

**GW-021**

**General  
Correspondence**

**YEAR(S): 2009 - 2014**

October 10, 2009

NOTICE TO THE PUBLIC

OXY USA WTP LIMITED PARTNER SHIP, 5 Greenway Plaza, Houston, Texas 77046 has submitted a renewal application to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation (OCD) Division (OCD) for a Discharge Permit Renewal (GW-21) for the Indian Basin Gas Plant ("Plant"). The Plant is located in the Northeast 1/4 of Section 23, Township 21 South, Range 23 East, NMPM, in Eddy County, New Mexico. The physical address of the Plant is 329 Marathon Road (Eddy County Road 401), Lakewood, New Mexico. The facility is located approximately 20 miles northwest of Carlsbad and 28 miles southwest of Artesia, New Mexico.

The Plant processes natural gas gathered from a producing natural gas field. The renewal application consists of methods and procedures for handling products, waste, and waste water management. Plant waste water will be disposed of into the off-site OCD permitted Class II injection well (AGI #1) located 2138 feet from the North line and 1060 from the West line (Unit E) of Section 23, T21S, R23E, Eddy County, New Mexico.

Through the proposed Plant methods and procedures, no volume of fluid discharge is expected to the surface or ground water. If a spill, leak or accidental discharge were to occur, the potential fluid volume could be from less than 1 barrel up to 100 barrels of produced water process fluid blowdowns, plant waste water, hydrocarbons, or chemicals used in the Plant.

Beneath the Plant, the groundwater aquifer of concern is the alluvium deposits which form a shallow perched water zone above locally fractured Permian sandstone, limestone and dolomite of the Queen Formation. The shallow perched ground water is at a depth of approximately 15 to 25 feet below the ground surface, and has a total dissolved solids concentration range of 380 to 590 milligrams per liter.

All correspondence regarding the Discharge Plan and Permit should be directed to Mr. David Edwards, HES and Regulatory Manager, Add-Content Assets at the above-referenced address.

Any interested person or persons may obtain information, submit comments and/or request to be placed on a facility-specific mailing list for future notices by contacting Mr. Leonard Lowe at the New Mexico OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Telephone: (505) 475-3492. 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.

Affidavit of Publication

State of New Mexico, County of Eddy, ss.

Kathy McCarroll, being first duly sworn, on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

October 10 2009

That the cost of publication is \$104.54 and that payment thereof has been made and will be assessed as court costs.

[Signature of Kathy McCarroll]

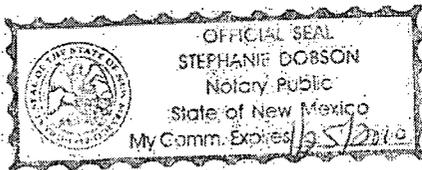
Subscribed and sworn to before me this

13th day of October, 2009

[Signature of Stephanie Dobson]

My commission Expires on 1/25/2010

Notary Public



**Affidavit of Publication**

State of New Mexico,  
County of Eddy, ss.

**Kathy McCarroll**, being first duly sworn,  
on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

October 10 2009

That the cost of publication is **\$122.51** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

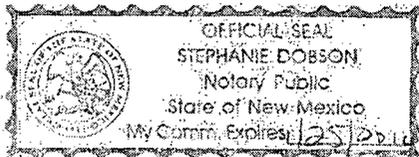
Subscribed and sworn to before me this

13<sup>th</sup> day of October, 2009

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



October 10, 2009

**AVISO AL PUBLICO**

OXY USA WTP LIMITED PARTNERSHIP, 5 Greenway Plaza, Houston, Texas 77046, ha presentado una solicitud de renovacion de un Permiso de Descarga (GW-21) para la planta de gas Indian Basin, a la Division de Conservacion de Petroleo ("OCD" por sus siglas en Ingles) del Departamento de Energia, Minerales y Recursos Naturales de Nuevo Mexico. La Planta de Gas esta situada en el Noreste 1/4 de la Seccion 23 del Township 23 Sur, Range 23 Este, NMPM, en el Condado de Eddy, Nuevo Mexico. La direccion fisica de la planta es 329 Marathon Road (Eddy County Road 401), Lakewood, New Mexico. La instalacion esta ubicada a aproximadamente 20 millas al noroeste de Carlsbad y 28 millas al suroeste de Artesia, Nuevo Mexico.

La planta procesa el gas natural obtenido de un campo de produccion de gas natural. La aplicacion de renovacion consiste en metodos y procedimientos para la gestion de las

aguas residuales y para la manipulacion de productos y desechos. Las aguas residuales de la Planta de Gas seran desechadas en el pozo de inyeccion cercano, Clase II (AGI #1) que cuenta con permiso de la OCD. El pozo esta ubicada a 2138 pies de la linea Norte y 1060 pies de la linea Oeste (Unidad E) de la Seccion 23, T23S, R23E, Condado de Eddy, Nuevo Mexico.

A traves de los metodos y procedimientos de la planta propuestos, no se prevé la descarga de fluido en las aguas de superficie o subterranas. Si un derrame, fuga o descarga accidental ocurriera, el volumen potencial de liquido podria ser desde menos de 1 barril hasta 100 barriles de agua de produccion, fluidos de proceso purgados, aguas residuales de la planta, hidrocarburos o productos quimicos utilizados en la planta.

Debido de la planta, el acuífero de aguas subterranas que es motivo de preocupacion es el deposito aluvial que forma una zona de aguas poco profundas sobre areniscos, calizas y dolomitas Permianicas localmente fracturadas de la Formacion "Queen". Esta agua se encuentra a una profundidad de aproximada de 15 a 25 pies bajo la superficie y tiene un rango de concentraciones de solidos disueltos totales de 380 a 5900 miligramos por litro.

Todos los datos correspondientes relacionados con el Plan de Descarga y el Permiso deberan dirigirse al Sr. David Edwards, Director de Regulacion y HES, Mid-Continent Assets en la direccion indicada arriba.

Cualquier persona o personas interesadas pueden obtener mas informacion, enviar comentarios, y/o solicitar que se les incluya en una lista de distribucion especifica de la Planta para obtener futuros avisos contactando al Sr. Leonard Lowe en la OCD de Nuevo Mexico en 1220 South St. Francis Drive, Santa Fe, Nuevo Mexico 87505. Telefono (505) 476-3492. La OCD acepta comentarios y declaraciones de interes respecto a la renovacion y creara una lista de distribucion especifica de la Planta para las personas que deseen recibir futuros avisos.

**NOTICE TO THE PUBLIC**

OXY USA WTP LIMITED PARTNERSHIP, 5 Greenway Plaza Houston, Texas 77046 has submitted a renewal application to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division ("OCD") for a Discharge Permit Renewal (GW-21) for the Indian Basin Gas Plant ("Plant"). The Plant is located in the Northeast/4 of Section 23, Township 21 South, Range 23 East, NMPM, in Eddy County, New Mexico. The physical address of the Plant is 329 Marathon Road (Eddy County Road 401) Lakewood, New Mexico. The facility is located approximately 20 miles northwest of Carlsbad and 28 miles southwest of Artesia, New Mexico.

✓ ①  
✓ ②

The Plant processes natural gas gathered from a producing natural gas field. The renewal application consists of methods and procedures for handling products, waste, and waste water management. Plant waste water will be disposed of into the off-site OCD permitted Class II injection well (AGI #1) located 2138 feet from the North line and 1060 feet from the West line (Unit E) of Section 23, T21S, R23E, Eddy County, New Mexico.

✓ ③

Through the proposed Plant methods and procedures, no volume of fluid discharge is expected to the surface or ground water. If a spill, leak or accidental discharge were to occur, the potential fluid volume could be from less than 1 barrel up to 100 barrels of produced water, process fluid blowdowns, plant waste water, hydrocarbons, or chemicals used in the Plant.

✓ ④

Beneath the Plant, the groundwater aquifer of concern is the alluvium deposits which form a shallow perched water zone above locally fractured, Permian sandstone, limestone and dolomite of the Queen Formation. The shallow perched ground water is at a depth of approximately 15 to 25 feet below the ground surface, and has a total dissolved solids concentration range of 380 to 5900 milligrams per liter.

✓ ⑤

All correspondence regarding the Discharge Plan and Permit should be directed to Mr. David Edwards, HES and Regulatory Manager, Mid-Continent Assets at the above-referenced address.

Any interested person or persons may obtain information; submit comments and/or request to be placed on a facility-specific mailing list for future notices by contacting Mr. 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.

✓ ⑥  
✓ ⑦

*Approved 11/06/09*

circulation, published in English at Artesia, said county and county and state, and that the here to attached

**Legal Notice**

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication	October 8, 2009
Second Publication	
Third Publication	
Fourth Publication	
Fifth Publication	

Subscribed and sworn to before me this

8 Day October 2009



**OFFICIAL SEAL**  
**Jo Morgan**  
**NOTARY PUBLIC-STATE OF NEW MEXICO**

My commission expires: 6/30/2012

*Jo Morgan*  
Notary Public, Eddy County, New Mexico

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-397) DCP Midstream L.P. 370 17th Street Suite 2500, Denver, Colorado 80202 has submitted a new discharge plan application for their Rambo Compressor Station located in NW/4 SE/4 of Section 9, Township 21 South, Range 27 East, NMPM, Eddy County. The facility provides natural gas compression for the locale gathering system. Approximately 210 bbls/month of produced water, 420 bbls of condensate, 550 gallons of wash water and 800 gallons/year of used oil are generated and stored in onsite Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 1090 feet, with a total dissolved solids concentration of approximately 76.9 mg/L.

(GW-049) Mr. Richard Duarte, Principle Environmental Representative, El Paso Natural Gas Company, 8725 Alameda Park Drive NE, Albuquerque, N.M. has submitted a renewal application for the previously approved discharge plan for their Blanco A compressor station, located in Section 11 & 14, Township 29 North, Range 11 West, NMPM, San Juan County. The facility compresses natural gas. Approximately 17000/gallons of engine oil, 908 gallons of inhibitors and 1000 gallons of gasoline are generated and stored in onsite Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 14 - 39 feet with a total dissolved solids concentration of approximately 640 - 6700 mg/L.

(GW-021) Oxy USA WTP Limited Partnership, 5

from Marathon Oil in July, 2009. Approximately 200 bbls/day of produced water, 195 bbls/day of process effluents and 50 bbls/day of waste water are generated and stored in onsite. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 15 - 25 feet, with a total dissolved solids concentration of approximately 380 - 5900 mg/L.

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 hear-

NOTICE OF PUBLIC HEARING STATE OF NEW MEXICO DEPARTMENT OF ENVIRONMENTAL AND NATURAL RESOURCES 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 (NMOCOD) for review.

(GW-397) DCP Midstream LP, 370 17th Street, Suite 2500, Denver, Colorado 80202 has submitted a new discharge plan application for their Rambo Compressor Station located in NW/4 SE/4 of Section 21, Township 21 South, Range 27 East, NMPM, Eddy County. The facility provides natural gas compression for the locale gathering system. Approximately 210 bbls/month of produced water, 420 bbls of condensate, 550 gal of wash water and 800 gal/year of used oil are generated and stored in onsite. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 1090 feet, with a total dissolved solids concentration of approximately 76.3 mg/L.

(GW-049) Mr. Richard Duarte, Principle Representative, El Paso Natural Gas Company, 8725 Alameda Park Drive NE, Albuquerque, N.M., has submitted a renewal application for the previously approved discharge

plan for their Blanco A compressor station, located in Section 11 & 14, Township 29 North, Range 11 West, NMPM, San Juan County. The facility compresses natural gas. Approximately 17000 gallons of engine oil, 908 gallons of inhibitors and 1000 gallons of gasoline are generated and stored in onsite. Produced water is treated by a spill or accidental discharge is at a depth of approximately 14 - 39 feet with a total dissolved solids concentration of approximately 640 - 6700 mg/L.

(GW-021) Oxy USA WTP Limited Partnership, 5 Greenway Plaza, Houston TX 77046 has submitted a renewal application for the previously approved discharge plan for their Indian Basin Gas Plant, 329 Marathon Road, Lakewood, N.M. located in the NE/4 Section 23, Township 21 South, Range 23 East, NMPM, Eddy County. The facility processes natural gas. The facility acquired this facility from Marathon Oil in July 2009. Approximately 200 bbls/day of produced water, 195 bbls/day of process effluents and 50 bbls/day of waste water are generated and stored in onsite. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 15 - 25 feet, with a total dissolved solids concentration of approximately 380 - 5900 mg/L.

(GW-8) Sally Dog, Inc., PO Box 2747, Lubbock Texas 79408 has submitted an application for their discharge plan for their brine station located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, NM. Ground-

water pumped from the regional aquifer is injected into the subsurface at a depth of approximately 1,871 feet thereby solution mined salt. The extracted brine has an approximate dissolved solids concentration of 350,000 mg/l. The brine is stored in above-ground tanks for use by the oil and gas industry. Groundwater most likely to be affected by a spill or leak is at a depth of approximately 70 feet with a total dissolved solids concentration of 400 mg/l. The plan addresses how spills and leaks will be managed in order to protect fresh water.

(BW-25) Basic Energy Services, LP, PO Box 10460, Midland, Texas 79702 has submitted an application for renewal of the discharge plan for the brine station located in Section 20, Township 25 South, Range 27 East, NMPM, Lea County, east of Jai, NM. Fresh water from the city is injected at a depth of approximately 1,100 feet thereby solution mined salt. The extracted brine has an approximate dissolved solids concentration of 350,000 mg/l. The brine is stored in above-ground tanks for use by the oil and gas industry. Groundwater most likely to be affected by a spill or leak is at a depth of approximately 40 feet with a total dissolved solids concentration of 875 mg/l. The plan addresses how spills and leaks will be managed in order to protect fresh water.

(BW-27) Mesquite SWD, Inc., PO Box 1475, Carlsbad, New Mexico 88221 has submitted an application for renewal of the discharge plan for the brine station located

in Section 23, Township 22 South, Range 27 East, NMPM, Eddy County, east of Otis, NM. Fresh water is injected into the subsurface at a depth of approximately 1,064 feet thereby solution mined salt. The extracted brine has an approximate dissolved solids concentration of 350,000 mg/l. The brine is stored in above-ground tanks for use by the oil and gas industry. Groundwater most likely to be affected by a spill or leak is at a depth of approximately 50 feet with a total dissolved solids concentration of 4,000 mg/l. The plan addresses how spills and leaks will be managed in order to protect fresh water.

The NMOCOD has determined that the application is administratively complete and has prepared a draft permit. The NMOCOD 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 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 NMOCOD website: http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCOD at the address above.

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

GIVEN under the Seal of the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of October 2009.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION S E A L Mark Fesmire, Director

Santa Fe New Mexican 10/13/09



**North American Production Operation**

P. O. Box 3128  
Houston, TX 77253-3128

5555 San Felipe Road  
Houston, TX 77056-2799

Telephone: (713) 296-3510  
FAX: (713) 499-8595

**CERTIFIED MAIL 91 7108 2133 3931 6556 1619**

June 2, 2009

David Edwards  
HES & Regulatory Manger  
OXY USA WTP LP  
5 Greenway Plaza, Suite 15.040  
Houston, TX 77046

**RE: Change of Operator and Ownership of the Indian Basin Gas Plant, Eddy County;  
Groundwater Discharge Permit GW-021 expires on November 26, 2009**

Dear Mr. Edwards:

This letter pertains to the Marathon Oil Company (Marathon) owned and operated Indian Basin Gas Plant (IBGP), which is located about 12 miles outside of Carlsbad, NM. The IBGP operates under groundwater discharge permit GW-021 which expires on November 26, 2009.

As you are aware, on June 1, 2009, Marathon sold its interest in the IBGP to OXY USA WTP LP (OXY), who has also become the new Operator. As required by 20.6.2.3111.A NMAC (Transfer of Discharge Permits), Marathon hereby notifies OXY of the existence of the groundwater discharge permit GW-021.

If you or your staff has any questions or require additional information regarding this letter, please contact me at (713) 296-3510 or at [TCPersaud@MarathonOil.com](mailto:TCPersaud@MarathonOil.com).

Sincerely,

A handwritten signature in cursive script, appearing to read 'Terry Persaud'.

Terry Persaud  
Senior HES Professional

cc: Mr. Edward J. Hansen  
Environment Bureau - Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

Paul Peacock, NAPO-HES Manager, Marathon Oil Company  
Mark Treesh, Plant Superintendent, IBGP

File: NM-IBGP-2101

UNITED STATES POSTAL SERVICE



First-Class Mail  
Postage & Fees Paid  
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Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

*Teory Howard*

Marathon Oil Company  
5555 San Felipe *Atch. St. 35-00*  
Houston, TX 77056

*Change of Operator of Ownership of E BGP-GW 021*

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

David Edwards  
HES & Regulatory Manager  
OXY USA WTP LP  
5 Greenwy Plaza, Suite 15.040  
Houston, TX 77046

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) *David Edwards* B. Date of Delivery *08/20/99*

C. Signature *David Edwards*  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No

If YES, enter delivery address below:

3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Copy from service label) **91 7108 2133 3931 6556 1619**

## **Lowe, Leonard, EMNRD**

---

**From:** Dennis\_Newman@oxy.com  
**Sent:** Wednesday, July 22, 2009 7:26 AM  
**To:** Lowe, Leonard, EMNRD  
**Subject:** RE: Change of Operator and Ownership of the Indian Basin Gas Plant

Mr. Lowe -

Oxy and its contractor are preparing the internal draft of the Indian Basin Gas Plant (IBGP) Discharge Permit/Plan, and it is taking longer than anticipated reviewing the Marathon provided information. I respectfully request that Oxy be allowed to submit the IBGP discharge plan application and attachments by August 13th (two week extension). Thank you.

Regards,  
Dennis Newman  
713-366-5485

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**From:** Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]  
**Sent:** Thursday, June 18, 2009 1:54 PM  
**To:** Newman, Dennis (Houston)  
**Subject:** FW: Change of Operator and Ownership of the Indian Basin Gas Plant

Mr. Newman,

Good morning,

It is my understanding that OXY is the new owner of the discharge permit, GW-021, Indian Basin Gas Plant.

This permit expires on 11/26/2009. The OCD would like the permit application in to our office, attention to me, no later than 120 days prior to expiring. Which is 07/29/2009.

The renewal requires:

- A renewal **discharge plan application (signed)**, ATTACHED. The **discharge plan guidelines** is ATTACHED for your reference. The application shall include the **applicant public notice** for review. ATTACHED is an example of one.
  - Ensure that the application identifies the following:
    - (1) the name and address of the proposed discharger;
    - (2) the location of the discharge, including a street address, if available, and sufficient information to locate the facility with respect to surrounding landmarks;
    - (3) a brief description of the activities that produce the discharge described in the application;
    - (4) a brief description of the expected quality and volume of the discharge;
    - (5) the depth to and total dissolved solids concentration of the ground water most likely to be affected by the discharge;
- A \$100 filing fee (check) made out to the New Mexico Water Quality Management Fund.

Once the permit is ready for release, a Facility fee will be due then. For a Gas Plant the fee is \$4000, checks should be made out to the New Mexico Water Quality Management Fund.

If you have any questions please don't hesitate to call me.

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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>

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**From:** Persaud, Terry [<mailto:tcpersaud@marathonoil.com>]  
**Sent:** Wednesday, June 17, 2009 3:10 PM  
**To:** Hansen, Edward J., EMNRD; Lowe, Leonard, EMNRD  
**Cc:** Caudill, Ted L.; Treesh, Mark E.; VonGonten, Glenn, EMNRD; Dennis\_Newman@oxy.com; Mark\_Treesh@oxy.com; Peacock, Paul  
**Subject:** RE: Change of Operator and Ownership of the Indian Basin Gas Plant

Leonard,

Please find attached a copy of the letter to Oxy (the new owner / operator) of the Indian Basin Gas Plant notifying them of the existing of the groundwater discharge permit GW-021 along with a copy of the return receipt. I believe this completes Marathon's requirements for the change of operator and ownership. Please advise.

thanks  
Terry

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**From:** Hansen, Edward J., EMNRD [<mailto:edwardj.hansen@state.nm.us>]  
**Sent:** Thursday, June 04, 2009 2:51 PM  
**To:** Lowe, Leonard, EMNRD; Persaud, Terry  
**Cc:** Caudill, Ted L.; Treesh; VonGonten, Glenn, EMNRD  
**Subject:** FW: Change of Operator and Ownership of the Indian Basin Gas Plant

Terry,  
Please send the return receipt to:

Leonard Lowe  
Oil Conservation Division  
EMNRD  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

I will assist Leonard (505-476-3492) with the permit transfer.  
Thanks for the update.

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**From:** Persaud, Terry [<mailto:tcpersaud@marathonoil.com>]  
**Sent:** Thursday, June 04, 2009 1:24 PM  
**To:** Hansen, Edward J., EMNRD  
**Cc:** Peacock, Paul; Treesh; Caudill, Ted L.  
**Subject:** Change of Operator and Ownership of the Indian Basin Gas Plant

Ed,

Following up on our conversation last week, attached is your copy of the letter that was sent to Oxy (the new owner / operator) of the Indian Basin Gas Plant notifying them of the existing of the groundwater discharge permit GW-021. A copy is in the mail also. When I receive the return receipt from David Edwards of Oxy, I will send you a copy of that receipt so you can transfer the permit.

Mark Treesh was the Plant Superintendent for the Indian Basin Gas Plant with Marathon, and is now in that same position with Oxy. On Tuesday June 2, 2009, I spoke to Mark about the groundwater discharge permit and pledged Marathon's participation to the extent needed to facilitate a smooth transition. For completeness and the benefits of others, I am also attaching a copy of the NMOCD's approval of the overall plan to close the Indian Basin Remediation Project. The path to closure included the following steps:

- P&A 98 Wells (95 wells were P&A; 3 water supply wells were kept open) - report sent to you under separate cover.
- Semi-annual gauging of the 15 well - Completed the week of May 25, 2009 - report will be sent to you under separate cover.
- Modify the groundwater discharge permit to include the 15-wells. Based on our recent exchange of e-mails, this modification and the renewal could be done at the same time. The groundwater discharge permit expires on November 29, 2009, and an application must be submitted at least four (4) months in advance (July 29, 2009).
- Close the Indian Basin Remediation Project.

The timing of last two items could be concurrent. Thanks for your help in moving this project forward.

Terry

<<Oxy Permit Letter - sample (241927) OCD.pdf>> <<OCD Approval Letter - IBRP closure and plugging 2-2009.pdf>>

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This inbound email has been scanned by the MessageLabs Email Security System.

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scanned by the Sybari - Antigen Email System.

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This inbound email has been scanned by the MessageLabs Email Security System.

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## **Lowe, Leonard, EMNRD**

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**From:** Persaud, Terry [tcpersaud@marathonoil.com]  
**Sent:** Wednesday, June 17, 2009 3:10 PM  
**To:** Hansen, Edward J., EMNRD; Lowe, Leonard, EMNRD  
**Cc:** Caudill, Ted L.; Treesh, Mark E.; VonGonten, Glenn, EMNRD; Dennis\_Newman@oxy.com; Mark\_Treesh@oxy.com; Peacock, Paul  
**Subject:** RE: Change of Operator and Ownership of the Indian Basin Gas Plant  
**Attachments:** GW Permit Notification to Oxy and receipt.pdf

Leonard,

Please find attached a copy of the letter to Oxy (the new owner / operator) of the Indian Basin Gas Plant notifying them of the existing of the groundwater discharge permit GW-021 along with a copy of the return receipt. I believe this completes Marathon's requirements for the change of operator and ownership. Please advise.

thanks  
Terry

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**From:** Hansen, Edward J., EMNRD [mailto:edwardj.hansen@state.nm.us]  
**Sent:** Thursday, June 04, 2009 2:51 PM  
**To:** Lowe, Leonard, EMNRD; Persaud, Terry  
**Cc:** Caudill, Ted L.; Treesh; VonGonten, Glenn, EMNRD  
**Subject:** FW: Change of Operator and Ownership of the Indian Basin Gas Plant

Terry,  
Please send the return receipt to:

Leonard Lowe  
Oil Conservation Division  
EMNRD  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

I will assist Leonard (505-476-3492) with the permit transfer.  
Thanks for the update.

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**From:** Persaud, Terry [mailto:tcpersaud@marathonoil.com]  
**Sent:** Thursday, June 04, 2009 1:24 PM  
**To:** Hansen, Edward J., EMNRD  
**Cc:** Peacock, Paul; Treesh; Caudill, Ted L.  
**Subject:** Change of Operator and Ownership of the Indian Basin Gas Plant

Ed,

Following up on our conversation last week, attached is your copy of the letter that was sent to Oxy (the new owner / operator) of the Indian Basin Gas Plant notifying them of the existing of the groundwater discharge permit GW-021. A copy is in the mail also. When I receive the return receipt from David Edwards of Oxy, I will send you a copy of that receipt so you can transfer the permit.

Mark Treesh was the Plant Superintendent for the Indian Basin Gas Plant with Marathon, and is now in that same position with Oxy. On Tuesday June 2, 2009, I spoke to Mark about the groundwater discharge permit and pledged Marathon's participation to the extend needed to facilitate a smooth transition. For completeness and the benefits of

others, I am also attaching a copy of the NMOCD's approval of the overall plan to close the Indian Basin Remediation Project. The path to closure included the following steps:

- P&A 98 Wells (95 wells were P&A; 3 water supply wells were kept open) - report sent to you under separate cover.
- Semi-annual gauging of the 15 well - Completed the week of May 25, 2009 - report will be sent to you under separate cover.
- Modify the groundwater discharge permit to include the 15-wells. Based on our recent exchange of e-mails, this modification and the renewal could be done at the same time. The groundwater discharge permit expires on November 29, 2009, and an application must be submitted at least four (4) months in advance (July 29, 2009).
- Close the Indian Basin Remediation Project.

The timing of last two items could be concurrent. Thanks for your help in moving this project forward.

Terry

<<Oxy Permit Letter - sample (241927) OCD.pdf>> <<OCD Approval Letter - IBRP closure and plugging 2-2009.pdf>>

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## **Lowe, Leonard, EMNRD**

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**From:** Hansen, Edward J., EMNRD  
**Sent:** Wednesday, June 17, 2009 4:00 PM  
**To:** Persaud, Terry; Dennis\_Newman@oxy.com  
**Cc:** Caudill, Ted L.; Kurki, Vijay K.; alan.reed@arcadis-us.com; Lowe, Leonard, EMNRD; David\_Edwards@oxy.com; Mark\_Treesh@oxy.com; Peacock, Paul  
**Subject:** RE: GW-21 Plugging Report Approval

Dear Mr. Persaud:

The OCD is now anticipating the submittal of the 2009 annual groundwater report by July 31, 2009.

Edward J. Hansen  
Hydrologist  
Environmental Bureau

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**From:** Persaud, Terry [mailto:tcpersaud@marathonoil.com]  
**Sent:** Wednesday, June 17, 2009 2:54 PM  
**To:** Dennis\_Newman@oxy.com  
**Cc:** Caudill, Ted L.; Kurki, Vijay K.; alan.reed@arcadis-us.com; Lowe, Leonard, EMNRD; David\_Edwards@oxy.com; Mark\_Treesh@oxy.com; Hansen, Edward J., EMNRD; Peacock, Paul  
**Subject:** RE: GW-21 Plugging Report Approval

Ed,

As discussed a few minutes ago, the 2009 annual groundwater monitoring report for remaining 15 monitoring wells will be submitted by July 31, 2009.

thanks  
Terry

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**From:** Dennis\_Newman@oxy.com [mailto:Dennis\_Newman@oxy.com]  
**Sent:** Wednesday, June 17, 2009 3:05 PM  
**To:** edwardj.hansen@state.nm.us; Persaud, Terry  
**Cc:** Caudill, Ted L.; Kurki, Vijay K.; alan.reed@arcadis-us.com; Leonard.Lowe@state.nm.us; David\_Edwards@oxy.com; Mark\_Treesh@oxy.com  
**Subject:** RE: GW-21 Plugging Report Approval

Ed -  
Thanks for copying me on the email. I have talked to Terry Persaud (Marathon) and Marathon will be submitting the 2009 Annual Groundwater Monitoring Report, since the groundwater field work was completed under Marathon's direction.  
Regards,  
Dennis Newman  
713-366-5485

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**From:** Hansen, Edward J., EMNRD [mailto:edwardj.hansen@state.nm.us]  
**Sent:** Wednesday, June 17, 2009 12:42 PM  
**To:** Persaud, Terry  
**Cc:** Caudill, Ted L.; Kurki, Vijay K.; Newman, Dennis (Houston); alan.reed@arcadis-us.com; Lowe, Leonard, EMNRD  
**Subject:** GW-21 Plugging Report Approval

**RE: "Indian Basin Remediation Project Monitoring Well Plugging Report"**

**for the Marathon's (now OXY's)  
Indian Basin Gas Plant (GW-21)  
Unit Letter G, Section 23, T21S, R23E, NMPM, Eddy County, New Mexico  
Plugging Report Approval**

Dear Mr. Persaud:

The New Mexico Oil Conservation Division (OCD) has received the groundwater monitoring well plugging report for the Indian Basin Gas Plant (GW-21), dated June 11, 2009, and has conducted a review of the report. The plugging report, submitted for the above-referenced site, indicates that Marathon has met the plugging requirements. Therefore, the OCD hereby approves the plugging report. However, the OCD is anticipating the 2009 annual groundwater monitoring report for the remaining 15 monitoring wells this month.

Please be advised that OCD approval of this report does not relieve the owner/operator of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

If you have any questions regarding this matter, please contact me at 505-476-3489.

Edward J. Hansen  
Hydrologist  
Environmental Bureau

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## **Lowe, Leonard, EMNRD**

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**From:** Hansen, Edward J., EMNRD  
**Sent:** Thursday, May 28, 2009 5:12 PM  
**To:** Persaud, Terry  
**Cc:** Lowe, Leonard, EMNRD; VonGonten, Glenn, EMNRD  
**Subject:** RE: Test: Indian Basin Remediation Project

Terry,

The citation for Transfer of Discharge Permit (GW-021 for this gas processing plant) is: 20.6.2.3111 NMAC

[http://www.emnrd.state.nm.us/ocd/documents/NMAC\\_20\\_6\\_2-1.pdf](http://www.emnrd.state.nm.us/ocd/documents/NMAC_20_6_2-1.pdf)

I believe we can combine the transfer and renewal of the permit. Please have OXY check with Leonard Lowe when that time comes (in June). In the meantime, send a copy of the written notice and proof of notice given to OXY (in accordance with 20.6.2.3111) to Leonard.

P.S.: Per our telephone conversation today, the continued groundwater monitoring at the plant (and surrounding area) will be the responsibility of OXY as part of their "new" discharge permit.

Let me know if you have any questions regarding this matter.

Edward J. Hansen  
Hydrologist  
Environmental Bureau  
505-476-3489

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**From:** Persaud, Terry [mailto:tcpersaud@marathonoil.com]  
**Sent:** Thursday, May 28, 2009 4:03 PM  
**To:** Hansen, Edward J., EMNRD  
**Subject:** Test: Indian Basin Remediation Project

Ed,  
Here is my e-mail address and additional information.

thanks  
Terry

Terry Persaud, P.E.  
Senior HES Professional  
North American Production Operation  
Marathon Oil Company  
P. O. Box 3487  
Mail Stop 33:06  
Houston, TX 77253-3487  
Phone: (713) 296-3510  
Fax: (713) 499-8595  
Cell: (713) 857-6932  
Email: [TCPersaud@MarathonOil.com](mailto:TCPersaud@MarathonOil.com)

**From:** Hansen, Edward J., EMNRD [mailto:edwardj.hansen@state.nm.us]  
**Sent:** Wednesday, December 03, 2008 3:13 PM  
**To:** Peacock, Paul  
**Cc:** Price, Wayne, EMNRD; Persaud, Terry  
**Subject:** Indian Basin Remediation Project report 5-12-08

Paul,

The OCD has reviewed Marathon's report, Evaluation of Natural Attenuation, Indian Basin Remediation Project, Eddy County, New Mexico, dated May 12, 2008. The OCD generally concurs with the conclusions presented in the report, in that it may be appropriate to discontinue active remedial action and for a reduced monitoring program. However, the OCD has concerns regarding some data summarized in the report.

The OCD is recommending that a meeting (here in Santa Fe) be scheduled to discuss technical issues regarding the remediation project. At the meeting we can discuss the issues of the remaining non-aqueous phase liquid and dissolved benzene in the groundwater. Please contact me within 10 days regarding scheduling a meeting date.

Edward J. Hansen  
Hydrologist  
Environmental Bureau  
505-476-3489

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# 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



February 20, 2009

M. Paul Peacock  
Marathon Oil Company  
P.O. Box 3128  
Houston, TX 77253-3128

**RE: Indian Basin Remediation Project Report and Proposed Well Plugging Request  
for the Marathon's Indian Basin Gas Plant (GW-21)  
Eddy County, New Mexico**

Dear Mr. Peacock:

The New Mexico Oil Conservation Division (OCD) has reviewed Marathon's report, Evaluation of Natural Attenuation, Indian Basin Remediation Project [IBRP], Eddy County, New Mexico, dated May 12, 2008, and Proposed IBRP Well Plugging Program [Request], dated February 5, 2009. The report and request are substantially acceptable to the OCD. Therefore, the OCD hereby conditionally approves the discontinuance of active remediation at the above-referenced site.

However, at least annual groundwater monitoring for BTEX, TDS and chloride at the 13 proposed wells as specified in the Well Plugging Request plus at an additional two groundwater monitoring wells, MW-81 and MW-113, for a total of 15 wells must continue unless otherwise approved by the OCD. Also, at least semi-annually gauging of depth to groundwater and non-aqueous phase liquid thickness at these 15 wells must continue unless otherwise approved by the OCD. Marathon must continue to submit an annual groundwater monitoring report to the OCD unless otherwise approved by the OCD.

In addition, the material used to plug the 98 (the 100 proposed minus the 2 rejected) groundwater monitoring wells as specified in the Request must be a cement grout with 1% to 3% bentonite. Please submit to the OCD a final plugging report within 180 days of receipt of this letter.



M. Paul Peacock  
GW-21  
February 20, 2009  
Page 2

Please be advised that OCD approval of this report and request does not relieve the owner/operator of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Edward Hansen of my staff at 505-476-3489 or [edwardj.hansen@state.nm.us](mailto:edwardj.hansen@state.nm.us).

Sincerely,

A handwritten signature in black ink, appearing to read 'W Price', with a long horizontal flourish extending to the right.

Wayne Price  
Environmental Bureau Chief

WP:EJH:ejh

cc: OCD; Artesia District Office  
Terry Persaud, P.E., Marathon Oil Company, P.O. Box 3128, Houston, TX 77253-3128