

GW - 392

INSPECTION

(Drain-lines, Sump, BGT, Site, etc.)

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, December 02, 2009 2:16 PM
To: 'Cory Smith'
Subject: RE: Beeline Discharge Plan

Cory,

GW-386, Bisti and GW-387, Buena Serte

are the ONLY TWO permits that identify specifics in CONDITION 16 as part of the inspection. A work plan identifying and resolving those issues AND all items stated within the permit need to be addressed in the WORK PLAN.

GW-390 through GW-394

There are no specifics stated within CONDITION 16. A work plan to cover all aspects of the permit conditions needs to be submitted. I understand that these may take some time, so an extension may be granted if Beeline request.

Overall, all these items need to be addressed within 5 years. My main focus is on below-grade tanks and unlined AST's.

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/>

-----Original Message-----

From: Cory Smith [mailto:CSmith@elmridge.net]
Sent: Wednesday, December 02, 2009 1:46 PM
To: Lowe, Leonard, EMNRD
Subject: RE: Beeline Discharge Plan

Mr. Lowe,

Do you want a plan addressing the concerns in section 16 of the approval letter or the entire site.

Cory Smith
BeeLine Gas Systems
(505)634-1144

From: Lowe, Leonard, EMNRD [Leonard.Lowe@state.nm.us]
Sent: Wednesday, December 02, 2009 1:32 PM
To: Cory Smith
Subject: Beeline Discharge Plan

Cory,

For clarification:

RE: GW-386, GW-387, GW-390, GW-391, GW-392, GW-393, GW-394

The OCD would like to receive a WORK PLAN for areas of concern for ALL the NEW discharge permitted facilities you have with the OCD by January 29, 2010.

If these work plans are not able to be submitted, OCD would like notification of this, on or by January 29, 2010.

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
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Elm Ridge Exploration Co., LLC d.b.a.

Beeline Gas Systems

2001 E. Blanco Blvd.
P. O. Box 1280
Bloomfield, NM 87413
(505) 634-1144

November 25, 2009

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

Subject: Discharge Permit Number GW- 392

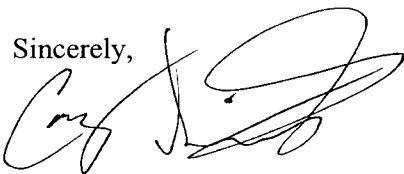
Dear Mr. Lowe,

Please see the attached plans developed by Beeline Gas Systems to comply with Paragraphs 16 and 19 of the above referenced discharge permit. Paragraph 16 lists several deviations that must be corrected. Our proposed corrective actions are shown as the captions to your photos in Attachment 1. The plan to address small spills, as required in Paragraph 19, is shown as Attachment 2. Please note that this facility meets the H₂S requirements of NMAC PART 11(19.15.11, HYDROGEN SULFIDE GAS). A copy of our H₂S Inspection Report for this facility is shown as Attachment 3.

The deviations listed in Paragraphs 16 and 19 will be corrected and a report of our corrective actions will be submitted to NMOCD by January 29, 2010 per the requirements of Paragraph 16. Major projects to correct deviations such as non-compliant underground or above ground tanks will be completed in a reasonable time giving consideration to potential for discharge, availability of materials, availability of crews for installation, and weather conditions.

If you have any questions or comments please contact me at the above number or by email at csmith@elmridge.net.

Sincerely,



Cory Smith
Regulatory Compliance
Beeline Gas Systems

Cc: Neil Rensvold – Houston

Attachments: Attachment 1: GW-392 Work Plan Attachment 2: Small Spill Plan Attachment 3: H₂S Inspection
10/13/09

Beeline Gas Systems
Marcus Compressor Station GW-392
NMOCD Photo Concerns

Attachment #1

Page 1 of 4

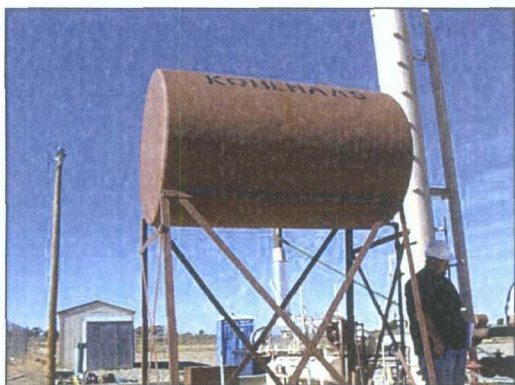


Photo 1: Insure all tanks are labeled.



Photo 2: Install liner and properly sized secondary containment. For clarification this is not a below grade tank.



Photo 3: Buckets will be removed

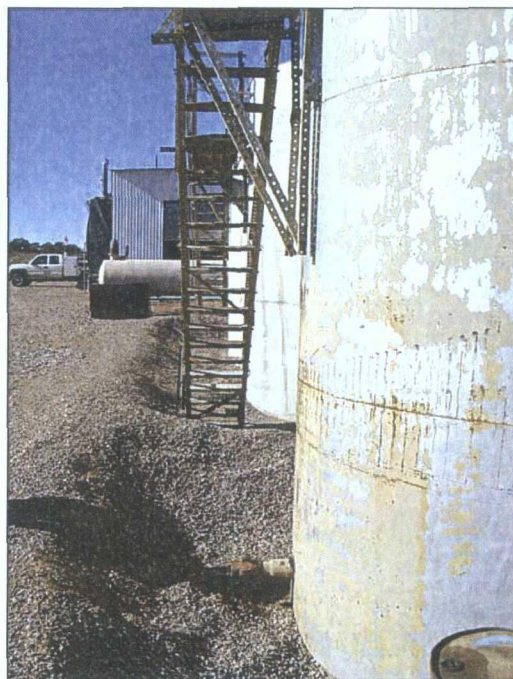


Photo 4: AST's with gravel berms. No immediate action required at this time.

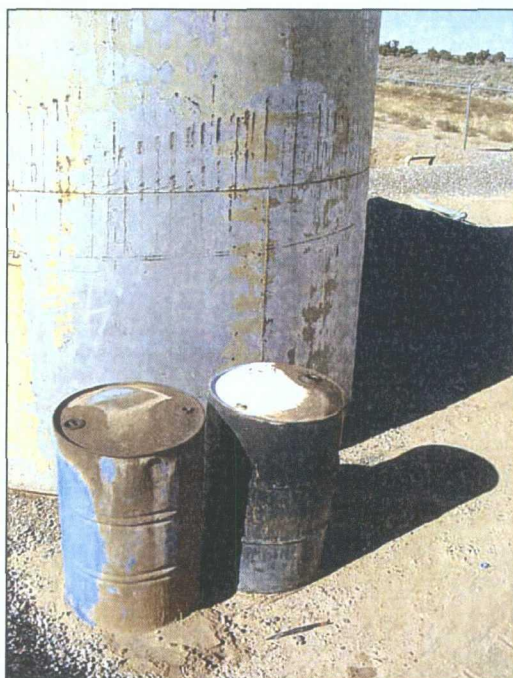


Photo 5: Barrels will be removed.

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Marcus Compressor Station GW-392
NMOCD Photo Concerns

Attachment #1

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Photo 6: Clean out debris within secondary containment area to expose side walls.



Photo 8: Below grade tank to be removed and replaced with an approved tank.



Photo 7: BGT in reference to location.



Photo 9: Insure all tanks are labeled.

Beeline Gas Systems
Marcus Compressor Station GW-392
NMOCD Photo Concerns

Attachment #1

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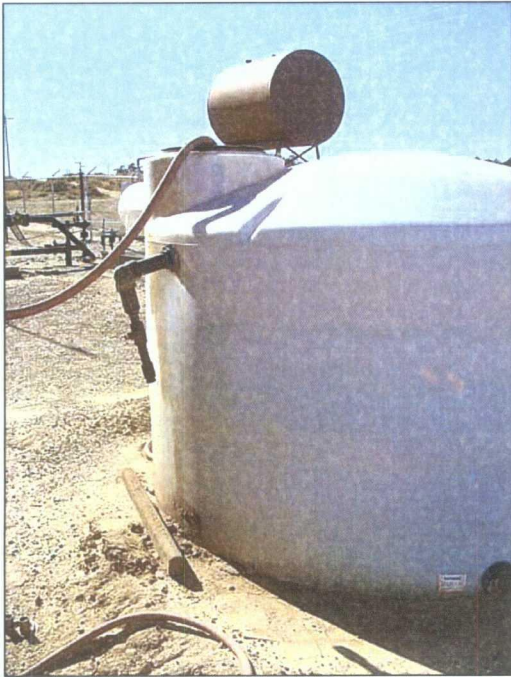


Photo 10: Insure all tanks are labeled.



Photo 12: Remediate soil with Micro Blaze, eliminate source of discharge.



Photo 11: Remediate soil with Micro Blaze, eliminate source of discharge.



Photo 13: remove fluid.

Beeline Gas Systems
Marcus Compressor Station GW-392
NMOCD Photo Concerns

Attachment #1

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Photo 14: Remediate soil with Micro-Blaze, eliminate source of discharge.

Beeline Gas Systems

Small Spill Plan

Beeline Gas Systems plan to address small spills located in and around the facilities in an efficient and cost effective manner is to:

- Identify the source of the spill and stop it.
- Excavate saturated soils and remediate the site with bioremediation.
- Take precautionary measures to prevent a reoccurrence.

Beeline Gas Systems will store contaminated soils in containers onsite within secondary containment until enough soil is collected (~55gal drum). We will transport it to an OCD approved land farm for all required testing and disposal. Precautionary measures to prevent reoccurrence may include equipment repair, additional equipment, and personnel training.

Bee Line Gas Systems H2S InspectionInspector: Tony FerrariDate of Inspection: 10/13/09Site☐ HMGP☐ Otero☒ Marcus☐ Kenny☐ S. Lybrook☐ Other☐ Bisti☐ Buena SuerteH2S Inspection☒ H2S Present if so How Much PPM 0.5 ppm☐ No H2S PresentEquipment Used☐ Hand Held Gas Monitoring Device☒ Draeger TubeRange .1 to 4 ppmCommentsH₂O 215X Tony Ferrari
Signature