

GW - 141

**GENERAL
CORRESPONDENCE**

YEAR(S):
1999 - 1993



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 2, 1999

CERTIFIED MAIL

RETURN RECEIPT NO. Z-274-520-527

Mr. Mark Huff
Crosstex Energy Services 209274
2501 Cedar Springs Road, Suite 600
Dallas, Texas 75201

**RE: SITE INSPECTION
Loving Gas Plant - GW-141
Eddy County, New Mexico**

Dear Mr. Huff:

On June 16, 1999 personnel from the OCD, Mr. Mike Stubblefield, Artesia District Office, Mr. Wayne Price and Mr. Jack Ford, OCD Santa Fe Office, conducted an inspection of the Loving Gas Plant located in the S/2 NE/4 of Section 3, Township 24 South, Range 28 East, Eddy County New Mexico. There was no representative of Crosstex Energy Services present during the time of the inspection.

The Loving Gas Plant is inactive, however, there are violations of the New Mexico Oil and Gas Act, the Water Quality Control Act, the Water Quality Control Commission and the Oil Conservation Division Rules and regulations. These violations are enumerated below and must be addressed immediately.

1. Pursuant to the OCD rules all storage tanks are required to have secondary containment in a volume equal to one and one-half times greater than the maximum volume of storage capacity within the containment area. Several storage tanks within the boundaries of the site had no secondary containment. It could not be determined if any of the tanks contained fluids. See Photo #1, Photo #2, Photo #3, and Photo #4.


2. There are numerous 55-gallon drums, buckets, and similar containers scattered about the site. Some of these containers contained unknown fluids and other materials, none of the containers were labeled as required under WQCC and OCD rules and regulations. These drums and containers were scattered about on the ground surface in violation of the approved discharge plan requiring such containers to be placed within a secondary containment structure. These drums and containers must be placed within an impermeable based secondary containment area immediately, the fluids characterized, drums and containers labeled and, if not to be used for on-site operations, disposed of properly. See Photo #5 and Photo #6.
3. The site was not properly secured from unauthorized entry and no identifying sign.
4. Hydrocarbon stained soils were observed in several places near or around storage tanks and engine/compressor units. Remediation of hydrocarbon contaminated soils is required. See Photo #7, Photo #8, and Photo #9.
5. A below grade collection tank was observed that is not identified on the site plat submitted with the discharge application. No site modifications were requested or approved. This tank requires purpose and construction identification. See Photo #10.

Crosstex Energy Services is currently in violation of WQCC §3111 for failure to obtain approval from the OCD of transfer of ownership and providing the required stipulation of compliance with the terms and conditions of discharge plan GW-141. It is the understanding of the OCD that this property was transferred to Crosstex Energy Services effective December 31, 1997.

The discharge plan under which the Loving Gas Plant is operating expired as of May 6, 1998. Pursuant to WQCC §3107.A.11 the operator must submit a closure plan for approval. If Crosstex Energy Services does not wish to continue operations a complete closure plan will be submitted for approval no later than November 1, 1999. Failure to submit the required closure plan in a timely manner without a current discharge plan could result in substantial penalties to Crosstex Energy Services.

If there are any questions on this matter, feel free to contact me at (505) 827-7156.

Sincerely:


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

cc: Artesia OCD District Office

Z 274 520 527

US Postal Service

Ford

OCD

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Mark Huff
Street & Number	Crosstex Energy
Post Office, State, & ZIP Code	DAL
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Signature	
TOTAL Postage & Fees	\$
Postmark or Date	GW-141

PS Form 3800, April 1995

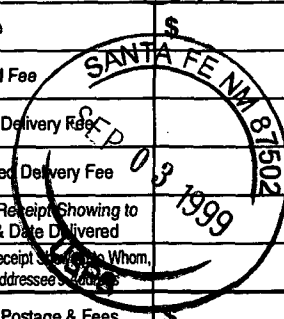


Photo #1



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Drum with liquids without secondary containment or label

Photo #2



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Saddle tank without secondary containment or label

Photo #3



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Saddle tank without secondary containment

Photo #4



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Tanks without secondary containment

Photo #5



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Unlabeled drums and other containers improperly stored

Photo #6



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Unlabeled containers and trash improperly stored for disposal

Photo #7



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Hydrocarbon stained soils

Photo #8



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Hydrocarbon stained soils with strong hydrocarbon odor

Photo #9



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Hydrocarbon stained soils at loading valve

Photo #10



GW-141 CROSSTEX ENERGY SERVICES LOVING GAS PLANT
Unidentified below grade collection tank

















































































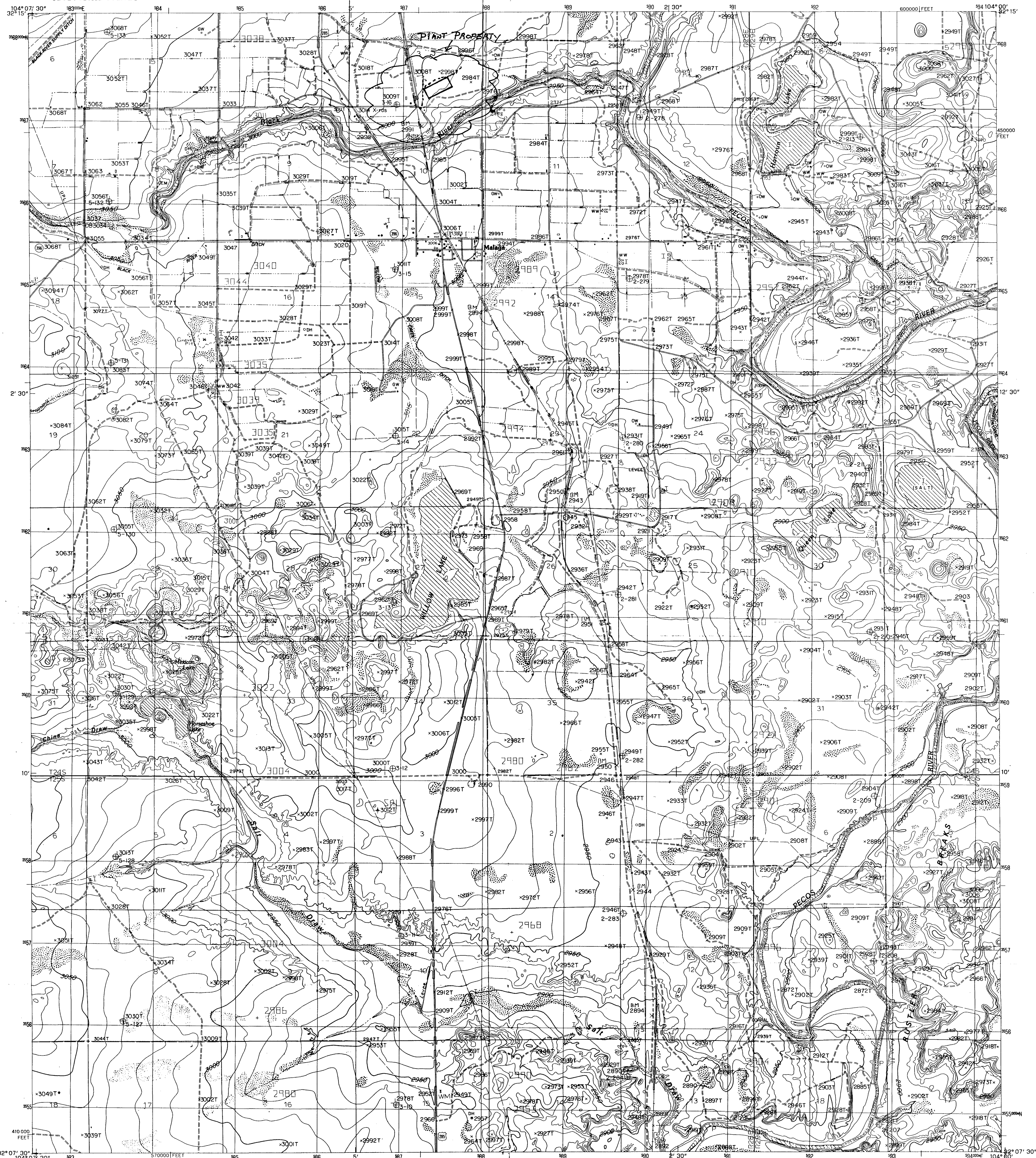






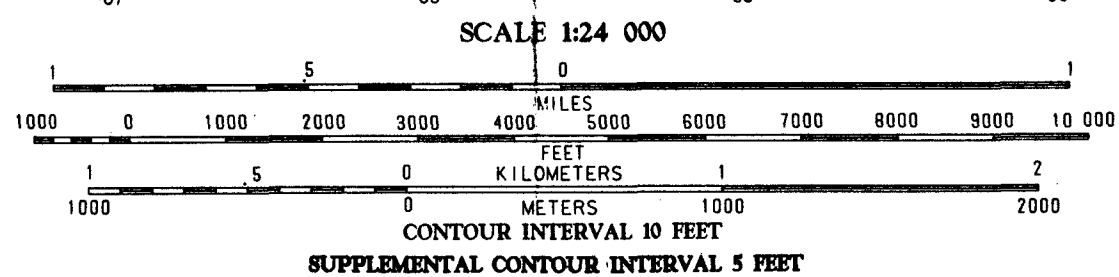






PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
CONTROL BY USGS, NOS/NOAA
COMPILED FROM AERIAL PHOTOGRAPHY TAKEN 1977
FIELD CHECKED 1978 MAP EDITED 1985
PROJECTION TRANSVERSE MERCATOR
GRID: 100-METER UNIVERSAL TRANSVERSE MERCATOR ZONE 13
UTM GRID STATE GRID TICKS NEW MEXICO, EAST ZONE
1983 MAGNETIC NORTH DECLINATION 9°30' EAST
VERTICAL DATUM NATIONAL GEODETIC VERTICAL DATUM OF 1929
HORIZONTAL DATUM 1927 NORTH AMERICAN DATUM
To place on the predicted North American Datum of 1983,
move the projection lines as shown by dashed corner ticks
(10 meters south and 46 meters east).
There may be private inholdings within the boundaries of any
Federal and State Reservations shown on this map.
All marginal data and lettering generated and positioned by
automated type placement procedures.

PROVISIONAL MAP
Produced from original
manuscript drawings. In-
formation shown as of date
of field check. 3



THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225
OR RESTON, VIRGINIA 22092

1	2	3	4	5	6	7	8
1	2	3	4	5	6	7	8

ADJOINING 7.5' QUADRANGLE NAMES

ROAD LEGEND
Improved Road
Unimproved Road
Trail
Interstate Route U.S. Route State Route

MALAGA, NEW MEXICO
PROVISIONAL EDITION 1985

32104-B1-TT-024



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

July 2, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-985

Mr. Mark Huff
Crosstex Energy Services
2501 Cedar Springs Road, Suite 600
Dallas, Texas 75201

RE: DISCHARGE PLAN EXPIRATION
Loving Gas Plant - GW-141
Eddy County, New Mexico

Dear Mr. Huff:

Under the provisions of the New Mexico Water Quality Control Commission (WQCC) Regulations, §3111.B, and the authority given the Oil Conservation Division (OCD) the transferee of a site with an approved Discharge Plan is required to obtain approval of the transfer of the discharge plan and certify that the terms and conditions of that Discharge Plan and all rules and regulations of the OCD will be adhered to. Crosstex Energy Services is currently in violation of WQCC §3111 for failure to obtain approval from the OCD of transfer of ownership and providing the required stipulation of compliance with the terms and conditions of discharge plan GW-141. It is the understanding of the OCD that this property was transferred to Crosstex Energy Services effective December 31, 1997.

The discharge plan under which the Loving Gas Plant is operating expired as of May 6, 1998. Pursuant to WQCC §3106.F each day continued operation of the facility without an approved discharge plan constitutes a separate violation of the regulations. If Crosstex Energy Services wishes to continue operations at the facility, submit two copies of a discharge plan renewal application to the OCD Santa Fe office and one copy to the Artesia District Office for review no later than August 1, 1998.

Mr. Mark Huff
GW-141 Loving Gas Plant
July 2, 1998
Page 2

If Crosstex Energy Services does not wish to continue operations a complete closure plan will be submitted for approval no later than August 1, 1998. Continued operation of the Loving Gas Plant without a current discharge plan could result in substantial penalties to Crosstex Energy Services.

If there are any questions on this matter, feel free to contact Mr. W. Jack Ford, Environmental Bureau, OCD at (505) 827-7156 as he is assigned responsibility for review of this facility's discharge plan.

Sincerely:



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

cc: Artesia OCD District Office

Z 357 869 985

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

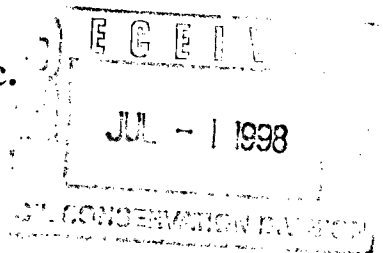
Sent to	<i>Mark Huff</i>
Street & Number	<i>Crosstex Energy</i>
Post Office, State, & ZIP Code	<i>Dallas</i>
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	<i>GW-141</i>

PS Form 3800, April 1995

Sulphur River Exploration, Inc.

5949 Sherry Lane, Suite 755
Dallas, TX 75225

June 26, 1998



CERTIFIED MAIL

RETURN RECEIPT NO.

New Mexico Energy Mineral & Natural Resources Department
Oil Conservation Division
Attn: Mr. Jack Ford
2040 South Pacheco Street
Santa Fe, New Mexico 897505

RE: Discharge Plan Expiration
Loving Gas Plant - GW - 141
Eddy County, New Mexico

Dear Mr. Ford:

As per our telephone conversation today, please be advised that effective December 31, 1997, Sulphur River Exploration no longer owns the Loving Gas Plant, in Eddy County, New Mexico.

The new owner is Crosstex Energy Services, LTD. Please contact:
Mr. Mark Huff 214/953-9531 if you require any additional information.

Crosstex Energy Services
2501 Cedar Springs Road
Suite 600
Dallas, TX 75201

As we discussed, the plant was not in operation during the calendar year 1997. If you have questions or require additional information please contact me at 214/373-1091.


Greg Vujovich
Operations Manager

cc: file
Mark Huff, Crosstex

Please Deliver This Fax To:

Greg Viavich

Sulfur River Explor.

From:

Jack Ford

Oil Conservation Division

2040 S. Pacheco

Santa Fe, NM 87505

(505) 827-7131 Office

(505) 827-8177 Fax

Date: 6-25-98

Pages: 4

Subject: GW-141 - Loving Gas Plant

(If you have trouble receiving this fax, please call the phone number above.)



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

June 18, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-981

Mr. Rex Cory, Jr.
Sulfur River Exploration
5949 Sherry Lane, Suite 755
Dallas, Texas 75225

RE: DISCHARGE PLAN EXPIRATION
Loving Gas Plant - GW-141
Eddy County, New Mexico

Dear Mr. Cory:

Under the provisions of the New Mexico Water Quality Control Commission (WQCC) Regulations, §3111.B, and the authority given the Oil Conservation Division (OCD) the transferee of a site with an approved Discharge Plan is required to obtain approval of the transfer of the discharge plan and certify that the terms and conditions of that Discharge Plan and all rules and regulations of the OCD will be adhered to. Sulfur River Exploration is currently in violation of WQCC §3111 for failure to obtain approval from the OCD of transfer of ownership and providing the required stipulation of compliance with the terms and conditions of discharge plan GW-141.

The discharge plan under which the Loving Gas Plant is operating expired as of May 6, 1998. Pursuant to WQCC §3106.F each day continued operation of the facility without an approved discharge plan constitutes a separate violation of the regulations. If Sulfur River Exploration wishes to continue operations at the facility, submit two copies of a discharge plan renewal application to the OCD Santa Fe office and one copy to the Artesia District Office for review no later than July 1, 1998.

Mr. Rex Cory, Jr.
June 18, 1998
Page 2

If Sulfur River Exploration does not wish to continue operations a complete closure plan will be submitted for approval no later than July 1, 1998. Continued operation of the Loving Gas Plant without a current discharge plan could result in substantial penalties to Sulfur River Exploration.

If there are any questions on this matter, feel free to contact Mr. W. Jack Ford, Environmental Bureau, OCD at (505) 827-7156 as he is assigned responsibility for review of this facility's discharge plan.

Sincerely:



Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

cc: Artesia OCD District Office

Z 357 869 981

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to <i>Rex Cory, Jr.</i>	
Street & Number <i>Sulfur River Expl.</i>	
Post Office, State, & ZIP Code <i>Dallas</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-061</i>	

PS Form 3800, April 1995

PIONEER NATURAL RESOURCES**P.O. BOX 3178****MIDLAND, TEXAS 79702-3178**

TELECOPY MESSAGE

TO:

Jack Ford

FROM:

J. K. McBe

DATE:

6/15/98

FAX NUMBER (915)571-5553

NUMBER OF PAGES INCLUDING THIS COVER SHEET:

2

If a problem should occur during transmission, please call as soon as possible.

(915)683-4769 EXT _____

Operator: _____

June 15, 1998

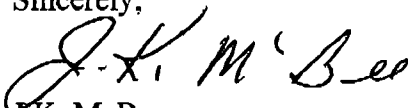
Jack Ford
New Mexico Oil Conservation Commission

Dear Mr. Ford:

As we discussed in our phone conversation on June 15, 1998, Pioneer Natural Resources (formerly Parker & Parsley) no longer owns or operates the Loving Plant in New Mexico. All of our interests were sold to Sulfur River Exploration, located at 5949 Sherry Lane, Suite 755 in Dallas, TX 75225. The property was sold on approximately August 8, 1996. A contact name with Sulfur River Exploration, would be Rex Cory, Jr.. The number we have, that he can be reached at is (214)373-1096.

If I can be of further help, please, call me at (915)571-3536.

Sincerely,



J.K. McBee
Technician Specialist

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9/18/95
or cash received on 9/19/95 in the amount of \$ 2668.00
from Parker and Parsley
for Loving Gas Plant GW-141

Submitted by: _____ Date: _____
Submitted to ASD by: R. Anderson Date: 9/26/95
Received in ASD by: Angie Albre 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

2,3,4,5 of 5

PARKER & PARSLEY GAS PROCESSING-OPERATIONS
P. O. BOX 3178 915-683-4768
MIDLAND, TX 79702-3178

NationsBank
NationsBank of Texas, N.A.
Dallas, TX

88-13C/1119

VOID AFTER 90 DAYS

09/18/95

19

PAY TWO THOUSAND SIX HUNDRED SIXTY EIGHT AND 00/100-----DOLLARS \$**2,668.00****

TO THE
ORDER OF NMED WATER QUALITY MANAGEMENT

Mark L. Anderson

DETACH AND RETAIN THIS STATEMENT

THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW IF NOT CORRECT PLEASE NOTIFY US PROMPTLY NO RECEIPT DESIRED

PARKER & PARSLEY GAS PROCESSING-OPERATIONS

DATE	DESCRIPTION	AMOUNT
09/18/95	Invoice # GW1411994 dated 08/31/95.	2668.00



PARKER & PARSLEY
GAS PROCESSING CO.

OIL CONSERVATION DIVISION
RECEIVED

1995 SEP 19 AM 8 52

P. O. Box 3178 • Midland, Texas 79702-3178
(915) 683-4768

September 18, 1995

New Mexico Energy, Minerals and Natural Resources Dept.
Attn: Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Gentlemen:

Enclosed is a \$2,668.00 check for the discharge plan GW-141 for the Loving Gas Plant located in the S/2 NE/4, Sec 3, T24S, R28E, Eddy County, New Mexico.

Sincerely,

Lonnie DeLay
Mgr. Engineering Gas Plants

ap/

Enclosure

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

August 31, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-184

Mr. Lonnie DeLay
Parker & Parsley Gas Processing
600 W. Illinois
Midland, Texas 79701

**Re: Second Notice of Delinquency
Discharge Plan (GW-141)
Loving Gas Plant
Eddy County, New Mexico**

Dear Mr. DeLay:

Parker & Parsley Gas Processing (PPGP) was notified by the Oil Conservation Division (OCD) in a letter dated January 19, 1995 that the 1994 installment payment for the May, 1993 discharge plan fee had not been submitted to the OCD. These fees were originally due in May, 1994. The discharge plan GW-141 for the PPGP Loving Gas Plant located in the S/2 NE/4, Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico was approved May 6, 1993.

In order to be in compliance with Water Quality Control Commission (WQCC) Regulation 3-114 B.6, PPGP must remit the remaining balance of two thousand six hundred sixty-eight dollars (\$2668.00) in full to the OCD by September 15, 1995 or the OCD will initiate enforcement action, which may include **fines and/or an order to cease all discharges at the facility.**

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,



Roger C. Anderson
Environmental Bureau Chief

cc: OCD-Artesia Office

OFFICE OF THE SECRETARY - P. O. BOX 6429 - SANTA FE, NM 87505-6429 - (505) 827-5950
ADMINISTRATIVE SERVICES DIVISION - P. O. BOX 6429 - SANTA FE, NM 87505-6429 - (505) 827-5925
ENERGY CONSERVATION AND MANAGEMENT DIVISION - P. O. BOX 6429 - SANTA FE, NM 87505-6429 - (505) 827-5900
FORESTRY AND RESOURCES CONSERVATION DIVISION - P. O. BOX 1948 - SANTA FE, NM 87504-1948 - (505) 827-5830
MINING AND MINERALS DIVISION - P. O. BOX 6429 - SANTA FE, NM 87505-6429 - (505) 827-5970
OIL CONSERVATION DIVISION - P. O. BOX 6429 - SANTA FE, NM 87505-6429 - (505) 827-7131
PARK AND RECREATION DIVISION - P. O. BOX 1147 - SANTA FE, NM 87504-1147 - (505) 827-7465

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



January 19, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-092

Mr. Lonnie DeLay
Parker & Parsley Gas Processing
600 W. Illinois
Midland, Texas 79701

Re: Discharge Plan (GW-141)
Loving Gas Plant
Eddy County, New Mexico

Dear Mr. DeLay:

A review of the file for discharge plan GW-141 for the Parker & Parsley Gas Processing Loving Gas Plant located in the S/2 NE/4, Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico has revealed that the 1994 incremental installment for the payment of the May, 1993 discharge plan flat fee has not been submitted to the Oil Conservation Division (OCD). These fees were due in May, 1994 and were not received.

In order 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 two thousand 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 me at (505) 827-7153.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Eustice".

Chris Eustice
Geologist

cc: OCD-Artesia Office

VILLAGRA BUILDING - 408 Gallisteo
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



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNORMEMORANDUMPOST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800ANITA LOCKWOOD
CABINET SECRETARY

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.



PARKER & PARSLEY

GAS PROCESSING CO.

RECEIVED OIL CONSERVATION DIVISION
RECEIVED

1993 NOV 23 AM 10 40

P.O. BOX 2178 - ALBUQUERQUE, NM 87101
(505) 633 4768

November 10, 1993

State of New Mexico
Energy Minerals & Natural Resources Dept
Oil Conservation Division
P.O. Box 2088
State Land Building
Santa Fe, New Mexico 87504

Attn: OCD-Permit GW-141
William J. LeMay

Attached please find a check in the amount of \$717.00 to cover \$50.00 filing fee and 1993 discharge fee of \$667.00, for the Loving Gas Plant, located in the S/2, NE/4, Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

I thank you and your staff for your cooperation in this review.

Sincerely,

Lonnie DeLay
Manager of Engineering Gas Plants

LD:AP

Attachment

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 11/15/93,
or cash received on 12/6/93 in the amount of \$ 717.00
from Parker & Parsley Gas Processing Operations
for Loving Gas Plant GW-141

Submitted by: _____ Date: _____
(Facility Name) (DP No.)

Submitted to ASD by: Kathy Brown Date: 12/6/93

Received in ASD by: Ange Chire Date: 12-6-93

Filing Fee X New Facility X Renewal _____

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

518 3335 = 5667 installment #1

PARKER & PARSLEY GAS PROCESSING-OPERATIONS
P. O. BOX 3178 915-683-4768
MIDLAND, TX 79702-3178

NationsBank
NationsBank of Texas, N.A.
Dallas, TX

88-130/1119

VOID AFTER 90 DAYS

11/15/93 19__

PAY SEVEN HUNDRED SEVENTEEN AND 00/100----- DOLLARS \$ **717.00*****

TO THE
ORDER OF NMED-WATER QUALITY MANAGEMENT

C. F. Kametz



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 6, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CERTIFIED MAIL
RETURN RECEIPT NO. P-111-334-197

Mr. Lonnie DeLay
Parker & Parsley Gas Processing
600 W. Illinois
Midland, Texas 79701

Re: Discharge Plan (GW-141)
Loving Gas Plant
Eddy County, New Mexico

Dear Mr. DeLay:

The groundwater discharge plan GW-141 for the Parker & Parsley Gas Processing Loving Gas Plant located in the S/2, NE/4, Section 3, Township 24 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 application dated March 12, 1993.

The discharge plan was submitted pursuant to section 3-106 of the Water Quality Control Commission Regulations. It is approved pursuant to section 3-109.A.. Please note Section 3-109.F., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve you of your liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

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

Please note that section 3-104 of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.C. you are required to notify the Director of any facility expansion, production increase,

Mr. Lonnie DeLay
May 6, 1993
Page 2

or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire May 6, 1998 and you should submit an application for renewal in ample time before that date.

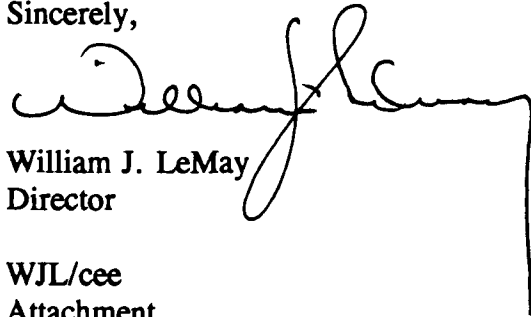
The discharge plan application for the Parker & Parsley Gas Processing Loving Gas Plant is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus the flat rate of thirty-three hundred thirty-five (3335) dollars for gas processing plants.

The OCD has not received your \$50 filing fee. The flat fee for an approved discharge plan 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.

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 Oil Conservation Division, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long horizontal line extending to the right.

William J. LeMay
Director

WJL/cee
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-141 APPROVAL
PARKER & PARSLEY GAS PROCESSING
LOVING GAS PLANT
DISCHARGE PLAN REQUIREMENTS
(May 6, 1993)

1. Payment of Discharge Plan Fees: The \$50 filing fee and the \$3335 flat fee (either total payment or installment) will be paid upon receipt of this approval.
2. Drum Storage: All drums will be stored on pad and curb type containment.
3. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their designs.
4. Berms: All tanks that contain materials other than freshwater will be bermed to contain one and one-third (1-1/3) the capacity of the largest tank within the berm or one and one-third (1-1/3) the total capacity of all interconnected tanks.
5. Pressure testing: All discharge plan facilities are required to pressure test all underground piping at the time of discharge plan renewal. All new underground piping shall be designed and installed to allow for isolation and pressure testing at 3 psi above normal operating pressure.
6. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.

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**UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Ecological Services**
Suite D, 3530 Pan American Highway, NE
Albuquerque, New Mexico 87107

March 31, 1993

GW 93011

Mr. William J. LeMay
New Mexico Energy, Minerals, and
Natural Resources Department
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Dear Mr. LeMay:

This responds to the notice of publication received by the U.S. Fish and Wildlife Service (Service) on March 19, 1993, regarding the Oil Conservation Division (OCD) discharge plan applications submitted by Christie Gas Corporation and El Paso Natural Gas Company on fish, and wildlife resources in New Mexico.

The Service has the following comments on the issuance of the following discharge permits:

GW-137 Continental Natural Gas Inc., Carrasco Compressor Station located in the SE/4, NW/4, Section 14, T23S, R28E, NMPM, Eddy County, New Mexico. Approximately 4 gallons per day of washdown water will be stored in an above ground steel tank prior to transport to an OCD approved Class II injection well for disposal.

GW-138 Continental Natural Gas Inc., Trachta Compressor Station located in the NW/4, SW/4 Section 14, T23S, R28E, NMPM, Eddy County, New Mexico. Approximately 2 gallons per day of washdown water will be stored in above ground steel tanks prior to transport to an OCD approved Class II injection well for disposal.

GW-139 Continental Natural Gas Inc., CP-1 Compressor Station located in the NE/4, SE/4, Section 15, T23S, R28E, NMPM, Eddy County, New Mexico. Approximately 2 gallons per day of washdown water will be stored in an above ground steel tank prior to transport to an OCD approved Class II injection well for disposal.

GW-141 Parker & Parsley Gas Processing, Loving Gas Processing Plant located in the S2 NE/4, Section 3 T24S, R28E, NMPM Eddy County, New Mexico. Approximately 210 gallons per day of produced water will be stored in above ground steel tanks prior

Mr. William J. LeMay

2

to transport to an OCD approved Class II injection well for disposal.

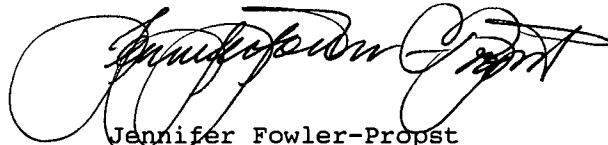
Natural gas pipeline condensates contain many organic constituents including benzene, C1 to C5 alkylated benzenes, toluene, and/or polychlorinated bi-phenyls (PCBs) which may be incorporated into the condensate through some compressor lubricants. The Service is concerned that the process waste water may contain any or all of these organic constituents and that accidental spills could result in potential toxicity to Department of the Interior Trust Resources over time.

The above ground steel tanks capacities should be able to contain all the water produced during periods of inclement weather when it is not possible to drain the tank on a regular schedule. The tanks should also exhibit strong corrosion resistance to those fluids the tank will store. The tanks should be exposed entirely to visually detect leaks. If leaks are detected surface soil monitoring should be implemented and runoff prevention measures should be installed thereby preventing toxic constituents reaching streams, or the Pecos and Black Rivers. The permit requests also did not disclose whether the tanks were completely closed. If the top is open, the tank should be netted so as to not present a potential threat to endangered species or to migratory birds that may be found in the area.

The Class II disposal wells should be equipped with a leak detection sumps and groundwater monitoring wells. Inspection should be done on a routine basis at a minimum of once every thirty days. A surface soil monitoring program should also be implemented.

If you have any questions concerning our comments, please contact Mary Orms at (505) 883-7877.

Sincerely,



Jennifer Fowler-Propst
Field Supervisor

cc:

Director, New Mexico Department of Game and Fish, Santa Fe, New Mexico
Regional Administrator, U.S. Environmental Protection Agency, Dallas, Texas
Regional Director, U.S. Fish and Wildlife Service, Fish and Wildlife
Enhancement, Albuquerque, New Mexico

STATE OF NEW MEXICO

County of Bernalillo

ss

OIL CONSERVATION DIVISION
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1993 MAR 26

Dianne Berglund being duly sworn declares and says that she is National Advertising Sales Supervisor of the **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.....26.....day
of.....Mar....., 1993, and the subsequent consecutive
publications on....., 1993.

Dianne Berglund

Sworn and subscribed to before me, a Notary Public in
and for the County of Bernalillo and State of New
Mexico, this.....26.....day of.....Mar....., 1993.

PRICE.....\$ 44.57.....

Statement to come at end of month.

CLA-22-A (R-1/93)

ACCOUNT NUMBER.....C81184.....

12-18-93

Bernadette Ortiz



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 applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, PO Box 2088, Santa Fe, New Mexico 87504-2088, telephone (505) 827-

(GW-137) Continental Natural Gas Inc., Wayne Chang, Operations Manager, PO Box 21470, Tulsa, Oklahoma 74119, has submitted a discharge plan application for their Carrasco Compressor Station located in the SE/4 NW/4, Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 4 gallons per day of washdown water with a total dissolved solids concentration of approximately 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved Class II injection well for disposal. Groundwater most likely to be affected by an accidental discharge is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

(GW-138) Continental Natural Gas Inc., Wayne Chang, Operations Manager, PO Box 21470, Tulsa, Oklahoma 74119 has submitted a discharge application for their Trachta Compressor Station located in the NW/4 SW/4 Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 2 gallons per day of washdown water with total dissolved solids concentration of 1100 mg/l is stored in above ground steel tanks prior to transport to an OCD approved Class II injection well for disposal. Groundwater most likely to be affected in the event of an accidental discharge 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.

(GW-139) Continental Natural Gas Inc., Wayne Chang, Operations Manager, PO Box 21470, Tulsa, Oklahoma 74119 has submitted a discharge plan application for their CP-1 Compressor Station located in the NE/4 SE/4 Section 15, Township 23 South, Range 28 East,

NMPM, Eddy County, New Mexico.

Approximately 2 gallons per day of washdown water with total dissolved solids concentrations of 1100 mg/l is stored in an above ground steel tank prior to transport to an OCD approved Class II injection well for disposal. Groundwater most likely to be affected in the event of an accidental discharge 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.

(GW-141) - Parker & Parsley Gas Processing, Lonnie DeLay, Engineering Manager, 600 W. Illinois, Midland, Texas 79701, has submitted a discharge plan application for their Loving Gas Processing plant located in the S/2 NE/4 Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 210 gallons per day of produced water will be stored in above ground steel tanks prior to transport to an OCD approved Class II injection well for disposal. Groundwater most likely to be affected in the event of an accidental discharge is at a depth of approximately 18' with a total dissolved solids concentration of approximately 2950 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. 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 the New Mexico Conservation Commission at Santa Fe, New Mexico, on this 17th day of March, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
s/William J. LeMay
Director

Journal: March 28, 1993

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 Conservation Commission at Santa Fe, New Mexico, on this 17th day of March, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

William J. Lemay
WILLIAM J. LEMAY,
Director

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