THE EAST LINE OF THE NE 1/4 OF
SEC. 19, T-30-N, R-4-W, NMPM
BEARS S 1°19'04" W



CABRESTO COMPRESSOR SITE
1.187 ACRES



- NOTES**
1. ALL COORDINATES AS SHOWN ARE DERIVED FROM U.S.G.S. QUAD MAP. UTM COORDINATES, ZONE 13, IN METERS.
 2. ○ DENOTES SET 5/8" REBAR

DETAIL
SCALE 1" = 100'

OWNERSHIP				AREA				ACRES						
CARSON NATIONAL FOREST				51684.400 Sq.Ft.				1.187 Acres						
REVISION	NO.	DATE	BY	DESCRIPTION	W.D.NO.	CHK.	APP.	NO.	DATE	BY	DESCRIPTION	W.D.NO.	CHK.	APP.
	1	1/21/02	TG	ISSUED FOR REVIEW		PB								
INFO		DRAFTING	BY	DATE	STATE: NEW MEXICO			WILLIAMS GAS PROCESSING						
SURVEYED: 1/4/02		DRAWN BY	TG	1/21/02	COUNTY: RIO ARriba			ONE OF THE WILLIAMS COMPANIES 						
R/W #:		CHECKED BY	PB	1/21/02	FIGURE 3			SAN JUAN GATHERING SYSTEM CABRESTO COMPRESSOR SITE SECTION 19, T-30-N, R-4-W, N.M.P.M.						
		APPROVED BY												
		ENGINEER	BY	DATE	SCALE: AS NOTED			DWG NO.		765.9-X-83		SHEET	REV	
		DESIGNED BY			W.D. NO. -							1	1	
		PROJ. APPROVED												

APPENDIX A

SPILL CONTROL PROCEDURES

	Reference (Book Title) Operations/Maintenance Field Services	Task/Document No. 21.10.020
	Section General/Safety	Regulation No/Reference
	Subject Discharges or Spills of Oil or Hazardous Substances; Preventing, Controlling and Reporting of	Effective Date 12/15/99

[Back](#) | [Feedback](#) | [Index](#) | [Search Library](#)

Hit "CTRL-F" to find text on this page.

▶ **Document History (ISO9001)**

▼ **Document Body**

1.0 PURPOSE AND SCOPE

- 1.1 To establish the policy and procedure for preventing, controlling and reporting of discharges or spills of oil or hazardous substances to the environment in accordance with Company practices and federal, state and local requirements, including Title 40 of the Code of Federal Regulations - Part 112 (Oil Pollution Prevention).
- 1.2 This document pertains to Company personnel, Company and non-company facilities. The spill prevention and control requirements in this Policy and Procedure are Federally mandated guidelines for oil pollution prevention. The Company policy is to also apply these standards, where appropriate, to facilities containing hazardous substances. This is a discretionary application of the standards; however, variations from the standards should be approved by the responsible Director.

2.0 CONTENTS

3.0 POLICY

3.1 GENERAL

- 3.1.1 All Company facilities which could discharge or spill, oil or hazardous substances which may affect natural resources or present an imminent and substantial danger to the public health or welfare including, but not limited to, fish, shellfish, wildlife, shorelines and beaches are subject to the provisions of this document.
- 3.1.2 Oil, for purpose of this document, means oil of any kind or in any form, including but not limited to petroleum hydrocarbon, fuel oil, Y grade, natural gas liquids, condensate, mixed products, sludge, oil refuse and oil mixed with wastes other than dredged spoil (earth and rock). LPG (propane, butane, ethane) is not considered to be oil.
- 3.1.3 Hazardous Substance, for purposes of this procedure, is defined as any chemical or

material that has or should have a Material Safety Data Sheet (MSDS); however, hazardous substances are further defined by the following environmental statutes:

- a. Section 101(N) and Section 102 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)
- b. Section 307(a) and Section 311(b)(2)(A) of the Clean Water Act
- c. Section 3001 of the Solid Waste Act (excluding items suspended by Congress)
- d. Section 112 of the Clean Air Act
- e. Section 7 of the Toxic Substance Control Act

3.1.4 The term hazardous substance does not include petroleum hydrocarbon, including crude oil or any fraction thereof and the term does not include natural gas, natural gas liquids (including condensate), liquefied natural gas or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).

3.1.5 Facilities which could discharge or spill, oil or hazardous substances into a watercourse must comply with the applicable federal, state or local laws and regulations. A discharge includes but is not limited to any spilling, leaking, pumping, pouring, emitting, emptying or dumping. A watercourse is any perennial or intermittent river, stream, gully, wash, lake or standing body of water capable of collecting or transporting an oil or hazardous substance.

3.1.6 Facilities which are subject to the requirements stated in this policy are as follows:

a. Non-Transportation Related Facilities

(1) Storage or drip tanks and other aboveground containers (excluding pressurized or inline process vessels) having a capacity in excess of 660 gallons for each single container or an aggregate capacity of 1,321 gallons or more for multiple containers.

(2) Underground storage facilities having a total capacity in excess of 42,000 gallons.

b. Transportation Related Facilities

(1) All vehicles, pipeline facilities, loading/unloading facilities and other mobile facilities which transport oil or hazardous substances.

3.1.7 Each Company location which has facilities subject to paragraph C.1.1 shall have a site specific Spill Prevention Control and Countermeasure Plan (SPCC Plan) which identifies all facilities subject to 40 CFR 112. The plan shall identify all oil and hazardous substance storage vessels (as defined in a.(1) above) at the facility and the spill prevention measures in place to control discharges or spills. This plan shall also identify all regulatory agencies that must be notified in case of a spill.

3.1.8 The facility superintendent is responsible for spill prevention. His/her duties include,

but are not limited to, the following:

- a. Instructing personnel in the operation and maintenance of equipment to prevent the discharge of oil.
 - b. Conduct annual briefings for operating personnel at intervals frequent enough to assure adequate understanding of the Spill Plan at that facility.
 - c. Briefings should highlight and describe known discharges or spills and recently developed precautionary measures.
- 3.1.9 Each individual facility is checked annually by the superintendent or designee to determine the potential for discharges or spills of oil or hazardous substances in harmful quantities that violate water quality standards or which may cause a film, sheen or discoloration on the surface of water. All facilities which have the potential for discharging or spilling harmful quantities of oil or hazardous substances into a watercourse are required to have the following preventive measures:
- a. Examination of all tanks, valves and fittings, at least annually, to determine any maintenance requirements.
 - b. All tank batteries should, as far as practicable, have a secondary means of containment for the entire contents of the largest single tank plus sufficient freeboard in the containment facility to allow for precipitation.
 - c. An annual monitoring and inspection program to prevent accidental spills or discharges into watercourses. This includes annual inspection for faulty systems and monitoring line valves and liquid pipelines for leaks or blowouts.
- 3.1.10 Any field drainage ditches, road ditches, traps, sumps or skimmers should be inspected at regular scheduled intervals for accumulation of oil or other hazardous substances which may have escaped from small leaks. Any such accumulations should be removed.

3.2 BULK STORAGE TANKS

- 3.2.1 A tank should not be used for storage of oil or hazardous substances unless the material and construction of the tank is compatible with the oil or substance stored and conditions of storage such as pressure and temperature. Buried storage tanks must be protected from corrosion by coatings, cathodic protection or other methods compatible with local soil conditions. Aboveground tanks should be subject to visual inspection for system integrity.
- 3.2.2 The facility superintendent should evaluate tank level monitoring requirements to prevent tank overflow.
- 3.2.3 Leaks which result in loss of oil or hazardous substances from tank seams, gaskets, rivets and bolts sufficiently large to cause accumulation of oil or hazardous substances in diked areas should be promptly corrected.
- 3.2.4 Mobile or portable oil or hazardous substances storage tanks should be positioned or located to prevent the contents from reaching a watercourse. The mobile facilities should be located so their support structure will not be undermined by periodic flooding or washout.

3.3 FACILITY DRAINAGE

3.3.1 Make provisions for drainage from diked storage areas where necessary in areas with high precipitation levels. Drainage from diked areas should be restrained by valves or other means to prevent a discharge or spill. Diked areas should be emptied by pumps or ejectors which are manually activated. Valves used for the drainage of diked areas should be of manual, open-and-closed design.

3.3.2 Rain water may be drained from diked areas providing drainage water does not contain oil or hazardous substances that may cause a harmful discharge. Drain valves must be closed following drainage of diked areas.

3.3.3 When possible, drainage systems from undiked areas should flow into ponds, lagoons or catchment basins designed to retain oil or hazardous substances or return the substances to the facility. Any drainage system which is not designed to allow flow into ponds, lagoons or catchment basins should be equipped with a diversion system that could, in the event of a discharge or spill, contain the oil or hazardous substances on the Site.

3.3.4 The principal means of containing discharges or spills is the use of dikes which are constructed wherever regulated quantities of oil or hazardous substances have the potential of reaching a watercourse. The construction of dikes must meet the following requirements:

a. Capacity must be at least equivalent to the storage capacity of the largest tank of the battery plus sufficient freeboard to allow for precipitation or displacement by foreign materials.

b. Small dikes for temporary containment are constructed at valves where potential leaking of oil or hazardous substances may occur.

c. Any dike three feet or higher should have a minimum cross section of two feet at the top.

Other means of containment or spill control include, but are not limited to:

3.3.5

a. Berms or retaining walls

b. Curbing

c. Culverting, gutters or other drainage systems

d. Weirs, booms or other barriers

e. Spill diversion ponds or retention ponds

f. Sorbent materials

3.4 TRANSFER OPERATIONS, PUMPING and IN-PLANT/STATION PROCESS

3.4.1 Aboveground valves and pipelines should be examined regularly by operating

personnel to determine whether there are any leaks from flange joints, expansion joints, valve glands and bodies, catch pans, pipeline supports, valve locks and metal surfaces.

3.5 FACILITY TANK CAR AND TANK TRUCK LOADING/UNLOADING RACK

- 3.5.1 Rack area drainage which does not flow into a catchment basin or treatment facility designed to handle spills should have a quick drainage system for use in tank truck loading and unloading areas. The containment system should have a maximum capacity of any single compartment of a truck loaded or unloaded in the station.
- 3.5.2 Aboveground piping that has potential for damage by vehicles entering the Site should be protected by logically placed warning signs or by concrete-filled pipe barriers.
- 3.5.3 Loading and unloading areas should be provided with an interlocked warning light, grounding shutdown, physical barrier system or warning signs to prevent vehicular departure before complete disconnect of flexible or fixed transfer lines. All drains and outlets of any truck should be closely examined for leakage prior to filling and departure. All drains and outlets that may allow leakage should be tightened, adjusted or replaced to prevent liquid leakage while in transit.

NOTE: LPG loading facilities and remote field loading of condensate are exempt from the C.5 requirements of this document.

4.0 PROCEDURE

4.1 Identifying, Containing and Initial Reporting of a Discharge or Spill of Oil or Hazardous Substance Any Employee

- 4.1.1 Upon noticing a discharge or spill of an oil or hazardous substance in any quantity shall immediately contain the release (if safe to do so) and notify the facility superintendent, dispatcher or other designee. Releases must be reported to gas control in the following three circumstances:

I. The Following Situations Always Require IMMEDIATE Reporting to Gas Control:

1. Release reaches or may reach surface water: (pond, lake, wash or ground water)
2. Release leaves Williams property
3. Release is of questionable nature (i.e., unknown product, unknown hazards)

II. Onsite Releases of Certain Common Industrial Materials Above 10 Gallon Threshold Are Reportable.

Releases that do not migrate off-site or reach surface water may require reporting as well. All releases of 10 gallons or greater of the following materials should be contained and promptly reported to Gas Control:

- Ammonia
- Antifreeze
- Amine

- Chromate Mixtures.
- Condensate
- Glycol
- Lube Oil
- Methanol
- Sulfuric Acid
- Sodium Hydroxide
- Natural Gas Liquids
- Other Hydrocarbon Products
- Natural Gas (1 MMSCF)

III. Releases of Certain Other Materials Reportable:

Releases of the following materials above the indicated amount should be reported to gas control:

- PCB's (Concentration > 50 ppm) - any amount
- Mercaptan (Ethyl Mercaptan) - 1 lb.
- Mercury - 1 lb.
- Hydrogen Sulfide - 100 lbs.
- Pesticides - 1 lb.
- Other Material Not Listed - 1 lb.

NOTE 1: A release includes material released (intentionally or unintentionally) to air, water or soil. When notifying Gas Control of a Release, be prepared to provide information on the type of material spilled, amount released, weather conditions, time and date of release, person discovering release and measures taken to control the release.

NOTE 2: Refer to Attachment A for containment procedures.
Facility Superintendent, Controller or Designee

4.1.2 Contacts Gas Control immediately by telephone and provides the following information:

- a. Name of company facility and/or location of facility and nature of discharge or spill
- b. Description and quantity of emission or substance discharged
- c. Description of the circumstances causing the discharge or spill
- d. Name, title and telephone number of person initially reporting the discharge or spill and person reporting to Gas Control
- e. Action taken or being taken to mitigate and correct discharge or spill
- f. Water bodies or streams involved
- g. Time and duration of discharge or spill

h. Outside involvement during discharge or spill (public government agencies, etc. See Emergency Operating Procedure Manuals)

Gas Control Personnel

- 4.1.3 Advises Environmental Affairs departments immediately by telephone concerning the incident including any incidents reported by persons not employed with the Company.

NOTE: If Gas Control is contacted by a person not employed with the Company, the necessary information is obtained as indicated in D.1.2 and the Superintendent and Environmental Affairs are immediately contacted to begin containment and clean-up of the discharge or spill.

- 4.1.4 If Environmental Affairs cannot be contacted, notifies Director over Environmental Affairs.

Facility Superintendent

- 4.1.5 Coordinates containment and clean-up of discharge or spill, keeping the responsible Director Informed.

- 4.1.6 Coordinates containment and clean-up of discharge or spill, keeping the responsible Director Informed. If the discharge or spill is too large for Company personnel to contain, contacts qualified local contractors for assistance. (See Emergency Operating Procedure Manuals tab #11, contractors with available equipment and services).

- 4.1.7 Advises Environmental Affairs by telephone if emergency containment or clean-up assistance from a state agency or a response team from the U.S. Coast Guard is required.

Environmental Affairs

- 4.1.8 Assesses reporting requirements to state and federal agencies (contacts Legal Department and Right-of-Way Department, if appropriate). (See Emergency Operating Procedure Manuals).

- 4.1.9 Makes appropriate contacts with National Response Center and state and local agencies, when necessary.

- 4.1.10 If spill is significant, dispatches Environmental Specialist to scene to oversee cleanup and reporting responsibilities.

4.2 SUBMITTING WRITTEN NOTIFICATION OF A DISCHARGE OR SPILL
Facility Superintendent or Designee

- 4.2.1 Completes a written description of the incident as soon as possible after initial notification is given, which should include the following:

- a. Time and date of discharge or spill
- b. Facility name and location
- c. Type of material spilled
- d. Quantity of material spilled

e. Area affected

f. Cause of spill

g. Special circumstances

h. Corrective measures taken

i. Description of repairs made

j. Preventative measures taken to prevent recurrence.

4.2.2 Forwards the completed written description to Environmental Affairs. Retains a copy for future reference.

NOTE: Environmental Affairs, in coordination with the Legal Department, if necessary, submits written reports to government agencies.

**ATTACHMENT A
DISCHARGE OR SPILL CONTAINMENT PROCEDURES AND MATERIALS**

TYPE OF FACILITY WHERE THE DISCHARGE OR SPILL OCCURS	CONTAINMENT PROCEDURES	MATERIALS USED FOR CONTAINMENT
A. Oil Pipeline (as defined in C.1.4)	<ol style="list-style-type: none">1. Closes appropriate block valves.2. Contains Discharge or spill by: Ditching covering, applying sorbents, constructing an earthen dam or burning.3. If burning is required, obtains approval from the appropriate state air quality control government agencies before burning.	<ol style="list-style-type: none">1. Straw2. Loose Earth3. Oil Sorbent 3M Brand4. Plain Wood chips5. Sorb-Oil Chips Banta Co.6. Sorb-Oil Swabs Banta Co.7. Sorb-Oil Mats Banta Co.8. Or Equivalent Materials
B. Vehicle	<ol style="list-style-type: none">1. Contains discharge or spill by: ditching, covering surface with dirt, constructing earthen dams, apply sorbents or burning.2. Notifies immediately Environmental Affairs and if there is any imminent danger to local residents; notifies immediately the highway patrol or local police officials.	

3. If burning is required, obtains approval from the appropriate state air quality control government agencies before burning.

Note: Any vehicle carrying any hazardous or toxic substance will carry a shovel or other ditching device to contain a spill. If the vehicle has sufficient room, sorbent materials should also be carried.

C. Bulk Storage Tanks or any other Facilities

1. Contains discharge or spill by: ditching, covering, applying sorbents, constructing an earthen dam or burning.

2. If burning is required, obtains approval from the appropriate state air quality control government agencies before burning.

[Back](#) | [Feedback](#) | [Index](#) | [Search Library](#)

If you have questions, suggestions, comments or concerns regarding the SETS Library, please contact [Documentation Services](#).

APPENDIX B

**NMOCD NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS,
AND BLOWOUTS**

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company		Contact <input type="checkbox"/>
Address		Telephone No. <input type="checkbox"/>
Facility Name		Facility Type <input type="checkbox"/>
Surface Owner	Mineral Owner	Lease No. <input type="checkbox"/>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County <input type="checkbox"/>

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered <input type="checkbox"/>
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery <input type="checkbox"/>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? <input type="checkbox"/>	Date and Hour <input type="checkbox"/>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Describe Area Affected and Cleanup Action Taken.*

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature:

Printed Name:

Approved by District Supervisor:

Title:

Approval Date:

Expiration Date:

Date:

Phone:

Conditions of Approval:

Attached

* Attach Additional Sheets If Necessary

APPENDIX C

PUBLIC NOTICE



Four Corners Area
Environmental Department
#188 County Road 4900
Bloomfield, N.M. 87413
Phone: (505) 632-4806
Fax: (505) 632-4781

May 20, 2003

CERTIFIED MAIL – RETURN RECEIPT REQUESTED #7002 2410 0000 0804 5991

U. S. Forest Service
644 E. Broadway
Bloomfield, NM 87413

Dear Madam/Sir:

This letter is to advise you that Williams Field Services Company is preparing to submit to the Oil Conservation Division a Discharge Plan application for the Cabresto Compressor Station. This notice is a requirement pursuant to New Mexico Water Quality Control Commission Regulations. We expect to submit the Discharge Plan application to the Oil Conservation Division during June 2003.

The facility, located in Section 19, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, provides natural gas compression services.

The discharge permit addresses how spills, leaks, and other accidental discharges to the surface will be managed. The facility does not discharge wastewater to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers with secondary containment. Waste shipped offsite will be disposed or recycled at an OCD approved site. In the event of an accidental discharge, ground water most likely will not be affected because the estimated ground water depth at the site is 100-400 feet. The total dissolved solids concentration of area ground water is expected to range from 200 to 2,000 parts per million.

Comments or inquiries regarding this permit or the permitting process may be directed to:

Director of the Oil Conservation Division
1220 South Saint Francis Dr.
Santa Fe NM 87505

Respectfully submitted,

Clara M. Garcia
Environmental Compliance

COPY