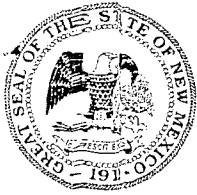


GW - 69

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**  
2007-1990



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

July 9, 2007

Ms. Elisabeth Klein  
DCP Midstream LP.  
370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202

*CARL,  
THEY HAVE CLOSED  
THIS LAND FARM!  
LWP  
2/29/08*

**Re: Discharge Plan 'Minor Modification' to include" Landfarm(s)" (GW-069)  
DCP Midstream LP. Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has developed a "Minor Modification" (modification) to the recently renewed discharge plan for the DCP Midstream LP. Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

The modification allows DCP Midstream L.P. 3 months from the date of this letter to either close the entire landfarm or land treatment areas if it does not wish to continue landfarming under the "Minor Modification- Landfarm(s)" terms and conditions or it may continue landfarming under the new terms and conditions of this modification. A letter confirming DCP Midstream L.P.'s acceptance of this "Minor Modification" should be submitted on or before October 9, 2007.

Please contact me at (505) 476-3491 or [carlj.chavez@state.nm.us](mailto:carlj.chavez@state.nm.us) if you have questions.

Sincerely,

*Carl J. Chavez*  
Carl J. Chavez  
Environmental Engineer

CJC/ejc

Attachment "Minor Modification"

xc: OCD District II Office, Artesia

**DCP Midstream Carlsbad Facility Discharge Plan (GW-069)**  
**Minor Modification “ to include “Landfarm(s)”**  
**in Section 20 (Additional Site Specific Conditions)**

July 9, 2007

**20 Landfarm(s):**

**A. Land Treatment:** The owner/operator shall implement the Landfarm provisions below in its discharge plan permit. The owner/operator shall submit a closure plan within 3 months of the date of the corresponding “minor modification” letter, if it wishes to discontinue landfarm and/or land treatment operations. If the owner/operator wishes to continue landfarming, it shall implement or comply with the following “minor modification” permit conditions applicable to landfarming soils contaminated with predominantly petroleum hydrocarbons generated at the facility.

**B. Waste Acceptance:**

(1) Only facility RCRA non-hazardous waste or exempt soils predominantly contaminated by petroleum hydrocarbons that are capable of being remediated shall be placed in the landfarm.

(2) All waste placed in the landfarm(s) shall be sufficiently free of liquid content to pass the paint filter test and shall not have a chloride concentration exceeding 500 mg/kg.

(3) Records shall be maintained and made available for inspection. OCD form C-138 or equivalent form approved by the division shall be used to verify waste generated and acceptance.

**C. Operation and Waste Treatment.**

(1) The operator shall berm each cell to prevent run-on and run-off of rainwater.

(2) The operator shall disk all contaminated soils in eight inch or less lifts or approximately 1000 cubic yards per acre per eight-inch lift within 72 hours of receipt.

(3) The operator shall ensure that soils are disked biweekly.

(4) The operator may add fresh water, as necessary, to enhance bioremediation and to control blowing dust.

(5) The application of microbes for the purposes of enhancing bioremediation requires prior division approval.

(6) Pooling of liquids in the landfarm is prohibited. Freestanding water shall be removed within 24 hours.

(7) The operator shall maintain records of the facility's treatment activities in a form readily accessible for division inspection.

(8) Prior to adding an additional lift the treatment zone monitoring as shown in 20.D below shall be met and documented.

(9) The maximum thickness of treated soils in a landfarm cell shall not exceed two feet or approximately 3000 cubic yards per acre. When that thickness is reached, the operator shall not place additional waste in the landfarm cell.

**D. Treatment zone monitoring.** The operator shall conduct treatment zone monitoring to ensure that prior to adding an additional lift the TPH concentration of each lift, as determined by EPA SW-846 method 8015M or EPA method 418.1 or other EPA method approved by the division, does not exceed 2500 mg/kg and that the chloride concentration, as determined by EPA method 300.1, does not exceed 500 mg/kg. The operator shall collect and analyze at least one composite soil sample, consisting of four discrete samples, from the treatment zone at least semi-annually using the methods specified for TPH and Chlorides shown above.

**E. Vadose zone monitoring.**

(a) Sampling. The operator shall monitor the vadose zone beneath the treatment zone in each landfarm cell. The operator shall take the vadose zone samples from soils between three and four feet below the cell's original ground surface.

(b) Semi-annual monitoring program. The operator shall collect and analyze a minimum of four randomly selected, independent samples from the vadose zone at least semi-annually using the methods specified above for TPH, BTEX and chlorides and shall compare each result to the higher of the practical quantitation limit (PQL) or the background soil concentrations to determine whether a release has occurred.

(c) Five year monitoring program. The operator shall collect and analyze a minimum of four randomly selected, independent samples from the vadose zone, using the methods specified in section F below for the constituents listed in Subsections A and B of 20.6.2.3103 NMAC at least every five years and shall compare each result to the higher of the PQL or the background soil concentrations to determine whether a release has occurred.

(d) Record keeping. The operator shall maintain a copy of the monitoring reports in a form readily accessible for division inspection.

(e) Release response. If vadose zone sampling results show that the concentrations of TPH, BTEX or chlorides exceed the higher of the PQL or the background soil concentrations, then the operator shall notify the division's environmental bureau of the exceedance, and shall immediately collect and analyze a minimum of four randomly selected, independent samples for TPH, BTEX, chlorides and the constituents listed in 20.F(5) below. The operator shall submit the results of the re-sampling event and a response action plan for the division's approval within 45 days of the initial notification. The response action plan shall address changes in the landfarm's operation to prevent further contamination and, if necessary, a plan for remediating existing contamination, or removed.



**F. Closure Performance Standards.** After the operator has filled a landfarm cell to the maximum thickness of two feet or approximately 3000 cubic yards per acre, the operator shall continue treatment until the contaminated soil has been remediated to the higher of the background concentrations or the following closure performance standards. The operator shall demonstrate compliance with the closure performance standards by collecting and analyzing a minimum of one composite soil sample, consisting of four discrete samples.

(1) Benzene, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 0.2 mg/kg.

(2) Total BTEX, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 50 mg/kg.

(3) The gasoline range organics (GRO) and diesel range organics (DRO) combined fraction, as determined by EPA SW-846 Method 8015M, shall not exceed 500 mg/kg. The total extractable petroleum hydrocarbon (TPH) fractions, as determined by EPA Method 418.1 or other EPA method approved by the division, shall not exceed 2,500 mg/kg.

(4) Chlorides, as determined by EPA method 300.1, shall not exceed 500 mg/kg.

(5) The concentration of constituents listed in Subsections A and B of 20.6.2.3103 NMAC shall be determined by EPA SW-846 methods 6010B or 6020 or other methods approved by the division. If the concentration of those constituents exceed the PQL or background concentration, the operator may either perform a site specific risk assessment using EPA approved methods and propose closure performance standards based upon individual site conditions that protect fresh water, public health, safety and the environment, which shall be subject to division approval or remove the soils to an approved OCD facility.

Closure Constituents			
(i)	Arsenic (As)	(xix)	1,1,2-trichloroethylene (TCE)
(ii)	Barium (Ba)	(xx)	methylene chloride
(iii)	Cadmium (Cd)	(xxi)	chloroform
(iv)	Chromium (Cr)	(xxii)	1,1-dichloroethane
(v)	Cyanide (CN)	(xxiii)	ethylene dibromide (EDB)
(vi)	Fluoride (F)	(xxiv)	1,1,1-trichloroethane
(vii)	Lead (Pb)	(xxv)	1,1,2-trichloroethane
(viii)	Total Mercury (Hg)	(xxvi)	1,1,2,2-tetrachloroethane
(ix)	Nitrate (NO <sub>3</sub> as N)	(xxvii)	vinyl chloride
(x)	Selenium (Se)	(xxviii)	PAHs: total naphthalene plus monomethylnaphthalenes
(xi)	Silver (Ag)	(xxix)	benzo-a-pyrene
(xii)	Uranium (U)	(xxx)	Copper (Cu)
(xiii)	Radioactivity: Combined Radium-226 and Radium-228	(xxxi)	Iron (Fe)
(xiv)	Polychlorinated biphenyls (PCBs)	(xxxii)	Manganese (Mn)
(xv)	Carbon Tetrachloride	(xxxiii)	Phenols
(xvi)	1,2-dichloroethane (EDC)	(xxxiv)	Sulfate (SO <sub>4</sub> )

(xvii)	1,1-dichloroethylene (1,1-DCE)	(xxxv)	Zinc (Zn)
(xviii)	1,1,2,2-tetrachloroethylene (PCE)		

**(6) Disposition of treated soils.**

(a) If the operator achieves the closure performance standards specified in 20.F, then the operator may either leave the treated soils in place or, with prior division approval, dispose or reuse of the treated soils in an alternative manner.

(b) If the operator cannot achieve the closure performance standards specified in above within five years or as extended by the division, then the operator shall remove contaminated soils from the landfarm cell and properly dispose of it at a division-permitted landfill or reuse or recycle it in a manner approved by the division.

Mail Payment To:  
Carlsbad Current-Argus  
P.O. Box 1629  
Carlsbad, NM 88221-1629

## ADVERTISING INVOICE/STATEMENT

**DETACH THIS STUB AND RETURN WITH PAYMENT PAYABLE TO:**  
**Carlsbad Current-Argus**

2007 APR 8 AM 5 01

NEW MEXICO ENERGY, MINERALS &  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4000

ACCOUNT NO.	INVOICE NO.
730593	0003247052
DUE DATE	AMOUNT DUE
04/24/07	136.90
BILLING PERIOD	THROUGH
03/01/07	03/31/07
AMOUNT PAID	

RETAIN THIS PORTION FOR YOUR RECORDS

DATE	EDT	CLASS	DESCRIPTION	COL	DEPTH	TMS RUN	TOTAL SIZE	RATE	AMOUNT
301			PREVIOUS BALANCE						114.76
306			PAYMENT-THANK YOU						114.76-
328	CRC	0152	1000644707/MARCH /GW-069	1	211.00	1	211.00		128.84
328		0152	NM TAX						8.06
WE KNOW YOU HAVE CHOICES - THANK YOU FOR YOUR BUSINESS !									

OTE: Bills are due and payable when rendered. If the ending balance of any statement is not paid in full during the following month, that portion of it which remains unpaid, after application of all payments and those credits which pertain to that balance (rather than to the current month's charges), will be assessed a FINANCE CHARGE of 1.35% per month (an ANNUAL PERCENTAGE RATE not to exceed 18% per year). The minimum FINANCE CHARGE (which will apply should there be any unpaid balance) will be \$0.50. No FINANCE will be made if the ending balance is paid in full within the ensuing month.

For your records:

ACCOUNT NO.	NAME	INVOICE NUMBER	AMOUNT PAID
730593	NEW MEXICO ENERGY, MINERALS &	0003247052	
Carlsbad Current-Argus		DUE DATE	
For Billing Inquiries Call: (505) 887-5501		04/24/07	

ADVERTISING INVOICE/STATEMENT

## Affidavit of Publication

State of New Mexico,  
County of Eddy, ss.

**April Hernandez**, being first duly sworn,  
on oath says:

That she is HR/Administrative Assistant 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:

March 28

2007

That the cost of publication is \$136.90 and that Payment Thereof has been made and will be assessed as court costs.

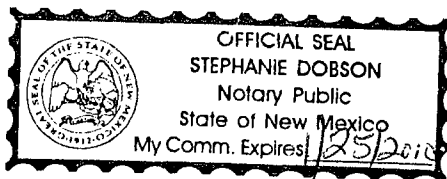
*April Hernandez*

Subscribed and sworn to before me this

29 day of March, 2007  
*Stephanie Dobson*

My commission Expires on 1/25/2010

Notary Public



### NOTICE OF PUBLICATION

#### STATE OF NEW MEXICO

#### ENERGY, MINERALS AND NATURAL RE SOURCES 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-069) DCP Midstream LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan

for their Carlsbad Gas Plant located in the SW/4, NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, about 1 mile north west of Loving, New Mexico. The facility does not discharge wastewater to surface or subsurface waters.

All wastes generated will be temporarily stored in tanks or containers. Waste shipped offsite will be disposed or recycled at an OCD approved site. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 31 feet below the ground surface, with a total dissolved solids concentration of approximately 4,100 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including

charges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the applications listed above are administratively complete and has prepared draft permits. 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 deter

mination 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 ma

for 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 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 Energia, Minerales y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of March 2007.

STATE OF NEW  
MEXICO  
OIL CONSERVATION  
DIVISION

SEAL

Mark  
Fesmire, Director

2007 APR 2

THE SANTA FE  
**NEW MEXICAN**  
Founded 1849

669  
6W-~~669~~

NM EMNRD OIL CONSERVATION

*ATTN: Carl Chaney*  
1220 S ST FRANCIS DR  
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689  
AD NUMBER: 00208194 ACCOUNT: 00002212  
LEGAL NO: 80648 P.O. #: 52100-3956  
308 LINES 1 TIME(S) 172.48  
AFFIDAVIT: 6.00  
TAX: 13.61  
TOTAL: 192.09

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, R. Lara, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 80648 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/29/2007 and 03/29/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 29th day of March, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/

*R. Lara*  
LEGAL ADVERTISEMENT REPRESENTATIVE

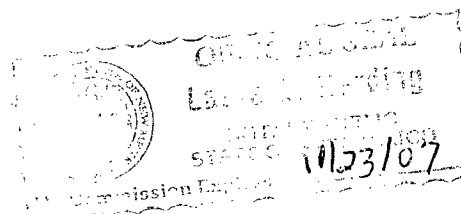
Subscribed and sworn to before me on this 29th day of March, 2007

Notary

*Laura E. Harding*

Commission Expires:

*11/23/07*



**Chavez, Carl J, EMNRD**

---

**From:** Chavez, Carl J, EMNRD  
**Sent:** Friday, March 23, 2007 3:07 PM  
**To:** 'legals@sfnewmexican.com'; 'sdobson@currentargus.com'  
**Subject:** RE: Public Notice Request (GW-069)

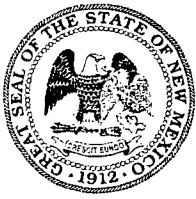
Ms. Laura (Carlsbad) and Besty Perner (Santa Fe):

Re: Carlsbad Current Argus (PO# 52100-0000000042 Acct # 42)  
Santa Fe New Mexican (PO# 52100-0000003956 Acct.# 56689)

Please post the attached public notice in your newspaper. Please provide affidavit of proof of posting and contact me if you have questions. The original invoice and proof needs to be mailed directly to me for payment. Thank you.

Carl J. Chavez, CHMM  
New Mexico Energy, Minerals & Natural Resources Dept.  
Oil Conservation Division, Environmental Bureau  
1220 South St. Francis Dr., Santa Fe, New Mexico 87505  
Office: (505) 476-3491  
Fax: (505) 476-3462  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>  
(Pollution Prevention Guidance is under "Publications")

3/23/2007



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

March 23, 2007

Ms. Elisabeth Klein  
DCP Midstream LP.  
370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202

**Re: Discharge Plan Renewal Permit (GW-069)  
DCP Midstream LP. Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream LP.'s request and initial fee, dated December 28, 2006, to renew GW-069 for the DCP Midstream LP. Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

Therefore, the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the NMOCD. 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) 476-3491 or [carlj.chavez@state.nm.us](mailto:carlj.chavez@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,

Carl J. Chávez

Environmental Engineer

CJC/cjc

xc: OCD District II Office, Artesia



370 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202  
(303) 595-3331  
(303) 605-1957 fax

December 28, 2006

**UPS Next Day Air** (Tracking No. 1Z F46 915 22 1005 0647)

Mr. Wayne Price  
New Mexico Energy, Minerals  
& Natural Resources Department

**Duke Energy Field Services, LP**

Accounts Payable  
370 17th Street, Suite 2500  
Denver, Colorado 80202  
303.605.2219

**PAYEE NUMBER**

0000078217

**PAYEE NAME**

NEW MEXICO-

**CHECK NUMBER**

**61796756**

**CHECK DATE**

12/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1206-DISCHAPP-CA	12/05/06	100.00	CARLSBAD GAS PLANT
			<b>TOTAL PAID</b>
			<b>\$100.00</b>

PLEASE RETAIN FOR YOUR RECORDS



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

Revised June 10, 2003

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

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

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

☐ New ☒ Renewal ☐ Modification

1. Type: Carlsbad Gas Plant

2. Operator: Duke Energy Field Services, LP

Address: See enclosed discharge plan.

Contact Person: See enclosed discharge plan.

Phone: See enclosed discharge plan.

3. Location: SW /4 NE /4 Section 10 Township 23 S Range 28 E

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.  
See enclosed discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.  
See enclosed discharge plan.
6. Attach a description of all materials stored or used at the facility.  
See enclosed discharge plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.  
See enclosed discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.  
See enclosed discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.  
See enclosed discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.  
See enclosed discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.  
See enclosed discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.  
See enclosed discharge plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.  
See enclosed discharge plan.
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: Tony Lee

Title: Asset Manager

Signature: Tony Lee

Date: 12-11-06

E-mail Address: TALee2@duke-energy.com

**Carlsbad Gas Plant**  
**SW/4 NE/4 T 23S, R 28E, Section 10**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Permit for the Carlsbad Gas Plant On-site Remediation Biocell, which was previously approved by NMOCD on November 6, 1997. This Discharge Permit application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3-106C NMAC.

**1 Type of Operation**

The facility is a gas plant. There is an on-site remediation biocell operation which includes the operation of three biocells, one of which is currently active. The three biocells resulted from the combining of twenty-two cells into three cells, as previously approved by the NMOCD in a minor modification. The dimensions of each cell are approximately 66 feet long and 55 feet wide. No changes have been made to the biocell field operations as previously approved by NMOCD.

DEFS does not intend to discharge, and has not discharged, any other effluent or leachate, besides the biocells, from the facility that may move directly or indirectly into groundwater.

**2 Operator / Legally Responsible Party**

**Operator**

Duke Energy Field Services, LP  
10 Desta Drive, Suite 400W  
Midland, TX 79705  
(505) 397-5520  
Contact Person: Mr. Tony Lee – Asset Manager

**Legally Responsible Party**

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location of Discharge / Facility**

SW/4 NE/4 Section 10, Township 23S, Range 28E  
See Figure 1 – Site Location Map.

## 4 Landowner

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202  
(303) 595-3331

## 5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines. The facility also has above ground storage containers that are in secondary containment and has sumps with level controls.

The facility operates biocells to perform onsite remediation of soils contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events and a septic and leach field system to handle domestic sewage generated at the facility.

See Figure 2 – Facility Plot Plan for the site overview and location of the septic/leach field system and the biocell operations.

## 6 Materials Stored or Used

There are no materials stored on-site or used that are discharged so that they may move directly or indirectly into groundwater.

Material Stored/Used	Method of Storage
Condensate	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Triethylene glycol (TEG)	Aboveground storage tank within secondary containment.
Used Oil	Aboveground storage tank within secondary containment.
Varsol	Aboveground storage tank within secondary containment.
Diesel	Aboveground storage tank within secondary containment.
Engine Coolant	Aboveground storage tank within secondary containment.
Engine Skid Drain (equipment wash down water and stormwater)	Below-grade double-walled sump with a high level alarm or level control

Micro-Blaze Emergency Liquid Spill Control which is used in the onsite biocell operation is not stored onsite. The contractor who maintains the biocells provides the Micro-Blaze Emergency Liquid Spill Control as part of their maintenance service.

## 7 Sources and Quantities of Effluent and Waste Solids

Except for the sewage system and the biocells, there are no effluents or waste solids that are discharged on site onto or below the surface of the ground so that they may move directly or

indirectly into groundwater. All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8.

#### **Separators/Scrubbers**

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site for disposal to the East Loving SWD, a NMOCD permitted Class II well.

#### **Boilers and Cooling Towers/Fans**

There are no boilers or cooling towers/fans at the facility.

#### **Process and Storage Equipment Wash Down**

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site for disposal at East Loving SWD.

#### **Solvents/Degreasers**

Solvents or degreasers are not used at the facility.

#### **Spent Acids/Caustics**

Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in aboveground storage containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

#### **Used Engine Coolants**

Used engine coolants are not generated at the facility. The engine coolant is consumed by the engines so no waste coolant is generated. Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

#### **Waste Lubrication and Motor Oils**

Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage containers within secondary containment and removed by a contractor for off-site recycling.

#### **Used Oil Filters**

Used oil filters generated at the facility are collected in an aboveground storage bin and are removed by a contractor for off-site recycling.

### **Solids and Sludges**

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

### **Painting Wastes**

Painting wastes are not discharged on site. All paint wastes generated on site are managed in aboveground containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

### **Sewage**

Domestic discharges are made through one septic tank and leach line system which is subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations, 20.7.3 NMAC. Sewage generated from the Operators Building and the PSM Building is routed to the septic tank and leach line system.

The septic system is shown on Figure 2, the facility plot plan.

### **Lab Wastes**

The facility does not have a laboratory. Lab type wastes generated at the facility generated at the facility for testing amine concentration and acid gas in solution are collected in an aboveground storage container within secondary containment for off-site disposal. The lab type wastes are not discharged on site. Less than 1 gallon per month of lab type wastes are generated at the facility. Included in the lab type waste are the following test reagents and samples:

- Distilled Water
- Methanol
- Thymophthalein Solution, < 0.11% in alcohol
- Methyl Purple Indicator
- 0.5 N Potassium Hydroxide Solution
- 0.1 N Sulfuric Acid Solution
- Diethanolamine

### **Other Liquids and Solid Wastes**

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

## 8 Liquid and Solid Waste Collection / Storage / Disposal

Table 1 identifies sources and quantities, quality and disposition of effluent and waste solids generated at the facility.

**Table 1**  
**Effluent and Solid Waste Sources, Quantity, Quality**

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Produced Water/Condensate	Aboveground storage tank within secondary containment	~ 150 bbls per month	Off-site disposal	East Loving Disposal
Equipment Washdown Water/Stormwater/Skid Drain Water	Aboveground storage tank within secondary containment	~ 100 bbls per month	Off-site disposal	CRI Control Recovery Incorporated
Amine Filters	Aboveground storage bin	~ 12 per year	Off-site disposal	Thermo fluids
Glycol Filters	Aboveground storage bin	12 per year	Off-site disposal	Thermo fluids
Charcoal Filters (Glycol System)	Aboveground storage bin	18 per year	Off-site disposal	Thermo fluids
Amine Charcoal	55 gallon drums	2 - 55 gallon drums	Off-site disposal	Thermo fluids
Used Oil Filters	Aboveground storage bin	~ 18 per year	Off-site recycling	Thermo fluids
Used Oil	Aboveground storage tank within secondary containment	~ 1000 gallons per year	Off-site recycling	Thermo fluids
Control Room	Sewage	155 gallons per month	On-site Septic Tank/Leach Field	On-site Septic Tank/Leach Field
PSM Building	Sewage	75 gallons per month	On-site Septic Tank/Leach Field	On-site Septic Tank/Leach Field
Activated Carbon Charcoal	55 gallon drums	Varies	Off-site disposal	Thermo fluids
Plant Process Area	Hydrocarbon contaminated soil	~55 gallons per month	On-site Biocells	On-site Biocells
Transmission Fluid	Aboveground storage tank with secondary containment	~100 per year	Off-site recycling	Thermo fluids
Used Antifreeze	Aboveground storage tank with secondary containment	1000 gallons per year	Off-site recycling	Thermo fluids
Sump Bottoms	Sumps/Transport rolloffs	70 bbls per year	Off-site disposal	CRI
Light bulbs	Shipping Boxes	12 bulbs per year	Off-site recycling	Safety Kleen

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Batteries	Wooden pallets	6 per year	Off-site recycling	Technologies
Lab Waste	Aboveground storage drum within secondary containment	<1 gal. per month	Off-site disposal	Safety Kleen
Paint Wastes	Original paint cans	41 lbs per year	Off-site disposal	Safety Kleen

#### **Collection/Storage**

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

#### **On-site Disposal**

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Domestic sewage is disposed in the on-site septic tanks and leach fields subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations, 20.7.3 NMAC.

#### **Off-site Disposal**

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Thus, there is no offsite disposal of the soil remediated in the onsite biocells. Wastes are not removed from the leachfield system for offsite disposal.

### **9 Proposed Modifications**

No proposed modifications.

### **10 Inspection, Maintenance, and Reporting**

The onsite biocells are maintained by Environmental Plus, Inc. The active biocells are treated with Micro-Blaze Emergency Liquid Spill Control, cultivated, and sampled every 60 days. The following laboratory analyses are performed on the samples collected: TPH (GRO+DRO) – EPA Method 8015M, Benzene – EPA Method 8020/8260, Toluene – EPA Method 8020/8260, Ethyl Benzene – EPA Method 8020/8260, and Total Xylenes – EPA Method 8020/8260. Contaminated soils are treated to remediation action levels provided in NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993). When remediation levels are achieved, the soil is left in the biocells. The biocells are inspected at least once per quarter to check for weed growth and unauthorized placement of wastes in the biocells.

### **11 Spill / Leak Prevention and Reporting (Contingency Plans)**

The facility is manned 24-hours per day, 7-days per week. Facility inspections are performed once a month and plant rounds are made hourly. DEFS will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

## **12 Site Characteristics**

No Changes.

## **13 Additional Information**

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

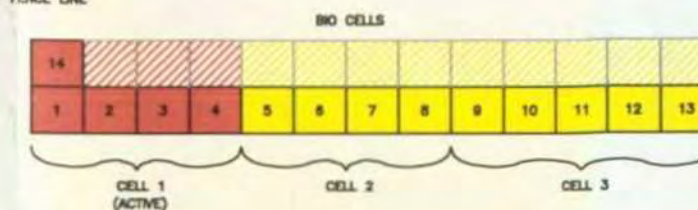
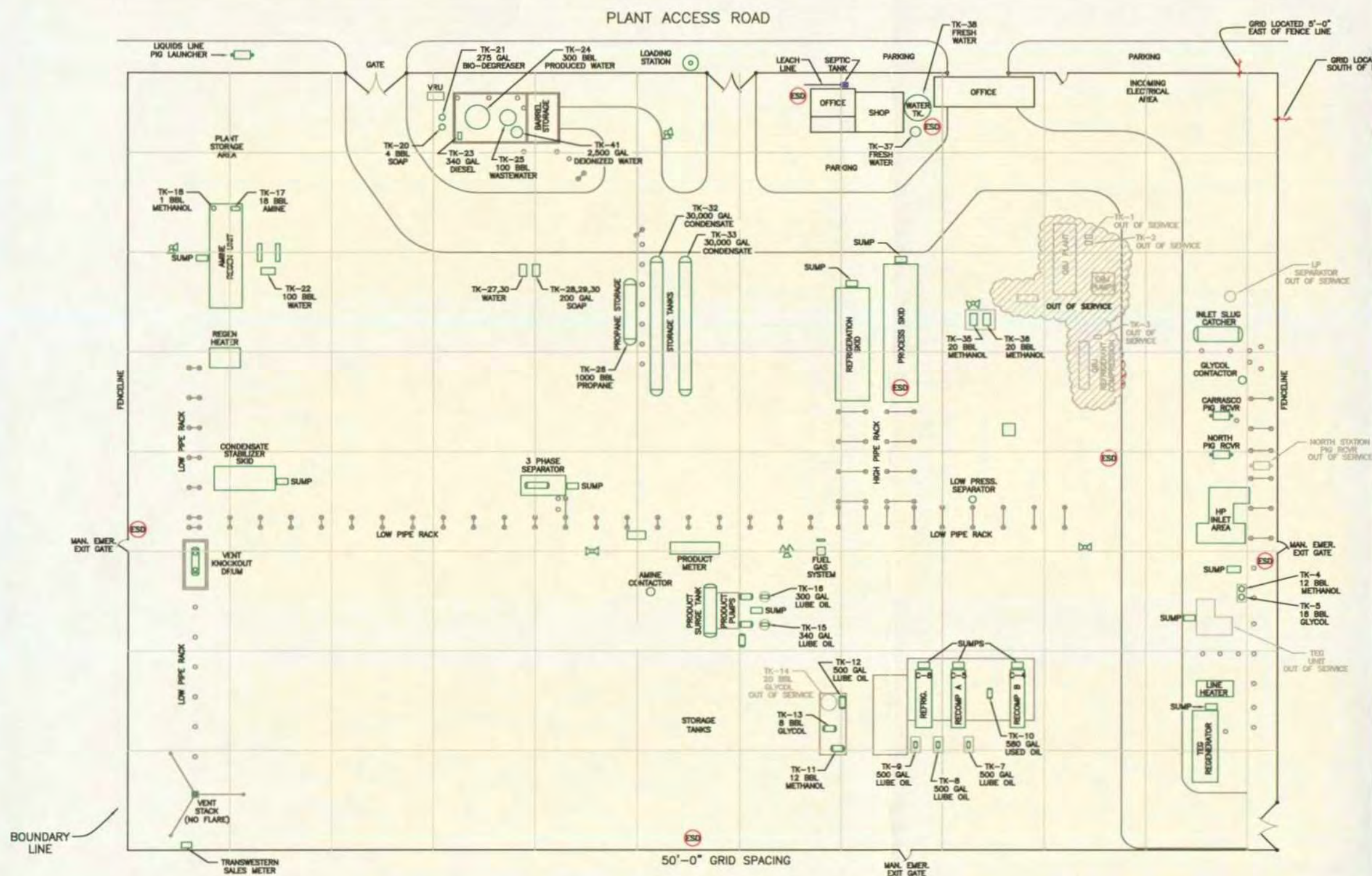


## FIGURES



Figure 1. Site Location Map – Carlsbad Gas Plant.





NOT TO SCALE  
NOTE: SCALE IS APPROXIMATE.  
DRAWING IS BASED ON A  
FIELD SKETCH; ACTUAL  
FACILITIES MAY VARY IN SIZE  
AND POSITION FROM THOSE  
REPRESENTED HERE.

FIGURE 2

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.	REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.
0	12-12-06	DRAWN FROM DEF'S SKETCH (9-19-02)	J.R.E.	E.A.K.									



**EAST CARLSBAD GAS PLANT  
CARLSBAD GATHERING SYSTEM**

Eddy County  
NEW MEXICO

\\data\EhsDrawings\Mapping\NewMexico\Carlsbad\EastCarlsbad\_SPCC



**APPENDIX 1**

**Carlsbad Gas Plant**  
**Stormwater Run-off Plan**

## **STORMWATER RUN-OFF PLAN**

**FOR:**

**Carlsbad Gas Plant, Eddy County, New Mexico (GW-069)**

Rainwater collected inside containment structures at the facility is lost through evaporation or removed with a vacuum truck for off-site disposal. None of the containment structures at the facility have valves. Good housekeeping is practiced at the facility to help prevent contaminants from leaving the site during a rainstorm.

**Duke Energy Field Services, LP**

Accounts Payable  
370 17th Street, Suite 2500  
Denver, Colorado 80202  
303.605.2219

PAYEE NUMBER

0000078217

PAYEE NAME

NEW MEXICO-

CHECK NUMBER

CHECK DATE

12/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1206-DISCHAPP-CA	12/05/06	100.00	CARLSBAD GAS PLANT
TOTAL PAID			\$100.00

PLEASE RETAIN FOR YOUR RECORDS

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

**Duke Energy Field Services, LP**

Accounts Payable  
370 17th Street, Suite 2500  
Denver, Colorado 80202  
303.605.2219

J.P. Morgan Chase Bank, N.A.  
Syracuse, New York

50-937/213

PAYEE NO.

0000078217

CHECK DATE

12/07/06

CHECK NO.

TO THE ORDER OF



NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT

\*\*\*\*\*\$100.00

NEW MEXICO-  
WATER QUALITY MANAGEMENT FUND  
C/O NEW MEXICO OIL CONSERVATION DIV  
1220 S ST FRANCIS DRIVE  
Santa Fe, NM 87505

AUTHORIZED SIGNATURE

☒ One hundred and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER. OR BREATHE ON COLORED BOX. COLOR WILL DISAPPEAR, THEN REAPPEAR.

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

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

GA-069

Form C-144  
June 1, 2004

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Duke Energy Field Services, LP</u> Telephone: <u>(505) 628-0282</u> e-mail address: _____		
Address: <u>2010 E. Carlsbad Lane, Carlsbad, NM 88220</u>		
Facility or well name: <u>East Carlsbad Gas Plant</u> API #: _____ U/L or Qtr/Qtr <u>SW/NE</u> Sec <u>10</u> T <u>23S</u> R <u>28E</u>		
County: <u>Eddy</u> Latitude <u>32.3184</u> Longitude <u>-104.0770</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> Water, non-hazardous biodegradable detergent, TEG Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume), storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ TEG Skid Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) ( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <input checked="" type="checkbox"/>	(20 points) ( 0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) ( 0 points)
<b>Ranking Score (Total Points)</b>		<b>20</b>

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 9-23-04

Printed Name/Title Randy Counts/Field Supervisor

Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_

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

GW-069  
Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address: _____		
Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220		
Facility or well name: East Carlsbad Gas Plant API #: _____ U/L or Qtr/Qtr SW/NE Sec 10 T 23S R 28E		
County: Eddy Latitude 32.3184 Longitude -104.0770 NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> Water, non-hazardous biodegradable detergent, produced Volume: 2.4 bbl Type of fluid: water, storm water Construction material: Fiberglass Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ 3-Phase Separator Skid Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) ( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <input checked="" type="checkbox"/>	(20 points) ( 0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) ( 0 points)
<b>Ranking Score (Total Points)</b>		20

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 9-23-07

Printed Name/Title: Randy Counts/Field Supervisor

Signature: 

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



District I  
1625 N. French Dr., Hobbs, NM 88240  
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1301 W. Grand Avenue, Artesia, NM 88210  
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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

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

Form C-144  
June 1, 2004

GW-069

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Duke Energy Field Services, LP</u> Telephone: <u>(505) 628-0282</u> e-mail address: _____		
Address: <u>2010 E. Carlsbad Lane, Carlsbad, NM 88220</u>		
Facility or well name: <u>East Carlsbad Gas Plant</u> API #: _____ U/L or Qtr/Qtr <u>SW/NE</u> Sec <u>10</u> T <u>23S</u> R <u>28E</u>		
County: <u>Eddy</u> Latitude <u>32.3184</u> Longitude <u>-104.0770</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> Water, non-hazardous biodegradable detergent, amine Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume), storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ Amine Treater Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> 50 feet or more, but less than 100 feet <input type="checkbox"/> 100 feet or more <input type="checkbox"/>	(20 points) (10 points) ( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	(20 points) ( 0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet <input type="checkbox"/> 200 feet or more, but less than 1000 feet <input type="checkbox"/> 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) ( 0 points)
<b>Ranking Score (Total Points)</b>		<b>20</b>

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Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 9-23-07

Printed Name/Title Randy Counts/Field Supervisor

Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_

GW-069

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

Form C-144  
June 1, 2004

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

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For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Duke Energy Field Services, LP</u> Telephone: <u>(505) 628-0282</u> e-mail address: _____		
Address: <u>2010 E. Carlsbad Lane, Carlsbad, NM 88220</u>		
Facility or well name: <u>East Carlsbad Gas Plant</u> API #: _____ U/L or Qtr/Qtr SW/NE Sec <u>10</u> T <u>23S</u> R <u>28E</u>		
County: <u>Eddy</u> Latitude <u>32.3184</u> Longitude <u>-104.0770</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> Water, non-hazardous biodegradable detergent, TEG Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume), storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ Stabilizer Skid Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) ( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <input checked="" type="checkbox"/>	(20 points) ( 0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) ( 0 points)
<b>Ranking Score (Total Points)</b>		20

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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Date: 9-23-07

Printed Name/Title Randy Counts/Field Supervisor

Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

February 13, 2003

**Lori Wrotenbery**

Director

**Oil Conservation Division**

**CERTIFIED MAIL**

**RETURN RECEIPT NO. 3929 9468**

Ms. Karin Char Kimura  
Environmental Specialist  
Duke Energy Field Services Inc  
P.O. Box 5493  
Denver, Colorado 80217

**RE: Minor Modification  
GW-069 Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Kimura:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated February 4, 2003 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the reconfiguration of the existing onsite remediation bio cell operations. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

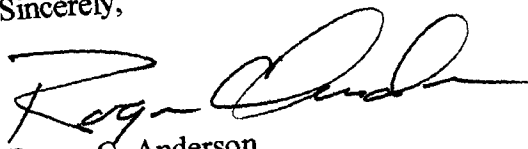
Please note "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C Duke Energy Field Services Inc. is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

Ms. Karin Char  
Duke Energy Field Services Inc.  
February 13, 2003  
Page No. 2

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,



Roger C. Anderson  
Environmental Bureau Chief

cc: OCD Artesia District Office

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Street, Apt. No., or PO Box No. <i>Duke</i>	
City, State, ZIP+4 <i>GW-069</i>	
PS Form 3800, January 2001 <small>Send Reverse for Instructions</small>	

9468 6263 3929 0004 0000 1940 1002

February 4, 2003

**CERTIFIED MAIL**  
**RETURN RECEIPT (7002 2030 0006 2400 0334)**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico

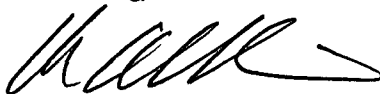
Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests NMOCD approval of a minor modification to the Carlsbad Gas Plant Discharge Plan No. GW-069. The minor modification consists of reconfiguration of the existing on-site remediation biocell operations. The existing on-site remediation biocell operations were previously requested in DEFS' December 6, 2001 discharge plan renewal application and a subsequent request dated January 31, 2002 to amend the renewal application as approved by NMOCD on February 15, 2002.

The reconfiguration of the on-site remediation biocells will consist of combining the existing twenty-two biocells into four biocells of approximately 60' x 30'. The new cells will be marked with biocell numbers and biocell status. Attached is plot plan of the existing and proposed biocell configurations.

If you have any questions, please call me at (303) 605-1717. Please send any correspondence regarding this minor modification request to my attention at 370 17<sup>th</sup> Street, Suite 900, Denver, CO 80202.

Sincerely,  
*Duke Energy Field Services, LP*



Karin Char Kimura  
Senior Environmental Specialist

Attachment

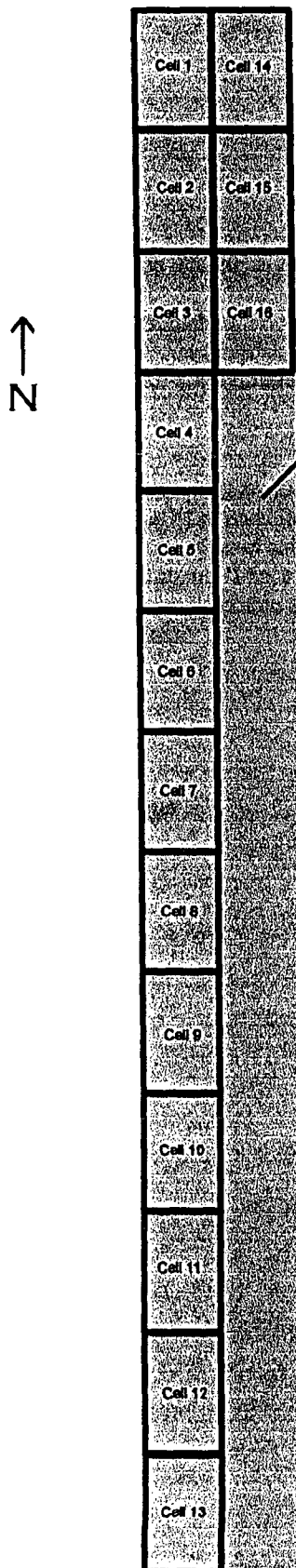
cc: NMOCD District 2 Office (*Certified Mail, Return Receipt Requested 7002 2030 0006 2400 0327*)  
1301 W. Grand Avenue  
Artesia, NM 88210

# ENVIRONMENTAL PLUS, INC.

PO Box 1558 - EUNICE - NM-88321

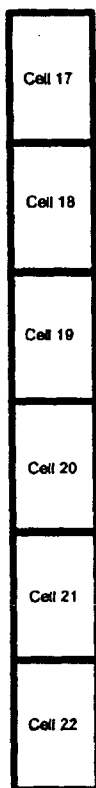
Duke Energy  
Carlsbad Gas Plant Bio-Cells

## Current Cell Configuration

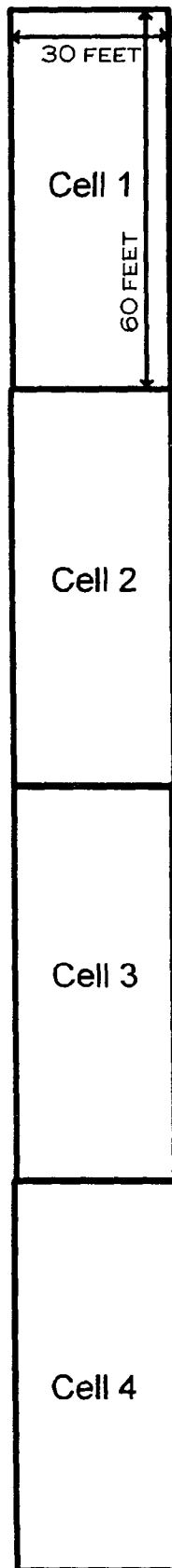


Proposed Cell Configuration Location

Cells to be decommissioned



## Proposed Cell Configuration





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor  
Betty Rivera  
Cabinet Secretary

August 15, 2002

Lori Wrotenberg  
Director  
Oil Conservation Division

**CERTIFIED MAIL**

**RETURN RECEIPT NO. 3929 9093**

Ms. Karin Char  
Environmental Specialist  
Duke Energy Field Services Inc  
P.O. Box 5493  
Denver, Colorado 80217

**RE: Minor Modification  
GW-069 Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Char:


The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated August 12, 2002 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the remediation of diethanolamine contaminated soils in the currently approved biocells. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,

  
W. Jack Ford, C.P.G.  
Environmental Bureau  
Oil Conservation Division

cc: OCD Artesia District Office

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City, State, ZIP+4

R. Char  
Duke  
GW-069

PS Form 3800, January 2001 See Reverse for Instructions

August 12, 2002

**RECEIVED**

**AUG 14 2002**

ENVIRONMENTAL BUREAU  
OIL CONSERVATION DIVISION

**CERTIFIED MAIL**  
**RETURN RECEIPT**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**SUBJECT:** Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico  
Request for Minor Modification

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests to make a minor modification to the approved Carlsbad Gas Plant discharge plan, GW-069. DEFS requests NMOCD approval to place soil contaminated with diethanolamine from incidental leakage from plant process equipment and spill events into the on site remediation biocells previously approved by NMOCD. Diethanolamine contaminated soil will be handled in the same manner as soil contaminated with lube oil, condensate, triethylene glycol, and methanol as described in the December 2001 discharge plan.

If you have any questions regarding this request for minor modification, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*



Karin Char  
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office  
1301 W. Grand Avenue  
Artesia, NM 88210





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor  
Betty Rivera  
Cabinet Secretary

April 17, 2002

Lori Wrotenbery

Director  
Oil Conservation Division

**CERTIFIED MAIL**

**RETURN RECEIPT NO. 3929 7747**

Ms. Karin Char  
Environmental Specialist  
Duke Energy Field Services Inc  
P.O. Box 5493  
Denver, Colorado 80217

**RE: Minor Modification  
GW-069 Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Char:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated April 4, 2002 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the installation of three below grade double walled tanks with leak detection. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Please note "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C Duke Energy Field Services Inc. is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

Ms. Karin Char  
Duke Energy Field Services Inc.  
April 17, 2002  
Page No. 2

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,



Roger C. Anderson  
Environmental Bureau Chief

cc: OCD Artesia District Office

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City, State, ZIP+4	
PS Form 3800 (Rev. 10-2001) See Reverse for Instructions	

7001 1940 0004 3929 7747

SANTA FE NM  
MAY 01 2002  
K. Char  
Duke  
87505-069

April 4, 2002

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant - *GW-069*  
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests the approval for the installation of three below-grade tanks at the Carlsbad Gas Plant. The enclosed application for below-grade tank installation has been prepared in accordance with the NMOCD "Guidelines for the Selection and Installation of Below-Grade Produced Water Tanks" (revised October 1991). DEFS has also included information pertaining to the existing below-grade tanks at the Carlsbad Gas Plant.

If you have any questions, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*



Karin Char  
Environmental Specialist

Enclosure

**Duke Energy Field Services, LP  
Carlsbad Gas Plant  
Below-grade Tank Installation Application**

**Tank Selection**

Jerry Co. Sales – Double-walled iso-polyester resin sumps (~100 gal. capacity). Refer to Figure 1 for construction details.

**Installation**

Refer to Figure 2 – Facility Plot Plan for the three below-grade tank installation locations.

The table below identifies the wastes, quantities, and disposition of effluent that will be collected in the below-grade tanks (sumps) and the disposition of the wastes.

Sump	Waste	Quantity	Disposition
Dehydrator Skid	Triethylene glycol Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
3-Phase Separator Skid	Rain water Wash down water	Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
Stabilizer Skid	Rain water Wash down water	Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank

1 Incidental volume due to incidental leakage from process equipment.

2 Based upon average rainfall data for the Carlsbad area.

**Maintenance**

Plant personnel will perform daily visual inspections of the below-grade tanks during each shift. Plant personnel will also perform monthly inspections of the below-grade tanks to check the condition of the tank, piping and skid, ensure the drains are locked, check for standing water or any spills/leaks, condition of the pump. If any problems are noted, repairs are made in the most expeditious manner possible.

**Contingency Plan**

In the event of a tank leak, the first on-site responder will contact emergency responders for containment and clean-up if necessary and the below-grade tank will be repaired in the most expeditious manner possible.

**Duke Energy Field Services, LP**  
**Carlsbad Gas Plant**  
**Information for Existing Below-grade Tanks**

**Tank Selection**

Jerry Co. Sales – Double-walled iso-polyester resin sumps (~100 gal. capacity) *for the Amine Treater below-grade tank*. Refer to Figure 1 for construction details.

Fiberglass below-grade tanks (~70 gal. capacity) for each of the below-grade tank installations *except the Amine Treater below-grade tank*. Refer to Figure 3 for construction details.

**Installation**

Refer to Figure 2 – Facility Plot Plan for the nine existing below-grade tank installation locations.

The table below identifies the wastes, quantities, and disposition of effluent that are collected in the existing below-grade tanks (sumps) and the disposition of the wastes.

Sump	Waste	Quantity	Disposition
Amine Treater	Diethanolamine Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
C-4 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
C-5 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
C-8 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
Cryogenic Skid	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
Product Area	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
Propane Skid	Lube oil Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank
QBJ Compressor	Lube oil Rain water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup>	100 bbl aboveground tank
TEG Skid	TEG Rain water Wash down water	Incidental volume <sup>1</sup> Approx. 13"/year <sup>2</sup> Approx. 20 gal/year	100 bbl aboveground tank

<sup>3</sup> Incidental volume due to incidental leakage from process equipment.

<sup>4</sup> Based upon average rainfall data for the Carlsbad area.

**Duke Energy Field Services, LP**  
**Carlsbad Gas Plant**  
**Information for Existing Below-grade Tanks, *continued***

**Maintenance**

Plant personnel checks the levels of each of these below-grade tanks during each daily shift and empties the tanks as needed. Plant personnel also perform monthly inspections of the below-grade tanks to check the condition of the tank, piping and skid, ensure the drains are locked, check for standing water or any spills/leaks, condition of the pump. If any problems are noted, repairs will be made in the most expeditious manner possible.

**Contingency Plan**

In the event of a tank leak, the first on-site responder will contact emergency responders for containment and clean-up if necessary and the below-grade tank will be repaired in the most expeditious manner possible.

## Figures

**Figure 1. Below-grade tank construction and design details.**



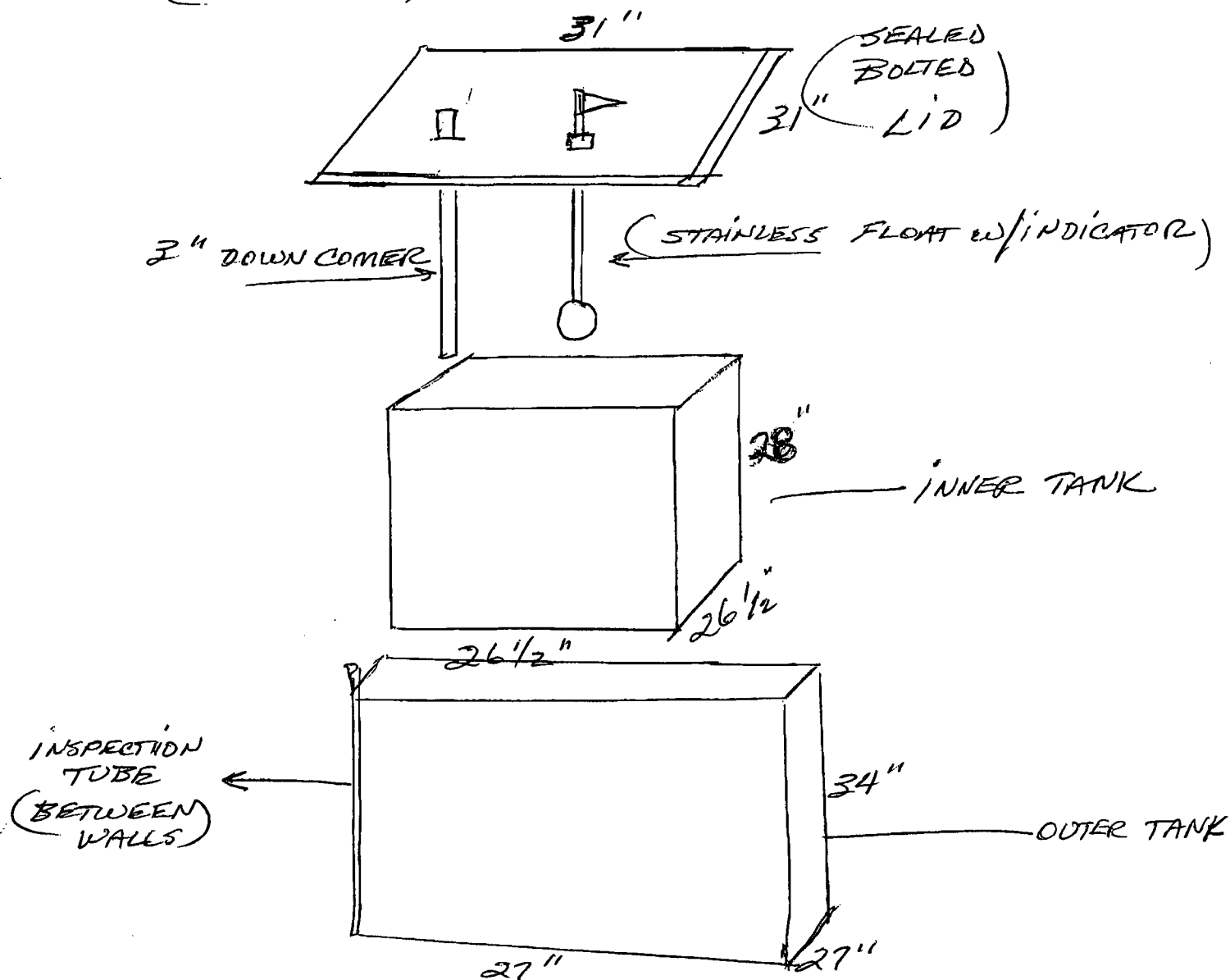
# JERRY CO SALES - DOUBLE WALL TANK

CORROSION ISO POLYESTER RESIN (ACID RESISTANT)  
APPROX 1/4" THICK PLUS ONE LAYER  
FIBER GLASS CLOTH,

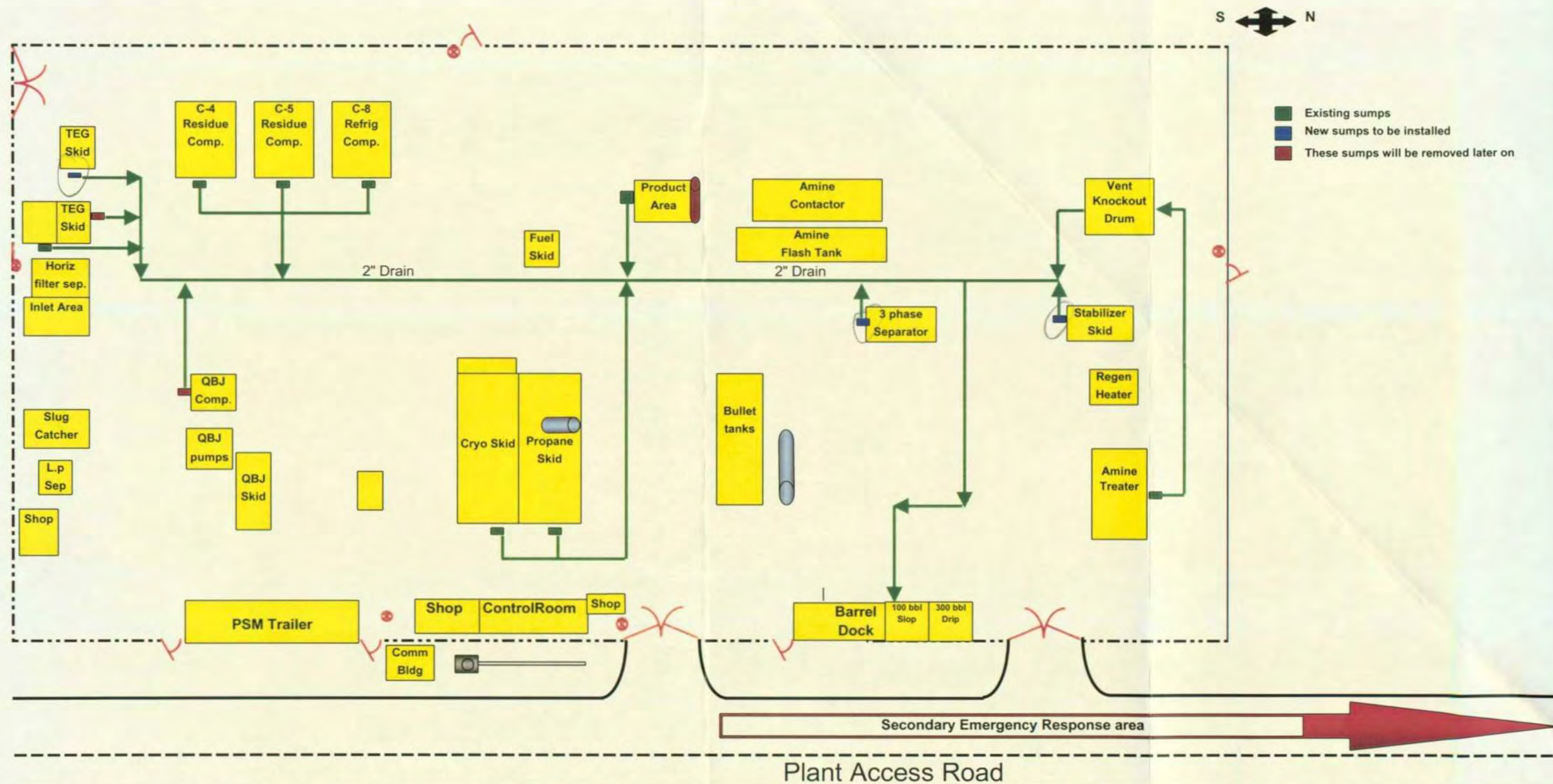
## CAPACITIES

81.58 GAL (INNER TANK)  
106.28 GAL (OUTER TANK)

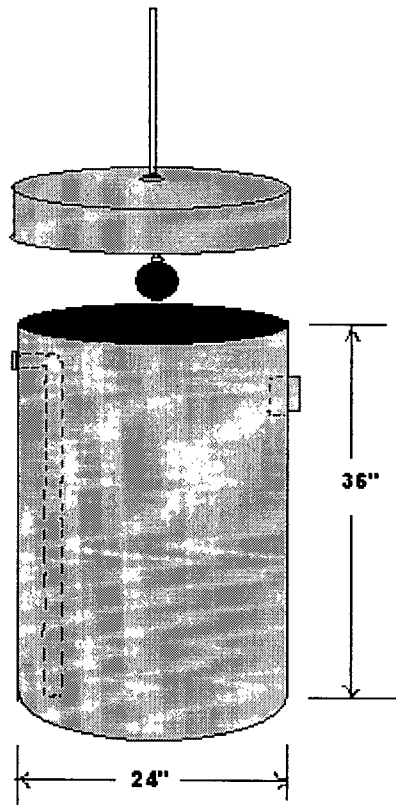
(APPROX SIZES)



**Figure 2. Facility Plot Plan.**



**Figure 3. Existing below-grade tank construction and design details.**



**Below-grade tanks specifications:**

- Fiberglass construction<sup>1</sup>
- Snug fitting lids made of fiberglass<sup>2</sup>
- Floating level indicator
- 2" inlet
- 1" outlet
- Approximately 70 gallon capacity

- 1 Cryogenic and Propane Skid below-grade tanks are constructed of polyethylene.
- 2 Cryogenic and Propane Skid below-grade tanks have screw-on lids.



**Duke Energy Field Services**  
P.O. Box 5493  
Denver, Colorado 80217  
370 17th Street, Suite 900  
Denver, Colorado 80202  
303/595-3331

March 28, 2002

**CERTIFIED MAIL**  
**RETURN RECEIPT**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Check in the amount of \$4000.00 for the Carlsbad Gas Plant discharge plan flat fee;
- Signed copy of the Discharge Plan Approval Conditions for the Carlsbad Gas Plant; and
- Stormwater Run-Off Plan for the Carlsbad Gas Plant.

If you have any questions, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*

Karin Char  
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office  
1301 W. Grand Avenue  
Artesia, NM 88210



ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2/26/02  
or cash received on \_\_\_\_\_ in the amount of \$ 4,000.00

from Duke Energy Field Services

for Carlsbad G.P.

Submitted by: \_\_\_\_\_

(Facility Name)

GW-069

Date: 2/3/02

Submitted to ASD by: \_\_\_\_\_

Date: \_\_\_\_\_

Received in ASD by: \_\_\_\_\_

Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal ☒

Modification \_\_\_\_\_ Other \_\_\_\_\_

(optional)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ☒ or Annual Increment \_\_\_\_\_

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP  
P.O. Box 2403  
Denver, CO 80217

THE CHASE MANHATTAN BANK

11430 213

Vendor No.  
111615

Check Date  
2/26/02

Check Number  
[REDACTED]

NOT NEGOTIABLE AFTER 120 DAYS

Check Amount  
\$4,000.00

Pay Four thousand and no/100 Dollars

To the Order of NYED  
Water Quality Management Fund  
NM Oil Conservation District  
1220 South St Francis Drive

[Signature]  
Authorized Signature

HOLD BETWEEN THUMB AND FOREFINGER. OR BREATHE ON COLORED BOX. COLOR WILL DISAPPEAR, THEN REAPPEAR.

**Duke Energy Field Services, LP**

P O Box 5493

Denver, CO 80217

**Vendor Number**

111615

**Vendor Name**

NMED-

**Check Number**

**Check Date**

2/26/02

<b>Invoice Number</b>	<b>Invoice Date</b>	<b>Net Amount</b>	<b>Description</b>
02-02	2/25/02	4,000.00	Accounts Payable Vouchers
<b>Total Paid</b>		<b>\$4,000.00</b>	

Please Detach and Retain for Your Records



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Acting Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

February 15, 2002

**CERTIFIED MAIL**

**RETURN RECEIPT NO. 3929 7495**

Ms. Karin Char  
Duke Energy Field Services, LP  
P.O. Box 5493  
Denver, Colorado 80217

**RE: Discharge Plan Renewal Approval GW-069  
Duke Energy Field Services, LP  
Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Char:

The ground water discharge plan renewal GW-069 for the Duke Energy Field Services, LP Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, is **hereby approved** under the conditions contained in the enclosed attachment. 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 original discharge plan application was submitted on January 16, 1991 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan renewal application letter was submitted December 6, 2001 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve Duke Energy Field Services, LP 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.

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City, State, ZIP+ 4	

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7001 1940 0004 3929 7495

PS Form 3800, January 2001 See Reverse for Instructions



Ms. Karin Char  
GW-069 Carlsbad Gas Plant  
February 15, 2002  
Page 2


Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Duke Energy Field Services, LP 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.

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **April 29, 2007**, and Duke Energy Field Services, LP should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan. Duke Energy Field Services, LP will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Carlsbad Gas Plant if such plan has not been submitted.

The discharge plan application for the Duke Energy Field Services, LP Carlsbad Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of \$50. There is a flat fee assessed for natural gas processing plants equal to \$4,000.00. 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 plan review.

Sincerely,  
  
Roger C. Anderson  
Oil Conservation Division

RCA/wjf  
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-069  
DUKE ENERGY FIELD SERVICES, LP  
CARLSBAD GAS PLANT  
DISCHARGE PLAN APPROVAL CONDITIONS  
(February 15, 2002)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to \$4,000.00. The 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. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge plan renewal application letter dated December 6, 2001 and these conditions for approval.
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 determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis. Methanol contaminated soils will be handled in the same manner as other contaminated soils as proposed in the renewal application.
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 every 5 years. The permittee 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: No 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. 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. 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 by a Duke Energy Field Services, LP's representative on a regular basis 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 Artesia 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: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Carlsbad Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Carlsbad Gas Plant 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: Duke Energy Field Services, LP, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Duke Energy Field Services, LP 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:

DUKE ENERGY FIELD SERVICES, LP

by \_\_\_\_\_  
Title

## NOTICE OF PUBLICATION

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

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

**(GW-069) – Duke Energy Field Services, LP, Mr. Harley Temple, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Carlsbad Gas Plant located in the SW/4 NE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any effluent generated is collected in a closed containment prior to disposal at an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 31 feet with total dissolved solids concentrations of approximately 4100 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.**

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above.

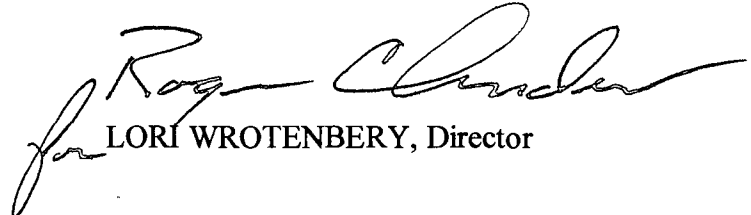
The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held.

A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY, Director

SEAL

January 31, 2002

**CERTIFIED MAIL**  
**RETURN RECEIPT**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests to modify the discharge plan renewal application dated December 6, 2002 for the Carlsbad Gas Plant. DEFS would like to amend the renewal application to include on-site remediation of soil contaminated with methanol from incidental leakage from plant process equipment and spill events. Methanol contaminated soil will be handled in the same manner as soil contaminated with lube oil, condensate and triethylene glycol as described in the December 6, 2002 discharge plan renewal application.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*



Karin Char  
Environmental Specialist

cc: NMOCD District 2 Office  
1301 W. Grand Avenue  
Artesia, NM 88210

January 30, 2002

**CERTIFIED MAIL**  
**RETURN RECEIPT**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico

Dear Mr. Ford:

This letter is in response to your letter dated January 2, 2002 regarding the Carlsbad Gas Plant discharge plan renewal. Produced water is generated at a rate of 1 to 9 barrels per day dependent upon weather conditions and well-head equipment operations. The produced water is stored in the slop oil tank until transferred to Bird Creek Resources for disposal into their EPA approved injection well.

This information was not included in the discharge plan renewal application dated December 6, 2001 since the produced water is not disposed on-site at the Carlsbad Gas Plant.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*



Karin Char  
Environmental Specialist

cc: NMOCD District 2 Office  
1301 W. Grand Avenue  
Artesia, NM 88210



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor

**Jennifer A. Salisbury**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

January 2, 2002

**CERTIFIED MAIL**

**RETURN RECEIPT 3929 7006**

Mr. Harley Temple, Asset Manager  
Duke Energy Field Services, LP  
3300 N. A Street, Building 7  
Midland, Texas 79705

**RE: RENEWAL DISCHARGE APPLICATION  
GW-069 CARLSBAD GAS PLANT**

Dear Mr. Temple:

The New Mexico Oil Conservation Division (OCD) is in receipt of a discharge plan renewal application, dated December 6, 2001, for Duke Energy Field Services, LP's Carlsbad Gas Plant, GW-069. A preliminary review of the application indicates a deficiency of required information.

Prior application, dated July 24, 1997, indicated that produced water was generated at the rate of between 1 to 9 barrels/day, dependent upon weather conditions and well-head equipment operations. Produced water was stored in the slop oil tank until transferred to Bird Creek Resources for disposal into an EPA approved injection well. No information regarding produced water generated at the plant or the disposal of such water was included in the renewal application. Please clarify if the amount of produced water generated is still the same and the handling of such water is still in effect.

If you have any questions contact me at (505) 476-3489. Until such information is received the renewal application is considered administratively incomplete.

Sincerely:

W. Jack Ford, C.P.G.  
Oil Conservation Division

cc: Artesia OCD District Office

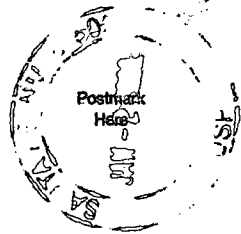


U.S. Postal Service  
**CERTIFIED MAIL RECEIPT** *Ford*  
(Domestic Mail Only: No Insurance Coverage Provided)

7006 7004 3929 7006  
7007 1940 0004 0000 0667 7007

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To *H. Temple*  
Street, Apt. No.,  
or PO Box No. *Duke*  
City, State, ZIP+ 4 *GW-069*

**NOTICE OF PUBLICA-  
TION  
STATE OF NEW MEXICO  
ENERGY, MINERALS  
AND NATURAL RE-  
SOURCE DEPARTMENT  
OIL CONSERVATION DI-  
VISION**

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440: (GW-069) - Duke Energy Field Services, LP, Mr. Harley Temple, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Carlsbad Gas Plant located in the SW/4 NE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any effluent generated is collected in a closed containment prior to disposal at an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 31 feet with total dissolved solids concentrations of approximately 4100 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information from the Oil Conservation Division and may submit written com-

ments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest. If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVI-  
SION

SEAL  
LORI WROTENBERY, Di-  
rector  
Legal #70842  
Pub. January 21, 2002

1220 S. St. Francis  
Santa Fe, NM 87505  
Phone: 505-476-3492

**New Mexico Oil  
Conservation  
Division**

# Fax

**To:** Artesia Daily Press, Barbara Boans      **From:** Ed Martin

---

**Fax:** 505-746-8795      **Pages:** 2

---

**Phone:** 505-746-3524      **Date:** 1/15/2002

---

**Re:** Legal Notice      **CC:** Jack Ford, Mary Anaya

---

☐ **Urgent**    ☐ **For Review**    ☐ **Please Comment**    ☐ **Please Reply**    ☐ **Please Recycle**

**Please publish the attached legal notice, one time only, on or before Wednesday, January 23, 2002.**

**After publication forward to this office:**

**Publisher's affidavit**

**Invoice. Our purchase order number is 02199000252**

**If you have any questions, phone me at (505) 476-3492.**

**Thank you.**

## NOTICE OF PUBLICATION

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

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

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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

SEAL

LORI WROTENBERY, Director

**Ford, Jack**

---

**From:** Martin, Ed  
**Sent:** Tuesday, January 15, 2002 2:49 PM  
**To:** Santa Fe New Mexican (E-mail)  
**Cc:** Ford, Jack; Anaya, Mary  
**Subject:** Legal Notices

Please publish the attached legal notices, one time only, on or before Wednesday, January 23, 2002.

After publication, forward to this office:

Publisher's affidavit

Invoice. Our purchase order number is **02199000249**

If you have any questions, please e-mail me or phone (505) 476-3492.

Thank you.



Publ. Notice  
GW-069.doc



Publ. Notice  
GW-092.doc

Ed Martin  
New Mexico Oil Conservation Division  
Environmental Bureau  
1220 S. St. Francis  
Santa Fe, NM 87505  
Phone: (505) 476-3492  
Fax: (505) 476-3471

**Ford, Jack**

---

**From:** Martin, Ed  
**Sent:** Tuesday, January 15, 2002 2:53 PM  
**To:** Bruce S. Garber; Chris Shuey; Colin Adams; Director, State Parks; Gerald R. Zimmerman; Jack A. Barnett; James Bearzi; Jay Lazarus; Lee Wilson & Associates; Marcy Leavitt; Mike Matush; Mike Schultz; Ned Kendrick; Regional Forester; Ron Dutton; Secretary, NMED  
**Cc:** Ford, Jack  
**Subject:** Discharge Plan Renewals



Publ. Notice  
GW-069.doc



Publ. Notice  
GW-092.doc

Ed Martin  
New Mexico Oil Conservation Division  
Environmental Bureau  
1220 S. St. Francis  
Santa Fe, NM 87505  
Phone: (505) 476-3492  
Fax: (505) 476-3471

**Ford, Jack**

---

**To:** Martin, Ed  
**Subject:** Public Notice for GW-069



069PUB.DOC

## NOTICE OF PUBLICATION

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

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

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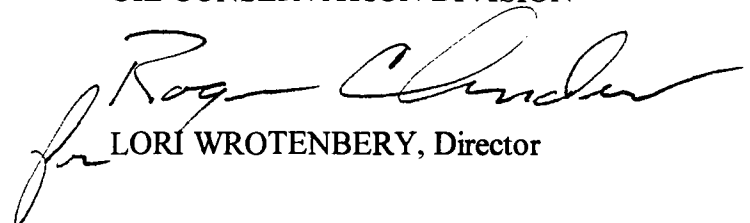
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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY, Director

SEAL



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  
1220 S. St. Francis Dr., Santa Fe, NM 87504

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87504

Revised January 24, 2001

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

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

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

☐ New      ☒ Renewal      ☐ Modification

1. Type: Carlsbad Gas Plant – On-site Remediation Biocell and Leach Field Operations
2. Operator: *See enclosed Discharge Plan.*  
Address:  
Contact Person:                      Phone:
3. Location: *See enclosed Discharge Plan.*
4. Attach the name, telephone number and address of the landowner of the facility site.  
*See enclosed Discharge Plan.*
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.  
*See enclosed Discharge Plan.*
6. Attach a description of all materials stored or used at the facility.  
*See enclosed Discharge Plan.*
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.  
*See enclosed Discharge Plan.*
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.  
*See enclosed Discharge Plan.*
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.  
*See enclosed Discharge Plan.*
10. Attach a routine inspection and maintenance plan to ensure permit compliance.  
*See enclosed Discharge Plan.*
11. Attach a contingency plan for reporting and clean-up of spills or releases.  
*See enclosed Discharge Plan.*
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.  
*See enclosed Discharge Plan.*
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.  
*See enclosed Discharge Plan.*
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: Harley Temple

Title: Asset Manager

Signature: Harley Temple

Date: 12-6-01



*A New Kind of Energy*

**CARLSBAD GAS PLANT  
DISCHARGE PLAN**

**December 2001**

**Carlsbad Gas Plant**  
**SW/4 NE/4 T 23S, R 28E, Section 10**

**DISCHARGE PLAN**

---

This document constitutes a renewal application for a Groundwater Discharge Plan for the Carlsbad Gas Plant On-site Remediation Biocell and Leach Field Operations, which were previously approved by NMOCD on November 6, 1997. This Discharge Plan application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3-104 and 3-106 NMAC.

**1 Type of Operation**

On-site remediation biocell operations include the operation of three active biocells. There are eleven inactive biocells. The dimensions of each biocell is 20'L x 10'W x 1.5'D.

Leach field operations for onsite sewage septic system. No changes have been made to the leach field operations as previously approved by NMOCD.

**2 Operator / Legally Responsible Party**

**Operator**

Duke Energy Field Services, LP  
3300 N. A Street, Building 7  
Midland, TX 79705  
(505) 628-0282  
Contact Person: Harley Temple – Asset Manager

**Legally Responsible Party**

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 900  
Denver, CO 8020  
(303) 595-3331  
Contact Person: John Admire – Director, Environmental Protection

**3 Location of Discharge / Facility**

SW/4 NE/4 Section 10, Township 23S, Range 28E

See Figure 1 – Site Location Map.

#### 4 Landowner

Duke Energy Field Services, LP  
370 17<sup>th</sup> Street, Suite 900  
Denver, CO 80202  
(303) 595-3331

#### 5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines.

The facility operates biocells to perform onsite remediation of soils contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events and a septic and leach field system to handle domestic sewage generated at the facility.

See Figure 2 – Facility Plot Plan for the location of the septic and leach field system and the biocell operations.

#### 6 Materials Stored or Used

Micro-Blaze Emergency Liquid Spill Control which is used in the onsite biocell operation is not stored onsite. The contractor who maintains the biocells provides the Micro-Blaze Emergency Liquid Spill Control as part of their maintenance service.

#### 7 Sources and Quantities of Effluent and Waste Solids

Table 1 identifies sources and quantities, quality and disposition of effluent and waste solids generated at the facility related to the remediation biocell and leach field operations at the facility.

**Table 1**  
**Effluent and Solid Waste Sources, Quantity, Quality**

<i>Source</i>	<i>Waste/Quality</i>	<i>Quantity (gal/month unless otherwise specified)</i>	<i>Disposition</i>
Control Room	Sewage	155	Septic Tank
PSM Building	Sewage	75	Septic Tank
Plant Process Area	Hydrocarbon contaminated soil	~55	Biocells

##### **Separators/Scrubbers**

There are no separators or scrubbers involved in the remediation biocell and leach field operations at the facility.

**Boilers and Cooling Towers/Fans**

There are no boilers or cooling towers/fans involved in the remediation biocell and leach field operations at the facility.

**Process and Storage Equipment Wash Down**

Wash down is not generated from the remediation biocell and leach field operations at the facility.

**Solvents/Degreasers**

There is no solvent or degreasers used in the remediation biocell and leach field operations at the facility.

**Spent Acids/Caustics**

No spent acids or caustics are generated from remediation biocell and leach field operations at the facility.

**Used Engine Coolants**

Engine coolants are not used in the remediation biocell and leach field operations at the facility.

**Waste Lubrication and Motor Oils**

Lubrication and motor oils are not used in the remediation biocell and leach field operations at the facility.

**Used Oil Filters**

Used oil filters are not generated from the remediation biocell and leach field operations at the facility.

**Solids and Sludges**

Solids and sludges are not generated from the remediation biocell and leach field operations at the facility.

**Painting Wastes**

Painting wastes are not generated from the remediation biocell and leach field operations at the facility.

**Sewage**

Sewage is generated from the Operators Building and the PSM Building is routed to the septic tank and leach line system.

**Lab Wastes**

The facility is not equipped with a laboratory.

**Other Liquids and Solid Wastes**

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

## **8 Liquid and Solid Waste Collection / Storage / Disposal**

### **Collection/Storage**

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

### **On-site Disposal**

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Sewage collected in the septic tank is routed to the onsite leach line.

### **Off-site Disposal**

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Thus, there is no offsite disposal of the soil remediated in the onsite biocells. Wastes are not removed from the leachfield system for offsite disposal.

## **9 Proposed Modifications**

No proposed modifications.

## **10 Inspection, Maintenance, and Reporting**

The onsite biocells are maintained by Environmental Plus, Inc. The active biocells are treated with Micro-Blaze Emergency Liquid Spill Control, cultivated, and sampled every 60 days. The following laboratory analyses are performed on the samples collected: TPH (GRO+DRO) – EPA Method 8015M, Benzene – EPA Method 8020/8260, Toluene – EPA Method 8020/8260, Ethyl Benzene – EPA Method 8020/8260, and Total Xylenes – EPA Method 8020/8260. Contaminated soils are treated to remediation action levels provided in NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993). When remediation levels are achieved, the soil is left in the biocells. The biocells are inspected at least once per quarter to check for weed growth and unauthorized placement of wastes in the biocells.

## **11 Spill / Leak Prevention and Reporting (Contingency Plans)**

The facility is manned 24-hours per day, 7-days per week. Facility inspections are performed once a month and plant rounds are made hourly. DEFS will respond to spills as outlined in the facility's SPCC plan (Refer to Appendix 1) and report spills and leaks according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

## **12 Site Characteristics**

No Changes.

## **13 Additional Information**

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

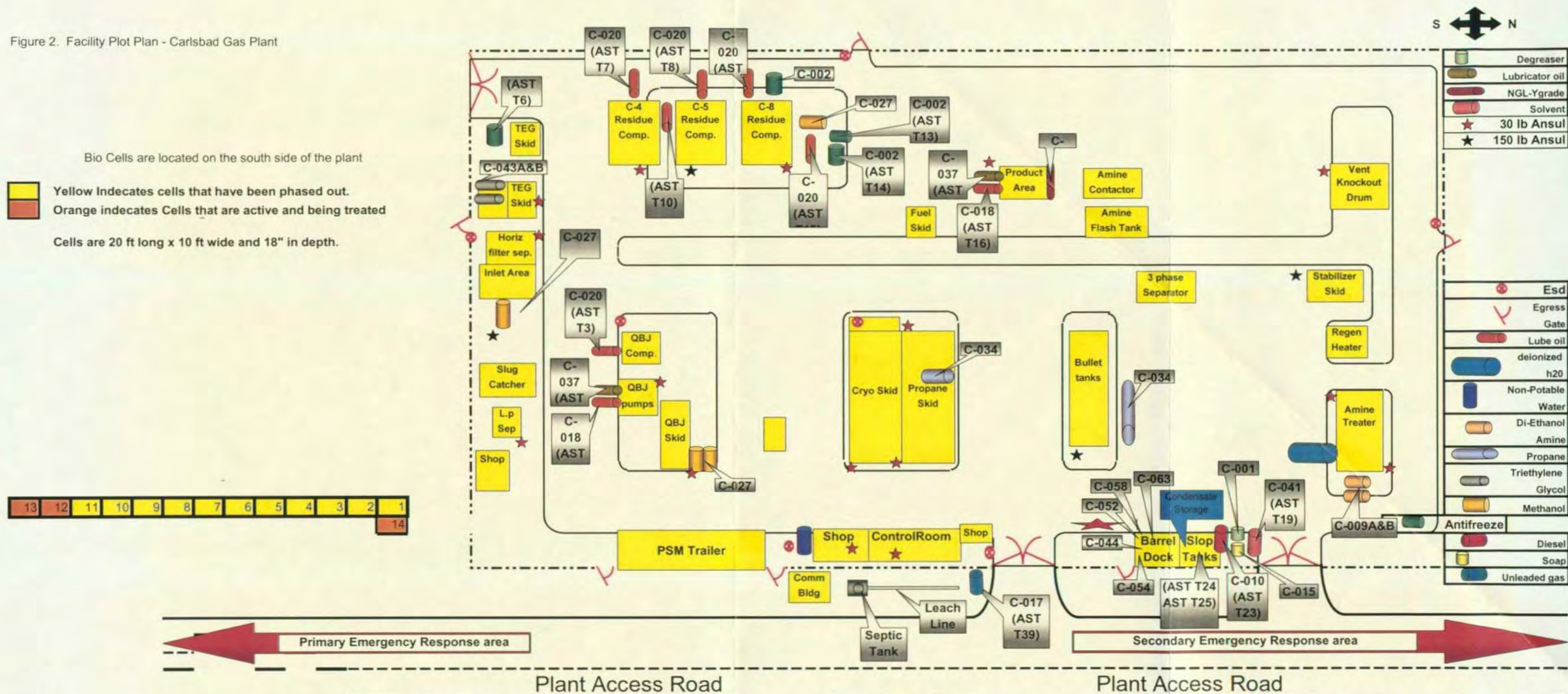
## FIGURES



Figure 1. Site Location Map – Carlsbad Gas Plant.



Figure 2. Facility Plot Plan - Carlsbad Gas Plant





## **APPENDIX 1**

### **Carlsbad Gas Plant SPCC Plan**



**SPILL PREVENTION, CONTROL,  
AND  
COUNTERMEASURE PLAN**

**CARLSBAD GAS PLANT  
EDDY COUNTY, NEW MEXICO**

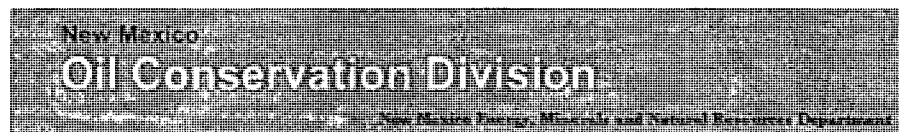
**June 2000**

**Prepared for:**

**Duke Energy Field Services, LLC  
Carlsbad Gas Plant Office  
260 Potash Mines Road  
Loving, New Mexico 88250**

**Prepared by:**

**SECOR International, Inc.  
4700 McMurry Drive Suite 101  
Fort Collins, Colorado 80525**



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## 1.0 INTRODUCTION

Duke Energy Field Services, LLC (Duke Energy) has prepared this Spill Prevention, Control, and Countermeasure (SPCC) Plan for the Carlsbad Gas Plant located in Eddy County, New Mexico to comply with the Oil Pollution Prevention Regulation (40 CFR Section 112) issued under Section 311 of the Clean Water Act. This SPCC Plan was prepared in accordance with good engineering practices and has the approval of Duke Energy management at a level having the authority to commit the resources necessary to comply with SPCC and New Mexico spill prevention regulations.

This SPCC Plan follows the format outlined in the regulations and includes specific contingencies and operating procedures to be implemented in case of a release. Original copies of this plan must be maintained at the facility or the nearest field office. In addition, this plan will be kept at Duke Energy's corporate office in Denver, Colorado.

Duke Energy will complete a review and evaluation of this SPCC Plan within six months of facility design, construction, operation, or maintenance changes at the Carlsbad Gas Plant, and at least once every three years. Based on the review, Duke Energy will update this SPCC Plan as necessary.

## **2.0 GENERAL FACILITY INFORMATION**

### **2.1 Name and Address of Owner/Operator**

Duke Energy Field Services, LLC  
370 17<sup>th</sup> Street  
Denver, Colorado 80202

Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
260 Potash Mines Road  
Loving, New Mexico 88250

### **2.2 Facility Description**

The function of the Carlsbad Gas Plant is to fractionate and treat natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines. SPCC-regulated equipment owned by Duke Energy consists of aboveground storage tanks (ASTs). Liquids stored in these ASTs are delivered or removed from the facility by tanker truck. The facility has a Standard Industrial Classification (SIC) code of 1321.

### **2.3 Location of Facility**

The Carlsbad Gas Plant is approximately 12 miles southeast of Carlsbad and four miles northeast of Loving, New Mexico, in Eddy County. The facility is located in southeast New Mexico at latitude 32.3184° N and longitude 104.0770° W. A site location map is provided as Figure 1.

### **2.4 Materials Used, Stored, or Handled at this Facility**

Condensate, lube oil, diesel, varsol, and unleaded gasoline are stored or handled at this facility. These products are hydrocarbon liquids classified as a petroleum, oil, or lubricant (POLs). Dehy drip water may contain small amounts of POL and is therefore SPCC-regulated. The average daily storage of condensate at the Carlsbad Gas Plant is approximately 1,100 barrels, with a daily



throughput of approximately 75 barrels. The average daily storage of lube oil is approximately 1,000 gallons, with a daily throughput of approximately 10 gallons.

Methanol, glycol, amine, soap, water, and biodegradable degreaser are also stored on site. SPCC regulations do not apply to these non-POLs.

## **2.5 Surface Water in Area Proximity**

The Pecos River is approximately 0.75 miles north and east of the site. This river flows in a southerly direction. Figures 1 and 2 depict the local topography and site layout.

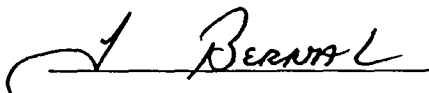
## **2.6 Designated Person Accountable for Spill Prevention**

The Plant Foreman is responsible for implementation of the SPCC Plan. The Plant Foreman with responsibility for the Carlsbad Gas Plant is:

Mr. Tom Bernal  
Plant Foreman  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
260 Potash Mines Road  
Loving, New Mexico 88250  
Office Phone: (505) 745-3407  
Mobile Phone: (505) 390-2790  
Pager: (505) 339-1464

## 2.7 Management Approval

Management approval has been extended at a level having authority to commit the necessary resources to implement this Spill Prevention, Control, and Countermeasure (SPCC) Plan. This SPCC Plan will be implemented as herein described.

Signature:   
Name: Tom Bernal  
Title: Plant Foreman

Date: 7/14/00

## 2.8 Professional Engineer Certification

I hereby certify that I have supervised the evaluation of the facility, and being familiar with the provisions of 40 CFR 112 attest that this SPCC plan has been prepared in accordance with the aforementioned regulations and good engineering practices.

### Disclaimer:

As described within the text of this SPCC Plan, there are oil product storage, handling, and usage areas at the facility where spill containment structures and other spill prevention devices are not in place, or are not adequate. It is Duke Energy's responsibility to implement quick and effective action to prevent adverse effects on human health and the environment from any spill event, and to install effective spill containment structures where feasible.

Included as Appendix D are the action items recommended to meet current SPCC compliance standards at this facility.

This SPCC Plan is based on fieldwork conducted by SECOR on June 4, 1999 and information provided by Duke Energy on or before March 23, 2000.

Keith S. Davidson, P.E.  
Name of Professional Engineer

License Number: 30013  
State: Colorado  
Seal:

Signature of Professional Engineer

Date

6-2000

### **3.0 SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN**

This SPCC Plan is organized as specified in 40 CFR 112, and includes a discussion of the facility's conformance with the appropriate guidelines listed.

#### **3.1 Spill History Within Last 12 Months**

No spill event has been reported for this site during the past twelve months.

#### **3.2 Potential Discharges**

The Carlsbad Gas Plant has ASTs that are regulated under SPCC requirements (refer to Table 1). On-site storage locations and drainage pathways away from the storage facilities are identified on Figure 2. The off-site surface water drainage pathways are shown on Figure 1. If an on-site release were to occur, it would most likely flow away from the facility to the east or west, and the rate of flow would depend on the quantity released. Potential spill scenarios for each individual tank are summarized in Table 1. Potential discharges of POL from the site that may impact navigable waterways include tank overfills, tank ruptures, pipe ruptures, pipe leaks, and loadout accidents.

#### **3.3 Containment and/or Diversionary Structures**

A summary of the secondary containment information is presented in Table 2. Field measurements and volume calculations for the secondary containment structure are provided in Appendix A. Photographs of the tanks are provided in Figure 3.

**TABLE 1**  
**POTENTIAL SPILL SCENARIOS - PREDICTIONS AND CONTROL**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Source	Major Type of Failure	Rate of Release	Direction of Off-Site Flow (spill path)	Secondary Containment / Diversionary Structures	Comments (impact to surface water)
AST T1 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm A (See Table 2)	Secondary containment would likely prevent surface water impacts
AST T2 340 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm B (See Table 2)	
AST T3 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm C (See Table 2)	
AST T6 80 gal Dehydration Drip	Catastrophic	Instantaneous	South then east	Berm D (See Table 2)	
AST T7 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm E (See Table 2)	
AST T8 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm F (See Table 2)	
AST T9 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm G (See Table 2)	
AST T10 580 gal Used Oil	Catastrophic	Instantaneous	South then east	Berm H (See Table 2)	

**TABLE 1 - Continued**  
**POTENTIAL SPILL SCENARIOS - PREDICTIONS AND CONTROL**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Source	Major Type of Failure	Rate of Release	Direction of Off-Site Flow (spill path)	Secondary Containment / Diversionary Structures	Comments (impact to surface water)
AST T12 500 gal Lube Oil (Out-of-service)	Catastrophic	Instantaneous	South then east	Berm I (See Table 2)	Secondary containment would likely prevent surface water impacts
AST T15 340 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm J (See Table 2)	
AST T16 300 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm K (See Table 2)	
AST T19 500 gal Varsol	Catastrophic	Instantaneous	South then east	Berm M (See Table 2)	Insufficient secondary containment may allow surface water impacts
AST T23 340 gal Diesel	Catastrophic	Instantaneous	South then east	Berm L (See Table 2)	Secondary containment would likely prevent surface impacts
AST T24 300 bbl Condensate	Catastrophic	Instantaneous	South then east		
AST T25 110 bbl Condensate	Catastrophic	Instantaneous	South then east		
AST T39 500 gal Unleaded Gasoline	Catastrophic	Instantaneous	South then east	Berm N (See Table 2)	

**TABLE 2**  
**STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T1	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm A Corrugated steel	19 bbl (160% of the tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River.
AST T2	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal), 37 inches diameter by 74 inches long	Berm B Corrugated steel	19 bbl (232% of the tank volume)	
AST T3	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches ong	Berm C Corrugated steel	19 bbl (160% of the tank volume)	
AST T6	Dehydration Drip	Single-wall, corrugated steel (vertical), no tag	2 bbl (80 gal), 2 feet in diameter by 41 inches high	Berm D Corrugated steel	8 bbl, (244% of the tank volume)	
AST T7	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm E Corrugated steel	19 bbl (160% of the tank volume)	
AST T8	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm F Corrugated steel	19 bbl (160% of the tank volume)	

**TABLE 2 - Continued**  
**STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T9	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm G Corrugated steel	19 bbl (160% of the tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River
AST T10	Used Oil	Single-wall, welded steel (horizontal, elevated), no tag	13.8 bbl (580 gal) 42 inches diameter by 97 inches long	Berm H Concrete	343 bbl (2,477% of the tank volume)	
AST T12	Lube Oil (Out of service)	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm I Concrete	27 bbl (227% of the tank volume)	
AST T15	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal) 37 inches diameter by 74 inches long	Berm J Corrugated steel	19 bbl (232% of the tank volume)	
AST T16	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	7.3 bbl (300 gal) 38 inches diameter by 62 inches long	Berm K Corrugated steel	19 bbl (262% of the tank volume)	
AST T19	Varsol	Single-wall, welded steel (horizontal, elevated), no tag	12.1 bbl (500 gal)	Berm M Corrugated Steel	13 bbl (109% of the tank volume)	
AST T23	Diesel	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal) 37 inches diameter by 74 inches long	Berm L Concrete	668 bbl (223% of the largest tank volume)	
AST T24	Condensate	Single wall, welded steel (vertical fixed roof), Palmer, 1921F, 1996	300 bbl 12 feet in diameter by 15 feet high			



**TABLE 2 - Continued**  
**STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T25	Condensate	Single-wall, welded steel (vertical fixed roof), Permian, 25682, 1991	110 bbl 8 feet in diameter by 12 feet high	Berm L Concrete	668 bbl (223% of the largest tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River.
AST T39	Unleaded Gasoline	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm N Corrugated Steel	14 bbl (117% of the tank volume)	

Lube Oil AST T1 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm A). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T1. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T2 (340 gal), is surrounded by a corrugated sheet metal containment berm (Berm B). The secondary containment capacity is approximately 19 bbl, or 232 percent of the volume of AST T2. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T3 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm C). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T3. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Dehy Drip Water AST T6 (80 gal), is surrounded by a corrugated sheet metal containment berm (Berm D). The secondary containment capacity is approximately 8 bbl, or 244 percent of the volume of AST T6. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T7 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm E). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T7. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T8 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm F). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T8. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T9 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm G). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T9. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Used Oil AST T10 (580 gal), is surrounded by a concrete containment berm (Berm H). The secondary containment capacity is approximately 343 bbl, or 2,477 percent of the volume of AST T10. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T12 (500 gal), is surrounded by a concrete containment berm (Berm I). The secondary containment capacity is approximately 27 bbl, or 227 percent of the volume of AST T12. This berm is in good condition and meets the SPCC volume requirements for secondary containment. This AST is out of service.

Lube Oil AST T15 (340 gal), is surrounded by a corrugated sheet metal containment berm (Berm J). The secondary containment capacity is approximately 19 bbl, or 232 percent of the volume of AST T15. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T16 (300 gal), is surrounded by a corrugated sheet metal containment berm (Berm K). The secondary containment capacity is approximately 19 bbl, or 262 percent of the volume of AST T16. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released this regulated tank would likely be contained.

Varsol AST T19 (500 gal) is surrounded by a corrugated steel containment berm (Berm M). The secondary containment capacity is approximately 13 bbl, or 109 percent of the volume of AST T19. This berm is in good condition. Under these conditions, POLs released from this tank may not be contained (see recommendations in Appendix D).

Diesel AST T23 (340 gal), Condensate AST T24 (300 bbl), and Condensate AST T25 (110 bbl) are surrounded by a common concrete containment berm (Berm L). The secondary containment capacity is approximately 668 bbl, or 223 percent of the volume of the largest tank (AST T24). This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from either of these regulated tanks would likely be contained.

Unleaded Gasoline AST T39 (500 gal) is surrounded by a corrugated steel containment berm (Berm N). The secondary containment capacity is approximately 14 bbl, or 117 percent of the volume of AST T39. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this tank would likely be contained.

### **3.4 Contingency Plan if Containment and/or Diversionary Structures Are Not Available**

To reduce the likelihood of POL discharged by tank or piping failures from reaching navigable waters, an oil spill contingency plan is in practice and spill response materials are kept on-site.

Spill response equipment such as sorbent, shovels, disposal drums, etc. will be maintained on-site to enable personnel to respond to limited spills. The Plant Foreman, Mr. Tom Bernal, is responsible for spill mitigation programs. The first on-site responder will contact emergency responders and hazardous materials responders for containment and cleanup, if necessary (see Appendix C for emergency contacts).

The Plant Foreman will evaluate the situation to establish the personnel, materials, and equipment required for making repairs and cleaning the release area. The response team will initiate, support, or completely implement the spill response activities. The degree of involvement from internal personnel will depend on the magnitude of the release.

Once a site inspection has verified a release of a reportable quantity or any quantity that has reached a waterway, the spill will be reported to the appropriate governmental agency following the notification details presented in Appendix C. Potential response personnel who may be utilized in the event of an off-site release or other site emergency are also identified in Appendix C.

### **3.5 Facility Conformance**

In addition to the minimal prevention standards listed under 40 CFR 112.7(c) (Section 3.3 of this Plan), a discussion of conformance with the applicable guidelines listed in 40 CFR 112.7(e) are discussed below.

### **3.5.1 Facility Drainage**

Rainwater collected inside containment structures is typically lost through evaporation, pumped out by a contractor, or emptied through a manual valve after the absence of POL has been confirmed. Based on field observations, drainage within the site is to the east and west and drainage away from the site is to the south then east.

### **3.5.2 Bulk Storage Tanks**

Bulk storage tanks are used for purposes including, but not limited to, the storage of POL prior to use, while being used, or prior to further distribution in commerce. The in-service bulk storage tanks are listed in Table 2. The tanks are constructed of welded steel or fiberglass, and are compatible with the materials stored. The steel tanks are painted to reduce rust and corrosion.

Tanks must be fail-safe engineered to prevent spills, as practical. In lieu of installing high level sensors to prevent over-filling of regulated tanks, field personnel check the tank levels routinely. Tank level data are recorded on a gauge report and kept on file at the Carlsbad Gas Plant office.

In addition, the storage tanks are scheduled to be:

1. Visually inspected by Duke Energy personnel during routine operational rounds, and
2. Visually inspected annually by Duke Energy personnel when completing reports regarding review of tank gauging, secondary containment, truck loading area, aboveground piping, and cathodic readings. Inspection records are maintained at the Carlsbad office for a minimum of three years. A Tank and Berm Inspection Checklist is provided in Appendix B.

Visible leaks that result in a loss of POL from tank seams, gaskets, rivets and bolts sufficiently large to cause the accumulation of POL will be promptly corrected.

### **3.5.3 Facility Transfer Operations, Pumping, and In-Plant Processes**

Buried flow lines are wrapped and grounded. Piping not in service or in standby service for six months or more is capped or blank-flanged and marked as to origin. Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction.

Pipes, valves, and fittings are painted to provide corrosion protection and facilitate detection of leaks. Aboveground pipes, valves, and fittings are inspected during daily routine operations for damage and leaks. An inspection checklist (see Appendix B) is filled out each year and kept on file at the Carlsbad office for a minimum of three years.

The roadways at the Carlsbad Gas Plant are engineered to physically direct traffic away from any potential areas where piping, pumps, and tanks could be damaged from collision.

### **3.5.4 Facility Tank Car and Tank Truck Loading/Unloading Rack**

Based on the local topography and distance to navigable waterways, a release from the truck loading area would not likely impact surface waters. In addition, an oil spill contingency plan is in effect. Drivers must observe loading and unloading operations at all times to prevent accidental spills. Drains and outlets on company trucks are inspected prior to loading and unloading for evidence of leaks.

### **3.5.5 Inspections and Records**

Site personnel visually inspect the ASTs for obvious leaks and cracks as they perform their routine duties. Annual facility inspections are recorded on forms and kept on file at the Carlsbad Gas Plant office for a minimum of three years. As mentioned previously, a copy of the Tank and Berm Inspection Checklist is provided in Appendix B.

### **3.5.6 Security**

The site is in a rural area, with access from Highway 31. Lighting is provided for the facility. A chain link fence surrounds the site, and gates are kept locked when the plant is unattended. Loadout valves are kept locked when not in use by authorized personnel.

### **3.5.7 Personnel, Training, and Spill Prevention Procedures**

The personnel operating the facility are instructed on job responsibilities and duties. Operators also receive safety training. They are under the direct supervision of the Plant Foreman, who is responsible for establishing daily performance and duty guidelines. Scheduled meetings address safety procedures and other pertinent job responsibility criteria. The operators conduct spill prevention briefings yearly to assure adequate understanding of this SPCC Plan.

The Plant Foreman will notify the appropriate outside parties in case of a release. These parties may include, but are not limited to, federal, state, and local government agencies, as well as public safety personnel, listed in Appendix C. Also listed in this Appendix are emergency (fire and police), medical (hospital and transportation), and contractor contacts. The assistance of these personnel can be used to minimize public exposure to the hazard, evacuate the public, control traffic, assist in fire control, and provide emergency medical care.



#### **4.0 CERTIFICATION OF THE APPLICABILITY OF THE SUBSTANTIAL HARM CRITERIA'**

The following page contains the Certification of the Applicability of the Substantial Harm Criteria Checklist for the Carlsbad Gas Plant, as found in 40 CFR 112 Attachment C-II.

**CERTIFICATION OF THE APPLICABILITY  
OF THE SUBSTANTIAL HARM CRITERIA CHECKLIST**  
[ref. 40 CFR 112 Attachment C-II]

FACILITY NAME: Carlsbad Gas Plant

FACILITY ADDRESS: Eddy County, New Mexico

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

Yes \_\_\_\_\_ No X \_\_\_\_\_

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

Yes \_\_\_\_\_ No X \_\_\_\_\_

3. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula in Attachment C-III Appendix C, 40 CFR 112 or a comparable formula<sup>1</sup>) such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments? For further description of fish and wildlife and sensitive environments, see Appendices I, II, and III to DOC/NOAA's "Guidance for Facility and Vessel Response Plans" (section 10, Appendix E, 40 CFR Part 112 for availability) and the applicable Area Contingency Plan.

Yes \_\_\_\_\_ No X \_\_\_\_\_

4. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula (Attachment C-III, Appendix C, 40 CFR 112 or a comparable formula<sup>1</sup>) such that a discharge from the facility would shut down a public drinking water intake<sup>2</sup>?

Yes \_\_\_\_\_ No X \_\_\_\_\_

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

Yes \_\_\_\_\_ No X \_\_\_\_\_

**CERTIFICATION**

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

Tom Bernal  
Name (please type or print)

  
Signature

Title Plant Foreman

Date 7/14/00

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

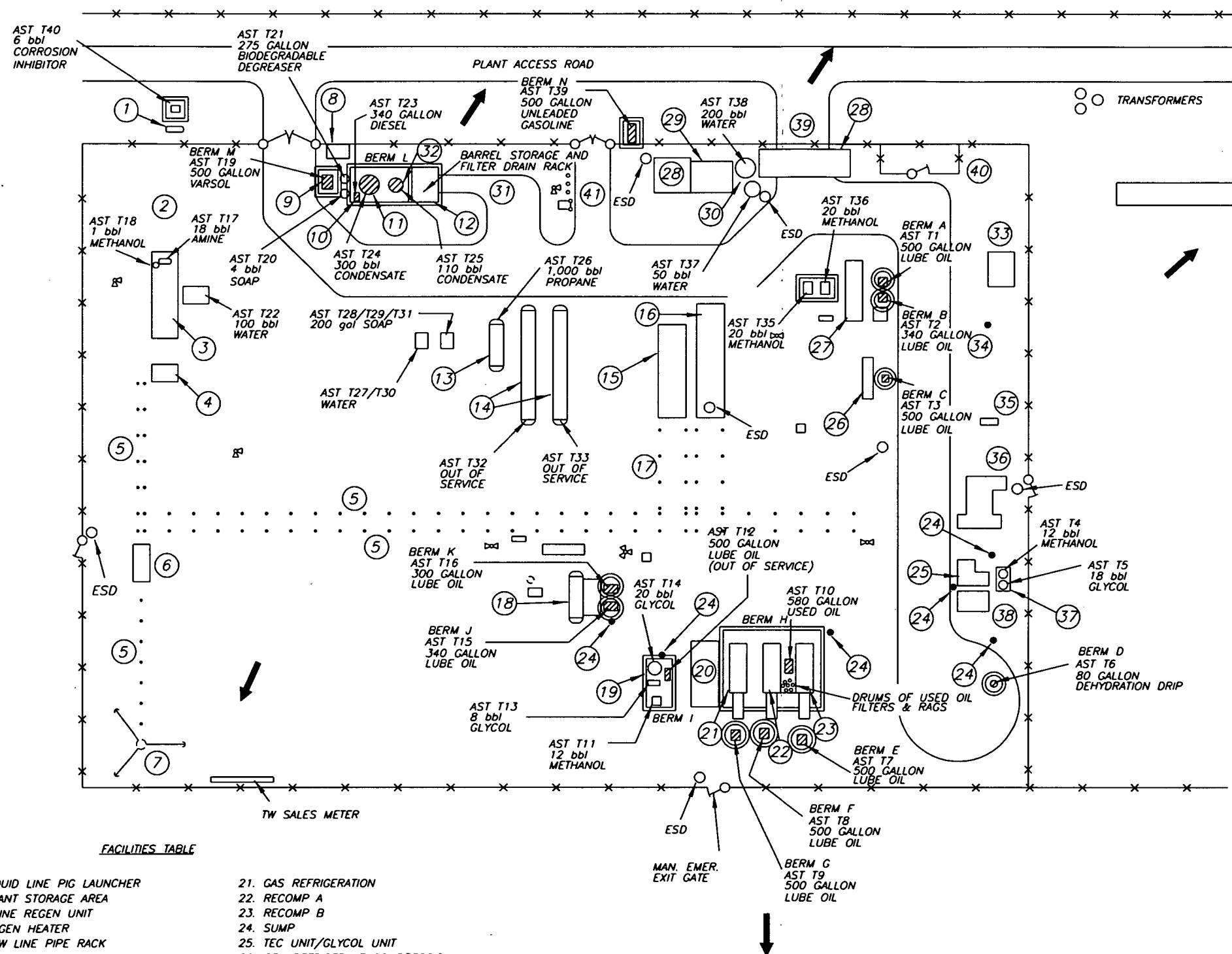
<sup>2</sup> For the purposes of 40 CFR Part 112, public drinking water intakes are analogous to public water systems as described at 40 CFR 143.2(c).

## **FIGURES**

- FIGURE 1    SITE LOCATION**
- FIGURE 2    SITE PLAN**
- FIGURE 3    SITE PHOTOGRAPHS**

USGS 7.5 Minute Quadrangle, Loving, New Mexico

**FIGURE 2 SITE PLAN**

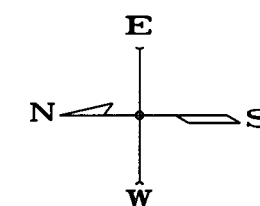


FACILITIES TABLE

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| 3. AMINE REGEN UNIT         | 23. RECOMP B                    |
| 4. REGEN HEATER             | 24. SUMP                        |
| 5. LOW LINE PIPE RACK       | 25. TEC UNIT/GLYCOL UNIT        |
| 6. VENT KNOCKOUT DRUM       | 26. OBJ REFRIGERANT COMPRESSION |
| 7. VENT STACK (NO FLARE)    | 27. OBJ PLANT                   |
| 8. VAPOUR RECOVERY UNIT     | 28. OFFICE                      |
| 9. OIL TANK                 | 29. SHOP                        |
| 10. DIESEL TANK             | 30. WATER TANK                  |
| 11. CONDENSATE TANK         | 31. CONDENSATE OFF-LOADING AREA |
| 12. BARREL STORAGE          | 32. SLOP OIL TANK               |
| 13. PROPANE STORAGE         | 33. STORAGE SHED                |
| 14. STORAGE TANKS           | 34. INLET SEPARATOR             |
| 15. REFRIGERATION SKID      | 35. PIG RECEIVER                |
| 16. PROCESS SKID            | 36. HP INLET AREA               |
| 17. HIGH PIPE RACK          | 37. BERM/TWO TANKS              |
| 18. AMINE CONTACTOR         | 38. LINE HEATER                 |
| 19. TANKS                   | 39. EMERGENCY CONTROL CENTER    |
| 20. CASING GAS              | 40. ELECTRICAL AREA             |
|                             | 41. LOADING RACK                |

LEGEND

- SURFACE WATER FLOW DIRECTION
- SECONDARY CONTAINMENT BERM
- ABOVEGROUND STORAGE TANK (AST) OR DRUM
- ▨ SPCC-REGULATED AST OR DRUM



0 25 50 100  
APPROXIMATE SCALE IN FEET

PREPARED BY:  
SECOR INTERNATIONAL INCORPORATED

**SECOR**

4700 McMurtry Drive  
Suite 101  
Fort Collins, CO 80525

PREPARED FOR:

**Duke Energy®  
Field Services**

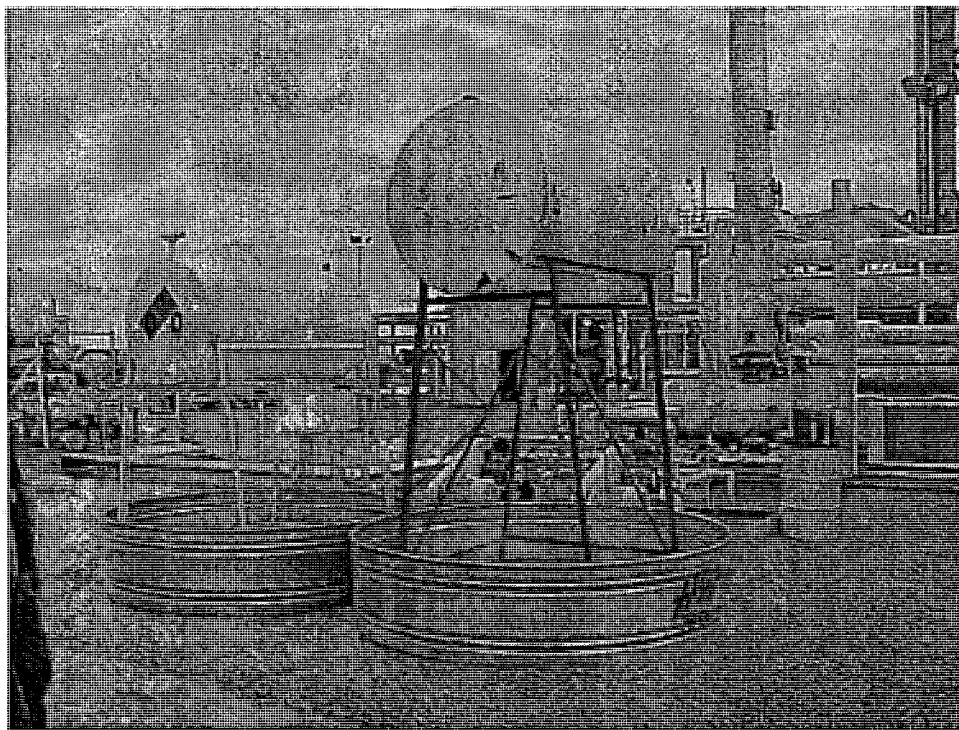
CARLSBAD GAS PLANT  
EDDY COUNTY, NEW MEXICO

SPILL PREVENTION, CONTROL,  
AND COUNTERMEASURE PLAN  
SITE PLAN

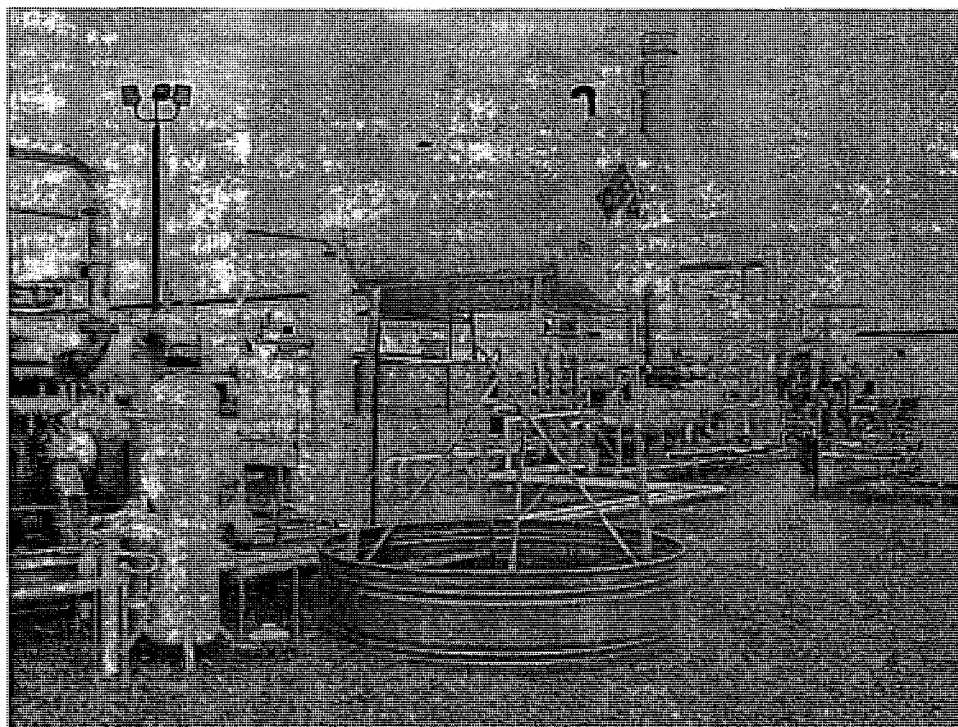
DESIGNED BY:	DETAILED BY: DDE	CHECKED BY:
DATE: 06/14/00	ACAD FILE: CarlsbadGP	
PROJECT NO.: 012.06595.002	PLOT SCALE: 1" = 50'	

Figure 2

FIGURE 3: SITE PHOTOGRAPHS

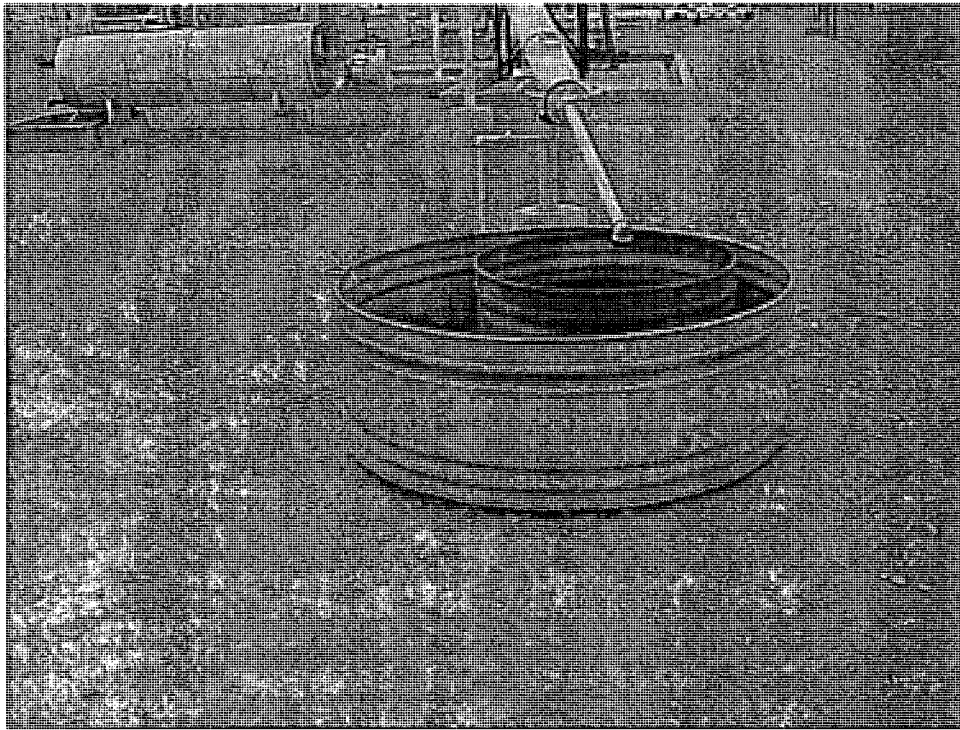


AST T1 and AST T2 – Lube Oil (Left to Right)



AST T3 – Lube Oil

**FIGURE 3: SITE PHOTOGRAPHS (Continued)**



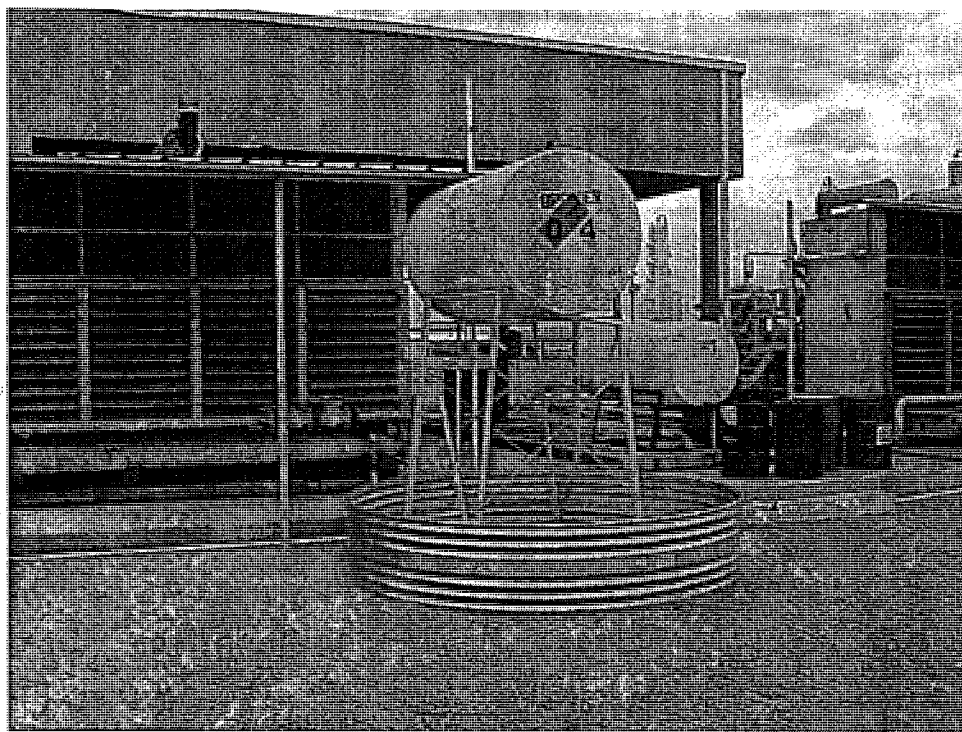
**AST T6- Dehydration Drip**



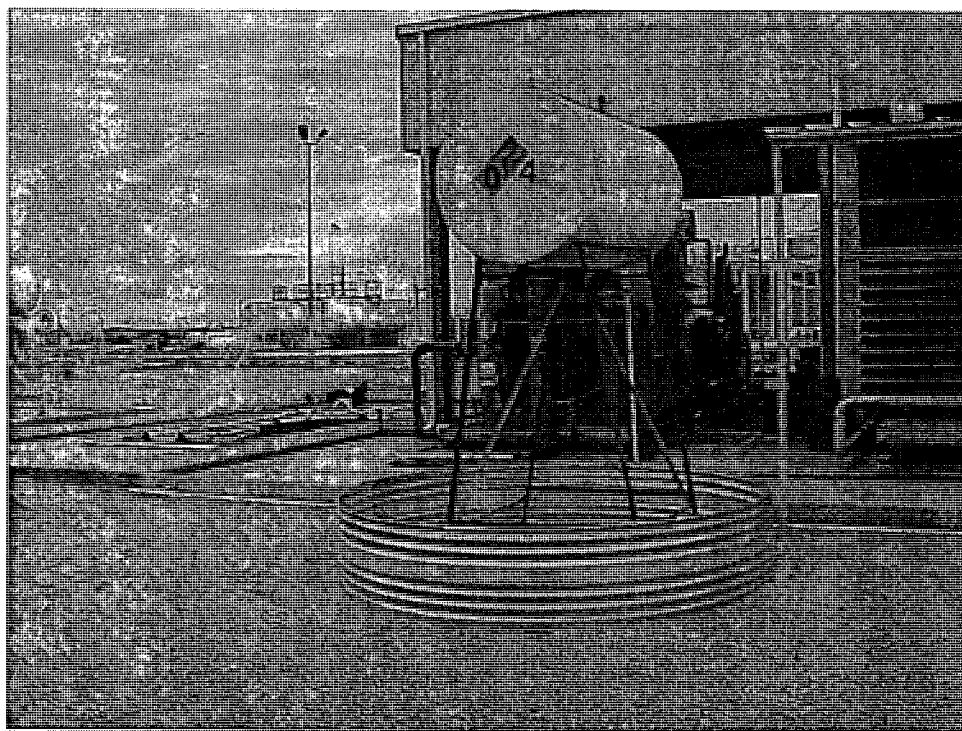
**AST T7 - Lube Oil**



FIGURE 3: SITE PHOTOGRAPHS (Continued)

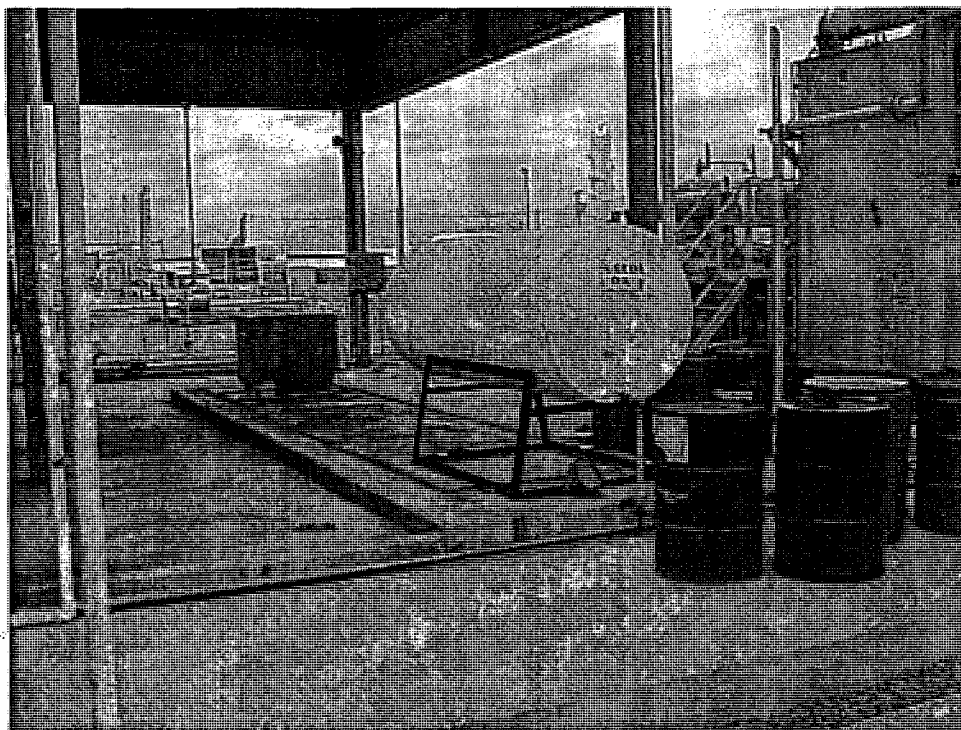


AST T8 - Lube Oil

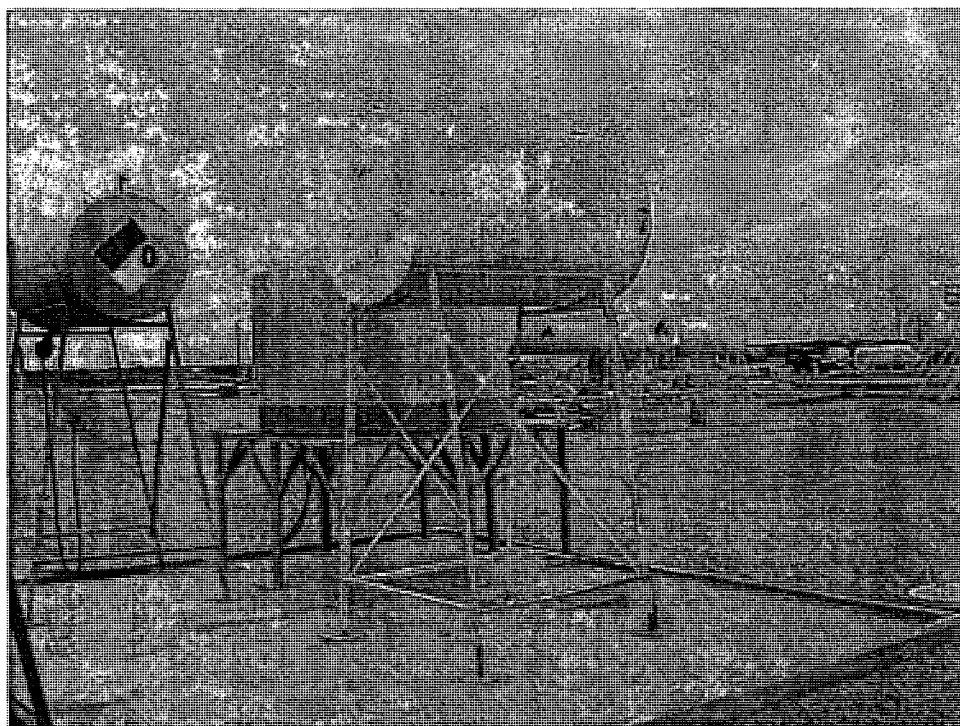


AST T9 - Lube Oil

FIGURE 3: SITE PHOTOGRAPHS (Continued)

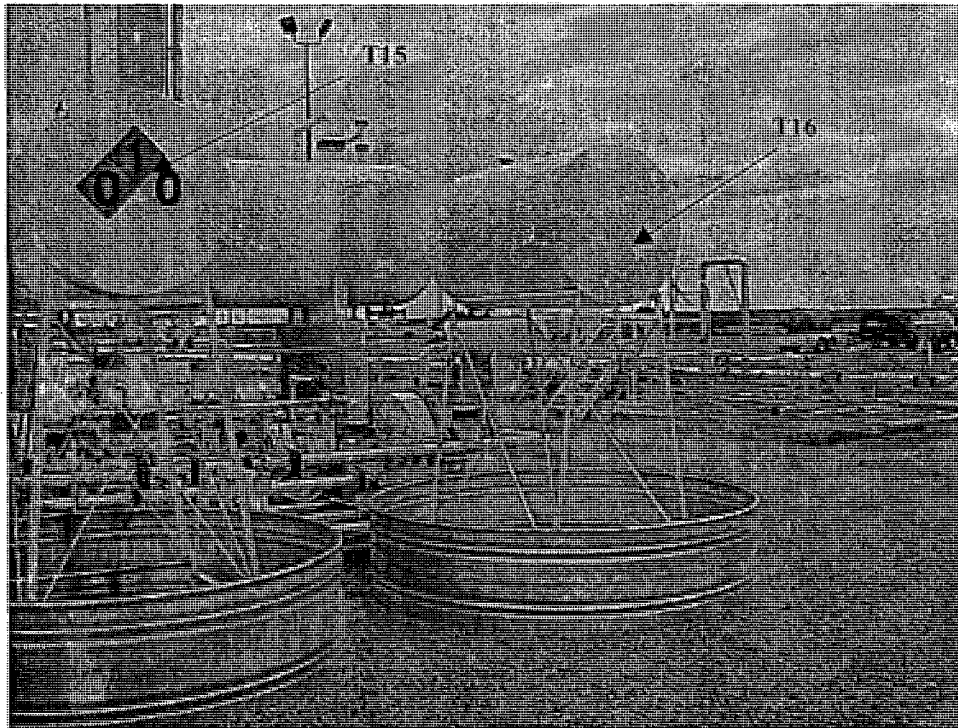


AST T10 - Used Oil

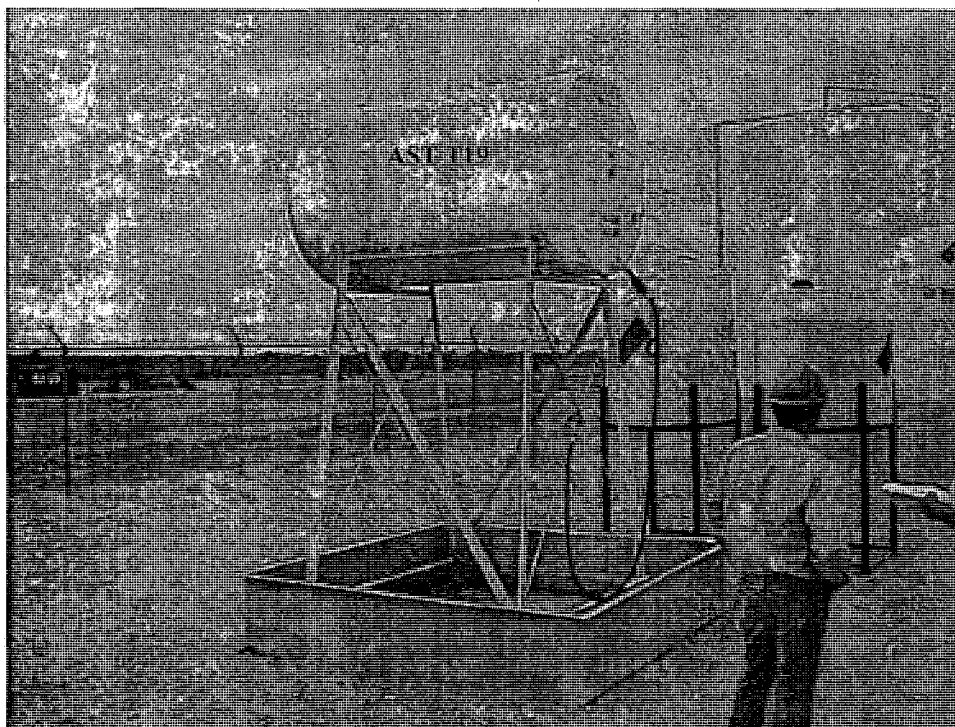


AST T13 - Glycol, AST T14 - Glycol, AST T12 - Lube Oil (Left to Right)

FIGURE 3: SITE PHOTOGRAPHS (Continued)



AST T15 – Lube Oil, AST T16 – Lube Oil (Left to Right)



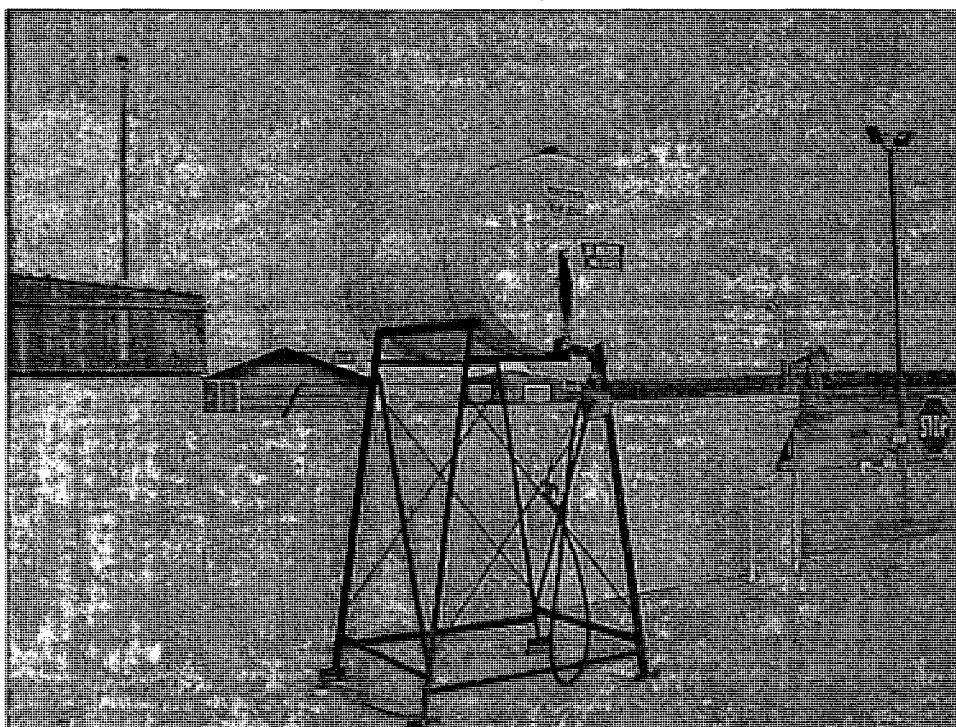
AST T19 - Varsol



FIGURE 3: SITE PHOTOGRAPHS (Continued)



AST T24-Condensate, AST T23-Diesel, AST T25-Condensate (Left to Right)



AST T39 – Unleaded Gasoline (Secondary containment added after site visit - see Table 2)

**APPENDIX A**

**SECONDARY CONTAINMENT VOLUME CALCULATIONS**

**APPENDIX B**

**TANK AND BERM INSPECTION CHECKLIST**

**TANK and BERM  
ANNUAL INSPECTION CHECKLIST**

<b>Facility Name</b>	Carlsbad Gas Plant
<b>Date</b>	
<b>Inspector</b>	

<b>Tank ID</b>	
<b>Contents</b>	
<b>Capacity (bbl)</b>	
<b>Working Capacity (bbl)</b>	

<b>TANK INSPECTION</b>	<b>Yes</b>	<b>No</b>	<b>NA</b>	<b>Comments/Description</b>
Exterior surface shows signs of leakage.				
External coating is bubbled, cracked or damaged.				
Tank is corroded, pitted or damaged.				
Bolts, rivets or seams are damaged, cracked, or corroded.				
Tank foundation has eroded, settled or shows signs of leakage.				
Overfill protection system is not working.				
Tank bottoms have accumulated rust, scale, microorganisms, or foreign material.				
Vents and pressure release devices are obstructed.				
External stairways/walkways are unsound or obstructed.				
External stairways/walkways have low spots where water can accumulate.				
Level controls are inoperable.				
Tank roof drains are blocked, or damaged.				
Personnel are aware of emergency procedures applicable to the site.				
<b>PIPING, VALVES, PUMPS, GAUGES</b>	<b>Yes</b>	<b>No</b>	<b>NA</b>	<b>Comments/Description</b>
Equipment in good working condition.				
Equipment is leaking.				
Soil stained with product below equipment.				

<b>BERM INSPECTION</b>	<b>Yes</b>	<b>No</b>	<b>NA</b>	<b>Comments/Description</b>
Berm drainage valve is closed and locked.				
Berm shows indications of erosion or disrepair.				
Berm has holes, cracks, or other breaches that could result in leaks.				
Vegetation with large root systems (trees, bushes) is present in berm area.				
Ramps or other structures associated with spill control are damaged.				
Containment area has accumulated water.				
Sheen or oil on accumulated water.				
Pooled oil or stained soil.				
Drainage pipe or structures are clogged or have accumulated debris.				
Berm drainage outfall shows signs of erosion or disrepair.				

**Additional Remarks:**

**APPENDIX C**

**REPORTABLE QUANTITIES, EMERGENCY NOTIFICATION CONTACTS, SPILL  
RESPONSE NOTIFICATION FORMS**



## REPORTABLE QUANTITIES

Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

### List of Hazardous Substances and Reportable Quantities (Reference: Code of Federal Regulations Part 40, Section 302.4)

**Note: The table below does not include all substances found in 40 CFR 302.4. Substances not associated with the extraction, processing, or distribution of natural gas have been omitted.**

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Acetic acid	5000	571
Acetone	5000	752
Acrolein (Magnacide B)	1	0.1
Allyl alcohol	100	14
Allyl chloride	1000	127
Aluminum sulfate	5000	221
Ammonia	100	15
Ammonium bicarbonate	5000	--
Ammonium bifluoride	100	--
Ammonium bisulfite	5000	--
Ammonium chloride	5000	394
Ammonium hydroxide	1000	--
Aniline	5000	--
Antimony	5000	--
Arsenic acid	1	--
Asbestos (friable)	1	--
Benzenamine	5000	--
Benzene	10	1
Biphenyl	100	--
1-Butanol	5000	--
2-Butanone	5000	--
Calcium hypochlorite	10	--
Carbon disulfide	100	9
Carbon tetrachloride *	10	0.7
Carbonic dichloride	10	--
Carbonyl sulfide	100	--
Chlorine	10	8
Chloroform	10	0.8
Chromium	5000	--

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Copper	5000	--
Cumene	5000	--
Cupric chloride	10	--
<b>Diethanolamine (DEA) (Amine)</b>	<b>100</b>	<b>11</b>
Diethylamine	100	--
1,4 Dioxane (component of Tretolite KW-100)	100	--
Ethyl acrylate	1000	--
Ethylene diamine tetra acetic acid (EDTA)	5000	--
<b>Ethylene glycol</b>	<b>5000</b>	<b>538</b>
Ferrous chloride	100	3
Formaldehyde	100	12
Formic acid	5000	489
Hexane	5000	--
Hydrochloric acid	5000	366
Hydrofluoric acid	100	--
Hydrogen chloride	5000	--
Hydrogen fluoride	100	--
Hydrogen sulfide	100	--
1,3-Isobenzofurandione	5000	--
Lead	10	--
Lead acetate	10	--
Mercury	1	0.01
Methanethiol	100	--
<b>Methanol</b>	<b>5000</b>	<b>758</b>
Methyl ethyl ketone (MEK)*	5000	--
Methyl isobutyl ketone (MIBK)*	5000	--
Methyl methacrylate	1000	--
Methylene chloride *	1000	--
Methylmercaptan	100	--
4-Methyl-2-pentanone	5000	--
Monoethanolamine (MEA)	100	--
Naphthalene	100	10
Naphthenic acid	100	--
n-Butyl alcohol	5000	--
Nitric acid	1000	--
Paraformaldehyde	1000	--
Pentachlorophenol (Dowcide G)	10	0.6
Phenol	1000	111

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Phosphoric acid	5000	--
Phthalic anhydride	5000	--
Polychlorinated biphenyls (PCB)	1	--
Potassium chromate	10	--
Potassium hydroxide (potash)	1000	--
Potassium permanganate	100	--
2-Propenoic acid, ethyl ester	1000	--
2-Propenoic acid, 2-methyl-, methyl ester	1000	--
Propionaldehyde	1000	--
Radionuclides	Contact Environmental Services	--
Silver nitrate	1	0.02
Sodium bichromate	10	--
Sodium bisulfite	5000	405
Sodium chromate	10	--
Sodium dodecylbenzenesulfonate	1000	--
Sodium hydrosulfide	5000	--
Sodium hydroxide (caustic soda)	1000	56
Sodium hypochlorite	100	--
Sodium nitrite	100	5.5
Sodium phosphate, tribasic	5000	--
Sulfuric acid	1000	65
Thiomethanol	100	138
Toluene*	1000	138
1,1,1, Trichloroethane (Chloroethane) *	1000	80
Trichloroethylene (TCE)*	100	8
Trichlorophenol	10	0.8
Vinyl acetate	5000	--
Vinyl acetate monomer	5000	--
Xylene	100	13.8
Zinc bromide	1000	--
Zinc carbonate	1000	--
Zinc chloride	1000	41
<p>*These chemicals are usually found in spent solvents. A mixture or blend containing more than 10% (by volume) of one or more of these solvents is by definition a hazardous waste when the mixture or blend is spent. For example, 1000 pounds (138 gallons) of a spent solvent which before use contained 10% toluene is a RQ.</p>		

**EMERGENCY NOTIFICATION  
GOVERNMENT AGENCIES**

Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

Government Agency	Location	Office Telephone	Notifications
National Response Center	Washington, DC	(800) 424-8802 (24-hour)	Notify immediately of reportable release (any quantity that could cause a sheen on water or reportable quantity <sup>1</sup> of a hazardous substance).
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief	Santa Fe, New Mexico	(505) 827-7152 or (505) 827-7131 (24-hour)	<b>Major Release<sup>2</sup>:</b> Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. <b>Minor Release<sup>3</sup>:</b> Written notification within fifteen days.
New Mexico Oil Conservation Division (OCD) District 2	Artesia, New Mexico	(505) 748-1283 (24 hour)	<b>Major Release<sup>2</sup>:</b> Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. <b>Minor Release<sup>3</sup>:</b> Written notification within fifteen days.
New Mexico Environment Department	Santa Fe, New Mexico	(505) 827-9329 (24-hour) (505) 827-1561	No notification necessary if all reporting requirements to the OCD are satisfied. (ref. 20 NMAC 6.2.1.1203.4)
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC)	Carlsbad, New Mexico	(505) 887-9511	Notify immediately of any reportable release and/or if any emergency response is required.
State Emergency Response Commission (SERC)	Santa Fe, New Mexico	(505) 476-9620	Notify immediately of any reportable release and/or if any emergency response is required.
OSHA	Washington, DC	(800) 321-6742	Report three hospitalizations or one or more deaths.

<sup>1</sup> Reportable quantities of hazardous substances are included in the Reportable Quantities table on the preceding page.

<sup>2</sup> A **major release** is defined as: (ref. OCD 116.B.1)

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
  - (i) results in a fire;
  - (ii) will reach a water course;
  - (iii) may with reasonable probability endanger public health; or
  - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19.B(1), B(2), or B(3).

<sup>3</sup> A **minor release** is defined as: (ref. OCD 116.B.2)

An unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gas.

**EMERGENCY NOTIFICATION**  
**LOCAL EMERGENCY PERSONNEL AND DUKE ENERGY MANAGEMENT**

Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

---

Area Fire Department – Carlsbad Fire Department 911 or (505) 887-6718

Area Law Enforcement Agencies

Carlsbad Police 911 or (505) 885-2111

State Police (Carlsbad, NM) 911 or (505) 885-3137

Sheriff (Eddy County, NM) (505) 887-7551

Hospital – Columbia Medical Center (505) 887-4100  
2430 W. Pierce Street, Carlsbad, NM

Ambulance Service – Columbia Medical Center (505) 887-4100  
(Columbia, NM)

---

Duke Energy Gas Control (24-Hour Emergency Number) (888) 204-1781  
Beaumont, Texas

---

**Plant Foreman**

Mr. Tom Bernal  
Office: (505) 745-3407  
Mobile: (505) 390-2790  
Pager: (505) 339-1464

**Maintenance Foreman**

Mr. Randy Counts  
Office: (505) 628-0282  
Mobile: (505) 420-8412  
Pager: (505) 339-1497

**Asset Manager**

Mr. Harley Temple  
Office: (505) 628-0282  
Mobile: (505) 390-2206  
Pager: (505) 339-1460

**Environmental Affairs Department**

Office: (303) 595-3331  
Administrative Assistant: (303) 605-1715  
Environmental Fax: (303) 389-1957

**Health and Safety Department**

Office: (303) 595-3331

**EMERGENCY NOTIFICATION**  
**CONTRACTORS**  
Spill Prevention, Control, and Countermeasure Plan  
Duke Energy Field Services, LLC  
Carlsbad Gas Plant  
Eddy County, New Mexico

The following contractors may be called to assist Duke Energy with the clean up of a spill.

Contractor Name	Location	Office Telephone	Services Offered
Sullivan's Crane Service	Hobbs, NM	(505) 393-7141	Crane
Constructors Inc.	Carlsbad, NM	(505) 885-8838	Excavating equipment (backhoes, etc.)
Key Energy	Carlsbad, NM	(505) 746-6233	Frac trucks, water trucks, vacuum trucks

DUKE ENERGY FIELD SERVICES, LLC  
NOTIFICATION DATA SHEET

SPILL RESPONSE NOTIFICATION FORM

Reporter's Last Name: \_\_\_\_\_ First: \_\_\_\_\_ M.I. \_\_\_\_\_  
Reporter's Daytime Phone Number: (\_\_\_\_\_) \_\_\_\_\_  
Evening Phone Number: (\_\_\_\_\_) \_\_\_\_\_  
Home Phone Number: (\_\_\_\_\_) \_\_\_\_\_  
Reporter's Company: \_\_\_\_\_  
Reporter's Department/Section: \_\_\_\_\_  
Reporter's Position: \_\_\_\_\_  
Owner's Address: \_\_\_\_\_  
Owner's City, State and Zip: \_\_\_\_\_

Initial or Follow-up Notification:

Were Materials Released? \_\_\_\_\_ (Y/N)?  
Confidential \_\_\_\_\_ (Y/N)?  
Reportable Quantity \_\_\_\_\_ (Y/N)?  
Surface waters Impacted \_\_\_\_\_ (Y/N)? If yes, contact NRC immediately.  
Call Made to National Response Center (NRC) (800) 424-8802 \_\_\_\_\_ (Y/N)?  
Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Call Incident Commander: \_\_\_\_\_ (Y/N)?

**INCIDENT DESCRIPTION**

Source and Cause of Incident: \_\_\_\_\_  
\_\_\_\_\_  
Date of Incident: \_\_\_\_\_ Time of Incident: \_\_\_\_\_  
Incident Address/Location: \_\_\_\_\_  
\_\_\_\_\_  
Incident Location: Section, Township and Range: \_\_\_\_\_  
Facility Latitude (degrees, minutes, and seconds): \_\_\_\_\_  
Facility Longitude (degrees, minutes and seconds): \_\_\_\_\_  
Nearest City (also list the County, State and Zip Code): \_\_\_\_\_  
\_\_\_\_\_  
Distance from the Nearest City (include units): \_\_\_\_\_  
Direction from the Nearest City: \_\_\_\_\_  
Container Type: \_\_\_\_\_  
Tank Capacity (include units): \_\_\_\_\_  
Facility Capacity (include units): \_\_\_\_\_

**MATERIAL**

CAS Number: Crude Oil (8002-05-09), Ethylene Glycol (107211), Diethanolamine (111422), Methanol (67561),  
Methylmercaptan (74931), Benzene (71-43-2), H<sub>2</sub>S (7783-06-4)  
Released Quantity (include units): \_\_\_\_\_  
Material Released in Water? If so, quantity (include units): \_\_\_\_\_

### RESPONSE ACTION

Actions Being Taken On-site to Correct, Control, or Mitigate Incident: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### WEATHER CONDITIONS:

(Current) \_\_\_\_\_ (Forecast) \_\_\_\_\_

### IMPACT

Number of Injuries: \_\_\_\_\_  
Number of Deaths: \_\_\_\_\_  
Were there Evacuations: \_\_\_\_\_ (Y/N)? If yes, the number of people evacuated: \_\_\_\_\_  
Was there any property damage: \_\_\_\_\_ (Y/N)? If yes, describe the damage including the medium affected and the approximate dollar amount of damage. (Be complete): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### ADDITIONAL INFORMATION

Any information about the incident not recorded elsewhere in the report?: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### CALLER NOTIFICATIONS

AGENCY/DUKE ENERGY CONTACTS AND NOTIFICATIONS	
National Response Center (800) 424-8802	Contact Person _____ ETA _____ Time _____
New Mexico Environment Department (505) 827-9329 (24-hour)	Contact Person _____ ETA _____ Time _____
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief (505) 827-7152 or (505) 827-7131 (24-hour)	Contact Person _____ ETA _____ Time _____
New Mexico Oil Conservation Division (OCD) District 2 Artesia, New Mexico (505) 748-1283	Contact Person _____ ETA _____ Time _____
State Emergency Response Commission (SERC) (505) 476-9620	Contact Person _____ ETA _____ Time _____
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC) (505) 887-9511	Contact Person _____ ETA _____ Time _____
Duke Energy Gas Control (24-hour Emergency Number) (888) 204-1781	Contact Person _____ ETA _____ Time _____



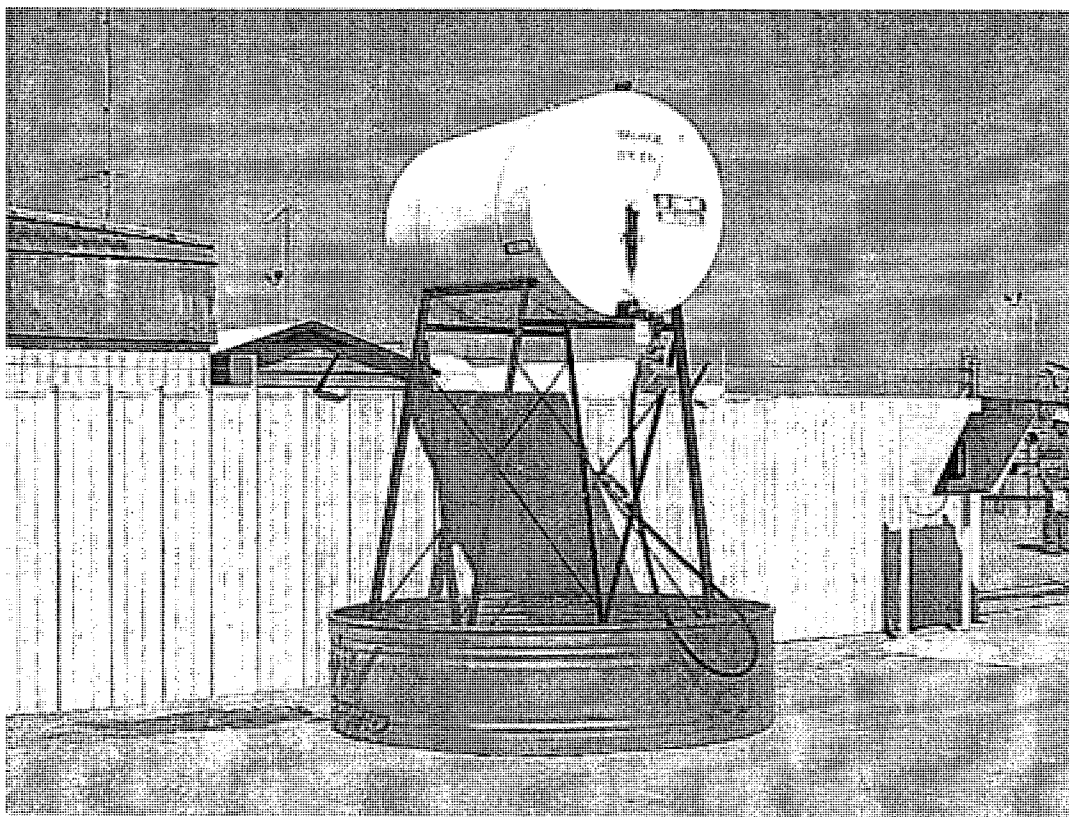
**APPENDIX D**

**PROFESSIONAL ENGINEER RECOMMENDATIONS**

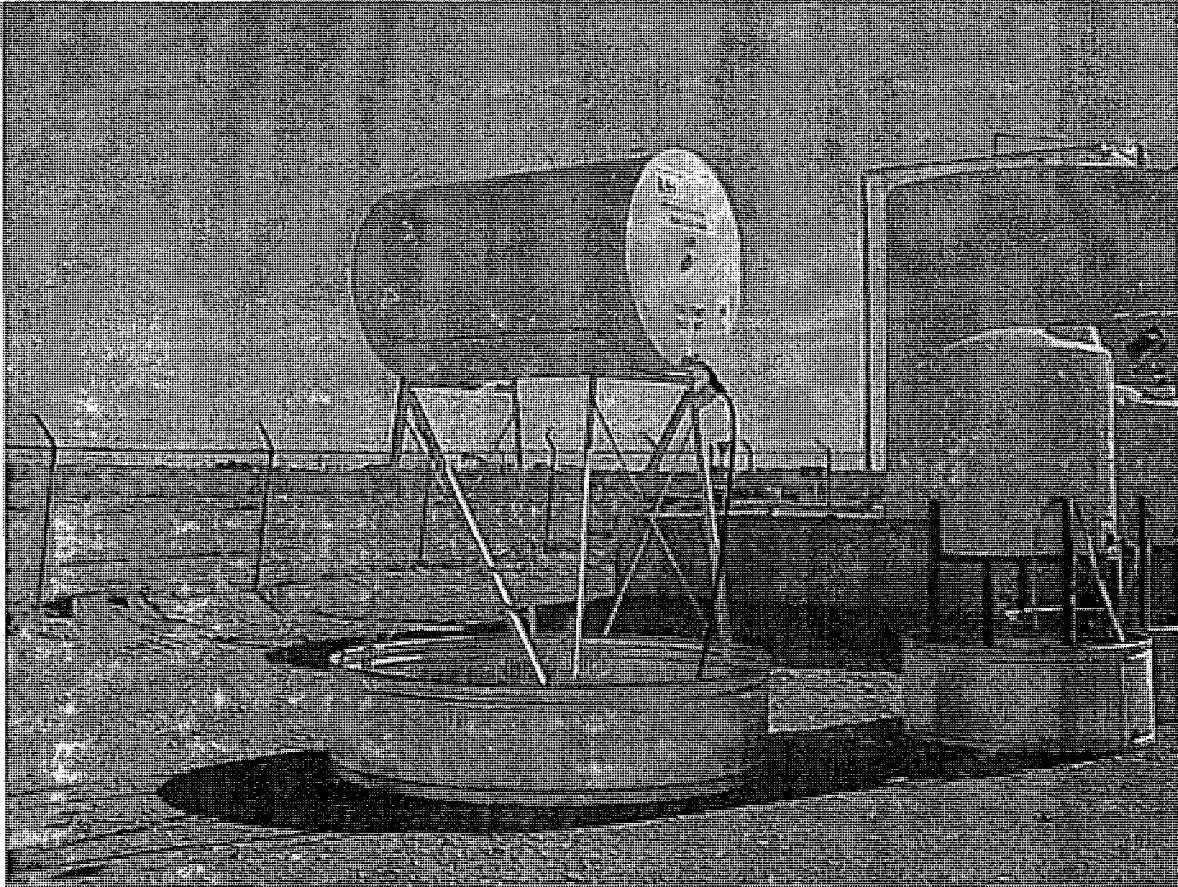
### PROFESSIONAL ENGINEER RECOMMENDATIONS

Based on SECOR's June 4, 1999 site visit, the following action items are recommended to meet current SPCC compliance standards at the Carlsbad Gas Plant.

Action Item Description	Action Taken by Duke Energy Field Services, LLC and Date
Maintain spill control (sorbent materials, etc.) and equipment on site to contain and control limited oil spills.	Purchased organic absorbent Kengro-Kenaf (06/01/00).
Increase the capacity of Berm M to provide volume equal to 110% of the capacity of AST 19 (500 gallons).	Capacity of Berm M increased to 110% of tank volume (03/01/01).
Engineer fail-safes for the tanks to prevent spills, as practical. The fail-safes should either include high level sensors or a field record that demonstrates that the tanks are rarely filled to near capacity, thus demonstrating that high level sensors are not required. This record must be filed at the Carlsbad Gas Plant Office with other applicable records regarding this facility.	The tanks at the Carlsbad Gas Plant are strapped and gauged twice every 24 hour period and a log is maintained in the Control Room by the Operators (04/30/00).



AST 39



AST 19 Containment Structure

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No.                      dated 11/19/01,  
or cash received on                      in the amount of \$ 100.00  
from Duke Energy Field Services  
for Carlsbad Gas Plant GW-069  
Submitted by:                      Date: 12/20/01  
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 ☐

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP Accounts Payable P.O. Box 5493 Denver, Colorado 80217	THE CHASE MANHATTAN BANK, N.A. SYRACUSE, NEW YORK	60-937/213
<b>PAY ONLY</b>	<b>VENDOR NO.</b> 111615	<b>CHECK DATE</b> 11/19/01
	<b>CHECK NUMBER</b> 	
	<b>CHECK AMOUNT</b> *****\$100.00	

TO THE ORDER OF NMED-  
Water Quality Management Fund  
NM Oil Conservation District  
1220 South St Francis Drive  
Santa Fe, NM 87504

NOT NEGOTIABLE AFTER 120 DAYS

David L. Hansen  
AUTHORIZED SIGNATURE

One hundred and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX; COLOR WILL DISAPPEAR, THEN REAPPEAR.

Duke Energy Field Services, LP  
Accounts Payable  
P.O. Box 5493  
Denver, Colorado 80217

VENDOR NUMBER  
111615  
VENDOR NAME  
NMED-

CHECK NUMBER  
[REDACTED]  
CHECK DATE  
11/19/01

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
Nov 01	11/12/01	100.00	
			TOTAL PAID \$100.00

PLEASE DETACH AND RETAIN FOR YOUR RECORDS



Duke Energy Field Services  
P.O. Box 5493  
Denver, Colorado 80217  
370 17th Street, Suite 900  
Denver, Colorado 80202  
303/595-3331

December 11, 2001

RECEIVED

DEC 19 2001

Environmental Bureau  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant  
Discharge Plan No. GW-069  
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Discharge plan renewal application (original plus one copy) for the Carlsbad Plant (GW-069) located in SW/4 NE/4, T 23S, R 28E, Section 10 in Eddy County;
- Discharge plan (two copies); and
- Check in the amount of \$100.00 for the Discharge Plan Renewal Filing Fee.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,  
*Duke Energy Field Services, LP*

Karin Char  
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

October 29, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 0876**

Ms. Karin Char  
Duke Energy Field Services, LLC  
370 Seventeenth Street, Suite 900  
Denver, Colorado 80202

**RE: Discharge Plan Renewal Notice for Duke Energy Field Services, LLC Facility**

Dear Ms. Char:

The OCD is providing Duke Energy Field Services, LLC a six months notice that the following discharge plan which expires.

**GW-069 expires 4/29/2002 – Carlsbad Gas Plant**

**WQCC 3106.F.** If the holder of an approved discharge plan submits an application for discharge plan renewal at least 120 days before the discharge plan expires, and the discharger is not in violation of the approved discharge plan on the date of its expiration, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. A discharge plan continued under this provision remains fully effective and enforceable. An application for discharge plan renewal must include and adequately address all of the information necessary for evaluation of a new discharge plan. Previously submitted materials may be included by reference provided they are current, readily available to the secretary and sufficiently identified to be retrieved. [12-1-95]

The discharge plan renewal application for each of the above facilities is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee based upon the horsepower rating for gas processing facilities. The \$100.00 filing fees is are be submitted with the discharge plan renewal applications and are nonrefundable.



Ms. Karin Char  
October 16, 2001  
Page 2

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office. Please submit the original discharge plan renewal application and one copy to the OCD Santa Fe Office and one copy to the OCD Artesia District Office. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.** (Copies of the WQCC regulations and discharge plan application form and guidelines are enclosed to aid you in preparing the renewal application. A complete copy of the regulations is also available on OCD's website at [www.emnrd.state.nm.us/oed/](http://www.emnrd.state.nm.us/oed/)).

If any of the above sited facilities no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the Duke Energy Field Services, LLC has any questions, please do not hesitate to contact Mr. W. Jack Ford at (505) 476-3489.

Sincerely,



Roger C. Anderson  
Oil Conservation Division

cc: OCD Artesia District Office

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
Article Sent To:	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Name (Please Print Clearly) (To be completed by mailer) <i>K. Char</i>	
Street, Apt. No.; or PO Box No. <i>Duke</i>	
City, State, ZIP+4 <i>GW-069</i>	

7099 3220 0000 5051 0876

PS Form 3800, July 1999 See Reverse for Instructions

SANTA FE NM 87502  
Postmark  
OCT 16 2001

# FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP

1301 MCKINNEY, SUITE 5100

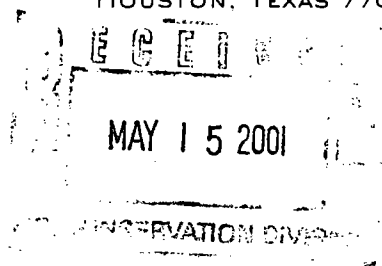
HOUSTON, TEXAS 77010-3095

TELEPHONE: 713/651-5151  
FACSIMILE: 713/651-5246

WRITER'S INTERNET ADDRESS:  
elewis@fulbright.com

WRITER'S DIRECT DIAL NUMBER:  
713/651-3760

HOUSTON  
WASHINGTON, D.C.  
AUSTIN  
SAN ANTONIO  
DALLAS  
NEW YORK  
LOS ANGELES  
MINNEAPOLIS  
LONDON  
HONG KONG



May 10, 2001

Re: Notification of Name Change to Duke Energy Field Services, LP

---

Mr. Roger Anderson  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Mr. Anderson:

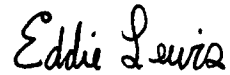
As a result of a recent internal corporate reorganization, New Mexico facilities previously operated under the name of Duke Energy Field Services, LLC are now being operated under the name of Duke Energy Field Services, LP. Please update your records to reflect that Duke Energy Field Services, LP is the permit holder for the following groundwater permits:

- |  |        |
|--|--------|
| • Burton Flats Gas Plant               | GW-127 |
| • Carlsbad Gas Plant                   | GW-069 |
| • Carrasco Booster Station             | GW-137 |
| • CP-1 Compressor Station              | GW-139 |
| • Dagger Draw Gas Plant                | GW-185 |
| • Pecos Diamond Gas Plant              | GW-237 |
| • West Fall (North) Compressor Station | GW-144 |

Mr. Roger Anderson  
May 10, 2001  
Page 2

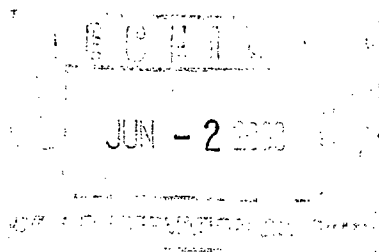
Fulbright & Jaworski L.L.P. is assisting Duke Energy Field Services, LP with various filings and agency notices that relate to the company's recent internal reorganization. Please feel free to call me at (713) 651-3760 if you have any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Eddie Lewis".

Edward C. Lewis

ECL/jnr



P.O. Box 5493  
Denver, Colorado 80217  
370 17<sup>th</sup> Street, Suite 900  
Denver, Colorado 80202  
Direct: 303-595-3331  
Fax: 303-389-1957

May 30, 2000

**CERTIFIED MAIL**  
**RETURN RECEIPT Z 407 761 470**

Mr. Jack Ford  
New Mexico Energy, Minerals  
& Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

RE: Request for Name/Plan Holder Change  
NM OCD Discharge Plans

Dear Mr. Ford:

Based upon our conversation on May 10, 2000, it is my understanding that this letter suffices to transfer the seven discharge plans, referenced below, due to a change in plan holder status. The change in plan holder status is a result of a recent internal corporate restructuring and convergence, including a name change. The old company was known as Duke Energy Field Services, Inc., which has now been changed, and the new entity is Duke Energy Field Services, LLC. Please transfer the following discharge plans to above-referenced new entity, effective immediately:

- |                                      |        |
|--------------------------------------|--------|
| • Burton Flats Gas Plant             | GW-127 |
| • Carlsbad Gas Plant                 | GW-069 |
| • Carrasco Compressor Station        | GW-137 |
| • CP-1 Compressor Station            | GW-139 |
| • Dagger Draw Gas Plant              | GW-185 |
| • Pecos Diamond Gas Plant            | GW-237 |
| • Westall (North) Compressor Station | GW-144 |

Duke Energy Field Services, LLC will continue to comply with the terms and conditions of the previously approved discharge plan for each of the above referenced facilities.

If you have any questions or need any additional information, please contact me at (303) 605-1717.

Sincerely,

Karin Char  
Environmental Specialist

cc: Jack Braun	Facility Env. File 2.2.3.3:	Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
Harley Temple		Dagger Draw GP, Pecos Diamond GP, Westall (North) CS
Grey Hyde	Region Env. File 2.2.3.3:	Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
Mel Driver		Dagger Draw GP, Pecos Diamond GP, Westall (North) CS
	Corp. Env. File 2.2.3.3:	Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
		Dagger Draw GP, Pecos Diamond GP, Westall (North) CS

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 3/5/98,  
or cash received on \_\_\_\_\_ in the amount of \$ 833.75  
from UP Resources (Union Pacific)  
for Concho GW069  
Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_  
Submitted to ASD by: R. Chaudhry Date: 3/12/98  
Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_  
Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment X  
2 of 2

THE FACE OF THIS CHECK IS PRINTED IN RED AND BLUE INK ON WHITE PAPER



Union Pacific Resources Company  
P. O. Box 7  
Fort Worth, TX 76101

NationsBank of Georgia, N. A.  
Atlanta, Dekalb County, Georgia

DATE  
03/05/98

CHECK NO.  
[REDACTED]

NET AMOUNT  
\*\*\*\*\*833.75

PAY  
EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS  
\*\*\*\*\*

OPERATING ACCOUNT 64-1278  
NOT VALID AFTER 180 DAYS 611

TO THE  
ORDER  
OF

NMED-WATER QUALITY MANAGEMENT  
OIL CONSERVATION DIVISION  
2040 S PACHECO  
SANTE FE, NM 87505

[Signature]

TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK - CAN BE VIEWED AT AN ANGLE

VENDOR NO. 515419

UNION PACIFIC RESOURCES COMPANY

CHECK NO. [REDACTED]

Any questions, please call UPR's Automated AP Inquiry System **1-800-370-9867**

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
03-AP-3975 X7014 D BRO	CR515419C8 OKSHIRE		03/03/98	833.75	0.00	833.75
		TOTALS		833.75	0.00	833.75

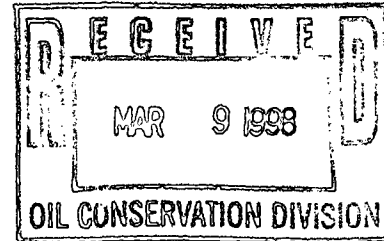
*GW-069*  
*[Signature]*



March 5, 1998

CERTIFIED MAIL  
P 965 692 695

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505



ATTN: Mr. William J. LeMay  
NMED - Water Quality Management

RE: Discharge Plan GW-069 Renewal  
Carlsbad Gas Plant  
Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed is a check in the amount of \$833.75 for the remaining half of the flat fee payment of \$1667.50 for gas processing plants. Based on our conversation of February 12, 1998 the flat fee was actually equal to one-half of the original flat fee of \$3,335.00, which is \$1,667.50. This should zero out the balance on this account.

If any questions arise concerning the Discharge Plan or the fee, please contact me at (817) 877-6764.

Sincerely,

*Karen Singletary*  
Karen Singletary  
Environmental Specialist  
Environmental Services

Cc: Mr. Harley Temple, Carlsbad Gas Plant

KLS



# Union Pacific Resources Company

P. O. Box 7  
Fort Worth, TX 76101

NationsBank of Georgia, N. A.  
Atlanta, Dekalb County, Georgia

DATE  
03/05/98

CHECK NO.

NET AMOUNT

\*\*\*\*\*833.75

PAY  
EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS

OPERATING ACCOUNT 64-1278  
NOT VALID AFTER 180 DAYS 611

TO THE  
ORDER  
OF

NMED-WATER QUALITY MANAGEMENT  
OIL CONSERVATION DIVISION  
2040 S PACHECO  
SANTE FE, NM 87505

TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK CAN BE VIEWED AT AN ANGLE

SEND INQUIRIES TO P.O BOX 7  
FORT WORTH, TX 76101

VENDOR NO. 515419

UNION PACIFIC RESOURCES COMPANY

CHECK NO.

Any questions, please call UPR's Automated AP Inquiry System 1-800-370-9867

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
03-AP-3975 X7014 D BRO	CR515419C8 OKSHIRE		03/03/98	833.75	0.00	833.75
		TOTALS		833.75	0.00	833.75

GW-069





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

November 6, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-357-869-897**

Ms. Karen L. Singletary  
Union Pacific Resources Company  
Environmental Services  
P.O. Box 7, MS 2807  
Fort Worth, Texas 76101-0007

**RE: Discharge Plan GW-069 Renewal  
Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Singletary:

The ground water discharge plan GW-069, for the Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, is **hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan as approved April 29, 1992, and the discharge plan renewal application dated July 22, 1997. 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 10 working days of receipt of this letter.**

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve Union Pacific Resources 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.

Ms. Karen L. Singletary  
November 6, 1997  
Page 2

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. Union Pacific Resources 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.

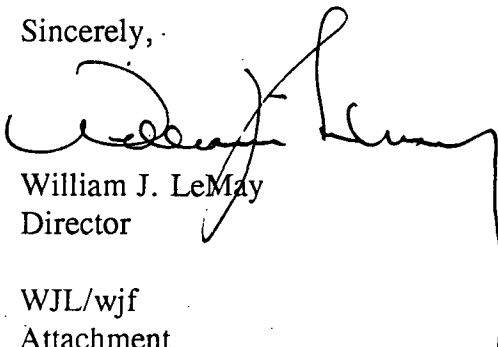
Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on April 29, 2002, and Union Pacific Resources Company should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan renewal application for the Union Pacific Resources Company Carlsbad Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee equal to one-half of the original flat fee which is \$1,667.50 for gas processing plants. The OCD has received the filing fee but not the flat fee. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



William J. LeMay  
Director

WJL/wjf  
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-069 RENEWAL  
UNION PACIFIC RESOURCES COMPANY  
CARLSBAD GAS PLANT  
DISCHARGE PLAN APPROVAL CONDITIONS  
(November 6, 1997)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received. The \$1,667.50 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. Union Pacific Resources Commitments: Union Pacific Resources Company will abide by all commitments submitted in the discharge plan application dated July 25, 1997.
3. Waste Disposal: All wastes shall 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 by characteristics 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 facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
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 should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

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 fluid other than domestic waste sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Artesia 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. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility 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.

16. Certification: Union Pacific Resources Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Union Pacific Resources 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:

UNION PACIFIC RESOURCES COMPANY

by \_\_\_\_\_  
Title

Z 357 869 897

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to <i>Karen Singletary</i>	
Street & Number	
Post Office, State, & ZIP Code <i>Box 7, M 52807 Fort Worth TX 76101</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

February 12, 1997

**CERTIFIED MAIL**

**RETURN RECEIPT NO. Z-357-869-931**

Ms. Karen L. Singletary  
Union Pacific Resources Company  
Environmental Services  
P.O. Box 7, MS 2807  
Fort Worth, Texas 76101-0007

**RE: Discharge Plan GW-069 Renewal Fees  
Carlsbad Gas Plant  
Eddy County, New Mexico**

Dear Ms. Singletary:

The ground water discharge plan GW-069, for the Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, was approved November 6, 1997.

Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee equal to one-half of the original flat fee of \$3,335.00 which is \$1,667.50 for gas processing plants. The OCD has received the filing fee. Pursuant to our telephone discussion of February 12, 1998 this is to confirm our understanding that an additional \$833.75 of the flat fee remains to be paid. The OCD received a flat fee payment of \$833.75 on November 24, 1997. The OCD wishes to apologize for the confusion inherent in the letter of approval, dated November 6, 1997. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

Sincerely,

W. Jack Ford, C.P.G.  
Environmental Bureau  
Oil Conservation Division

Z 357 869 931

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	<i>Karen Singletary</i>	
Street & Number	<i>Un. Pac. Res.</i>	
Post Office, State & ZIP Code	<i>Ft. Worth</i>	
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	
Postmark or Date	<i>GW-069</i>	

PS Form 3800, April 1995

SEND INQUIRIES TO P.O BOX 7  
FORT WORTH, TEXAS 76101

VENDOR NO. 515419

UNION PACIFIC RESOURCES COMPANY

CHECK NO. [REDACTED]

Any questions, please call UPR's Automated AP Inquiry System 1-800-370-9867

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
11-AP-17396 X7014 D BRO	CR515419K7 OKSHIRE		11/21/97	833.75	0.00	833.75
		TOTALS		833.75	0.00	833.75

GW-069  
Carlsbad Gas Plant

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 11/24/97,

or cash received on \_\_\_\_\_ in the amount of \$ 833.75

from Union Pacific

for Carlsbad G. P. GW-069

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. C. Anderson Date: 2/10/98

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal X

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment X 1/2

THE FACE OF THIS CHECK IS PRINTED IN RED AND BLUE INK ON WHITE PAPER

**UPR** Union Pacific  
Resources Company

801 Cherry Street  
Fort Worth, Texas 76102

NationsBank of Georgia, N.A.  
Atlanta, DeKalb County, Georgia

DATE  
11/24/97

CHECK NO.

NET AMOUNT

PAY

\*\*\*\*\*833.75

EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS

OPERATING ACCOUNT 64-1278  
NOT VALID AFTER 180 DAYS 611

TO THE  
ORDER  
OF

NMED-WATER QUALITY MANAGEMENT  
OIL CONSERVATION DIVISION  
2040 S PACHECO  
SANTE FE, NM 87505

TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK - CAN BE VIEWED AT AN ANGLE





NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 29, 1997

ARTESIA DAILY PRESS  
P. O. Box 190  
Artesia, New Mexico 88211

RE: NOTICE OF PUBLICATION

ATTN: ADVERTISING MANAGER

Dear Sir/Madam:

Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.

Immediately upon completion of publication, please send the following to this office:

1. Publisher's affidavit in duplicate.
2. Statement of cost (also in duplicate.)
3. CERTIFIED invoices for prompt payment.

We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.

Please publish the notice no later than August 5, 1997.

Sincerely,

*Sally E. Martinez*  
Sally E. Martinez  
Administrative Secretary

Attachment

Z 765 962 230

Receipt for  
Certified Mail  
No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to	Artesia Daily Press
Postage	P.O. Drawer 179
Certified Fee	P.O. State and Zip Code
Special Delivery Fee	Artesia, NM 88210
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	
Postmark or Date	

PS Form 3800, March 1993



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 29, 1997

THE NEW MEXICAN  
202 E. Marcy  
Santa Fe, New Mexico 87501

RE: NOTICE OF PUBLICATION

PO #96-199-002997

ATTN: Betsy Perner

Dear Sir/Madam:

*Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.*

*Immediately upon completion of publication, please send the following to this office:*

1. *Publisher's affidavit.*
2. *Invoices for prompt payment.*

*We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.*

*Please publish the notice on Friday, August 1, 1997.*

*Sincerely,*

*Sally Martinez*  
Sally E. Martinez  
Administrative Secretary

*Attachment*

**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, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

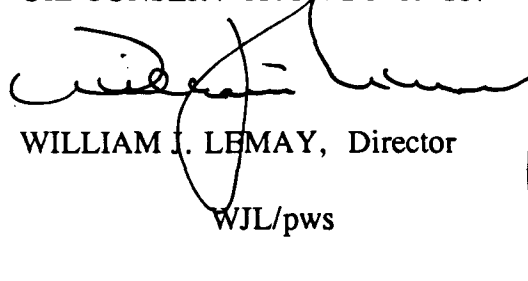
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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY, Director  
WJL/pws

S E A L



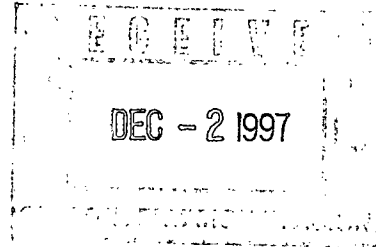
December 1, 1997

FEDERAL EXPRESS

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

ATTN: Mr. William J. LeMay  
NMED - Water Quality Management

RE: Discharge Plan GW-069 Renewal  
Carlsbad Gas Plant  
Eddy County, New Mexico



Dear Mr. LeMay:

Enclosed is a copy of the conditions of approval, signed and dated, for the Carlsbad Gas Plant Discharge Plan GW-069 renewal. Also enclosed is a check in the amount of \$833.75 to cover the fee which is one-half of the original flat fee of \$1667.50 for gas processing plants. Due to a discrepancy between the letter and the discharge plan approval conditions concerning the fee amount, I spoke with Mr. Jack Ford on November 21, 1997 to confirm the amount for the fee. If any questions arise concerning the plan or the fee, please contact me at (817) 877-6764.

Sincerely,

A handwritten signature in cursive script that reads 'Karen Singletary'.

Karen Singletary  
Environmental Specialist  
Environmental Services

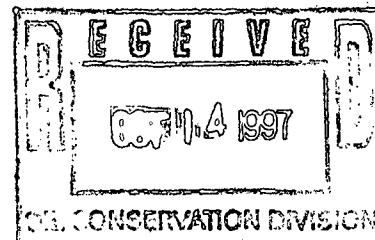
cc: Mr. Harley Temple, Carlsbad Gas Plant



October 8, 1997

CERTIFIED MAIL  
P 965 692 230

Mr. William J. LeMay, Director  
Oil Conservation Division  
New Mexico Energy and Minerals Department  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505



Re: New Mexico Discharge Plan GW-69.

Dear Mr. LeMay:

This letter is to inform you and the Oil Conservation Division (OCD), that ownership of the Carlsbad Gas Plant (GW-69) has transferred from Highlands Gathering and Processing Company to Union Pacific Highlands Gathering and Processing Company. The effective date of this transfer was August 20, 1997. This letter is to serve as official notification of the transfer of ownership and operator. The new contact person and responsible party for the affected facilities is:

Ms. Karen L. Singletary  
Environmental Specialist  
Union Pacific Resources Company  
Environmental Services  
P.O. Box 7, MS 2807  
Fort Worth, Texas 76101-0007  
(817) 877-6764 phone  
(817) 877-6316 fax

If you have any questions concerning this transfer of ownership or require further information, please contact me at (817) 877-6764. Thank you for your assistance.

Sincerely,

*Karen Singletary*  
Karen L. Singletary  
Environmental Specialist-

xc: Roger Anderson, Oil Conservation Division, Santa Fe, NM  
CERTIFIED MAIL - P 965 692 041  
Mark Ashley, Oil Conservation Division, Santa Fe, NM  
CERTIFIED MAIL - P 965 692 229  
David Baker, Baker Environmental Consulting, Albuquerque, NM

# Affidavit of Publication

No. 15951

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto 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 weeks on the same day as follows:

First Publication August 5, 1997

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

Subscribed and sworn to before me this 14th day of August 19 97

Barbara Ann Boans  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

OK MA  
8-20-97

# Copy of Publication

to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 31 feet with a total dissolved solids concentration of approximately 4100 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
s-William J. LeMay  
WILLIAM J. LEMAY,  
Director

SEAL  
Published in the Artesia Daily Press, Artesia, N.M. August 5, 1997.

Legal 15951

## LEGAL NOTICE

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, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-069) - Highlands Gathering and Processing Company, Mr. Harley Temple, (505)-745-2315, 260 Potash Mines Road, Loving, NM, 88256, has submitted a Discharge Plan Renewal Application for their Carlsbad Gas Plant located in the SW/4 NE/4, of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely

# The Santa Fe New Mexican

Since 1849 We Read You

NM OIL DIVISION  
ATTN: SALLY MARTINEZ  
2040 S. PACHECO  
SANTA FE, NM 87505

AD NUMBER: 674298

ACCOUNT: 56689

LEGAL NO: 62125

P.O. #: 96-199-002997

167 LINES ONCE at \$ 66.80

Affidavits: 5.25

Tax: 4.50

Total: \$ 76.55

## AFFIDAVIT OF PUBLICATION

### NOTICE OF PUBLICATION

#### STATE OF NEW MEXICO

#### ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

#### OIL CONSERVATION DIVISION

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
WILLIAM J. LEMAY,  
Director  
Legal #62125  
Pub. August 1, 1997

### STATE OF NEW MEXICO COUNTY OF SANTA FE

I, BETSY PERNER being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily news paper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 62125 a copy of which is hereto attached was published in said newspaper once each WEEK for ONE consecutive week(s) and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 1 day of AUGUST 1997 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/

Betsy Perner  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
1 day of AUGUST A.D., 1997

Notary Laura L. Harding  
Commission Expires 11/23/99

OK ML  
8-11-97

202 East Marcy Street P.O. Box 2048 • Santa Fe, New Mexico 87501

505-983-3303

RECEIVED  
AUG - 6 1997

**NOTICE OF PUBLICATION**

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

**NO EFFECT FINDING**

The described action will have no effect on listed species, wetlands, or other important wildlife resources.

Date 8/4/97

Consultation # GW0CD-97-1

Approved by Charles B. M. O'Connell, Acting

U.S. FISH and WILDLIFE SERVICE  
NEW MEXICO ECOLOGICAL SERVICES FIELD OFFICE  
ALBUQUERQUE, NEW MEXICO

  
WILLIAM J. LEMAY, Director

WJL/pws



ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 7/21/97

or cash received on \_\_\_\_\_ in the amount of \$ 50.00

from Highlands

for Carlsbad G.P. GW-69

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. Chander Date: 7/31/97

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee XR New Facility \_\_\_\_\_ Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_

HIGHLANDS GATHERING AND PROCESSING COMPANY  
CARLSBAD GAS PLANT  
260 POTASH MINES RD.  
CARLSBAD, NM 88220

DATE 7-21-97

23-215  
1020

PAY TO THE ORDER OF NMED Water Quality Management \$ 50.00

Fifty dollars / no/100 DOLLARS



Colorado National Bank  
P.O. Box 5168  
Denver, CO 80217  
FastLine 24-Hour Banking 303/585-8585

Debra Heath

FOR [REDACTED]

**NOTICE OF PUBLICATION**

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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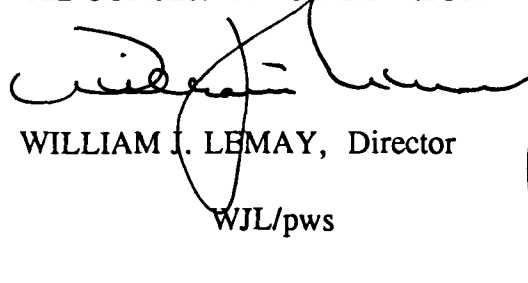
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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY, Director  
WJL/pws

SEAL

**BAKER ENVIRONMENTAL CONSULTING**

*File copy.*

P.O. Box 11189  
Albuquerque, NM 87192-1189  
Office: (505) 294-9943  
Fax: (505) 294-9937

**Hand-Delivered**

July 24, 1997

Mr. William J. LeMay  
Director  
Oil Conservation Division  
New Mexico Energy and Minerals Department  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Discharge Plan for the Carlsbad Gas Plant, New Mexico Discharge Plan GW-69.

Dear Mr. LeMay:

Please find attached two copies of Highlands Gathering and Processing Company's GW-69 renewal application and accompanying \$50.00 filing fee for the Carlsbad Gas Plant. I will be sending another copy of the application directly to the OCD field office in Artesia, NM.

I missed the proposed July 16, 1997 deadline in order to submit a more complete renewal application. I would like to thank Mr. Pat Sanchez of OCD - Santa Fe for providing information on OCD procedures that was very helpful in the completion of this renewal application.

I have tried to be as inclusive as possible with this renewal application. If you have any questions or require further information, please contact me at (505) 294-9943. Thank you for your assistance with this matter.

Sincerely,



David Baker  
Consultant

**RECEIVED**

**JUL 24 1997**

Environmental Bureau  
Oil Conservation Division

**Attachments**

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM  
NM Oil Conservation Division, District office, Artesia, NM  
Harley Temple, Highlands Gathering and Processing Company, Loving, NM

P.O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

NEW MEXICO  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Revised 12/1

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)

JUL 24 1997

☐ New

☒ Renewal

☐ Modification  
Environmental Bureau  
Oil Conservation Division

1. Type: Gas Plant (processing of natural gas)
2. Operator: Highlands Gathering and Processing Company  
Address: 260 Potash Mines Road, Loving, New Mexico 88256  
Contact Person: Mr. Harley Temple Phone: (505) 745-2315
3. Location: SW 1/4 NE 1/4 Section 10 Township 23 South Range 28 East  
(correction) 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: Harley Temple Title: Superintendent

Signature: *Harley Temple* Date: 7-22-97

3. **Location of the Discharge Plan Facility**

Facility is in Eddy County.

4. **Landowners**

Highlands Gathering and Processing Company  
260 Potash Mines Road  
Loving, New Mexico 88256  
(505) 745-2315

5. **Facility Description**

See attached location map and facility diagram.

The Highlands Gathering and Processing Company Carlsbad Gas Plant extracts natural gas liquids from and compresses approximately 25.0 MMscfd of gathered natural gas. The natural gas enters the gas plant via low pressure and high pressure inlets. The low pressure line is compressed and merges with the high pressure inlet line. The natural gas then flows through the glycol dehydrator and then to the cryogenic and refrigeration process skids. The natural gas liquids are removed by the process skids, treated in the amine treatment unit for CO<sub>2</sub> removal and sent to sales via pipeline. The processed natural gas is compressed and sent to sales via pipeline.

6. **Materials Stored or Used at the Facility**

- A. Process specific chemicals - i.e. TEG, Amine, Lean Oil, etc.  
**Natural Gas**, gas, pressurized, 25 MMSCF/day maximum.

**Natural Gas Liquids**, liquid, pressurized storage tanks, volume varies with maximum of 100 bbl, located north of process area.

**Condensate, (Hydrocarbon Liquids)**, liquid, bermed condensate storage tank, volume varies with maximum of 400 bbl, located northeast of process area.

**Unleaded Gasoline**, liquid, unleaded gasoline storage tank, volume varies, located east of office outside of the plant.

**Triethylene Glycol (TEG)**, liquid, small tank, volume varies, southeast corner of facility in bermed dehydrator area.

**Water**, liquid, bermed slop tank, volume varies with maximum of 400 bbl, located northeast of process area.

**Methanol**, liquid, storage tank, volume varies with maximum of 2,000 gal., next to office.

**Amine**, liquid, storage tank, volume varies, inside north fence line of facility.

B. through G.  
Not Applicable

**7. Sources and Quantities of Effluent and Waste Solids Generated at the Facility**

A. For each source include types of major effluent (e.g. produced water, spent gas treating fluids, heat media, hydrocarbons, sewage, etc.) estimated quantities in barrels or gallons per month, and types and volumes of major additives (e.g. acids, biocides, detergents from steam cleaner, degreasers, corrosion inhibitors, etc.)

1. **Separator(s), Scrubbers(s) and Slug Catchers(s);**  
Inlet Separator, inlet gas stream simulation (see Exhibit #2 in GW-69 file) indicates no hydrocarbon drop out under normal operating conditions. Water production expected to vary from 1 to 9 bbls/day depending on weather conditions and well-head equipment operation.

2. **Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling towers/fans;**  
Sivills and QB Johnson TEG dehydrators, 1.0 MMBtu/hr glycol reboiler, 2 bbls/day of water; no TEG effluent.

Perry amine reboiler 1.75 MMBtu/hr, produces CO<sub>2</sub> to atmosphere; no amine effluent.

3. **Wash down/Steam out effluent from process storage equipment internals and externals;**  
Not Applicable

4. **Solvent/degreaser use;(Describe)**  
Not Applicable

5. **Spent acids or caustics; (Describe)**  
Not Applicable

6. **Used engine coolants;(Describe)**  
Engine cooling water. Each compressor engine contains approximately 80 gallons of a 50/50, antifreeze/water mixture. Normally there is no usage or makeup

required.

7. **Used lubrication and motor oils;**  
Removed and properly disposed of by maintenance subcontractor, Brewer Oil Company.
8. **Used lube oil and process filters;**  
Removed and properly disposed of by maintenance subcontractor, Waste Management.
9. **Solids and sludges from tanks (provide description of materials)**  
None
10. **Painting wastes;**  
Not Applicable
11. **Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);**  
On-site domestic sewage system with septic tank and leach fields. No commingling with other wastes, domestic sewage only.
12. **Laboratory wastes;**  
Not Applicable
13. **Other waste liquids; (Describe in detail)**  
Leakage from equipment such as compressors, pumps, and control valves. Minimal volumes are produced.
14. **Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)**  
Only collection drums on location. Domestic-type solid wastes are removed and properly disposed of. All other waste solids such as used filters from the amine and dehydrator units are collected in a dedicated dumpster and are removed by Waste Management and properly disposed of.  
Any contaminated soils are remediated on location with biocells, Alpha West. Alpha West tests the cells quarterly for hazardous materials.

**B. Quality Characteristics**

**Provide the following information for each above listed source where applicable:**

1. **Provide concentration analysis for Total Dissolved Solids (TDS) and Major Cations/anions (e.g. F, Br, Ca K Mg, Na HCO<sub>3</sub>, CO<sub>3</sub>, Cl, SO<sub>4</sub> in mg/l), pH,**

**and conductivity in umhos/cm.**

After 360 feet of drilling no useable ground water was found. All location water is trucked in and stored in a water holding tank. (Please see discharge plan file GW-69 for drilling logs.)

2. **Provide hydrocarbon analysis for benzene, ethyl benzene, toluene, and meta-, ortho-, and Para-xylene (i.e. BTEX).**  
Not Applicable
3. **Provide analyses for WQCC section 3103 standards not included within above analyses. Exceptions can be approved upon request for certain constituents if not used in processing or not expected to be present in the waste water effluent.**  
An exception is requested because there is no on-site well water and no discharge to ground water.
4. **Discuss the presence or absence of toxic pollutants (WQCC 1101.TT) in each process where a discharge effluent may be generated. If present, provide volumes and concentrations. Estimates may be used pending Director evaluation of discharge plan submittal and proposed discharge methods.**  
Toxic pollutants are either not present or are in bermed containment areas or are removed by maintenance subcontractors.
5. **Discuss sampling locations, methods, and procedures used to obtain values for #1, 2, and 3 above. Include information as to whether the sample was "grab" or "time-composite", and sample collection and preservation techniques, laboratory used for the analysis, etc. Sources for sampling and analytical techniques to be used are listed in WQCC 3107.B.**  
Not Applicable (Please see discharge plan file GW-69 for drilling logs.)
6. **Discuss any variations that could produce higher or lower values than those shown by the sampling procedures outlined in #5 - i.e. flowrate variations, process upsets, etc. If major variations are expected or inherent with a particular process, provide ranges and the expected average.**  
Not Applicable

**C. Commingled Waste Streams.**

**Note:** It is recommended that waste streams be segregated as much as possible- especially those wastes that are exempt from RCRA subtitle C regulations and those that are non-exempt. If hazardous wastes are on site they should never be commingled with exempt wastes or non-exempt non-hazardous wastes. For guidance in dealing with hazardous wastes contact the NMED Hazardous and Radioactive



**Materials Bureau at (505) 827-1558.**

There is no commingling of waste streams at this facility. Produced wastes are intentionally isolated to facilitate proper gathering and proper disposal. This facility has no intentional discharges as a part of operations.

1. **If produced and process fluids are commingled within the facility, and if individual rates, volumes and concentrations do not vary beyond a set range, and if process units are entirely self-contained to prevent intentional discharges and spills or inadvertent discharges (see B. 3, 4 previous page), then chemical characterization of commingled effluent or process streams may be sufficient to satisfy discharge plan requirements.**  
Produced and process fluids are not commingled at this facility.
2. **If the discharger wishes to submit information on commingled streams in lieu of submittal of individual stream characteristics, adequate information should be provided to justify the request.**

**8. Description of Current Liquid and Solid waste Collection/Storage/Disposal Procedures**

**A. Summary Information.**

**For each source listed in Part 7, provide summary information about on-site collection, storage and disposal systems. Indicate whether collection/storage/disposal location is tank or drums, floor drain or sump, lined or unlined pit, on-site injection well, leach field or off-site disposal.**

**Separator(s), Scrubbers(s) and Slug Catchers(s);**

Inlet Separator, to bermed condensate and slop tank until off-site disposal. Free water removed from the inlet separator is expected to be of similar quality as found from the gas production zone with small amounts of condensates (see Exhibit #4 in GW-69 file). Condensate tank contents (drip gas) are transferred to Enron for sales, this is not a waste stream. There are no tanks bottoms. The water from the slop tank is transferred to Bird Creek Resources where it is disposed of by an EPA approved injection well.

**Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling towers/fans;**

Sivills and QB Johnson TEG dehydrator, removed water to bermed holding tank.

**Used engine coolants;(Describe)**

Engine cooling water. Off-site disposal by maintenance subcontractor if

necessary.

**Used lubrication and motor oils;**

Removed as necessary and properly disposed of off-site by maintenance subcontractor, Brewer Oil. Brewer Oil handles all motor oil and oil filters.

**Used lube oil and process filters;**

Removed as necessary and properly disposed of off-site by maintenance subcontractor, Waste Management.

**Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);**

On site domestic sewage system with septic tank and leach fields. No commingling with other wastes, domestic sewage only.

**Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)**

Leakage from unbermed equipment such as compressors pumps and control valves will be controlled by the use of drip pans, etc. Fluids from these leaks will be removed by maintenance subcontractors. Any contaminated soils are remediated on location with biocells from Alpha West. Off-site disposal when appropriate by maintenance subcontractors.

**B. Collection and Storage Systems**

1. **For collection and storage systems named in Part A, provide sufficient information to determine what water contaminants may be discharged to the surface and subsurface within the facility. Water and wastewater flow schematics may be used provided they have sufficient detail to show individual treatment units. Information desired includes whether tanks, piping, and pipelines are pressurized, above ground or buried. If fluids are drained to surface impoundments, oil skimmer pits, emergency pits, shop floor drains, sumps, etc. for further transfer and processing, provide size and indicated if these collection units are lined or unlined. If lined describe lining material (e.g. concrete, steel tank, synthetic liner, etc.).**

Please see GW-69 discharge plan file.

All liquid storage tanks are welded steel, above ground, and meet A.P.I. specifications. The steel tanks are also bermed for spill control.

**Separator(s), Scrubbers(s) and Slug Catchers(s);**

Inlet Separator, above ground, concrete bermed, steel tank, until off-site disposal.

**Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling**

**towers/fans;**

Sivills and QB Johnson TEG dehydrator, non-pressurized, above ground, removed water to bermed, steel holding tank.

**Used engine coolants;(Describe)**

Engine cooling water. Off-site disposal by maintenance subcontractor if necessary.

**Used lubrication and motor oils;**

Removed as necessary and properly disposed of by maintenance subcontractor.

**Used lube oil and process filters;**

Removed as necessary and properly disposed of by maintenance subcontractor.

**Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);**

On site domestic sewage system with septic tank and leach fields.

**Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)**

Off-site disposal when appropriate by maintenance subcontractor.

2. **Tankage and Chemical Storage Areas - Storage tanks for fluids other than fresh water must be bermed to contain a volume one-third more than the largest tank. If tanks are interconnected, the berm must be designed to contain a volume one-third more than the total volume of the interconnected tanks. All new tank installations must be placed on an impermeable type pad. Chemical and drum storage areas must be paved, curbed and drained such that spills or leaks from drums are contained on the pads or in lined sumps.**

All tanks are enclosed in concrete berm containment areas one-half more than the total tank volume. This facility does have empty drums in a drum storage area for the gathering and disposal of waste oil by Brewer Oil.

*on pad?*

3. **All facilities must demonstrate the integrity of buried piping. If the facility contains underground process or wastewater pipelines the age and specifications (i.e., wall thickness, fabrication material, etc.) of said pipeline should be submitted. A proposed hydrostatic test method and schedule for testing of piping must be included as part of the submittal. All lines must be tested to 3 pounds per square inch above the normal operating pressure in the line, and a duration time for the test will also be proposed for OCD approval. If hydrostatic tests have already been conducted, details of the program and the results should be submitted.**

80% of facility piping is above ground and inspected daily. The remaining 20% of facility piping is underground and has cathodic protection. This piping is for production of natural gas and natural gas liquids.

**C. Existing Effluent and Solids Disposal.**

**1. On-Site Facilities**

- a. Describe existing on-site facilities used for effluent or solids disposal of water, sludges, waste oils, solvents, etc., including surface impoundments, disposal pits, leach fields, floor drains, injection wells, and landfarms etc. (If effluents and solids are shipped off-site for recycling or disposal, see C.2. on pg. 11.) Provide technical data on the design elements of each disposal method:

- (1) Surface impoundments, None
- (2) Leach field, None, other than system for domestic sewage
- (3) Injection wells, None
- (4) Drying beds or other pits, None
- (5) Solids disposal, None
- (6) Landfarms, None

- b. For leach fields, pits, and surface impoundments having single liners of any composition, clay liners or that are unlined and not proposed to be modified or closed as part of this discharge plan:

(1)-(3) Not Applicable

**2. Off-Site Disposal**

If wastewater, sludges, solids etc. are pumped or shipped off-site, indicate general composition (e.g. waste oils), method of shipment (e.g. pipeline, trucked), and final disposition (e.g. recycling plant, OCD permitted Class II disposal well, or domestic landfill, etc.). Include name, address, and location of receiving facility. If receiving facility is a sanitary or modified landfill show operator approval for disposal of the shipped wastes.

Wastewater - Bird Creek Resources

Waste engine oil - Brewer Oil, 114 E. Church St., Carlsbad, NM 88220

Filters, etc. - Waste Management, 2608 N. Lovington Hwy.

Hobbs, NM 88240

Waste Management provides two containers at the location. One for domestic-type wastes like trash and one for other wastes.

**9. Proposed Modifications**

- A. If collection and storage systems do not meet the criteria of Section 8 B. above, or if protection of ground water cannot be demonstrated pursuant to Section 8 C.1.b.(1) above, describe what modification of that particular method (including closure), or what new facility, is proposed to meet the requirements of the Regulations. Describe in detail the proposed changes. Provide the information requested in 8 B, and C.1.a and b. above for the proposed facility modifications and proposed time schedule for construction and completion. (Note: OCD has developed specific guidelines for lined surface impoundments, land farms, below grade tanks, and closure guidelines that are available on request.)

Not Applicable

- B. For ponds, pits, leach fields, etc. where protection of ground water cannot be demonstrated, describe the proposed closure of such units so that existing fluids are removed, and emplacement of additional fluids and runoff/run on of precipitation are prevented. (Note: OCD has closure guidelines that are available upon request.)

Not Applicable

**10. Inspection, Maintenance and Reporting**

- A. Describe proposed routine inspection procedures for surface impoundments and other disposal units having leak detection systems. Include frequency of inspection, how records are to be maintained and OCD notification in the event of a leak detection.

Not Applicable

- B. If ground water monitoring is used to detect leakage on failure of the surface impoundments, leach fields, or other approved disposal systems provide:

Not Applicable

1. The frequency of sampling, and constituents to be analyzed.

Not Applicable

2. The proposed periodic reporting of the results of the monitoring and sampling.

Not Applicable

3. The proposed actions and procedures (including OCD notification) to be undertaken by the discharger in the event of detecting leaks or failure of the discharge system.

Not Applicable

**11. Spill/Leak Prevention and Reporting Procedures (Contingency Plans)**

It is necessary to include in the discharge plan submittal a contingency plan that anticipates where any leaks or spills might occur. It must describe how the discharger proposes to guard against such accidents and detect them when they have occurred. The contingency plan also must describe the steps proposed to contain and remove the spilled substance or mitigate the damage caused by the discharge such that ground water is protected, or movement into surface waters is prevented. The discharger will be required to notify the OCD Director of significant leaks and spills, and this commitment and proposed notification threshold levels must be included in the contingency plan. In any case the local OCD District field office should be notified by telephone within 24 hours of a significant spill or release as defined in OCD Rule 116 and WQCC Section 1203.

**NOTE: USE NMOCD RULE 116 AND WQCC Section 1203 for spill reporting**

- A. Describe proposed procedures addressing containment, cleanup and reporting in case of major and minor spills at the facility. Include information as to whether areas are curbed, paved and drained to sumps; final disposition of spill material; proposed schedule for OCD notification of spills; etc.

The potential for major and minor spills at the facility is minimal. If a leak develops within a steel tank the tank berm will contain the spill until the material can be removed for disposal and the leak repaired.

If other equipment fails or leaks it will be shut down (if appropriate) and the leak will be contained and spilled materials properly removed. If a small amount of on-site soils are contaminated it will be remediated on-site. Larger spills or contaminated soils will be properly removed by an approved subcontractor using approved OCD guidelines.

- B. Describe methods used to detect leaks and insure integrity of above and below ground tanks, and piping. Discuss frequency of inspection and procedures to be undertaken if significant leaks are detected.

The system operator will visually inspect the facility and plant systems and gauge all storage tanks on his daily appointed rounds. All malfunctions, improper equipment operations and irregularities discovered will be immediately logged, reported and corrected.

- C. If an injection well is used for on-site effluent disposal, describe the procedures to be followed to prevent unauthorized discharges to the surface or subsurface in the event the disposal well or disposal line is shut-in for work over or repairs (e.g. extra storage tanks, emergency pond, shipment off-site, etc.). Address actions to be taken in the event of disposal pipeline failure, extended disposal well downtime, etc.

Not Applicable, produced water is transferred to Bird Creek Resources for disposal via their injection well.

how?

**12. Site Characteristics**

**A. The following hydrologic/geologic information is required to be submitted with all discharge plan applications. Some information may be on file with OCD and can be provided to the applicant on request.**

- 1. Provide the name, description, and location of any bodies of water streams (indicate perennial or intermittent), or other water courses (arroyos, canals, drains, etc.); and ground water discharges sites (seeps, springs, marshes, swamps) within one mile of the outside perimeter of the facility. For water wells, locate wells within one-quarter mile of the outside perimeter of the facility and specify use of water (e.g. public supply, domestic, stock, etc.). The Pecos River is the nearest body of water. This stream is approximately 3/4 mile east of the facility. There is an irrigation canal to the south of the facility within the one mile perimeter.**

- 2. Provide the depth to and total dissolved solids (TDS) concentration (in mg/l) of the ground water most likely to be affected by any discharge (planned or unplanned). Include the source of the information and how it was determined. Provide a recent water quality analysis of the ground water, if available, including the name of the analyzing laboratory and sample date.**

Estimated Depth to Groundwater approx. 31' GW Report #3 JB

Estimated Total Dissolved Solids approx 4100 GW Report #3 JB

- 3. Provide the following information and attach or reference source information as available (e.g. driller's logs):**

Please see GW-69 discharge plan file for well drilling records obtained from the State Engineer's Office (Exhibit #9).

- a. **Soil type(s) (sand, clay, loam, caliche);**
- b. **Name of aquifer(s);**
- c. **Composition of aquifer material (e.g. alluvium, sandstone, basalt, etc.); and**

4. **Provide information on:**

- a. **The flooding potential at the discharge site with respect to major precipitation and/or run-off events; and**

The facility is located in a shallow basin and inadvertent or accidental discharge of fluid would remain within the immediate area. No runoff would be possible into any of the surrounding streams.

- b. **Flood protection measures (berms, channels, etc.), if applicable.**

The facility is located outside of the Pecos River flood plain. Local residents indicate that there has not been any local flooding in recent history.

B. **Additional Information**

Not Applicable at this time.

**Provide any additional information necessary to demonstrate that approval of the discharge plan will not result in concentrations in excess of the standards of WQCC Section 3103 or the presence of any toxic pollutant (Section 1101.TT.) at any place of withdrawal of water for present or reasonably foreseeable future use. Depending on the method and location of discharge, detailed technical information on site hydrologic and geologic conditions may be required to be submitted for discharge plan evaluation. This material is most likely to be required for unlined surface impoundments and pits, and leach fields. Check with OCD before providing this information. However, if required it could include but not be limited to:**

1. **Stratigraphic information including formation and member names, thickness, lithologies, lateral extent, etc.;**
2. **Generalized maps and cross-sections;**
3. **Potentiometric maps for aquifers potentially affected;**
4. **Porosity, hydraulic, conductivity, storativity and other hydrologic parameters of the aquifer;**
5. **Specific information on the water quality of the receiving aquifer; and**
6. **Information on expected alteration of contaminants due to sorption, precipitation or chemical reaction in the unsaturated zone, and expected reactions and/or dilution in the aquifer.**

Not Applicable



**13. Other Compliance Information**

**Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. Examples include previous Division orders or letters authorizing operation of the facility or any surface impoundments at the location.**

- 1. Also include a brief statement committing to NMOCD Rule 116 and WQCC Section 1203 spill/leak reporting.**  
The owner/operator of the Carlsbad Gas Plant agrees to abide by NMOCD Rule 116 and WQCC Section 1203 spill/leak reporting.
- 2. A closure plan as described in WQCC Section 3107.A.11 "Monitoring, Reporting, and other Requirements." The "Closure Plan" shall include all of the information described in WQCC Section 3107.A.11 and can use OCD guidelines for accepted remediation techniques and unlined surface impoundment closure guidelines.**  
If the Carlsbad Gas Plant is closed all equipment will be removed and the land of the former facility will be returned to its original state as described in WQCC Section 3107.A.11 and according to OCD guidelines.



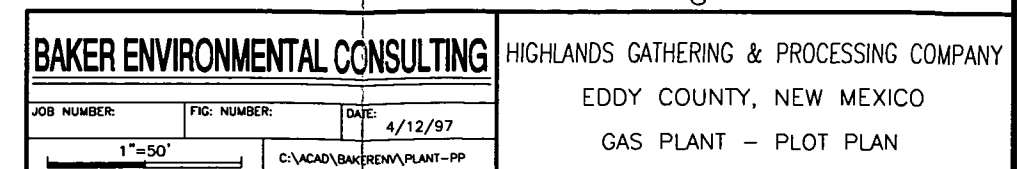
# BAKER ENVIRONMENTAL CONSULTING

JOB NUMBER: FIG. NUMBER: DATE: 4/14/97

1"=2 MILES C:\ACAD\BAKEREN\AREAMAP

## HIGHLANDS GAS CORPORATION

EDDY COUNTY, NEW MEXICO  
CARRASCO BOOSTER STATION - GAS PLANT  
AREA MAP



HIGHLANDS GATHERING & PROCESSING COMPANY  
EDDY COUNTY, NEW MEXICO  
GAS PLANT - PLOT PLAN

SECTION 10	REFERENCE UTM:	LAT 32° 19' 8.4"
TOWNSHIP 23S	586900 m E	104° 4' 36.6"
RANGE 28E	3575900 m N	
	ZONE 13	

HIGHLANDS GATHERING AND PROCESSING COMPANY

CARLSBAD GAS PLANT  
260 POTASH MINES RD.  
CARLSBAD, NM 88220

DATE 7-21-97

23-2  
1020 215

PAY  
TO THE  
ORDER OF

NMED Water Quality Management

\$ 50.00

Fifty dollars / no/100

DOLLARS

Security features  
included.  
Details on back.



**Colorado National Bank**

P.O. Box 5168  
Denver, CO 80217  
FastLine 24-Hour Banking 303/585-8585

FOR

Debra Heath

MP

RECEIVED

JUL 24 1997

Environmental Bureau  
Oil Conservation Division



**HIGHLANDS GATHERING AND PROCESSING COMPANY**

A SUBSIDIARY OF HIGHLANDS GAS CORPORATION

CARLSBAD GAS PLANT  
P.O. Box 248  
Loving, NM 88256  
(505) 745-2315  
(505) 745-2390 FAX  
(260 Potash Mines Road)

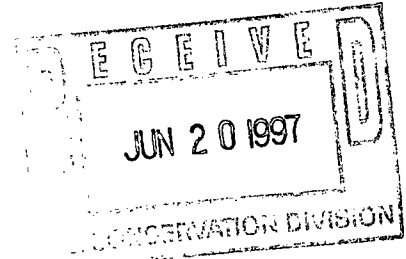
June 16, 1997

Mr. William J. LeMay  
Director  
Oil Conservation Division  
New Mexico Energy and Minerals Department  
2040 S. Pacheo Street  
Santa Fe, New Mexico 87505

RECEIVED

JUN 20 1997

Environmental Bureau  
Oil Conservation Division



Re: Discharge Plan for the Carlsbad Gas Plant, New Mexico Discharge Plan GW-69

Dear Mr. LeMay:

On Friday, June 13, 1997 our consultant Mr. David Baker, after a conversation with Mr. Pat Sanchez (OCD), discovered that our discharge plan (GW-69) for the Carlsbad Gas Plant had expired on April 29, 1997. The correct expiration was determined by Mr. Sanchez when he pulled the hard file for the facility.

This letter is to request an extension in order to submit a discharge plan under the current regulations with the required forms and information. I have directed David Baker of Baker Environmental Consulting to prepare the required discharge plant renewal while working closely with your office. I anticipate submitting the plan no later than July 16, 1997.

If you have any questions or require further information, please contact me at (505) 745-2315 or David Baker at (505) 294-9943. Thank you for your assistance with this matter.

Sincerely,

Harley Temple  
Superintendent

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM  
NM Oil Conservation Division, District office, Artesia, NM  
Janet Peters, Highlands Gathering and Processing Company, Englewood, CO.  
David Baker, Baker Environmental Consulting, Albuquerque, NM



**HIGHLANDS**

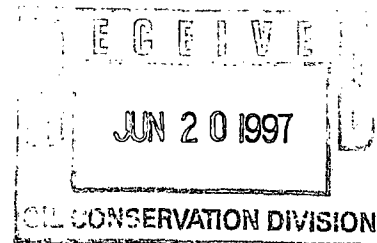
**GATHERING AND PROCESSING COMPANY**

A SUBSIDIARY OF HIGHLANDS GAS CORPORATION

CARLSBAD GAS PLANT  
P.O. Box 248  
Loving, NM 88256  
(505) 745-2315  
(505) 745-2390 FAX  
(260 Potash Mines Road)

June 16, 1997

Mr. William J. LeMay  
Director  
Oil Conservation Division  
New Mexico Energy and Minerals Department  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505



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Harley Temple  
Superintendent

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM  
NM Oil Conservation Division, District office, Artesia, NM  
Janet Peters, Highlands Gathering and Processing Company, Englewood, CO.  
David Baker, Baker Environmental Consulting, Albuquerque, NM

RECEIVED

JUN 20 1997

Environmental Bureau  
Oil Conservation Division

Final payment for Carlsbad Plant Discharge Plan GW-69

\$667.00

(contingental)

5 of 5

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9/2/95,  
or cash received on 9/25/95 in the amount of \$ 667.00  
from Highlands Gathering  
for Coolshead G.P. GW-69

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_  
Submitted to ASD by: Roger A. Anderson Date: 9/26/95  
Received in ASD by: Ange A. Moore Date: 9/26/95

Filing Fee \_\_\_\_\_ New Facility X Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment X

5 of 5

HIGHLANDS GATHERING AND PROCESSING COMPANY  
8085 SOUTH CHESTER STREET, SUITE 114  
ENGLEWOOD, COLORADO 80112

23-164/1021

Colorado National Bank Aspen  
420 East Main Street  
Aspen, CO 81611 003341

NO. [REDACTED]

DATE  
SEP-07-95

PAY  
EXACTLY \$667dols00cts

AMOUNT  
\$667.00

TO THE  
ORDER  
OF

New Mexico Oil Conservation Division  
Environmental Bureau  
2040 S. Pachero  
Santa Fe, NM 87505

[Signature]  
Lee Lila M. Wilson  
AUTHORIZED SIGNATURE



**Highlands Gas Corporation**

OIL CONSERVATION DIVISION  
RECEIVED

'95 SEP 25 AM 8 52

Highland Place I  
8085 S. Chester Street, Suite 114  
Englewood, CO 80112  
(303) 705-8600  
(303) 705-8650 FAX

September 18, 1995

New Mexico Oil Conservation Division  
Environmental Bureau  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

RE: CARLSBAD AREA  
WESTALL COMPRESSOR STATION  
DISCHARGE PLANT GW-144

CARLSBAD PLANT  
DISCHARGE PLAN GW-69

Gentlemen:

Enclosed please find:

- (1) Check #24341 in the amount of \$552.00 as final payment for the captioned Discharge Permit GW-144, and
- (2) Check #24340 in the amount of \$667.00 as final payment for the Carlsbad Plant Discharge Permit GW-69.

If you should have any questions, please contact me at (303) 705-8620.

Sincerely,



Donna J. Skinner  
Engineering & Operations Technician

Enclosures

MEMO

HIGHLANDS GAS CORPORATION

4/26/95

NMED-WATER QUALITY MANAGEMENT

Inv No

Date

Amount

042195

4/21/95

667.00

\$667.00

OIL CONSERVATION DIVISION  
RECEIVED

**Highlands Gas Corporation**

85 MAY 12 AM 8 52

Highland Place I  
8085 S. Chester Street, Suite 114  
Englewood, CO 80112  
(303) 705-8600  
(303) 705-8650 FAX

May 3, 1995

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
State Land Building  
Santa Fe, New Mexico 87504

Gentlemen:

4 of 5

Enclosed is Highland Gas Corporation's 1995 fee for Discharge Plan GW-69, Carlsbad Gas Processing Plant, located in SE/4 NW/4 SE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico in the amount of \$667.00

Please note our address change for the Englewood office.

If there are any questions, please contact Donna Skinner at (303) 705-8620.

Sincerely,



Donna J. Skinner  
Engr./Opns Tech

Enclosure: Check # 11754

# Highlands Gas Corporation

OIL CONSERVATION DIVISION  
RECEIVED

'95 JAN 17 AM 8 52

5613 DTC Parkway, Suite 850  
Englewood CO 80111  
303 850-1827  
303 850-1136 FAX

January 9, 1994

Director  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, NM 87505

*Continental GP*

RE: Discharge Plans (GW-69, GW-137, GW-138, GW-139, GW-144  
Carlsbad Plant, Eddy County, New Mexico

Director:

By letter to your office dated December 15, 1994, Highlands Gas Corporation notified the Division of our purchase of the Carlsbad Gas Gathering and Processing Facility (Sec.10-T23S-R28E, Eddy County). Per our recent telephone conversation with Mr. Roger Anderson in your office, please allow this letter to serve as our notification to the Division that Highlands Gas Corporation has received the above referenced Discharge Plans from Continental Natural Gas and will abide by the Discharge Plans Terms and Conditions.

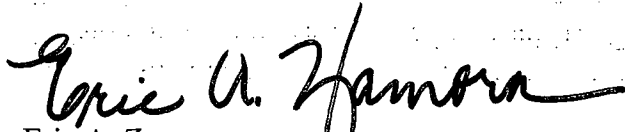
Highlands requests the Division to make the necessary changes to their records to recognize Highlands as the new operator of the Plant and Gathering Facilities and all appurtenances thereto.

All future notification should regarding the plant should be directed to Highlands at the above address.

Should you require any further information, filings or requirements from Highlands, please contact us at your convenience.

Sincerely,

HIGHLANDS GAS CORPORATION



Eric A. Zamora  
Vice President - Operations

State of New Mexico  
**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**  
Santa Fe, New Mexico 87505



January 9, 1995

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-176-012-084**

Ms. Linda Richards  
Highlands Gas Corporation  
5613 DTC Parkway, Suite 850  
Englewood, Colorado 80111

**Re: Discharge Plan (GW-69)**  
**Carlsbad Gas Plant**  
**Eddy County, New Mexico**

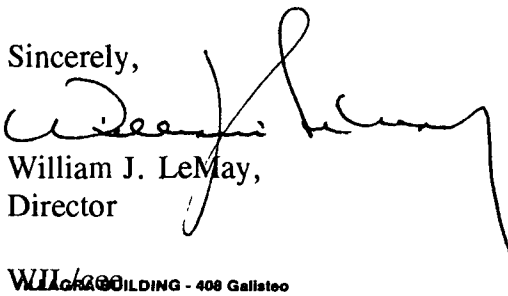
Dear Ms. Richards:

A review of the file for discharge plan GW-69, Carlsbad Gas Processing Plant, located in the SE/4 NW/4 SE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, has revealed that the 1993 and 1994 incremental installments for payment of the April, 1992 discharge plan flat fee have not been submitted to the Oil Conservation Division (OCD). These fees, each in the amount of \$667.00, were due on April 29, 1993 and April 29, 1994, respectively. This is the second notice the OCD has sent.

In order to continue to be in compliance with Water Quality Control Commission (WQCC) Regulation 3-114 B.6, please remit the remaining balance in full to the OCD immediately. The remaining balance on the flat fee for the above referenced facility is twenty six hundred sixty-eight dollars (\$2668.00). All checks should be made payable to: NMED-WATER QUALITY MANAGEMENT and addressed to the OCD Santa Fe office.

If there are any questions on this matter, please contact Chris Eustice at (505) 827-7153.

Sincerely,

  
William J. LeMay,  
Director

**WIL/ace**  
BUILDING - 408 Gallateo

Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830

Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7465

2040 South Pacheco

Office of the Secretary  
827-5950

Administrative Services  
827-5925

Energy Conservation & Management  
827-5900

Mining and Minerals  
827-5970

Oil Conservation  
827-7131

# Highlands Gas Corporation

RECEIVED  
OIL CONSERVATION DIVISION  
34 DEC 1994 11 08 52

5613 DTC Parkway, Suite 850  
Englewood CO 80111  
303 850-1827  
303 850-1136 FAX

*Call her and  
let her know  
our requirements  
Ran*

*Copy: Tim  
Rogers  
Ran*

December 15, 1994

Mr. Bill LeMay  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, MN 87505

RE: Purchase of Carlsbad Gas Gathering and Processing Facility

Dear Mr. LeMay:

Per telephone conversations to your office, we have been advised of our requirement to notify the Oil Conservation Division of our recent purchase of the Carlsbad Gas Gathering and Processing Facility located in Eddy County, New Mexico.

Highlands Gas Corporation is a Denver, Colorado based gas gathering, processing and marketing company. Highlands completed the 100% purchased and assumed operations of the Carlsbad facility located in Section 10-T23S-R28E, Eddy County, New Mexico effective December 1, 1994 from Continental Natural Gas based in Tulsa, Oklahoma.

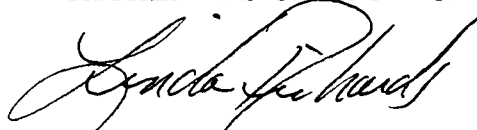
We will advise the producers behind our plant to file Form C-104, and Highlands will file Form C-111 per the instructions received from your office. Our new OGRID number as assigned to us is 139633.

Since the Carlsbad Plant is our first plant of operation in the State of New Mexico, please advise us of any further filings the State of New Mexico requires. I may be reached at (303)850-1813 or at the address above.

Thank you for your assistance in this matter.

Sincerely,

HIGHLANDS GAS CORPORATION



Linda Richards  
Gas Control and Contracts Supervisor

50  
3335

1 667 + 50 = 717  
2 - 667

Installment  
93' 2 of 5  
94' 3 of 5

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5-25-94,  
or cash received on 5/31/94 in the amount of \$ 1334.00  
from Continental Natural Gas  
for Carlsbad Gas Processing Plant GW-069

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_  
Submitted to ASD by: Robert Myers Date: 5/31/94  
Received in ASD by: Ange Alire Date: 5/31/94

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal X  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
(specify)

Organization Code 521.07 Applicable FY 94

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment X  
2 years



CONTINENTAL NATURAL GAS, INC.  
1400 Boston Building  
1412 So. Boston, Suite 500  
Tulsa, Oklahoma 74119

CHRISTIANIA BANK  
NEW YORK BRANCH  
630 Fifth Avenue  
New York, New York 10111  
1-392/260

CHECK NO.	CHECK DATE	VENDOR NO.
[redacted]	5-25-94	

CHECK AMOUNT  
\*\*\*\*\*\$1,334.00\*\*\*\*\*

\*\*\*\*\*ONE THOUSAND THREE HUNDRED THIRTY-FOUR DOLLARS\*\*\*\*\*  
\*\*\*\*\*AND 00/100\*\*\*\*\*

PAY  
TO THE  
ORDER OF

STATE OF NEW MEXICO  
STATE LAND OFFICE BUILDING  
P.O. BOX 2088  
SANTA FE, NM 87504

Wiley  
9-7-08

[redacted]





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

May 18, 1994

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-111-334-312**

Mr. Wayne Chang  
Continental Natural Gas  
P.O. Box 21470  
Tulsa, OK 74121

**RE: Discharge Plan Requirement GW-069  
Carlsbad Gas Processing Plant  
Eddy County, New Mexico**

Dear Mr. Chang,

A review of the file for discharge plan GW-069, Carlsbad Gas Processing Plant, located in the SE/4 NW/4 SE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, has revealed that the 1993 and 1994 incremental installments for payment of the April, 1992 discharge plan flat fee have not been submitted to the Oil Conservation Division (OCD). These fees, each in the amount of \$667.00, were due on April 29, 1993 and April 29, 1994, respectively.

In order to continue to be in compliance with Water Quality Control Commission (WQCC) Regulation 3-114 B.6, please remit these fees to the OCD as soon as possible. All checks should be made payable to: **NMED-WATER QUALITY MANAGEMENT** and addressed to the OCD Santa Fe office.

Future installment payments are due on April 29 of each year for the life of the current discharge plan (expiration April 29, 1997).

If there are any questions on this matter, please contact me at (505) 827-4080.

Sincerely,

Robert L. Myers II  
Petroleum Engineer Specialist

RLM/rlm  
XC: OCD Artesia Office



## STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNORANITA LOCKWOOD  
CABINET SECRETARYMEMORANDUMPOST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**TO:** Roger Anderson, Environmental Bureau Chief  
**FROM:** Bobby Myers, Petroleum Engineer Specialist  
**DATE:** May 18, 1994  
**SUBJECT:** Delinquent Discharge Plan Fee Payment

Below is a chronological list of discharge plan recipients who have failed to pay their discharge plan filing and/or plan fee.

<u>DP #</u>	<u>Company</u>	<u>Facility</u>	<u>Fee Owed</u>	<u>Date Due</u>
GW-099	Halliburton	Farmington SC	1380	12/30/92
BW-018	Unichem	Trucker #2 BW	690	2/11/93
GW-069	Continental	Carlsbad GP	667	4/29/93
GW-113	Transwestern	Eunice CS	740	6/22/93
GW-150	Llano	Pure Gold CS	690	11/22/93
GW-157	P & A	Farmington SC	1380	12/28/93
GW-115	Halliburton	Artesia SC	1380	1/13/94
GW-161	Associated NG	Rosa CS	690	4/ 7/94
GW-016	GPM	Eunice GP	1717.50	4/25/94
GW-137	Continental	Carrasco CS	276	4/28/94
GW-069	Continental	Carlsbad GP	667	4/29/94
GW-141	Parker&Parsley	Loving GP	<u>667</u>	5/ 6/94
TOTAL OWED			10944.50	

Note that the last five have recently been due and probably are not really late. However, the Continental Carrasco compressor station fee is a incremental fee, so they had one year since last payment to prepare to submit it.

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No.                      dated 5/15/92,  
or cash received on 5/19/92 in the amount of \$ 717.00  
from Continental Natural Gas Co  
for Cardhead Plant GW-69  
(Facility Name) (DP No.)  
Submitted by: Roger Anderson Date: 5/19/92  
Submitted to ASD by:                      Date:                       
Received in ASD by: Sherry Gonzalez Date:                       
Filing Fee        New Facility X Renewal         
Modification        Other                       
(Specify)

Organization Code 521.07 Applicable FY 80

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment       



CONTINENTAL NATURAL GAS, INC.

1400 Boston Building  
1412 So. Boston, Suite 700  
Tulsa, Oklahoma 74119

\*\*\*Seven hundred seventeen dollars and 00/100\*\*\*

State of New Mexico - Energy, Minerals &  
Natural Resources Department  
P.O. Box 2088  
Santa Fe, New Mexico 87504

CHRISTIANIA BANK  
NEW YORK BRANCH  
686 Fifth Avenue  
New York, New York 10111

1-392/200

CHECK NO.	CHECK DATE	VENDOR NO.
<u>                    </u>	<u>5-15-92</u>	<u>                    </u>
CHECK AMOUNT		

\*\*\*717.00\*\*\*

OIL CONSERVATION DIVISION  
RECEIVED

CONTINENTAL NATURAL GAS, INC. '92 MAY 19 AM 8 51

May 15, 1992

Mr. William J. LeMay - Director  
State of New Mexico  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
State Land Office Building  
P.O. Box 2088  
Santa Fe, New Mexico 87504

Dear Mr. LeMay:

Enclosed is a check in the amount of \$717.00 for the first of five installments on the Discharge Plan Requirements and for the one time filing fee of \$50.

In the future if you would please invoice us for the remaining installments it would be greatly appreciated. If you have any further questions please feel free to contact me at (918) 582-4700.

Sincerely,

*Cassandra Wynn*

Cassandra Wynn  
Secretary - Operations

\cw

CHECK NO.

VENDOR: State of New Mexico

CONTINENTAL NATURAL GAS, INC.

OUR REF. NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN
--------------	---------------	--------------	----------------	-------------	----------------

\$50.00 filing fee &amp; 1/5 of Payment of Discharge

\$717.00



# SOUTHWESTERN LABORATORIES

Materials, environmental and geotechnical engineering, nondestructive, metallurgical and analytical services

1703 West Industrial Avenue • P.O. Box 2150 • Midland, Texas 79702

Report of tests on Water  
Client Nicol & Associates  
Delivered by Jack Barton

File No. 6605000  
Report No. 77404  
Report Date 4-7-92  
Date Received 3-18-92

Identification Continental Natural Gas, So. Carlsbad Plant, Eddy County, NM,  
Discharge Plan GW-69, Slop Tank (After Processing)  
Sampled 3-18-92 by SwL/Field Services

## REPORT OF VOLATILE ORGANICS ANALYSIS

page 2 of 2

<u>Compound</u>	<u>ug/L</u>
Trichloroethene	* 1000
Dibromochloromethane	* 1000
1,1,2-Trichloroethane	* 1000
Benzene	27000
trans-1,3-Dichloropropene	* 1000
Bromoform	* 1000
4-Methyl-2-pentanone	*10000
2-Hexanone	* 1000
Tetrachloroethene	* 1000
1,2,3-Trichloropropane	* 1000
Ethyl Methacrylate	* 1000
1,1,2,2-Tetrachloroethane	* 1000
Toluene	11000
Chlorobenzene	* 1000
Ethylbenzene	* 1000
Styrene	* 1000
Total Xylenes	1620

\*Denotes "less than"

Copies: Nicol & Associates, Attn: Russell Kilbourn  
1cc: Continental Natural Gas, Attn: Harley Temple

LLC  
Reviewed by

Our letters and reports are for the exclusive use of the client to whom they are addressed. The letters and reports shall not be reproduced except in full without the approval of the testing laboratory. The use of our name must receive prior written approval.

SOUTHWESTERN LABORATORIES



Materials, environmental and geotechnical engineering, nondestructive, metallurgical and analytical services  
1703 West Industrial Avenue • P.O. Box 2150 • Midland, Texas 79702

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Discharge Plan GW-69, Slop Tank, (After Processing)  
Sampled 3-18-92 by SwL/Field Services

### REPORT OF VOLATILE ORGANICS ANALYSIS

Date of Analysis 4-3-92  
Analyst L. Koehler

Method EPA 624  
page 1 of 2

Compound	ug/L
Acrolein	*10000
Acrylonitrile	*10000
Dichlorodifluoromethane	* 2000
Iodomethane	* 2000
Chloromethane	* 2000
Bromomethane	* 2000
Vinyl Chloride	* 2000
Trichlorofluoromethane	* 2000
Chloroethane	* 2000
Methylene Chloride	* 1000
Carbon Disulfide	* 1000
1,1-Dichloroethene	* 1000
1,1-Dichloroethane	* 1000
trans-1,2-Dichloroethene	* 1000
Chloroform	* 1000
1,2-Dichloroethane	* 1000
2-Butanone	*20000
1,1,1-Trichloroethane	* 1000
Carbon Tetrachloride	* 1000
Vinyl Acetate	*10000
Dibromomethane	* 1000
1,4-Dichloro-2-Butene	* 1000
Bromodichloromethane	* 1000
1,2-Dichloropropane	* 1000
2-Chloroethylvinyl Ether	* 2000
cis-1,3-Dichloropropene	* 1000

\*Denotes "less than"

Copies: Nicol & Associates, Attn: Russell Kilbourn  
1cc: Continental Natural Gas, Attn: Harley Temple

  
Reviewed by

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SOUTHWESTERN LABORATORIES



# SOUTHWESTERN LABORATORIES

Materials, environmental and geotechnical engineering, nondestructive, metallurgical and analytical services

1703 West Industrial Avenue • P.O. Box 2150 • Midland, Texas 79702

Report of tests on Water  
Client Nicol & Associates  
Delivered by Jack Barton

File No. 6605000  
Report No. 77404  
Report Date 4-7-92  
Date Received 3-18-92

Identification Continental Natural Gas, So. Carlsbad Plant, Eddy County, NM,  
Discharge Plan GW-69, Slop Tank (After Processing)  
Sampled 3-18-92 by SWL/Field Services

## REPORT OF CHEMICAL ANALYSIS

<u>Parameters</u>	<u>Results mg/L</u>	<u>Date Performed</u>	<u>Analyst</u>	<u>Standard Methods, 17th Edition</u>
Calcium	4000	3-31-92	W. Jaycox	3500-Ca,D
Magnesium	826	3-31-92	W. Jaycox	3500-Mg,E
Sodium	12000	4-2-92	G. Bunch	3500-Na,D
Potassium	252	4-2-92	G. Bunch	3500-K,D
Carbonate	0	3-31-92	W. Jaycox	2320-B
Bicarbonate	142	3-31-92	W. Jaycox	2320-B
Sulfate	84	4-1-92	W. Jaycox	4500-SO <sub>4</sub> ,C
Chloride	28366	3-31-92	W. Jaycox	4500-Cl,B
Total Dissolved Solids, @ 180°C	47100	4-1-92	W. Jaycox	2540-C
Total Hardness as CaCO <sub>3</sub>	13400	3-31-92	W. Jaycox	2340-C
pH	6.44	3-31-92	W. Jaycox	4500-H

Copies: Nicol & Associates, Attn: Russell Kilbourn  
1cc: Continental Natural Gas, Attn: Harley Temple

XXC  
Reviewed by

SOUTHWESTERN LABORATORIES  
W. Jaycox





# SOUTHWESTERN LABORATORIES

Materials, environmental and geotechnical engineering, nondestructive, metallurgical and analytical services

1703 West Industrial Avenue • P.O. Box 2150 • Midland, Texas 79702

Report of tests on Water  
Client Nicol & Associates  
Delivered by Jack Barton

File No. 6605000  
Report No. 77404  
Report Date 4-7-92  
Date Received 3-18-92

Identification Continental Natural Gas, So. Carlsbad Plant, Eddy County, NM,  
Discharge Plan GW-69, Slop Tank (After Processing)  
Sampled 3-18-92 by SwL/Field Services

## REPORT OF TOTAL METALS

<u>Parameters</u>	<u>Results</u> <u>mg/L</u>	<u>Date</u> <u>Performed</u>	<u>Analyst</u>	<u>Test Method</u>
Arsenic	* 0.010	4-1-92	G. Bunch	SW846, 7061
Barium	0.84	3-31-92	G. Bunch	SW846, 7080
Cadmium	* 0.10	3-31-92	G. Bunch	SW846, 7130
Chromium	* 0.50	3-31-92	G. Bunch	SW846, 7190
Lead	0.62	3-31-92	G. Bunch	SW846, 7420
Mercury	* 0.050	3-30-92	G. Bunch	SW846, 7470
Selenium	* 0.10	4-1-92	G. Bunch	SW846, 7741
Silver	* 0.20	3-31-92	G. Bunch	SW846, 7760

\*Denotes "less than"

Copies: Nicol & Associates, Attn: Russell Kilbourn  
Attn: Continental Natural Gas, Attn: Harley Temple

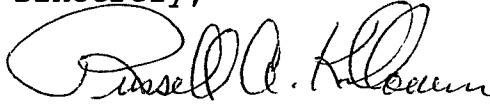
  
Reviewed by

  
SOUTHWESTERN LABORATORIES

Mr. Roger Anderson  
Page 2  
April 22, 1992

If you have any questions, please advise.

Sincerely,

A handwritten signature in cursive script, appearing to read "Russell A. Kilbourn".

Russell A. Kilbourn, P.E.

lsr

enclosure

cc: Wayne Chang, Continental Natural Gas, Inc.  
cngeddy\dschgw69.1tr

**NICOL & ASSOCIATES**

Engineering Consultants

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

RECEIVED

APR 27 1992

OIL CONSERVATION DIV.  
SANTA FE

April 22, 1992

Mr. Roger Anderson  
State of New Mexico OCD  
Energy Minerals and Natural Resources Dept.  
P.O. Box 2088, State Land Office Bldg.  
Santa Fe, NM 87504

RE: Discharge Plant GW-69  
Carlsbad Plant  
Eddy County, NM

Dear Mr. Anderson:

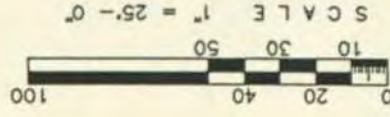
In response to your letter dated 3/27/92 and your visit to the referenced plant please be advised that corrective action has been initiated as indicated below:

1. The buried sump adjacent to the front gate and the dehydrator sump are being placed above the surface on a 4' x 4' concrete pad with 4" curbs.
2. The drums along the north fence line will be relocated on a 25' x 64' sealed concrete pad with 3' retaining walls. This pad is designed to hold 20 drums and the slop tanks.
3. The angle iron placed on the northern most compressor pad has been removed and no fluids are leaking.
4. The 300 bbl and 100 bbl tanks will be located on the 25' x 64' sealed concrete slab as indicated in Item 2 above. This containment will hold 4,800 cu.ft. (856 bbls) of fluid. This construction will prevent the rodent problems.
5. The plant surface area was checked for oil spills. Areas where spills were found were cleaned by removing the contaminated soil. The contaminated soil was then placed in steel drums and will be disposed of by a state licensed disposal company. It should be noted that some areas that appeared contaminated were moisture spots.

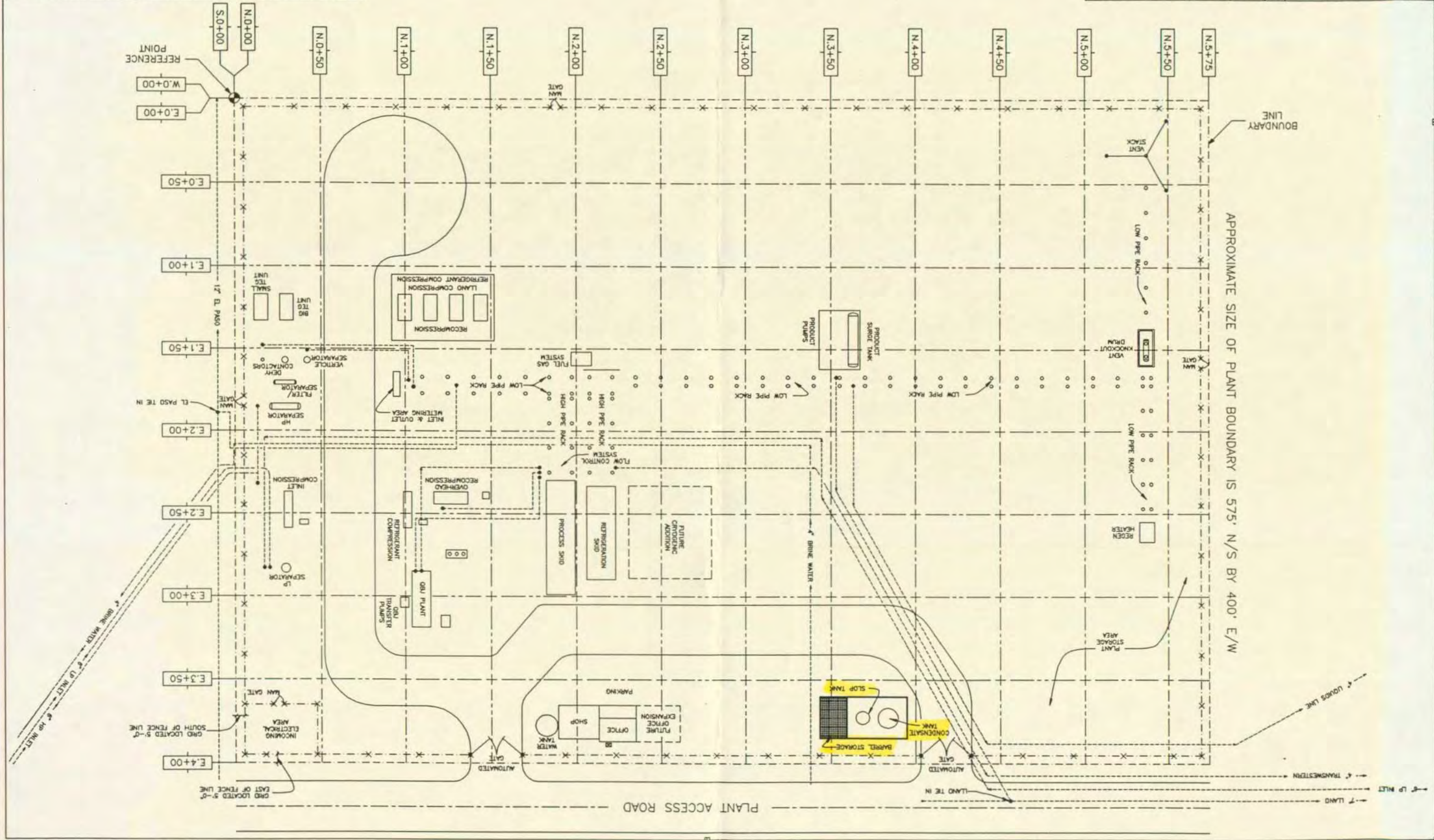
The work as noted above is in progress as of this date. I have enclosed a plant plot plan showing the proposed tank pad and general plant layout. In addition to the above please find attached a copy of the water test performed by Southwestern Laboratories on 3/18/92.



NO.	DATE	REVISIONS	$\frac{B}{C}$	APPR.	NUMBER	REFERENCE DRAWINGS
-----	------	-----------	---------------	-------	--------	--------------------



3491200	SHEET NO.	PRINTING & HOUSTON TEXAS USA	<b>JARNETT</b>
---------	--------------	------------------------------------	----------------





RECEIVED APR 1 1992

RECEIVED APR 1 2 1992

RECEIVED APR 1 6 1992

RECEIVED APR 1 1992



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

March 27, 1992



BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-690-155-049**

Mr. Wayne Chang  
Continental Natural Gas Company  
P.O. Box 21470  
Tulsa, Oklahoma 74121

Re: Discharge Plan GW-69  
Carlsbad Plant  
Eddy County, New Mexico

Dear Mr. Chang:

The Oil Conservation Division (OCD) has received your consultant's, Nicol & Associates, response dated March 13, 1992, to the OCD request for additional information dated June 5, 1991. The response answers the outstanding questions concerning the discharge plan application.

On March 17, 1992 the OCD visited the plant to conduct a site inspection. Arrival at the site was after normal working hours and consequently there were no company representatives present. The OCD representatives did not enter the facility but did walk the perimeter of the facility remaining outside the facility fence. the following comments are based on the observations from this visit.

1. It is OCD's policy that all sumps or below grade facilities be equipped with secondary containment and leak detection. The buried sump adjacent to the front gate and the dehydrator sump did not appear to have leak detection. Please provide a method to ensure the integrity of these sumps.
2. It is OCD's that all drums be stored on a pad and curb type containment. The drums along the North fence line were not on a pad.
3. The angle iron placed on the northern most compressor pad appeared to allow oil to leak off the pad. Please provide a plan and schedule to correct these leaks.

Mr. Wayne Chang  
March 27, 1992  
Page -2-

4. A number of the berms had rodent holes in and possibly through them. These could significantly weaken the berms and nullify their ability to contain fluids.
5. There were numerous areas of oil spillage to the ground that were evident from observation outside the fence line. Please submit clean-up procedures to promptly mitigate past and future spills of contaminants.

On January 16, 1991, after receiving a Notice of Intent to Discharge from Continental Natural Gas, you were notified of the requirement to file a discharge plan application. Pursuant to Water Quality Control Commission Regulation 3-106.B. the Director of the Oil Conservation Division may approve a request to discharge for a period not to exceed 120 days. Your facility has been discharging without an approved discharge plan and without authorization of the Director. Prompt response to the above comments will allow review of your application to continue and shorten the time required for your facility to come into compliance with the State's rules and regulations.

If you have any questions please contact me at (505) 827-5812.

Sincerely:



Roger C. Anderson  
Environmental Engineer

xc: Mike Williams  
Chris Eustice

<b>SENDER:</b> <ul style="list-style-type: none"><li>• Complete items 1 and/or 2 for additional services.</li><li>• Complete items 3, and 4a &amp; b.</li><li>• Print your name and address on the reverse of this form so that we can return this card to you.</li><li>• Attach this form to the front of the mailpiece, or on the back if space does not permit.</li><li>• Write "Return Receipt Requested" on the mailpiece below the article number.</li><li>• The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.</li></ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Mr. Wayne Chang Continental Natural Gas Co P.O. Box 21470  Tulsa Ok 74121		4a. Article Number P 690-155-049	
		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
5. Signature (Addressee)		7. Date of Delivery	
6. Signature (Agent)		8. Addressee's Address (Only if requested and fee is paid)	

*Handwritten signature and date: 3/27/92*

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

March 12, 1992

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Ms. Pennie Little  
Continental Natural Gas, Inc.  
P. O. Box 21470  
Tulsa, OK 74121

Dear Ms. Little:

Enclosed are copies of Division Forms C-111 and C-112. They are to be filed monthly for your Carlsbad plant as specified in Division Rules 1111 and 1112. Follow the filing instructions included on the forms.

I have also enclosed samples of both forms as submitted by operators. If you have any questions about how to complete the forms, please consult District II Supervisor Mike Williams in Artesia. Please complete forms for all the months the plant has been in operation.

Roger Anderson, Acting Chief of the Division's Environmental Bureau, plans to contact you regarding the status of your Discharge Plan.

Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Prentiss Childs".

Prentiss Childs  
Bureau Chief  
Administration

PC:ma  
Enclosures

cc: Mike Williams, Supervisor  
District II

Jerry Sexton, Supervisor  
District I

✓ Roger Anderson, Acting Chief  
Environmental Bureau



**NICOL & ASSOCIATES**

Engineering Consultants

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

OIL CONSERVATION DIVISION  
RECEIVED

'92 MAR 17 AM 8 26

March 13, 1992

Mr. Roger Anderson  
State of New Mexico, OCD  
Energy Minerals and Natural Resources Dept.  
P.O. Box 2088, State Land Office Bldg.  
Santa Fe, NM 87504

RE: Discharge Plan GW-69  
CNG, Carlsbad Plant

Dear Mr. Anderson:

In response to your letter dated 6/5/91 and our phone conversation this date concerning the reference Plant Discharge Plan, please find the additional information you requested below:

- Item 1. Section II.B. Effluent Quality Characteristics  
Southwestern Lab has been retained to perform tests on plant effluent for cations/anions, heavy metals and purgable organics. The results will be forwarded to your office within 45 days.
- Item 2. Section II. C. 2. Inlet Scrubber Water Storage  
All water storage tanks are above grade.
- Item 3. Section II. D. Spill/Leak Prevention  
Continental Natural Gas plant personnel will notify the Oil Conservation Division, Hobbs, NM office at 505-393-6161 in case of any spills.
- Item 4. Berming of Tanks  
All plant tanks are berm large enough to contain more than one third more than the volume of the tanks.

If you need additional information or have further questions please advise.

Sincerely,

  
Russell A. Kilbourn, P.E.

lsr

enclosure

cc: Wayne Chang, Continental Natural Gas, Inc.  
cngeddy\dsfchg.pln

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

March 12, 1992

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. Jim McPhee  
Senior Operations Analyst  
Liquid Energy Corporation  
P. O. Box 4000  
The Woodlands, TX 77387-4000

Dear Mr. McPhee:

As we discussed, I am enclosing copies of Division Forms C-111 and C-112. They are to be filed monthly for your Dagger Draw and Pecos Diamond plants as specified in Division Rules 1111 and 1112. Follow the filing instructions included on the forms.

I have also enclosed samples of both forms as submitted by operators. If you have any questions about how to complete the forms, please consult District II Supervisor Mike Williams in Artesia. Please complete forms for all the months the plants have been in operation.

Roger Anderson, Acting Chief of the Division's Environmental Bureau, has talked to Gary Lewis about Discharge Plans for the plants.

Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Prentiss Childs".

Prentiss Childs  
Bureau Chief  
Administration

PC:ma  
Enclosures

cc: Mike Williams, Supervisor  
District II

Jerry Sexton, Supervisor  
District I

✓ Roger Anderson, Acting Chief  
Environmental Bureau



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

June 5, 1991

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-327-278-150**

Mr. Russell A. Kilbourn  
Nicol & Associates  
331 Melrose Drive  
Suite 121  
Richardson, Texas 75080

RE: Discharge Plan GW-69  
Continental Natural Gas Company  
Eddy County, New Mexico

Dear Mr. Kilbourn:

The Oil Conservation Division (OCD) has received the discharge plan application, dated January 16, 1991 for the above referenced proposed facility. The following comments and requests for additional information or commitments are based on review of your application.

1. **Section II.B. Effluent Quality Characteristics:**  
After plant startup, a sample of the plant effluent will be obtained and analyzed for major cations/anions, heavy metals and purgable organics.
2. Section II.C.2 states inlet scrubber water will be stored in an open tank. Is this tank above grade or below grade? It is an OCD requirement that all below grade vessels (tanks, sumps, etc.) will be equipped with leak detection. If this tank or any other vessel at the facility is constructed with any portion below the ground surface submit the construction diagrams that clearly show the leak detection system.
3. **Section II.D. Spill/Leak Prevention:**  
All spill notification will be to the OCD Hobbs District Office. Spill notification criteria will be pursuant to Water Quality Control Commission Regulation 1-203.
4. **Berming of Tanks:**  
The bermed areas for all vessels that contain fluids other than fresh water shall be large enough to hold one-third more than the volume of the largest vessel of one-third larger than the total volume of all interconnected vessels contained within the berm.

Mr. Russell A. Kilbourn

June 5, 1991

Page -2-

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,

A handwritten signature in cursive script, reading "Roger C. Anderson". The signature is fluid and extends to the right.

Roger C. Anderson  
Environmental Engineer

RCA/sl

cc: OCD Hobbs Office

**NICOL & ASSOCIATES**

Engineering Consultants

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

OIL CONSERVATION DIVISION  
RECEIVED

'91 APR 8 AM 8 46

March 27, 1991

Mr. Roger Anderson  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501

RE: Discharge Plan  
Continental Natural Gas, Inc.  
Eddy County Plant

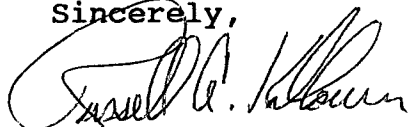
Dear Mr. Anderson:

Please be advised that Continental Natural Gas, Inc. has moved the proposed plant location originally indicated in our Discharge Plan in Section 15, T23S, R28W, Eddy County, NM approximately NE one quarter of a mile to Section 10. The new location is:

SE/4 NW/4/SE/4 Section 10,  
Township 23S, Range 28E  
Eddy County, NM  
Latitude 32° 18' 58"  
Longitude 104° 03' 32"

I have enclosed a new Exhibit 1 for your records. Please advise if you have any questions or need further information.

Sincerely,



Russell A. Kilbourn, P.E.

lsr  
enclosure

EXHIBIT # 1  
PLANT LOCATION

SE1/4 NW1/4 SE1/4 S10, T23S, R28E

Eddy County, New Mexico



# Affidavit of Publication

STATE OF NEW MEXICO )

) ss.

COUNTY OF LEA )

**Joyce Clemens** being first duly sworn on oath deposes and says that he is **Adv. Director** of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

**Notice Of Publication**

and numbered ..... in the

..... Court of Lea County, New Mexico, was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, once each week on the same day of the week, for **one (1)**

consecutive weeks, beginning with the issue of

**May 1** 19**91**

and ending with the issue of

**May 1** 19**91**

And that the cost of publishing said notice is the sum of **\$48.65**

which sum has been (Paid) ~~(Advanced)~~ as Court Costs

Subscribed and sworn to before me this **7th**

day of **May** 19**91**

Notary Public, Lea County, New Mexico

My Commission Expires **Sept. 28** 19**94**

## LEGAL NOTICE 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, the following discharge plan renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P. O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc. Terry Spencer, P. O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-4) - Wasserhund Incorporated, J. E. Hasseloff, President, P. O. Box 249, Lovington, New Mexico, 88260, has submitted a renewal application for the previously approved discharge plan application for their insitu extraction brine well facility. The brine station is located in the SW/4, SW/4, Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2000 feet and brine is extracted with an average Total Dissolved Solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of approximately 120 feet and has a total dissolved solids content of about 500 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-1) - Conoco, Inc. Jerry W. Hoover, Regulatory Coordinator, 10 Deata Drive West, Midland, Texas 79705-4514, has submitted a discharge plan modification application for the previously approved discharge plan application for its Warren McKee brine extraction located in the SW/4, NW/4, Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. The proposed modification is that the Warren McKee Brine Well No. 1, which has been temporarily abandoned for the past year, be returned to active status. Currently, the Warren McKee Brine Well No. 2 is the only active well and is supplying all of the brine used in the Warren McKee Waterflood. The proposed modification allows for the two wells to be operated either alternately or simultaneously in order to optimize brine production and minimize shut down time of the waterflood. Groundwater most likely to be affected by any accidental discharge to the surface is at a depth of 70 to 145 feet with a total dissolved solids concentration of 1150 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest. If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing. GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of April, 1991. To be published on or before May 1, 1991.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
WILLIAM J. LEMAY, Director

Published in the Lovington Leader May 1, 1991.



# Affidavit of Publication

No. 13521

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott

being duly

sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto 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 days consecutive weeks on the same day as follows:

First Publication May 1, 1991

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

Subscribed and sworn to before me this 6th day of May 19 91

Barbara Ann Beans  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

## LEGAL NOTICE

### 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, the following discharge plan

renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-4) - Wasserhund Incorporated, J.E. Hasseloff, President, P.O. Box 249, Lovington, New Mexico, 88260, has submitted a renewal application for the previously approved discharge plan application for their insitu extraction brine well facility. The brine station is located in the SW/4, SW/4, Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2000 feet and brine is extracted with an average Total Dissolved Solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at

a depth of approximately 120 feet and has a total dissolved solids content of about 500 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-1) - Conoco, Inc., Jerry W. Hoover, Regulatory Coordinator, 10 Desta Drive West, Midland, Texas 79705-4514, has submitted a discharge plan modification application for the previously approved discharge plan application for its Warren McKee brine extraction located in the SW/4, NW/4, Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. The proposed modification is that the Warren McKee Brine Well No. 1, which has been temporarily abandoned for the past year, be returned to active status. Currently, the Warren McKee Brine Well No. 2 is the only active well and is supplying all of the brine used in the Warren McKee Waterflood. The proposed modification allows for the two wells to be operated either alternately or simultaneously in order to optimize brine production and minimize shut down time of the waterflood. Groundwater most likely to be affected by any accidental discharge to the surface is at a depth of 70 to 145 feet with a total dissolved solids concentration of 4150 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any



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, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 20888, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-89) Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 480 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

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STATE OF NEW MEXICO  
County of Bernalillo

ss

Thomas J. Smithson being duly sworn declares and says that he is National Advertising manager of the Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, a copy of which is hereto attached, was published in said paper in the regular daily edition,

for.....1.....times, the first publication being on the.....2.....day  
of.....May....., 1991, and the subsequent consecutive  
publications on....., 1991.

*Thomas J. Smithson*  
Sworn and subscribed to before me, a Notary Public in  
and for the County of Bernalillo and State of New  
Mexico, this .....2..... day of .....May....., 1991.

PRICE.....\$ 391.69.....

Statement to come at end of month.

CLA-22-A (R-12/91)

ACCOUNT NUMBER.....C 81184.....

## **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, the following discharge plan renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P. O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

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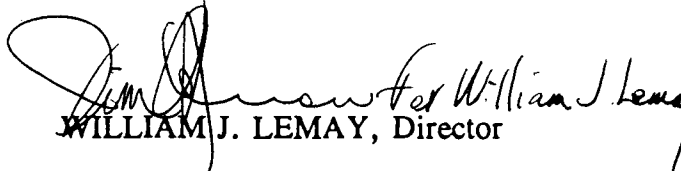
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If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of April, 1991. To be published on or before May 1, 1991.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY, Director

S E A L

# Affidavit of Publication

No. 13446

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto 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

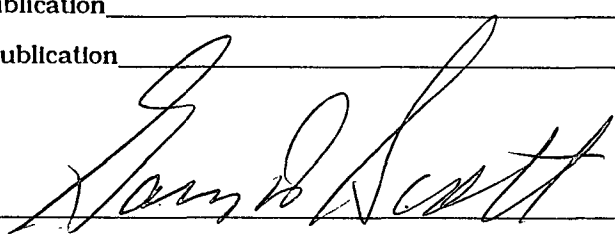
the state of New Mexico for 1 days consecutive weeks on the same day as follows:

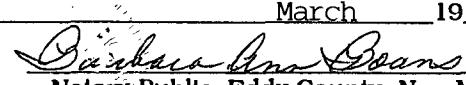
First Publication March 12, 1991

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

  
Subscribed and sworn to before me this 19th day of March 19 91

  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

## LEGAL NOTICE

### 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, the following discharge plan applications and renewal applications have been submitted to the Di-

## Copy of Publication

rector of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has submitted a discharge plan application for its proposed Eddy County Gas Processing Plant located in the NW/4 NE/4, Section 15, Township 23 South, Range 28 West, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by a spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above

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If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 4th day of March, 1991. To be published on or before March 15, 1991.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
s-William J. LeMay  
WILLIAM J. LEMAY  
Director

SEAL  
Published in the Artesia Daily Press, Artesia, N.M. March 12, 1991.

Legal 13446

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, the following discharge plan applications and renewal applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 872-5800:

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 4th day of March, 1991.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
WILLIAM J. LEMAY, Director  
Journal: March 15, 1991

STATE OF NEW MEXICO  
County of Bernalillo

ss

OIL CONSERVATION DIVISION  
RECEIVED

Thomas J. Smithson being duly sworn declares and says that he is National Advertising manager of the Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, a copy of which is hereto attached, was published in said paper in the regular daily edition,

for.....1.....times, the first publication being on the.....15.....day  
of.....Mar....., 1991, and the subsequent consecutive  
publications on....., 1991.

Sworn and subscribed to before me, a Notary Public in  
and for the County of Bernalillo and State of New  
Mexico, this .....15..... day of.....Mar....., 1991.

PRICE

Statement to come at end of month.

CLA-22-A (R-12/91)

ACCOUNT NUMBER.....C 80932.....

**NICOL & ASSOCIATES**

*Engineering Consultants*

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

February 7, 1991

Roger Anderson  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501

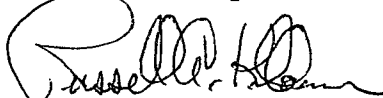
RE: Discharge Plan  
Continental Natural Gas, Inc.  
Eddy County Plant

Dear Mr. Anderson:

Please find enclosed three (3) copies of Continental Natural Gas, Inc. Discharge Plan for your review and approval.

If you need additional information or have any questions please advise.

Yours truly,



Russell A. Kilbourn  
Engineer

lsr  
enclosure  
cc: Wayne Chang

RECEIVED  
NEW MEXICO OIL CONSERVATION DIVISION  
FEB 12 AM 8 37

CONTINENTAL NATURAL GAS, INC.  
DISCHARGE PLAN

I. GENERAL INFORMATION

A. LEGALLY RESPONSIBLE PARTY

Continental Natural Gas, Inc.  
1412 Boston Building, Suite 500  
P.O. Box 21470  
Tulsa, OK 74121

Terry Spencer 918-582-4700

B. LOCAL REPRESENTATIVE

Harley Temple  
209 West Blodgett  
Carlsbad, NM 88220

Phone: 505-885-9119

C. LOCATION OF DISCHARGE

New Facility Title: Eddy County Plant  
Approximately 2 miles Northeast of Loving, NM  
NW/4, NE/4 Section 15, T23S, R28W Eddy County, NM  
Latitude 32° 18' 00" North  
Longitude 104° 3' 00" West  
Map: See Exhibit 1

D. TYPE OF OPERATION

The proposed facilities will consist of two (2) Skid mounted refrigeration plants having a total design capacity of 16,000 MCFD. Associated with the plants will be two (2) 160,000 BTU/hr. glycol dehydrator units, three (3) engine driven compressors, two (2) 30,000 gallon product storage tanks, one (1) 210 bbl slop tank and one (1) dehydrator drain tank.

II. PLANT PROCESSES

A. SOURCES AND QUANTITIES OF EFFLUENT

1. Inlet Separator - Inlet stream gas simulation (see Exhibit 2) indicates no hydrocarbon drop out under normal operating conditions. Water production expected to be from one (1) to nine (9) bbls/day depending on weather conditions and well-head equipment operation.
2. Dehydrator/Reboilers - Inlet gas after being compressed is dehydrated through two (2) triethelene glycol dehydrators removing an estimated two (2) bbls/day of water.
3. Engine Cooling Water - Each of the three compressors contain approximately 80 gallons of a 50% antifreeze 50% water mixture for cooling. Normally there is no usage or makeup required.

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DIVISION

4. Waste Engine Oils - Each of the three compressors and engine sumps contain approximately 30 gallons of oil. Engine oils are changed approximately every 1000 hours of operation producing an average of six (6) gallons of waste oils per day.

B. QUALITY CHARACTERISTICS

1. None of the produced fluids are commingled with the plant.
2. Individual rates, volumes and concentrations should not vary.
3. All process units will be self contained to prevent unintentional discharges and spills.

C. TRANSFER AND STORAGE OF PROCESS FLUIDS AND EFFLUENT

1. Waste water flow schematic is shown on Exhibit #3.
2. Free water removed from the inlet separator is expected to be of similar quality as found from the gas production zone with small amounts of condensates (see Exhibit #4). Water cooked off of dehydrators are expected to be of similar quality as above with traces of glycol. This water will be stored in a open tank.

All liquid storage tanks are welded steel and meet A.P.I. specifications. Tanks will be constructed above ground level. The slop tank will be equipped with vacuum/pressure release hatches to prevent rupture of the tank from sudden gas surges or collapsing of the tank due to a vacuum while removing liquids.

An earthen dike enclosure will be used as a secondary containment basin for the content of each tank. All water, separator dump lines, and water lines will be unlined, new steel material.

Leakage from undiked equipment such as compressors, pumps and control valves will be controlled by the use of drip pans, sumps, etc. Fluids from such leaks will be removed by vacuum trucks.



D. SPILL/LEAK PREVENTION

The system operator will visually inspect the plant systems and gage all storage tanks on his appointed rounds daily. All malfunctions, improper equipment operations and irregularities discovered will be immediately logged, reported and corrected.

Emergency phone numbers of appropriate district personnel, contractors and state and federal agencies shall be maintained as part of this plan. See Exhibit #5.

E. EFFLUENT DISPOSAL

Waste water, rain water from sumps and/or containment dikes, and waste engine oil will be disposed of by a commercial, state approved, disposal company. Listed below are the names and addresses of companies we anticipate using:

Waste Water: Rowland Trucking Co.  
418 South Grimes  
Hobbs, NM 88240  
505-885-2053  
See Exhibit #6

Waste Water: B & E, INC.  
South Y Box 756  
Carlsbad, NM  
505-885-6663  
See Exhibit #7

Waste Engine Oil: Industrial Service Corporation  
P.O. Box 2812  
2112E 48th Street  
Lubbock, TX 79408  
See Exhibit #8

F. HYDROLOGIC FEATURES

1. The Pecos River is the nearest body of water. This stream is approximately 3/4 mile east of the proposed plant site. There is an irrigation canal to the south of the site within the one mile perimeter.
2. The proposed site is located in a shallow basin and any inadvertent or accidental discharge of fluid would remain within the immediate area. No runoff would be possible into any of the surrounding streams.

G. GEOLOGIC DESCRIPTION OF FORMATIONS

1. The attached well drilling records obtained from the state engineers office (see Exhibit 9) include the location and drilling logs showing the soil types and formations of nearby domestic water wells.

H. FLOOD PROTECTION

1. The proposed site is located outside of the Pecos River flood plain. Local residents indicate that there has been no local flooding.

cng\discharge.pln

DISCHARGE PERMIT

COMPANY NAME Continental Natural Gas, Inc.

CERTIFICATION:

I, TERRY K. SPENCER, hereby certify that the information and data submitted in this application are completely true and as accurate as possible, to the best of my personal knowledge and professional expertise and experience.

Signed this 16th day of January, 19 91, upon my oath or affirmation, before a notary of the State of Oklahoma.

Terry K. Spencer  
SIGNATURE

1/16/91  
DATE

TERRY K. SPENCER  
PRINTED NAME

Subscribed and sworn to before me on this 16th day of January, 19 91.

My authorization as a Notary of the State of Oklahoma expires on the 15th day of May, 19 91.

Susan L. Case  
NOTARY'S SIGNATURE

1/16/91  
DATE

SUSAN L. CASE  
NOTARY'S PRINTED NAME

EXHIBIT <sup>#1</sup>

# PLANT LOCATION

NW/4, NE/4 S15, T23S, R28E  
EDDY COUNTY, N.M.



\*\*\*\*\*  
 VAPOR OUTLET 2 7,999 MMSCFD

	MOLE/HF	MOLE %	% OF PLANT FEED
METHANE	649.80	73.984	100.00
ETHANE	111.30	12.670	100.00
PROPANE	54.600	6.2166	100.00
I-BUTANE	5.3000	.60344	100.00
N-BUTANE	12.600	1.4346	100.00
I-PENTANE	2.4000	.27326	100.00
N-PENTANE	2.5000	.28464	100.00
N-HEXANE	1.1000	.12524	100.00
N-HEPTANE	1.1000	.12524	100.00
NITROGEN	36.400	4.1444	100.00
CARBON DIOXIDE	1.2000	.13663	100.00
TOTAL FOR STREAM	878.30	100.00	100.00
FLOW BY VOLUME	7.9986	MMSCFD	
TEMPERATURE	60.000	DEG F	
PRESSURE	264.00	PSIA	
MOLECULAR WEIGHT	21.462		
GROSS HEATING VALUE	1229.2	BTU/SCF	

\*\*\*\*\*  
 BRIEF v1.02 - (c) 1984, 1985 by UnderWare, Inc. Line: 195 Col: 1 # 9:41 am

No liquid drop-out under normal conditions.

## EXHIBIT 2

Gas/Liquid Separator

STREAM NUMBER

S TOTAL

#MOL/HR

METHANE	.000
ETHANE	.001
PROPANE	.005
I-BUTANE	.002
N-BUTANE	.011
I-PENTANE	.010
N-PENTANE	.017
N-HEXANE	.043
N-HEPTANE	.186
NITROGEN	.000
CARBON DIOXIDE	.000

TEMPERATURE DEG F	100.0
PRESSURE PSIA	15.0
PERCENTAGE LIQUID(A)	100.0
PERCENTAGE LIQUID(B)	.0
MOLECULAR WEIGHT	91.7

ENTHALPY MBTU / HR	-.2
FLOW LB PER HOUR	25.3
FLOW LBMOL PER HOUR	.3
FLOW FT <sup>3</sup> PER HOUR	.6
FLOW MMSCFD	.0000
FLOW GPM	.0773
FLOW STD(60 DEG) GPM	.0753

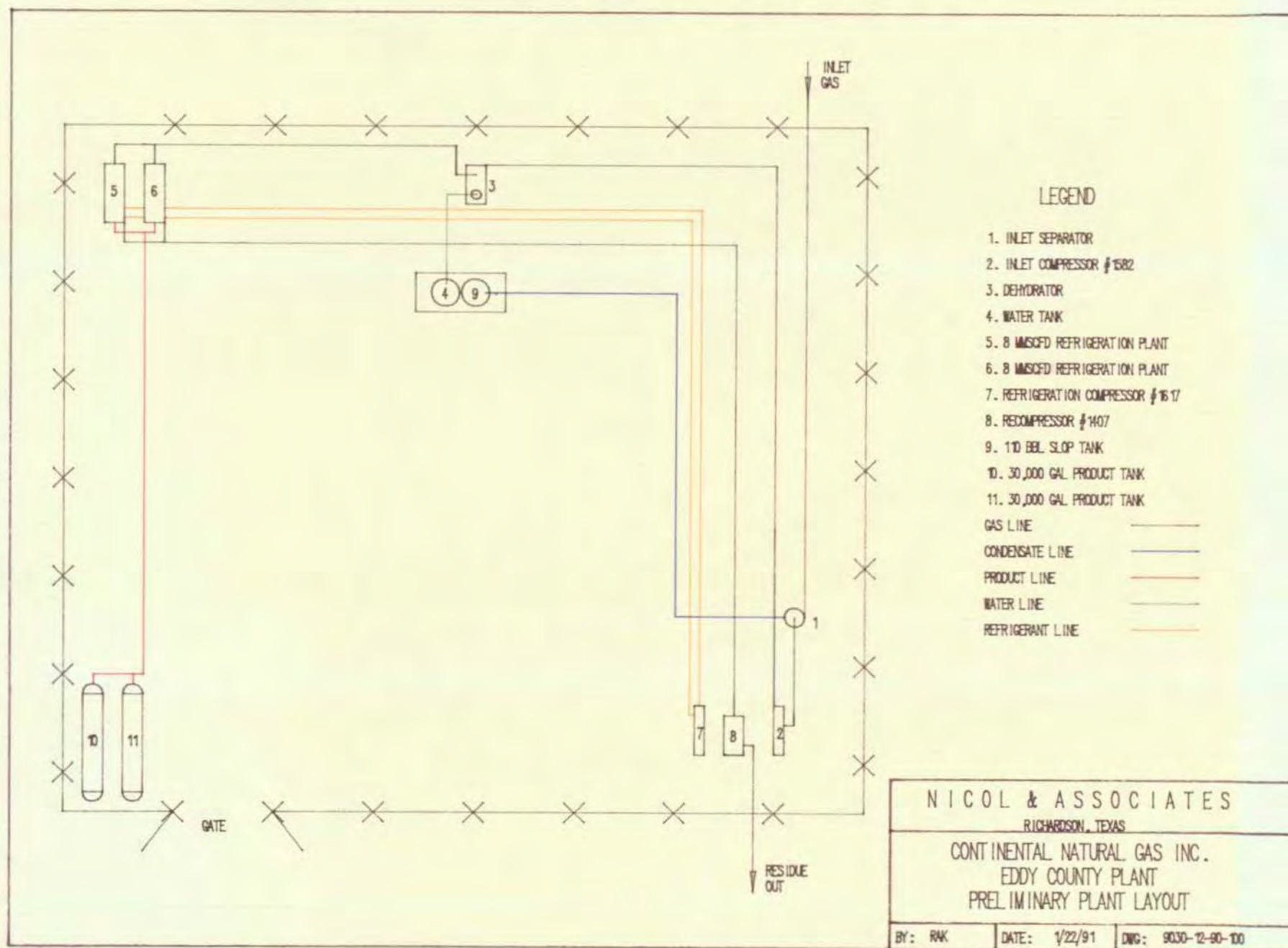
DENSITY LB PER FT <sup>3</sup>	40.8718	5.46 #/gal.
VISCOSITY CENTIPOISE	.2852	
TC BTU/(HR DEG F FT)	.0745	
CP BTU / (LB DEG F)	.5603	

ENTHALPY BTU PER LB	-8.8
---------------------	------

FROM BLOCK	F4.0
TO BLOCK	OUTLET

Hydrocarbon composition expected if drop-out occurs.





## HALLIBURTON SERVICES

## ARTESIA DISTRICT

## LABORATORY REPORT

No. W551, W552, &amp; W553-90

TO Yates Petroleum CorporationDate September 26, 1990103 South Fourth StreetArtesia, NM 88210

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or otherwise copied and copying without express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services.

Submitted by \_\_\_\_\_

Date Rec. September 25, 1990Well No. Loving AIB #1

Depth \_\_\_\_\_

Formation \_\_\_\_\_

Field 16-23-28

County \_\_\_\_\_

Source \_\_\_\_\_

Resistivity .....	0.060	0.060	0.063
Specific Gravity ..	1.1306	1.1286	1.1077
pH .....	7.5	7.5	7.6
Calcium .....	15,588	16,125	14,513
Magnesium .....	3,983	3,265	2,286
Chlorides .....	116,000	114,000	94,000
Sulfates .....	Medium	Medium	Medium
Bicarbonates .....	1,068	915	1,281
Soluble Iron .....	100	250	250

## EXHIBIT 4

## Formation Water Analysis

  
Respectfully submittedAnalyst: Eric Jacobson - Field Engineer

HALLIBURTON SERVICES

## NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof.



## HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

MIDLAND DIVISION  
ALBUQUERQUE, NEW MEXICO 88210

## LABORATORY WATER ANALYSIS

No. W421-84

To Cimarron EnergyDate August 22, 1984P. O. Box 1525Carlsbad, NM 88220

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by Bill BakerDate Rec. August 22, 1984Well No. Watts Fed. #1 Depth 5737' to 5747' Formation DelawareCounty Eddy Field Wildcat Source SwabSec. 31, T 23-S, R 28-E

Resistivity	.07 @ 68°	
Specific Gravity	1.140 @ 60°	
pH	6.8	
Calcium (Ca)	15,300	*MPL
Magnesium (Mg)	1,800	
Chlorides (Cl)	131,000	
Sulfates (SO <sub>4</sub> )	Light	
Bicarbonates (HCO <sub>3</sub> )	300	
Soluble Iron (Fe)	Light	
KCL	0%	

Remarks:

\*Milligrams per liter

Warren Lane

Respectfully submitted,

Analyst: Warren Lane - Field Engineer

HALLIBURTON COMPANY

cc:

## NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be in fact or omission, resulting from such report or its use.

EXHIBIT 5

Telephone Numbers

CONTINENTAL NATURAL GAS, INC.  
EDDY COUNTY PLANT

EMERGENCY PHONE NUMBERS

Harley Temple	505-885-9119
Wayne Chang	918-560-4966
Continental, Tulsa Office	918-582-4700

STATE AND FEDERAL AUTHORITIES

New Mexico State Oil Conservation Division	505-827-5812
U.S. Environmental Protection Agency	214-749-3971
National Response Center	800-424-8802

CONTRACTORS

Ferguson Construction Co.	505-397-1418
B & H Construction Co.	505-394-2588
C.P. Construction	505-392-5608

TRUCKS

Halliburton Services	800-227-2942
Rowland Trucking Co.	505-885-2053
B & E Inc.	505-885-6663
Industrial Service Corp.	806-749-6219

cng\eddyplnt.nos 2.91

EXHIBIT 6

Water Trucking Company



STATE CORPORATION COMMISSION OF NEW MEXICO  
*Certificate of Public Convenience and Necessity*

CERTIFICATE NO. 950-1

A Certificate of Public Convenience and Necessity is hereby granted:

UNICHEM INTERNATIONAL, INC., d/b/a ROWLAND TRUCKING COMPANY  
 418 South Grimes  
 Hobbs, New Mexico 88240

To operate a Common Motor Carrier Freight Service over the route and by the schedules heretofore by this Commission, or which may hereafter be approved by this Commission, said route being as follows:

INTRASTATE: Transportation of oil and water between points and places in Eddy, Chaves and Lea Counties. Transportation of all liquids, in bulk, in tank trucks, used in, or in connection with, the discovery, development, production, refining, manufacture, processing, and storage of natural gas and petroleum, and their products and by-products, provided that all hauls of refined petroleum products be restricted to movements to oil well locations and the resultant salvage thereof from oil well locations, with points of origin or destination in each instance being within the named counties of New Mexico, only, with no diversion of shipment in transit to storage, over irregular routes under non-scheduled service.

This Certificate to remain in effect from and after date hereof, subject to applicable provisions of the New Mexico Motor Carrier Act, and Rules, Regulations and Requirements prescribed thereunder. Pursuant to the Commission's Final Order dated June 29, 1987.

DONE, this 9<sup>TH</sup> day of JANUARY, 1989.

NEW MEXICO STATE CORPORATION COMMISSION

Eric P. Serna  
 ERIC P. SERNA, Chairman

Jerome D. Block  
 JEROME D. BLOCK, Commissioner

Louis E. G  
 LOUIS E. G

TRANSPORTS • KILL TRUCKS • HOT OILERS  
 FRESH AND BRINE WATER SALES • FRAC TANKS  
 VACUUM TRUCKS • S.O.P.'S

ROWLAND TRUCKING CO.

ED HESSELSCHWERDT  
 HOME 885-0252 • CARLSEAD  
 MOBIL 885 1801 • 1024

ATTEST:

Richard I. Harris  
 RICHARD I. HARRIS CHIEF CLERK

EXHIBIT 7

Water Trucking Company

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

THE HEARING  
CONSERVATION  
PURPOSE OF

P-C'D

DEC 1 8 1985

CASE NO. 7612  
Order No. R-7031

APPLICATION OF B & E, INC. FOR  
SALT WATER DISPOSAL, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 23, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of July, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, B & E, Inc., has certain rights to dispose of salt water in a brine lake known as Laguna Cuatro and is in the process of acquiring rights to also dispose of salt water in a brine lake known as Laguna Tres, both in Eddy County, New Mexico.

(3) That the applicant proposes to install and operate a commercial facility for the disposal of salt water into the Southeast end of Laguna Tres in Section 12, Township 23 South, Range 29 East and/or into the Northeast side of Laguna Cuatro in Section 6, Township 23 South, Range 30 East, both in Eddy County, New Mexico.

(4) That Order (3) of Division Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other

COPY

Case No. 7612  
Order No. R-7031

place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(5) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(6) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(7) That the applicant seeks an exception to the provisions of the aforesaid Order (3) of Division Order No. R-3221, as amended, to permit the commercial disposal of produced salt water into either or both of the aforesaid lakes at the sites described above.

(8) That the applicant proposes to install and operate an effective system for the removal of oily and solid waste material from the waters to be disposed of, said system being equipped to monitor the discharge stream and to automatically shut the facility down should water quality deteriorate below an accepted average level of 15 parts insoluble oils per million parts of water.

(9) That said facilities should be capable of handling up to 14,400 barrels of water per day at each of the proposed sites, but 7,500 barrels per day is a reasonable limit to place on each facility at this time.

(10) That the discharge of 7,500 barrels of salt water per day into either or both of the proposed salt lakes will not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(11) That the surface area of each of the aforesaid salt lakes is sufficient to permit the evaporation of at least 7500 barrels of salt water per day, and the disposal of that amount of water into each of said lakes will not adversely affect the existing hydrologic systems in said lakes.

(12) That the commercial disposal of salt water into Laguna Tres and/or Laguna Cuatro in the amounts, and manner described above will not impair correlative rights nor cause waste, and should be approved, provided however, that the Division Director should be authorized to suspend disposal operations by the applicant into either or both of said lakes if applicant fails to prevent oil or other deleterious wastes from escaping to the lakes in harmful quantities.

IT IS THEREFORE ORDERED:

(1) That the applicant, B & E, Inc., is hereby authorized to install and operate a commercial salt water treating and disposal facility at the southeast end of Laguna Tres in Section 12, Township 23 South, Range 29 East, NMPM, and/or at the northeast side of Laguna Cuatro in Section 6, Township 23 South, Range 30 East, NMPM, both in Eddy County, New Mexico, said systems being limited to the disposal of a maximum of 7,500 barrels of salt water per day at each site.

(2) That the operator shall install and maintain in good operating condition a salt water treating facility at each site utilized for salt water disposal, said treating facility being designed and operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

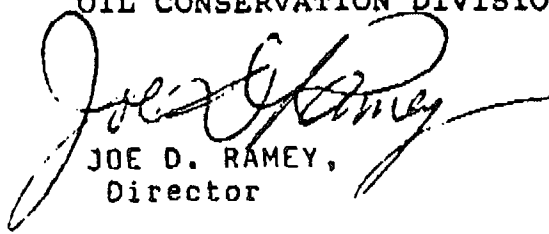
(3) That each of the aforesaid salt water treating facilities shall be so equipped as to monitor the salt water disposal stream and automatically shut the facility down if disposal water quality should deteriorate to an unacceptable level.

(4) That the Division Director shall have authority to suspend operations at the facilities herein authorized upon failure of the applicant to prevent oil or other deleterious substances from entering Laguna Tres and/or Laguna Cuatro in harmful quantities.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

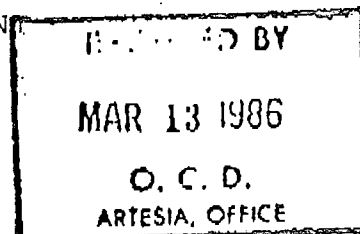
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY,  
Director

S E A L

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8800  
Order No. R-7031-A

APPLICATION OF B & E, INC. FOR  
AN AMENDMENT TO DIVISION ORDER  
NO. R-7031, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 9, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 11th day of March, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, B & E, Inc., seeks authority to increase the maximum allowable discharge of produced water into Laguna Cuatro to 15,000 barrels per day at their commercial salt water disposal facility located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) The applicant further seeks authority to dispose of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products, into three unlined pits located at said disposal site.

(4) By Division Order No. R-7031, issued in Case No. 7612, and dated July 21, 1982, the applicant was given authority to construct and operate a salt water treating and disposal facility on the northeast side of a brine lake known as Laguna Cuatro located as described in Finding No. (2) above.

(5) Finding No. (9) of said Division Order No. R-7031 stated that the facility should be capable of handling up to 14,400 barrels of water per day but that 7,500 barrels of water per day was a reasonable limit to place on the facility at that time.

(6) The maximum allowable discharge of 7,500 barrels of water per day was placed on the facility in order to assure that there would not be any detrimental effects to the existing hydrologic system in said lake.

(7) A hydrologic study was conducted on the Laguna Cuatro site by Geohydrology Associates, Inc. in 1985 to determine the hydrologic impact of increasing the discharge of salt water to 15,000 barrels per day into said lake.

(8) The results of this study indicated that the evaporation rates in Laguna Cuatro are at least adequate to dispose of the additional volume of salt water and that there will not be any detrimental effects to the existing hydrologic system in said lake due to such increased volume.

(9) The discharge of 15,000 barrels of salt water per day into Laguna Cuatro should not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(10) The applicant proposes to construct three unlined surface pits to be located in the vicinity of their salt water disposal facility for the purpose of disposing of drill cuttings and drilling fluids.

(11) Based on the hydrologic evidence presented at the hearing and in Division Case No. 7612, the use of unlined pits at this location to dispose of drill cuttings, drilling fluids, and other related solids should not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(12) At the time of the hearing the applicant stated that the maximum fill level in all of the above mentioned pits is to be limited to a plane two feet below the crest of the dikes surrounding the pits.

(13) Said facility should have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the property.



IT IS THEREFORE ORDERED THAT:

(1) The applicant, B & E, Inc., is hereby authorized to increase their discharge to 15,000 barrels per day into

B & E, INC.

TEL No. 5058855988

Jan. 21, 91 2:32 P.05

Laguna Cuatro at their salt water disposal site, located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, provided that the facility is operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

(2) The applicant is further authorized to construct and operate three unlined pits at said disposal site for the purpose of disposing of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products.

PROVIDED HOWEVER THAT, the sizes and locations of said unlined pits shall be in accordance with the engineering data presented at the time of the hearing and marked as B & E, Inc. Exhibit No. "A".


PROVIDED FURTHER THAT, the facility shall have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the facility.

PROVIDED FURTHER THAT, the maximum fill level in each of the above said pits shall be limited to a plane two feet below the crest of the dikes surrounding the pits.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
R. L. STAMETS  
Director

S E A L  
fd/

-3-

Case No. 8800

Order No. R-7031-A

IT IS THEREFORE ORDERED THAT:

(1) The applicant, B & E, Inc., is hereby authorized to increase their discharge to 15,000 barrels per day into Laguna Cuatro at their salt water disposal site, located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, provided that the facility is operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

(2) The applicant is further authorized to construct and operate three unlined pits at said disposal site for the purpose of disposing of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products.

PROVIDED HOWEVER THAT, the sizes and locations of said unlined pits shall be in accordance with the engineering data presented at the time of the hearing and marked as B & E, Inc. Exhibit No. "A".

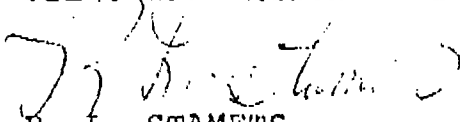
PROVIDED FURTHER THAT, the facility shall have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the facility.

PROVIDED FURTHER THAT, the maximum fill level in each of the above said pits shall be limited to a plane two feet below the crest of the dikes surrounding the pits.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
R. L. STAMETS  
Director

S E A L  
fd/

RECEIVED JAN 25 1991

INDUSTRIAL SERVICE CORPORATION  
P.O. BOX 2812  
2112 E. 48TH STREET  
LUBBOCK, TEXAS 79408  
(806) 747-6219

January 23, 1991

Nicol & Associates  
331 Melrose Dr. Suite 121  
Richardson, Texas 75080

Mr. Russell Kilbourn

Industrial Service Corp. is a used motor oil processor.

Our process consist of using heat and filters to remove the water and sludge from the used oil.

Our finished product is classified as a heavy industrial boiler fuel.

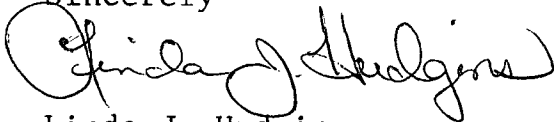
We do not accept any hazardous products or any used oil containing hazardous products.

The processed oil is sold as a # 5 burner fuel and exported to various destinations.

Our E.P.A. # is TXT 49001-2598. Our Transporter I.D. # and our Facility # is 37343.

If you have any questions, please call or write to me.

Sincerely



Linda J. Hudgins  
Office Manager

EXHIBIT 8

Waste Oil Trucking Company

## WELL RECORD

EXHIBIT 9

Well Logs

executed in triplicate, preferably typewritten, and submitted to the engineer. All sections, except Section 5, shall be answered as completely and is drilled, repaired or deepened. When this form is used as a plugging need be completed.

Owner of well Messrs. T. R. Caviness and E. C. Paine  
and Number P. O. Box 1718


City Carlsbad State New Mexico

Well was drilled under Permit No. 501A and is located in the  
SW $\frac{1}{4}$  SW $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 15 Twp. 23S Rge. 28E

(B) Drilling Contractor Howard Hemler License No. WD-24

Street and Number Old Cavern Road

City Carlsbad State New Mexico

Drilling was commenced 10 August 19 65

Drilling was completed 27 August 19 65

(Plat of 640 acres)

Elevation at top of casing in feet above sea level \_\_\_\_\_ Total depth of well 190 feet

State whether well is shallow or artesian Shallow Depth to water upon completion 50 feet

## Section 2

## PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	60	65	5 ft.	Gravel and conglomerate
2				
3				
4				
5				

## Section 3

## RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
16 in.	41	1b Welded	0	130'	130	None	60	70
							100	110

## Section 4

## RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				
	NONE	NONE	NONE	NONE	NONE

## Section 5

## PLUGGING RECORD

Name of Plugging Contractor \_\_\_\_\_ License No. \_\_\_\_\_

Street and Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

Tons of Clay used \_\_\_\_\_ Tons of Roughage used \_\_\_\_\_ Type of roughage \_\_\_\_\_

Plugging method used \_\_\_\_\_ Date Plugged \_\_\_\_\_ 19 \_\_\_\_\_

Plugging approved by: \_\_\_\_\_

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	

Basin Supervisor

FOR USE OF STATE ENGINEER ONLY

Date Received \_\_\_\_\_

98:16 HV 81 NVC 9961

File No.

C-501-A

Use

Jrr

Location No.

23.28.15.433

Section 6 15

~~Howard Hemler~~

Howard Hemmler  
Well Driller

FIELD ENGINEER LOG

## WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

## Section 1


(A) Owner of well DANIEL H. MAGBYStreet and Number ROUTE 1, BOX 17City LOVING State NEW MEXICOWell was drilled under Permit No. C269 and is located in theSE 1/4 SE 1/4 NE 1/4 of Section 15 Twp. 23 S Rge. 28E(B) Drilling Contractor R. H. FREEKLicense No. WD 212Street and Number VAN DAWSON COURTS, NORTH YCity CARLSBAD State NEW MEXICODrilling was commenced MARCH 1, 19 58Drilling was completed MARCH 30, 19 58

(Plat of 640 acres)

Elevation at top of casing in feet above sea level \_\_\_\_\_ Total depth of well 240State whether well is shallow or artesian SHALLOW Depth to water upon completion 35

## Section 2

## PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	40	65	25	RED ROCK FORMATION WATER
2	200	205	5	BLUE SHALE WATER
3				20 GAL. NO SALT WATER
4				
5				

## Section 3

## RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
6	24	WELDED		85	85	SHOE		
		HOLE DRY		85	200	SALT WATER 20 G. HR.		
				200	205	BLUE SHALE SALT WATER		

## Section 4

## RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				
		6		2	FILL HOLE WITH HEAVY MUD TO 125 WITH ROCKS CEMENTING 100 THEN PULL PIPE

## Section 5

## PLUGGING RECORD

Name of Plugging Contractor \_\_\_\_\_ License No. \_\_\_\_\_

Street and Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

Tons of Clay used \_\_\_\_\_ Tons of Roughage used \_\_\_\_\_ Type of roughage \_\_\_\_\_

Plugging method used \_\_\_\_\_ Date Plugged \_\_\_\_\_ 19 \_\_\_\_\_

Plugging approved by: \_\_\_\_\_

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	

Basin Supervisor	
FOR USE OF STATE ENGINEER ONLY	
Date Received	APR 8 1958
OFFICE OF GROUND WATERS ROSSELL, NEW MEXICO	

File No. C-269Use Dr.Location No. 23.28.15.244

## LOG OF WELL

The undersigned hereby certifies that, to the best of his knowledge and belief, the foregoing is a true and correct record of the above described well.

R. H. Freek  
Well Driller R. H. FREEK

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1


(A) Owner of well Daniel Magby  
Street and Number RT 1 Box 17  
City Carleton State W. Mex  
Well was drilled under Permit No. C-269 and is located in the  
SE 1/4 SE 1/4 NE 1/4 of Section 15 Twp. 23S Rge. 18E  
(B) Drilling Contractor Sam Smith License No. WD 108  
Street and Number 306 E Rose  
City Carleton State W. Mex  
Drilling was commenced 1966  
Drilling was completed 1966

(Plat of 640 acres)

Elevation at top of casing in feet above sea level \_\_\_\_\_ Total depth of well 150  
State whether well is shallow or artesian Shallow Depth to water upon completion 50

Section 2

PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	60	65	5	GRAVEL
2				
3				
4				
5				

Section 3

RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
7 1/2								

Section 4

RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				

Section 5

PLUGGING RECORD

Name of Plugging Contractor \_\_\_\_\_ License No. \_\_\_\_\_  
Street and Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_  
Tons of Clay used \_\_\_\_\_ Tons of Roughage used \_\_\_\_\_ Type of roughage \_\_\_\_\_  
Plugging method used \_\_\_\_\_ Date Plugged \_\_\_\_\_ 19 \_\_\_\_\_  
Plugging approved by: \_\_\_\_\_ Cement Plugs were placed as follows:

Basin Supervisor		
FOR USE OF STATE ENGINEER ONLY		
Date Received <u>APR 21 1967</u>		
File No. <u>C-269</u> Use <u>Err.</u> Location No. <u>23.28.15.244</u>		

No.	Depth of Plug		No. of Sacks Used
	From	To	





# WELL RECORD

File No.

C-128

C-379(7)

INSTRUCTIONS: This form should be typewritten, and filed in the office of the State Engineer, (P.O. Box 1079) Santa Fe, New Mexico, unless the well is situated in the Roswell Artesian Basin, in which case it should be filed in the office of the Artesian Well Supervisor, Roswell, New Mexico. Section 5 should be answered only if an old artesian well has been plugged. All other sections should be answered in full in every case, regardless of whether the well drilled is shallow or artesian in character. This report must be subscribed and sworn to before a Notary Public.

## Sec. 1

NW	NE
SW	SE

(Plat of 640 acres)  
Locate Well Accurately

Owner of well VLARIO VERGUEZ  
Street and Number Rt. 1 Box 16  
Post Office Loving, New Mexico  
Well was drilled under Permit No. C-128 and  
is located in the NE  $\frac{1}{4}$  SE  $\frac{1}{4}$  So.  $\frac{1}{4}$  of Section SE, except  
West  $\frac{1}{2}$  of NE, SE, SE  
Township \_\_\_\_\_, Range \_\_\_\_\_  
Drilling Contractor San S. Smith (R.D. 109)  
Street and Number 306 E. Rose St.  
Post Office Carlsbad, New Mexico

Drilling was commenced December 24, 1954 Drilling was completed January 10, 1953

Elevation at top of casing in feet above sea level \_\_\_\_\_

State whether well is shallow or artesian shallow

Total depth of well 149' 7" feet.

## Sec. 2

### PRINCIPAL WATER-BEARING STRATA

No. 1, from 25' to 120', Thickness in feet \_\_\_\_\_, Formation conglomerate rock  
No. 2, from \_\_\_\_\_ to \_\_\_\_\_, Thickness in feet \_\_\_\_\_, Formation \_\_\_\_\_  
No. 3, from \_\_\_\_\_ to \_\_\_\_\_, Thickness in feet \_\_\_\_\_, Formation \_\_\_\_\_  
No. 4, from \_\_\_\_\_ to \_\_\_\_\_, Thickness in feet \_\_\_\_\_, Formation \_\_\_\_\_  
No. 5, from \_\_\_\_\_ to \_\_\_\_\_, Thickness in feet \_\_\_\_\_, Formation \_\_\_\_\_

## Sec. 3

### RECORD OF CASING

DIAMETER IN INCHES	POUNDS PER FOOT	THREADS PER INCH	NAME OF MANUFACTURER	FEET OF CASING	TYPE OF SHOE	PERFORATED		PURPOSE
						FROM	TO	
Run 149' 7" of	14" pipe					36' 7"	130' 1"	
Set 26	6" of 18" top casing							

## Sec. 4

### RECORD OF MUDDING AND CEMENTING

DIAMETER OF HOLE IN INCHES	NUMBER OF SACKS OF CEMENT	METHODS USED	SPECIFIC GRAVITY OF MUD	TONS OF CLAY USED

## Sec. 5

### PLUGGING RECORD OF OLD WELL

Well is located in the  $\frac{1}{4}$   $\frac{1}{4}$   $\frac{1}{4}$  of Section \_\_\_\_\_, Township \_\_\_\_\_  
Range \_\_\_\_\_ Name of plugging contractor \_\_\_\_\_  
Street and Number \_\_\_\_\_ Post Office \_\_\_\_\_  
Tons of clay used \_\_\_\_\_ Tons of roughage used \_\_\_\_\_ Type of roughage \_\_\_\_\_  
Was plugging approved by Artesian Well Supervisor \_\_\_\_\_

Cement plugs were placed as follows:

No. 1 was placed at \_\_\_\_\_ feet Number of sacks of cement used \_\_\_\_\_  
No. 2 was placed at \_\_\_\_\_ feet Number of sacks of cement used \_\_\_\_\_  
No. 3 was placed at \_\_\_\_\_ feet Number of sacks of cement used \_\_\_\_\_  
No. 4 was placed at \_\_\_\_\_ feet Number of sacks of cement used \_\_\_\_\_  
No. 5 was placed at \_\_\_\_\_ feet Number of sacks of cement used \_\_\_\_\_

(OVER)

VLARIO VERGUEZ

23.28.15.244

Street and Number

A. D., 19

Signed

I, ....., do solemnly swear that, to the best of my knowledge and belief, the foregoing information is a true and correct record of the well for which report is hereby made, insofar as can

[illegible]

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1

#2	017	CBA-A-54	
#13	017	IKK-420-A	

(Plat of 640 acres)

(A) Owner of well Beuford Yarbrow  
Street and Number \_\_\_\_\_  
City Carlsbad State New Mexico  
Well was drilled under Permit No. C-501 and is located in the  
NW ¼ NE ¼ SW ¼ of Section 15 Twp. 23 S Rge. 28 E  
(B) Drilling Contractor J. F. Kimmell License No. WD 153  
Street and Number \_\_\_\_\_  
City Carlsbad State New Mexico  
Drilling was commenced Jan. 12 19 54  
Drilling was completed Feb. 10 19 54

Elevation at top of casing in feet above sea level \_\_\_\_\_ Total depth of well 160 feet  
State whether well is shallow or artesian shallow Depth to water upon completion 20 feet

Section 2

PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	50	69	19	Sand
2	75	92	17	Sand and Gravel
3	138	148	10	Sand
4				
5				

Section 3

RECORD OF CASING

Dia. in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
16			Surface		116'6"			

Section 4

RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				
13	15				
104	105				
107	108				

Section 5

PLUGGING RECORD

Name of Plugging Contractor \_\_\_\_\_ License No. \_\_\_\_\_  
Street and Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_  
Tons of Clay used \_\_\_\_\_ Tons of Roughage used \_\_\_\_\_ Type of roughage \_\_\_\_\_  
Plugging method used \_\_\_\_\_ Date Plugged 19 \_\_\_\_\_  
Plugging approved by: \_\_\_\_\_

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	
			FILED
			Oct. 13, 1954
			Office
			Ground Water Supervisor
			Roswell, New Mexico

Basin Supervisor

FOR USE OF STATE ENGINEER ONLY

Date Received

File No. 2nd C-501

Use

Location No. 23.28.15.32111

## LOG OF WELL

1. The first step is to identify the problem. This involves understanding the current situation and the goals that need to be achieved.



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

January 16, 1991

CERTIFIED MAIL  
RETURN RECEIPT NO. P-327-278-041

Mr. Terry Spencer, Vice President  
Continental Natural Gas, Inc.  
P. O. Box 21470  
Tulsa, Oklahoma 74121

RE: Discharge Plan Requirement  
Proposed Gas Processing Plant  
NW/4 NE/4 Section 15,  
Township 23 South, Range 28 East  
Eddy County, New Mexico

Dear Mr. Spencer:

Under the provisions of Water Quality Control Commission (WQCC) Regulations, you are hereby notified that the filing of a discharge plan is required for the above referenced new facility.

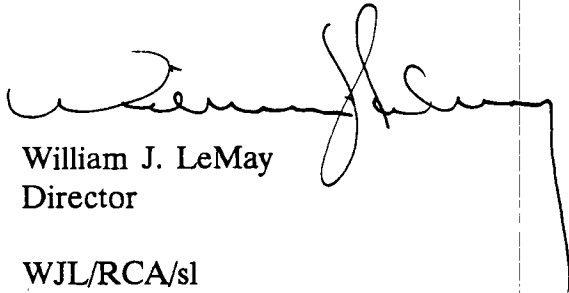
This notification of discharge plan requirement is pursuant to Sections 3-104 and 3-106.B. of the WQCC Regulations. The discharge plan, defined in Section 1.101.P. of the WQCC Regulations, should cover all discharges of effluent or leachate at the plant site or adjacent to the plant site. Included in the application should be plans for controlling spills and accidental discharges at the facility (including detection of leaks in buried underground tanks and/or piping).

A copy of the regulations is enclosed for your convenience. Also enclosed is a copy of an OCD guide to the preparation discharge plans for gas processing plants. The guidelines are presently being revised to include berming of tanks, curbing and paving of process areas susceptible to leaks or spills and the disposition of any solid wastes. Three copies of each discharge plan application should be submitted.

Mr. Terry Spencer  
January 16, 1991  
Page -2-

If there are any questions on this matter, please feel free to call David Boyer at 827-5812, or Roger Anderson at 827-5884 as they have the assigned responsibility for review of all discharge plans.

Sincerely,



William J. LeMay  
Director

WJL/RCA/sl

Enclosure

cc:   OCD Hobbs Office  
      R.A. Kilbourne, Nical & Associates (w/enclosure)

**NICOL & ASSOCIATES**

Engineering Consultants

331 Melrose Drive, Suite 121

Richardson, Texas 75080

(214) 437-9136

TELEFAX COVER PAGE

OUR FAX NO. (214) 437-5443

DATE: 1/11/91

NUMBER OF PAGES (INCLUDING COVER SHEET): 5

TO: Mr. Roger Anderson

COMPANY: New Mexico Water Quality Control Commission

YOUR FAX NO: ~~214-437-5443~~ 505-827-5141

FROM: Russell Kilbourne

SUBJECT: Notice of Intent to discharge - Conventional Natural

Per my phone conversation please find attach  
copy of letter we discussed

*[Signature]*

IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL (214) 437-9136 AS  
SOON AS POSSIBLE.

forms\faxcover 12.90



# NICOL & ASSOCIATES

Engineering Consultants

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

January 4, 1990

Mr. Roger Anderson  
New Mexico Water Quality Control Commission  
P.O. Box 968  
Santa Fe, NM 87504-0968

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

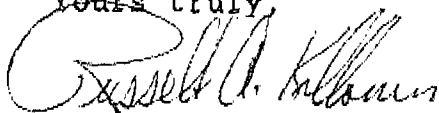
In accordance with WQCC 82-1 Part 1-201, Nicol & Associates (Engineering Consultants) in behalf of our client: Continental Natural Gas Inc. hereby submits a notice of intent to discharge:

1. Name: Continental Natural Gas, Inc.
2. Address: 1400 Boston Building  
1412 S. Boston, Suite 500  
P.O. Box 21470  
Tulsa, OK 74121
3. Location of Discharge:  
Five (5) acre tract located approximately 660' FNL,  
1980' FEL Section 15, Township 23 South, Range 28  
East, Eddy County, New Mexico (See attached map)
4. Contaminate Concentrations:  
Discharge from inlet scrubber and dehydrator will contain mostly water, with traces of glycol and hydrocarbons. Discharge will be contained in covered holding tank and disposed of by a state approved disposal company. Tests will be conducted upon plant start-up and a chemical analysis will be provided at that time. Compressor and engine oil will also be disposed of using a commercially approved disposal company.
5. Quantity of Discharge:  
Free water condensed in the pipeline gathering system and/or from the occasional inoperative well head equipment will be removed by the inlet scrubber. We estimate a volume of approximately 1/2 barrel/M<sup>3</sup>CF of gas (8 bbls/day). In addition the dehydrator will produce seven pounds of water/M<sup>3</sup>CF of gas or less than one bbl/day, for a total of 9 bbls/day.

Mr. Roger Anderson  
Page 2  
January 4, 1990

I have enclosed a map of the proposed plant location along with a brief description of the existing and proposed facilities. If you have any questions or need additional information please feel free to contact me at (214) 437-9136.

Yours truly,

A handwritten signature in cursive script, appearing to read "Russell A. Kilbourn".

Russell A. Kilbourn

lsr  
Enclosure  
cc: Terry K. Spencer

Continental Natural Gas, Inc.'s (CNG) Carlsbad Gathering System, proposed gas processing plant and low pressure flash gas system located in Sections 14, 15 and 16, T23S, R28E, Eddy County, New Mexico.

#### Existing Facilities at Carlsbad

- Approximately 18,000' of 2" steel pipeline and metering facilities connecting 14 wells to El Paso Natural Gas Company.
- 1-Dorman 302 HP/Ariel single stage compressor. The unit is located at the El Paso sales interconnect and compresses the system gas from 250 psig to 550 psig. Inlet volume will average 3,000 to 4,000 MCFD. The existing EPNG station is in the NW/4, Sec. 14, T23S, R28E, Eddy County, New Mexico.

#### Proposed Facilities at Carlsbad

- Gas processing facilities (Location, NE/4 Sec. 15, T23S, R28E, Eddy County, New Mexico)

CNG proposes to initially install 1 - Q.B. Johnson manufactured skid mounted refrigeration plant. The plant will have a design capacity of 8,000 MCFD at 700 psig. The installation of the plant is scheduled to begin February 1, 1991. The associated facilities will consist of:

- 1 - Dehy w/160,000 BTU/hr. Glycol Regen
- 1 - 30,000 gal. NGL storage tank with product pump
- 1 - 300 HP refrigerant cycle/overhead vapors recompressor
- 1 - The existing 302 HP Dorman Field gas compressor will be relocated to the plant site.

Approximately 45 days following the installation of the initial plant, CNG anticipates the installation of a second plant similar to the one above. Additional compression and dehydration will be required.

- Low Pressure Flash Gas System

CNG proposes to install approximately 14,000' of 3" poly and two (2) field compressors to gather 500 MCFD of low pressure flash gas. Flash Gas Station #1 will require a 50 HP unit to compress 200 MCFD at 0 psig suction and 250 psig discharge. Flash Gas Station #2 will require a 75 HP unit to compress 300 MCFD at 0 psig suction and 250 psig discharge. By mid 1991, horsepower requirements for the Flash Gas System should nearly double as new wells are developed.

- Proposed 6" Discharge Line to Transwestern

CNG proposes to install approximately 5,000' of 6" steel discharge pipeline to interconnect the proposed Carlsbad Plant to Transwestern (Sec. 16-23S-28E).

Ugo  
3-NE Loving  
TD 4395

LOVING N, 79

26005  
Yales  
(Gulf)  
1-AIB Loving  
TD 12,901

ddy 'GR'

T  
23  
S

Belco  
1 Riggs, et al  
TD 7200

21

Belco  
1 Kimbley

LOVING S, 84

22677  
Amoco  
1-Brantley

Oryx  
1-Pardue

PROPOSED PLANT  
LOCATION

PROPOSED 6" DISCHARGE LINE  
26447  
Bird Crk  
1-Chaves

Amoco  
1-Nymeyer

26443  
Bennett  
1-Kiddo

Cities Serv  
1-A Yarbro

PROPOSED FLASH GAS COMP.

26448  
Bird Crk  
2-Payne

CULEBRA BLUFFS S, 79

22451  
Amoco  
1-Ingalls  
TD 13,187

26264  
Amoco  
1-Jasso  
TD 6300

SIBBERT

26277  
26341

26330  
TD 6187

TELEPHONE 2

PROPOSED FLASH GAS COMP.

26329

TRACHTA 2

CNG COMPRESSOR

26328  
TD 6202

TRACHTA 1

RGA 3

PROPOSED LINE RGA 2

26294

26285  
TD 6305  
3-25-90 1-A

26295

26346

22931

Amoco  
1-Donaldson

26368  
TD 6350

CNG'S CARLSBAD GATHERING SYSTEM  
AND PROPOSED PROCESSING PLANT

- Existing Steel High Pressure System
- Producer Owned Pipeline
- - - Proposed Low Pressure Flash Gas System
- Proposed Discharge Pipeline
- Proposed Processing Plant
- Proposed Flash Gas Compressor

Scale: 1" = 1,500'

TKS 12/26/90

R28E

Continental Natural Gas, Inc.'s (CNG) Carlsbad Gathering System, proposed gas processing plant and low pressure flash gas system located in Sections 14, 15 and 16, T23S, R28E, Eddy County, New Mexico.

#### Existing Facilities at Carlsbad

- ° Approximately 18,000' of 2" steel pipeline and metering facilities connecting 14 wells to El Paso Natural Gas Company.
- ° 1-Dorman 302 HP/Ariel single stage compressor. The unit is located at the El Paso sales interconnect and compresses the system gas from 250 psig to 550 psig. Inlet volume will average 3,000 to 4,000 MCFD. The existing EPNG station is in the NW/4, Sec. 14, T23S, R28E, Eddy County, New Mexico.

#### Proposed Facilities at Carlsbad

- ° Gas processing facilities (Location, NE/4 Sec. 15, T23S, R28E, Eddy County, New Mexico)

CNG proposes to initially install 1 - Q.B. Johnson manufactured skid mounted refrigeration plant. The plant will have a design capacity of 8,000 MCFD at 700 psig. The installation of the plant is scheduled to begin February 1, 1991. The associated facilities will consist of:

- 1 - Dehy w/160,000 BTU/hr. Glycol Regen
- 1 - 30,000 gal. NGL storage tank with product pump
- 1 - 300 HP refrigerant cycle/overhead vapors recompressor
- 1 - The existing 302 HP Dorman Field gas compressor will be relocated to the plant site.

Approximately 45 days following the installation of the initial plant, CNG anticipates the installation of a second plant similar to the one above. Additional compression and dehydration will be required.

- ° Low Pressure Flash Gas System

CNG proposes to install approximately 14,000' of 3" poly and two (2) field compressors to gather 500 MCFD of low pressure flash gas. Flash Gas Station #1 will require a 50 HP unit to compress 200 MCFD at 0 psig suction and 250 psig discharge. Flash Gas Station #2 will require a 75 HP unit to compress 300 MCFD at 0 psig suction and 250 psig discharge. By mid 1991, horsepower requirements for the Flash Gas System should nearly double as new wells are developed.

- ° Proposed 6" Discharge Line to Transwestern

CNG proposes to install approximately 5,000' of 6" steel discharge pipeline to interconnect the proposed Carlsbad Plant to Transwestern (Sec. 16-23S-28E).



Pogo  
3-NE Loving  
TD 4395

Oryx  
1-Pardue

2-Amoco  
7-Amoco

PROPOSED PLANT  
LOCATION

SIEBERT

26277

26341

26330

TELEDYNE

26121

26329

TRACHTA

26328

26331

26294

26285

26295

26346

26368

26350

26349

26347

26351

26350

26349

26347

26347

26347

26347

LOVING N, 79/16

22089  
Yates  
(Gulf)  
1-AIB Loving  
TD 12,901

TRANSVERSE  
PIPELINE

ddy 'GR'

T  
23  
S

Belco  
1 Riggs, et al  
TD 7200

Belco  
1-Kimbley

LOVING S, 84

22677  
Amoco  
1-Brantley

22451  
Amoco  
1-Ingalls  
TD 13,187

26264  
Amoco  
1-Jasso  
TD 6300  
1-31-90

R28E

CULEBRA BLUFFS S, 79

QUEEN

CNG'S CARLSBAD GATHERING SYSTEM  
AND PROPOSED PROCESSING PLANT

- Existing Steel High Pressure System
- Producer Owned Pipeline
- Proposed Low Pressure Flash Gas System
- Proposed Discharge Pipeline
- Proposed Processing Plant
- Proposed Flash Gas Compressor

Scale: 1" = 1,500'

TKS 12/26/90

OIL CONDUCTOR DIVISION  
RECEIVED

**NICOL & ASSOCIATES**

Engineering Consultants

CON DIVISION

331 Melrose Drive, Suite 121  
Richardson, Texas 75080  
(214) 437-9136

'91 JAN 15 AM 9 21

91 JAN 15 AM 9 21

RECEIVED

JAN 11 1991

January 4, 1990

SURFACE WATER  
QUALITY BUREAU

Mr. Roger Anderson  
New Mexico Water Quality Control Commission  
P.O. Box 968  
Santa Fe, NM 87504-0968

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

In accordance with WQCC 82-1 Part 1-201, Nicol & Associates (Engineering Consultants) in behalf of our client: Continental Natural Gas Inc. hereby submits a notice of intent to discharge:

1. Name: Continental Natural Gas, Inc.
2. Address: 1400 Boston Building  
1412 S. Boston, Suite 500  
P.O. Box 21470  
Tulsa, OK 74121
3. Location of Discharge:  
Five (5) acre tract located approximately 660' FNL, 1980' FEL Section 15, Township 23 South, Range 28 East, Eddy County, New Mexico (See attached map)
4. Contaminate Concentrations:  
Discharge from inlet scrubber and dehydrator will contain mostly water, with traces of glycol and hydrocarbons. Discharge will be contained in covered holding tank and disposed of by a state approved disposal company. Tests will be conducted upon plant start-up and a chemical analysis will be provided at that time. Compressor and engine oil will also be disposed of using a commercially approved disposal company.
5. Quantity of Discharge:  
Free water condensed in the pipeline gathering system and/or from the occasional inoperative well head equipment will be removed by the inlet scrubber. We estimate a volume of approximately 1/2 barrel/M<sup>3</sup>CF of gas (8 bbls/day). In addition the dehydrator will produce seven pounds of water/M<sup>3</sup>CF of gas or less than one bbl/day, for a total of 9 bbls/day.

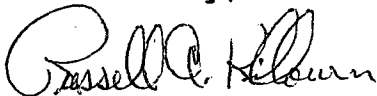
Mr. Roger Anderson

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I have enclosed a map of the proposed plant location along with a brief description of the existing and proposed facilities. If you have any questions or need additional information please feel free to contact me at (214) 437-9136.

Yours truly,

A handwritten signature in cursive script, appearing to read "Russell A. Kilbourn".

Russell A. Kilbourn

lsr

Enclosure

cc: Terry K. Spencer