

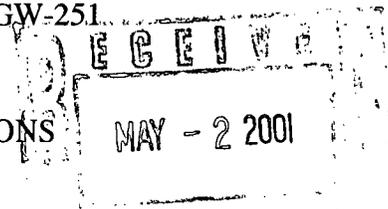
GW - 251

**PERMITS,
RENEWALS,
& MODS**

CLOSED

ATTACHMENT TO THE DISCHARGE PLAN GW-251

SOUTH-TEX TREATERS
JACK RABBIT GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(April 16, 2001)



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. South-Tex Treaters Commitments: South-Tex Treaters will abide by all commitments submitted in the discharge plan renewal application dated February 21, 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.
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.

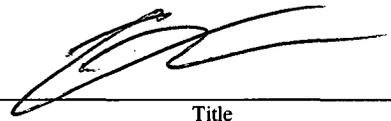
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate 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 weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
15. Storm Water Plan: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Jack Rabbit Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Jack Rabbit 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: South-Tex Treaters, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. South-Tex Treaters 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:

SOUTH-TEX TREATERS

by

A handwritten signature in black ink, appearing to be "J. J. [unclear]", written over a horizontal line.

Title

Vice President



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

April 16, 2001

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 0326

Mr. Paul Morrow
South-Tex Treaters
13405 Highway 191
Odessa, Texas 79765

RE: Discharge Plan Approval GW-251
South-Tex Treaters
Jack Rabbit Gas Plant
San Juan County, New Mexico

Dear Ms. Morrow:

The renewal of the ground water discharge plan GW-251 for the South-Tex Treaters Jack Rabbit Gas Plant located in the SW/4 NE/4 of Section 23, Township 31 North, Range 10 West, NMPM, San Juan 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 10 working days of receipt of this letter.**

The original discharge plan application was submitted on May 20, 1996 and approved July 17, 1996. The discharge plan renewal application letter, dated February 21, 2001, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals. The discharge plan is renewed pursuant to Section 3109.C. 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 South-Tex Treaters of liability should operations result in pollution of surface water, ground water or the environment.

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

Please note that 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., South-Tex Treaters is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Mr. Paul Morrow
GW-251 Jack Rabbit Gas Plant
April 16, 2001
Page 2

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **July 17, 2006**, and South-Tex Treaters 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 .

South-Tex Treaters 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 Jack Rabbit Gas Plant.

The discharge plan application for the South-Tex Treaters Jack Rabbit 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 \$100. 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
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

7099 3220 0000 5051 0326

U.S. Postal Service CERTIFIED MAIL RECEIPT <i>Ford</i> <i>OCD</i> (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	\$

SANTA FE, NM 87502
Postmark Here

Name (Please Print Clearly) (To be completed by mailer)	<i>P. Morrow</i>
Street, Apt. No.; or PO Box No.	<i>So. Tex</i>
City, State, ZIP+ 4	<i>GW-251</i>

PS Form 3800, July 1999 See Reverse for Instructions

ATTACHMENT TO THE DISCHARGE PLAN GW-251
SOUTH-TEX TREATERS
JACK RABBIT GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(April 16, 2001)

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17. Certification: South-Tex Treaters, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. South-Tex Treaters 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:

SOUTH-TEX TREATERS

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:

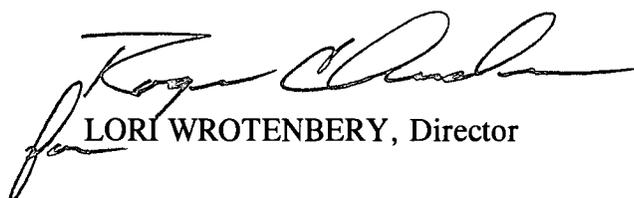
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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday 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 1 st day of March, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY, Director

SEAL



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 5, 2007

Mr. Luke Morrow
South-Tex Treaters
P.O. Box 60480
Midland, TX 79711

RE: DISCHARGE PERMIT GW251
SOUTH-TEX TREATERS - JACK RABBIT GAS PLANT
SECTION 23, TOWNSHIP 31 NORTH, RANGE 10 WEST
SAN JUAN COUNTY

Dear Mr. Morrow:

Thank you for your prompt response of December 19, 2006, to my request for information on the status of your Jack Rabbit Gas Plant (GW251). I understand that South-Tex Treaters has not operated this facility since 2001, and that you dismantled, closed, and moved the gas plant to Texas. In order to properly close your permit and to comply with Permit Condition 16 (see attachment), we request that you send us a signed statement that to the best of your knowledge South-Tex Treaters had no releases and that all waste was properly disposed at the Jack Rabbit Plant at closure. Please include photographs of the site to demonstrate that all equipment was properly removed at closure. Also, please submit all correspondence with the BLM that deals with facility closure. After we receive this information from you, OCD will formally close out Discharge Permit GW251.

If you have any questions, please contact me at 505-476-3488.

Sincerely,

Glenn von Gonten
Senior Hydrologist
Attachment (1)

cc: Mr. Charlie Perrin, OCD Aztec District Office

GW 251

VonGonten, Glenn, EMNRD

From: Luke Morrow [luke@southtex.com]
Sent: Tuesday, December 19, 2006 3:02 PM
To: VonGonten, Glenn, EMNRD
Cc: 'Paul Morrow'; david@southtex.com
Subject: Jackrabbit Facility

Glenn-

In reference to our conversation this afternoon, we have not operated the Jackrabbit Plant in New Mexico since 2001. We dismantled the plant and brought it back to Texas, where it has been operating since. We have full clearance by the BLM with respect to returning the site to BLM requirements. If you have any questions, please feel free to contact me.

Thank you,

Luke Morrow
South-Tex Treaters
P.O. Box 60480
Midland, TX 79711
(432) 563-2766 x 110
(432) 425-9110 cell
(432) 563-1729 fax

Closed @
2001

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5/1/01,
or cash received on _____ in the amount of \$ 4000.00

from South-Tex Treaters
for Jack Rabbit Gas Plant GW-251

Submitted by: [Signature] Date: 5/8/01
(Family Name) (DP No.)

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal

Modification _____ Other _____
(quantity)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

SOUTH-TEX TREATERS, INC.
P.O. BOX 60480
MIDLAND, TEXAS 79711
915 - 563-2766

WESTERN NATIONAL BANK
ODESSA, TEXAS 79760
88-737-1163

No. [redacted]
CHECK NO.

PAY Four Thousand Dollars and no cents.....

DATE 5-01-01 AMOUNT \$ 4,000.00

Water Management Quality Management Fund
C/O Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

TO THE
ORDER
OF

[Signature]

NOT NEGOTIABLE AFTER 60 DAYS

SOUTH-TEX TREATERS, INC., MIDLAND, TEXAS

5-01-01

Water Management Quality Management Fund

C/O Oil Conservation Division

Natural Gas Processing Plant Fee

Jackrabbit Plant

\$ 4,000.00

AFFIDAVIT OF PUBLICATION

Ad No. 44157

**STATE OF NEW MEXICO
County of San Juan:**

ALETHIA ROTH LISBERGER, being duly sworn says: That she is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meeting of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

Wednesday, March 14, 2001.

And the cost of the publication is \$82.76.

Alethia Rothlisberger
ON 3/12/2001 ALETHIA ROTH LISBERGER

appeared before me, whom I know personally to be the person who signed the above document.

Nancy L Slade
My Commission Expires April 10, 2004



COPY OF PUBLICATION

918 Legals

NOTICE OF PUBLICATION

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

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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.

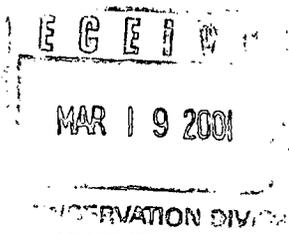
GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 1st day of March, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

LORI WROTENBERY, Director

Legal No. 44157, published in The Daily Times, Farmington, New Mexico, Wednesday, March 14, 2001.



THE SANTA FE
NEW MEXICAN
Founded 1849

RECEIVED
MAR 15 2001
CONSERVATION DIVISION

NM OCD

AD NUMBER: 196943 ACCOUNT: 56689
LEGAL NO: 68967 P.O.#: 01199000033
174 LINES 1 time(s) at \$ 76.71
AFFIDAVITS: 5.25
TAX: 5.12
TOTAL: 87.08

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 Conservation Commission at Santa Fe, New Mexico, on this 1st day of March, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION

LORI WROTENBERY,
Director

Legal #69867
Pub. March 14, 2001

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, B. Peener 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 #68967 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/14/2001 and 03/14/2001 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 14 day of March, 2001 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

Betsy Peener
/S/ _____
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this
14 day of March A.D., 2001

Notary Laura Z. Hardig

Commission Expires 11/23/03

Ford, Jack

From: Martin, Ed
Sent: Thursday, March 08, 2001 11:22 AM
To: 'Santa Fe New Mexican'
Cc: Ford, Jack; Anaya, Mary
Subject: FW: Public Notices

Attn: Betsy Perner

Please publish the attached notice one time immediately on receipt of this request.

Upon publication, please send the following to this office:

1. Publisher's affidavit
2. Your invoice to us

Please publish the notices no later than March 12, 2001
If you have any questions, do not hesitate to contact me.
Our P.O. number is 01199000033
Thank you.

From: Ford, Jack
Sent: Monday, March 05, 2001 1:59 PM
To: Martin, Ed
Subject: Public Notices

Two separate public notices in separate counties.



264pub.doc



251pub.doc

Ford, Jack

From: Martin, Ed
Sent: Thursday, March 08, 2001 11:48 AM
To: 'Farmington Daily Times'
Cc: Ford, Jack; Anaya, Mary
Subject: FW: Public Notices

Attn: Alethia Rothlisberger

Please publish the attached notice one time immediately on receipt of this request.

Upon publication, please send the following to this office:

Publisher's affidavit

Your invoice to us

Our P.O. number is 01199000031

If you have any questions, do not hesitate to contact me.

Thank you.

From: Ford, Jack
Sent: Monday, March 05, 2001 1:59 PM
To: Martin, Ed
Subject: Public Notices

Two separate public notices in separate counties.

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 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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: Gas Treatment Plant

2. Operator: South-Tex Treaters

Address: 13405 Highway 191, Odessa, Texas 79765

Contact Person: Paul Morrow Phone: 915-563-2766

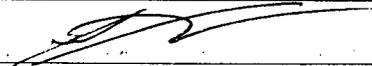
3. Location: SW /4 NE /4 Section 23 Township 31N Range 10W

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
No Change
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
No Change
6. Attach a description of all materials stored or used at the facility.
No Change
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
No Change
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
No Change
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
No Change
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
No Change
11. Attach a contingency plan for reporting and clean-up of spills or releases.
No Change
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
No Change
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
No Change
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

No Change
Name: Paul Morrow

Title: Vice-President

Signature: 

Date: 2/21/01

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 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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)

*Filing Fee
Paid*

New Renewal Modification

1. Type: Gas Treatment Plant

2. Operator: South-Tex Treaters

Address: 13405 Highway 191, Odessa, Texas 79765

Contact Person: Paul Morrow Phone: 915-563-2766

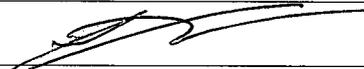
3. Location: SW /4 NE /4 Section 23 Township 31N Range 10W

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
No Change
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
No Change
6. Attach a description of all materials stored or used at the facility.
No Change
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
No Change
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
No Change
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
No Change
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
No Change
11. Attach a contingency plan for reporting and clean-up of spills or releases.
No Change
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No Change
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
No Change

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

No Change
Name: Paul Morrow Title: Vice-President

Signature:  Date: 2/21/01

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 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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: Gas Treatment Plant

2. Operator: South-Tex Treaters

Address: 13405 Highway 191, Odessa, Texas 79765

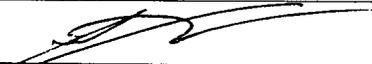
Contact Person: Paul Morrow Phone: 915-563-2766

3. Location: SW /4 NE /4 Section 23 Township 31N Range 10W

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
No Change
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No Change
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No Change
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
No Change
14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

No Change
Name: Paul Morrow Title: Vice-President

Signature:  Date: 2/21/01

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2/21/01,
or cash received on _____ in the amount of \$ 100.00

from South-Tex Treaters, Inc.

for Jack Rabbit Gas Plant GW-251

Submitted by: [Signature] (Family Name) Date: 2/26/01 (DP No.)

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal
Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

SOUTH-TEX TREATERS, INC.
P.O. BOX 60480
MIDLAND, TEXAS 79711
915 - 563-2766

WESTERN NATIONAL BANK
ODESSA, TEXAS 79760
88-737-1163

No. [REDACTED]
CHECK NO.

One Hundred Dollars and no Cents.....

PAY

DATE 2-21-01 AMOUNT \$ 100.00

TO THE
ORDER
OF

NMED-Water Quality Management
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, N.M. 87505

[Signature]
NOT NEGOTIABLE AFTER 60 DAYS

SOUTH-TEX TREATERS, INC., MIDLAND, TEXAS

2-21-01

NMED-Water Quality Management
Renewal -Filing Fee

\$ 100.00



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

February 9, 2001

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 0135

Mr. Paul Morrow
South-Tex Treaters, Inc.
P.O. Box 60480
Midland, Texas 79711

RE: Discharge Plan Renewal Notice for the South-Tex Treaters, Inc. Facility

Dear Mr. Morrow:

South-Tex Treaters, Inc. has the following discharge plan which expires during the current calendar year.

GW-251 expires 7/17/2001 – Jack Rabbit 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 20NMAC 6.2.3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$100.00. After January 15, 2001 renewal discharge plans require a flat fee equal to the flat fee schedule for gas processing plant facilities pursuant to revised WQCC Regulations 20NMAC 6.2.3114. A copy of the revised fee schedule is included for your assistance. The \$100.00 filing fee is to be submitted with each discharge plan renewal application and is nonrefundable.

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 Hobbs

District Office. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.** A complete copy of the regulations is also available on NMED's website at www.nmenv.state.nm.us.

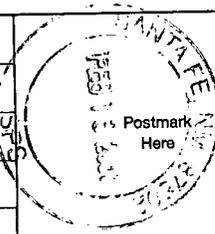
If any of the above-sited facilities no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the South-Tex Treaters, Inc. has any questions, please do not hesitate to contact Mr. Jack Ford at (505) 476-3489.

Sincerely,



Roger C. Anderson
Oil Conservation Division

cc: OCD Hobbs District Office

U.S. Postal Service	
CERTIFIED MAIL RECEIPT <i>FORD</i> <i>OCD</i>	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
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>P. Morrow</i>	
Street, Apt. No., or PO Box No. <i>South-Tex</i>	
City, State, ZIP+ 4 <i>9W 251</i>	

7099 3220 0000 1505 0135
PS Form 3800, July 1999 See Reverse for Instructions

South-Tex Treaters, Inc.

OIL CONSERVATION DIVISION
RECEIVED

P.O. Box 60480
Midland, Tx 79711-0480
(915) 563-2766 FAX (915) 563-1729

RECEIVED

NOV 26 1996

November 19, 1996

Environmental Bureau
Oil Conservation Division

New Mexico Energy, Minerals, & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attention: Pat Sanchez, Denny Foust
Reference: Reply to Certified Mail P-288-258-675; Inspection Report
for GW-251

South-Tex Treaters response by issue (number) for the inspection conducted by Denny Foust and Pat Sanchez at Jack Rabbit Plant in San Juan County, NM is as follows;

Issue	Response
1.) Drum Storage	All drums will be properly labeled
2.) Process Areas	No compliance issue*
3.) Above Ground Tanks	All tanks will be properly labeled.
4.) Above Ground Saddle Tanks	No compliance issue*
5.) Tank Labeling	See 3.) and 4.) above
6.) Below Grade Tanks/Sumps	No compliance issue*. Lube oil system on pumps will be spill contained separate from the common sump. Likewise, any amine storage on site will be separately contained.
7.) Underground Process/Wastewater Lines	No compliance issue*

8.) Onsite/Offsite Waste disposal and storage practices	Lab waste will be tested for classification and disposed appropriately according to classification.
9.) Class V Wells	Not applicable*
10.) Housekeeping	Misc spills will be recorded in a separate facility log and reported in accordance with our permit. Amine/Glycol waste filter containers will be labeled.
11.) Spill recording	Spills will be recorded in separate facility log and reported to South-Tex main office the day in which they occur. South-Tex will immediately contact OCD District Office for San Juan County.
12.) Does the facility have any other potential environmental concerns/issues?	<p>Exempt and non exempt waste will not be commingled. Lab waste will be tested to confirm classification.</p> <p>Facility will have a sign containing pertinent information</p> <ul style="list-style-type: none"> • “South-Tex Treaters Jackrabbit Plant” • SW/4 NE/4 Section 23 Township 31 North Range 10 West, NMPM, San Juan County, New Mexico • Plant Phone 320 7872 • Emergency (local) 320 8019 • Emergency (backup) 915 563 2766 • Emergency (backup^2) 915 684 4714 <p>Amine and Glycol filter disposal will be confirmed.</p>

13.) Does the facility have any other environmental permits - i.e. SPCC, Storm water Plan, etc.?

Yes, we have an NOI to construct under standard exemption for CO, NMHC, and Nox. Permit will be posted in the control room.

We are requesting 60 days from the date of this letter to make the changes detailed above.

Please do not hesitate to contact me with questions or concerns.

Sincerely,



Paul Morrow

South-Tex Treaters, Inc.

P.O. BOX 60480

MIDLAND, TX. 79711

(915)563-2766 FAX (915) 563-1729

RECEIVED

NOV 19 1996

Environmental Bureau
Oil Conservation Division

FACSIMILE TRANSMISSION

TO: Pat Sanchez

COMPANY: _____

FAX: 505 827-8177

FROM: Paul Morrow

COMPANY: SOUTH-TEX TREATERS, INC.
P.O BOX 60480
MIDLAND, TX. 79711
(915)563-2766
(915) 563-1729 FAX

DATE: 11/19

This transmission consists of 4 pages. (including this page).

South-Tex Treaters, Inc.

P.O. Box 60480
Midland, Tx 79711-0480
(915) 563-2766 FAX (915) 563-1729

November 19, 1996

New Mexico Energy, Minerals, & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attention: Pat Sanchez
Reference: Reply to Certified Mail P-288-258-675; Inspection Report
for GW-251

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7.) Underground Process/Wastewater Lines	No compliance issue*

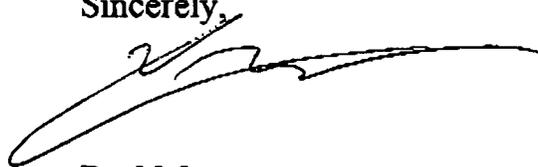
8.) Onsite/Offsite Waste disposal and storage practices	Lab waste will be tested for classification and disposed appropriately according to classification.
9.) Class V Wells	Not applicable*
10.) Housekeeping	Misc spills will be recorded in a separate facility log and reported in accordance with our permit. Amine/Glycol waste filter containers will be labeled.
11.) Spill recording	Spills will be recorded in separate facility log and reported to South-Tex main office the day in which they occur. South-Tex will immediately contact OCD District Office for San Juan County.
12.) Does the facility have any other potential environmental concerns/issues?	<p>Exempt and non exempt waste will not be commingled. Lab waste will be tested to confirm classification.</p> <p>Facility will have a sign containing pertinent information</p> <ul style="list-style-type: none"> • "South-Tex Treaters Jackrabbit Plant" • SW/4 NE/4 Section 23 Township 31 North Range 10 West, NMPM, San Juan County, New Mexico • Plant Phone 320 7872 • Emergency (local) 320 8019 • Emergency (backup) 915 563 2766 • Emergency (backup^2) 915 684 4714 <p>Amine and Glycol filter disposal will be confirmed.</p>

13.) Does the facility have any other environmental permits - i.e. SPCC, Storm water Plan, etc.?

Yes, we have an NOI to construct under standard exemption for CO, NMHC, and Nox. Permit will be posted in the control room.

Please do not hesitate to contact me with questions or concerns.

Sincerely,



Paul Morrow



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

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87506
(505) 827-7131

P 288 258 675

October 30, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-675

Mr. Paul Morrow
Vice President
South-Tex Treaters, Inc.
P.O. Box 60480
Midland, TX 79711

**RE: Inspection Report for GW-251
South-Tex Treaters - "Jack Rabbit"
San Juan County, New Mexico**

Dear Mr. Morrow:

The discharge plan inspection report for the above captioned South-Tex Treaters, Inc. Facility is enclosed. South-Tex shall respond to each of the issues for the facility within 30 days of receipt of this letter and the enclosed inspection report. Please send a copy of your response to OCD Santa Fe and the OCD Aztec District Office.

South-Tex Treaters, Inc. continued commitment to the environmental quality of the State of New Mexico is appreciated.

If you have any questions in the meantime feel free to give me a call at (505)-827-7156.

Sincerely,

Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau-OCD

xc: Mr. Denny Foust - OCD Aztec District Office.

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

Sent to	Mr. Morrow	
Street & Number	GW-251 - INSPECTION.	
Post Office, State, & ZIP Code	Midland, TX 79711	
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

DISCHARGE PLAN INSPECTION

FACILITY NAME: GW-251 LOCATION: SW/4 NE/4

Section 23, Township 31 North, Range 10 West, NMPM,
San Juan County, New Mexico "Jack Rabbit Gas Plant"

DATE: 10/22/16 OWNER: South-Tex Treaters, Inc.

OCD INSPECTORS: Denny Faust and Pat Sanchez

1. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

Drums need to be properly (buckets - 5 gallon)
labelled and stored on appropriate containment.

2. **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.

No Compliance Issues. Note: Small spills need
to be raked out to keep them from becoming
a problem. Any ongoing drips and liquids leaks
need to addressed.

3. **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.

Tanks need to be properly labelled to indicate their contents - i.e. the plant waste tanks the D.I. water tank; etc.

4. **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.

No compliance issues. Note: check for proper labelling.

5. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

See comments on (3) and (4) above.

6. **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 that do not have secondary containment and leak detection 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 /or sumps.

No Compliance issues. Pump house lube oil leakage shall not be commingled with the plant wastewater in the collection tank.

7. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies 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 so that an OCD representative may witness the testing.

No Compliance issues.

8. **Onsite/Offsite Waste disposal and storage practices,** are all non-exempt wastes properly characterized and disposed of? Does the facility have an EPA hazardous waste number?

Make certain that RCRA Subtitle C Exempt E/P wastes are not commingled with Non-Exempt waste. Lab waste needs to be properly stored and labelled, also the lab waste needs to be characterized for Hazardous characteristics/constituents so that proper disposal options may be evaluated.

9. **Class V Wells:** Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than 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.

Not applicable.

10. **Housekeeping:** All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure. Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.

Misc. spills / solid waste need to be addressed at the facility. Amine/glycol filter wastes need to have the containers labelled as to their contents.

11. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD District Office.

Operator says he notifies main South-Tex office, who then notifies the appropriate agencies.

12. **Does the facility have any other potential environmental concerns/issues?**

Make sure that exempt and Non-exempt wastes are segregated and not mixed. Lab waste needs to be characterized for Hazardous constituents. The Facility needs a sign with the following minimum information:

South-Tex Treaters, Inc., Location, Emergency contact number. Make certain that "waste Management" can accept used glycol/Amine filters.

13. **Does the facility have any other environmental permits - i.e. SPCC, Storm water Plan, etc?**

Did not see any other permits posted - did not ask the plant operator if the facility had other permits.

South-Tex

GW-251 (PHOTOS BY OCD)



PHOTO NO. 1

DATE: 10/22/96



PHOTO NO. 2

DATE: 10/22/96

South-Tex

GW- 251 (PHOTOS BY OCD)



PHOTO NO. 3

DATE: 10/22/96

PHOTO NO. _____

DATE: / /

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 8/23/96,
or cash received on _____ in the amount of \$ 3385.00

from South Tex Treaters

for Jack Rabbit G.P. GW-251

Submitted by: _____ Date: _____

Submitted to ASD by: R. G. [signature] Date: 10/18/96

Received in ASD by: [signature] Date: 10/23/96

Filing Fee New Facility Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

SOUTH-TEX TREATERS, INC.
P.O. BOX 60480
MIDLAND, TX 79711
PH. (915) 563-2766

WESTERN NATIONAL BANK
ODESSA, TEXAS 79760
88-737-1163



Three Thousand Three Hundred Eighty Five Dollars and no cents.....
DATE 8-23-96 AMOUNT \$ 3,385.00

PAY TO THE ORDER OF "NMED-Water Quality Management"

[Signature]



SOUTH-TEX TREATERS, INC.

8-23-96

Ck. No. 1764

"NMED-Water Quality Management"

Filing Fee

\$ 50.00

Flat Fee

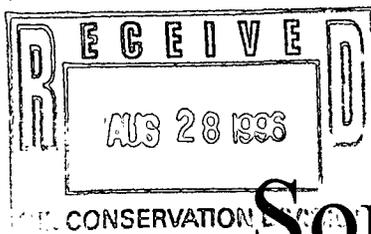
3,335.00

GW - 251

Jack Rabbit G. P

TOTAL

3,385.00



South-Tex Treaters, Inc.

P.O. Box 60480
Midland, Tx 79711-0480
563-2766 FAX (915) 563-1729

RECEIVED

AUG 28 1996

August 23, 1996

Environmental Bureau
Oil Conservation Division

State of New Mexico
Oil Conservation Division

Attention: Pat Sanchez
Reference: Notice of amine and glycol storage at Jackrabbit plant

South-Tex Treaters will store 500 gallons of glycol in an elevated tank and 1,000 gallons of amine in a closed top galvanized tank at the Jackrabbit plant. Both storage tanks will be contained in an open top galvanized tank for spill containment with at least 130% of the volume of it's respective primary tank. Please do not hesitate to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Morrow".

Paul Morrow



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 3, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-611

Mr. Paul Morrow
Vice President
South-Tex Treaters, Inc.
P.O. Box 60480
Midland, TX 79711

RE: Minor Modification
South-Tex Treaters, Inc. GW-251
San Juan County, New Mexico

Dear Mr. Morrow:

The New Mexico Oil Conservation Division (OCD) has received the South-Tex letter dated August 23, 1996 requesting the addition of a 500 gallon glycol and 1,000 Gallon amine storage tanks at the Jack Rabbit Gas Plant, located in the SW/4 NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. The South-Tex 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, with the following conditions:**

1. **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.
2. **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.
3. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

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

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-251
September 3, 1996
Page No. 2

Please note that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C South-Tex 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 South-Tex of liability should South-Tex operation's result in contamination of surface waters, ground waters or the environment.

If you have any questions please feel free to call Pat Sanchez at (505)-827-7156.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/pws

P 288 258 611

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

Sent to South-Tex, Treeters - Paul Morrow	
Street & Number McK's Granton - GW-251	
Post Office, State, & ZIP Code	
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

XC: Mr. Denny Foust - Environmental Geologist

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 3
July 17, 1996

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AUG 26 1996

Environmental Bureau
Oil Conservation Division

**ATTACHMENT TO DISCHARGE PLAN GW-251
South-Tex Treaters, Inc. - "Jack Rabbit" Gas Plant
DISCHARGE PLAN REQUIREMENTS
(July 17, 1996)**

1. **Payment of Discharge Plan Fees:** The \$50 filing fee along with the \$ 3,335 flat fee shall be submitted upon receipt of this approval. 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. **South-Tex Treaters, Inc. Commitments:** South-Tex Treaters, Inc. will abide by the commitments and conditions made in the following: The application dated May 20, 1996 from South-Tex Treaters, Inc. (Prepared by Philip Environmental), the letter dated June 7, 1996 submitted by Philip Environmental on behalf of South-Tex Treaters, Inc., the letter dated June 7, 1996 submitted by South-Tex Treaters, Inc., the letter dated July 15, 1996 submitted by South-Tex Treaters, Inc., and this approval with conditions from OCD dated July 17, 1996.
3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
4. **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.
5. **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.

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 4
July 17, 1996

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AUG 26 1996

Environmental Bureau
Oil Conservation Division

6. **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.
7. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. **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 that do not have secondary containment and leak detection 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 /or sumps.
9. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies 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 so that an OCD representative may witness the testing.
10. **Housekeeping:** All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.
11. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office at (505)-334-6178.
12. **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.
13. **New Mexico Oil Conservation Division Inspections:** Additional requirements may be placed on the facility based upon results from New Mexico Oil Conservation Division inspections.

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 5
July 17, 1996

RECEIVED

AUG 26 1996

Environmental Bureau
Oil Conservation Division

14. **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.

15. **Conditions accepted by:**


Paul Morrow 8/23/96
Company Representative Date
Vice President
Title



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 17, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-594-835-281

Mr. Paul Morrow
 Vice President
 South-Tex Treaters, Inc.
 P.O. Box 60480
 Midland, TX 79711

RE: Approval of Discharge Plan GW-251
"Jack Rabbit" Gas Plant
San Juan County, New Mexico

Dear Mr. Morrow:

The discharge plan GW-251 for the South-Tex Treaters, Inc. "Jack Rabbit" Gas Plant located in the SW/4 NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the following items: The application dated May 20, 1996 from South-Tex Treaters, Inc. (Prepared by Philip Environmental), the letter dated June 7, 1996 submitted by Philip Environmental on behalf of South-Tex Treaters, Inc., the letter dated June 7, 1996 submitted by South-Tex Treaters, Inc., the letter dated July 15, 1996 submitted by South-Tex Treaters, Inc., and this approval with conditions from OCD dated July 17, 1996. 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 five working days of receipt of this letter.

The discharge plan application was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission Regulations. Please note Sections 3109.E and 3109.F which provide for possible future amendments or modifications of the plan. Please be advised that the approval of this plan does not relieve South-Tex Treaters, Inc. of liability should the operations associated with this facility result in pollution of surface water, ground water, or the environment.

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

P 594 835 281

US Postal Service
 Receipt for Certified Mail
 No Insurance Coverage Provided. GW-251
 Do not use for International Mail (See reverse)

Sent to South-Tex - Mr. Paul Morrow	
Street & Number Discharge Plan Approval	
Post Office, State, & ZIP Code	
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

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 2
July 17, 1996

Please note that Section 3104 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 3107.C South-Tex Treaters, Inc. 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.

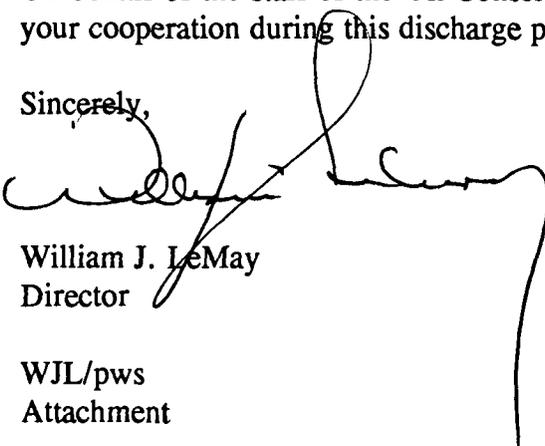
Pursuant to Section 3109.G.4, this plan is for a period of five (5) years. **This approval will expire July 17, 2001**, and an application for renewal should be submitted in ample time before that date. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan approval.

The discharge plan approval for the South-Tex Treaters, Inc. "Jack Rabbit" Gas Plant GW-251 is subject to the WQCC Regulation 3114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$ 50, and a flat fee for "Gas Plants" of \$ 3,335.

Note: The \$ 50 filing fee and \$ 3,335 flat fee have not been received by the OCD, and are due upon receipt of this approval. The flat fee may be paid in one lump sum or in 5 equal annual installments of \$ 667 with the first installment due upon receipt of this approval, with each additional installment due on July 17 of the following year over the remaining term of the permit. Please make all checks payable to "NMED-Water Quality Management" and submit to the OCD Santa Fe Division 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,



William J. LeMay
Director

WJL/pws
Attachment

xc: Mr. Denny Foust

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 3
July 17, 1996

**ATTACHMENT TO DISCHARGE PLAN GW-251
South-Tex Treaters, Inc. - "Jack Rabbit" Gas Plant
DISCHARGE PLAN REQUIREMENTS
(July 17, 1996)**

1. **Payment of Discharge Plan Fees:** The \$50 filing fee along with the \$ 3,335 flat fee shall be submitted upon receipt of this approval. 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. **South-Tex Treaters, Inc. Commitments:** South-Tex Treaters, Inc. will abide by the commitments and conditions made in the following: The application dated May 20, 1996 from South-Tex Treaters, Inc. (Prepared by Philip Environmental), the letter dated June 7, 1996 submitted by Philip Environmental on behalf of South-Tex Treaters, Inc., the letter dated June 7, 1996 submitted by South-Tex Treaters, Inc., the letter dated July 15, 1996 submitted by South-Tex Treaters, Inc., and this approval with conditions from OCD dated July 17, 1996.

3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

4. **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.

5. **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.

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 4
July 17, 1996

6. **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.

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8. **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 that do not have secondary containment and leak detection 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 /or sumps.

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10. **Housekeeping:** All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.

11. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office at (505)-334-6178.

12. **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.

13. **New Mexico Oil Conservation Division Inspections:** Additional requirements may be placed on the facility based upon results from New Mexico Oil Conservation Division inspections.

Mr. Paul Morrow
South-Tex Treaters, Inc.
GW-215 Approval
Page 5
July 17, 1996

14. **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.

15. **Conditions accepted by:**

MEMORANDUM OF MEETING OR CONVERSATION

611-251

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 11:00 AM	Date 7-8-96
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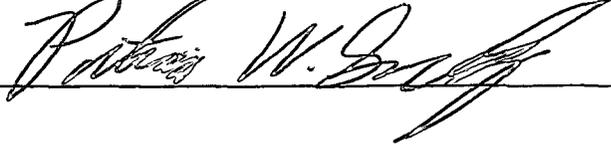
<u>Originating Party</u>	<u>Other Parties</u>
Pat Sanchez - OGD	Philip Environmental - Representing South-Tex Tractors "Jack Rabbit" GP

Subject Regarding Mr. Morrow's verbal modification of the below grade 6x6x6 drain tank. (see-response No. 8)

Discussion Mr. Morrow wanted to (June 128/96) change his secondary containment to a synthetic liner - I verbally approved w/ the condition that he send OGD the modification in writing - also the secondary containment must have leak detection.

Conclusions or Agreements Martin w/ Philip will call Mr. Morrow regarding the tank modification and the submittal of the additional information. Told Martin that OGD could approve at the earliest 7/12/96 - provided we have tank modification submitted.

Distribution File, DENNY Faust

Signed 

South-Tex Treaters, Inc.

P.O. Box 60480
Midland, Tx 79711-0480
563-2766 FAX (915) 563-1729

July 15, 1996

RECEIVED

JUL 15 1996

State of New Mexico
Oil Conservation Division

Environmental Bureau
Oil Conservation Division

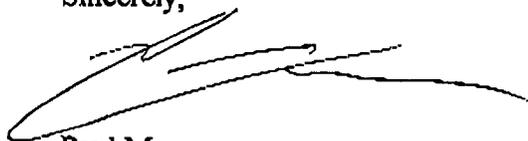
Attention: Pat Sanchez
Reference: Change in spill containment of drain tank

In reference to our conversations of last week, South-Tex will change from the fiberglass tank for secondary containment of the drain tank to a pit liner for the secondary containment. An approximate one foot gap will be left all around the drain tank so visual inspection for primary containment will be possible.

I hope this information will satisfy your request for written description of the change.

Please do not hesitate to contact me with questions or concerns.

Sincerely,



Paul Morrow

cc: Denny G. Foust
Oil Conservation Division District III

RECEIVED

JUN 17 1996

Environmental Bureau
Oil Conservation Division

AFFIDAVIT OF PUBLICATION

No. 36459

COPY OF PUBLICATION

STATE OF NEW MEXICO

County of San Juan:

ROBERT LOVETT being duly sworn says: That he is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

Tuesday, June 11, 1996;

and the cost of publication is: \$73.73.

Robert Lovett

On 6/12/96 ROBERT LOVETT appeared before me, whom I know personally to be the person who signed the above document.

Denise H. Henson

My Commission Expires May 17, 2000

Legals



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 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-251) - South-Tex Treaters, Inc., Mr. Paul Morrow, (915)-563-2766, 8180 Lakeview Center, Odessa, TX 79765, has submitted a Discharge Plan Application for their Jack Rabbit Gas Plant located in the SW/4NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. The approximate waste water in gallons per day to be discharged onsite into an above ground bermed closed top tank has not been determined as operations of the plant have not begun. Transport of waste water will be offsite to an approved OCD disposal facility; Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 157 feet with a total dissolved solids concentration of approximately 1,200 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 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 31st day of May, 1996.

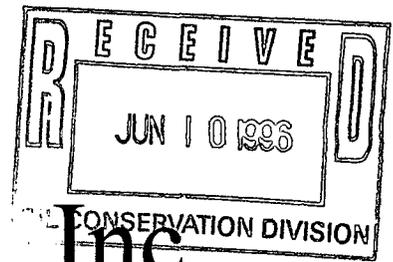
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

/s/William J. LeMay
WILLIAM J. LEMAY, Director

SEAL

Legal No. 36459 published in The Daily Times, Farmington, New Mexico, on Tuesday, June 11, 1996.





South-Tex Treaters, Inc.

P.O. Box 60480
Midland, Tx 79711-0480
563-2766 FAX (915) 563-1729

June 7, 1996

RECEIVED

JUN 11 1996

Environmental Bureau
Oil Conservation Division

State of New Mexico
Oil Conservation Division

Attention: Pat Sanchez
Reference: Notice of drain piping (system) integrity testing

South-Tex Treaters will air test the drain system at the Jack Rabbit plant to 100 psig. Plugs or valves will be used to isolate the drain system at skid spill containment, concrete spill containment, and the drain tank locations. Please do not hesitate to contact me with any questions or concerns.

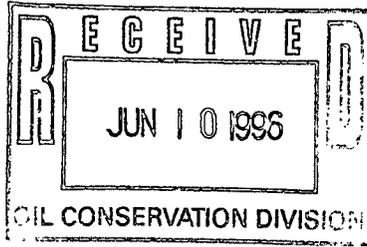
Sincerely,

Paul Morrow



Environmental Services Group
Southern Region

June 7, 1996



Project 16265

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

RE: South-Tex Treaters, Inc. Discharge Plan Application

Dear Mr. LeMay,

On behalf of South-Tex Treaters, Inc. (South Tex), Philip Environmental Services Corporation (Philip) submits the enclosed revised pages for the South Tex Jackrabbit Treatment Plant Discharge Plan Application, originally submitted on May 20, 1996. Please remove and discard the existing pages and replace them with the pages enclosed herein. The pages revised are the first two pages of Attachment E and the last page of Attachment J. These pages were revised as per the meeting on June 6, 1996 between Pat Sanchez and Denny Foutz of the Oil Conservation Division (NMOCD), Paul Morrow of South Tex and Sarah Kelly of Philip at the NMOCD's Aztec office.

If you have any questions regarding these revisions, please contact Sarah Kelly at Philip's Farmington office at (505) 326-2262, or Paul Morrow of South Tex in Midland at (915) 563-2766.

Sincerely,

PHILIP ENVIRONMENTAL SERVICES CORPORATION

Sarah Kelly
Hydrogeologist

Enclosures -
as stated

JUN 11 1996

Environmental Bureau
Oil Conservation Division

cc: Paul Morrow, South-Tex Treaters, Inc.
Denny Foutz, Aztec District, NMOCD



8. *Attach a description of current liquid and solid waste collection/ treatment/ disposal systems.*

Description of Current Liquid and Solid Waste Collection/Storage/Disposal Procedures

A. Summary Information

- Pipeline Water Pipeline water produced from pigging operations is drained by underground line to a 100 barrel, steel, above-ground tank. When the tank contains approximately 50 to 75 barrels of water, a trucking contractor is notified to come pick up the water. The water is trucked to an off-site, Class II disposal well for injection.
- Laboratory Wastes Sulfuric acid, potassium hydroxide, thymolphthalein indicator and methyl red indicator are stored in the control building after use. When sufficient quantities of this waste have been collected, the wastes will be tested to determine whether or not they are classified as hazardous. Once this determination has been made, these wastes will be disposed of in an appropriate manner.
- Porous Media and Bag Filters After use, filters are hot drained into a 55 gallon steel drum. Liquids drained from the filters are put back into the process. When a drum is filled with filters, Waste Management, Inc. is contacted to pick up the filters and dispose of them at Waste Management's landfill.
- Activated Carbon Activated carbon is supplied, collected and regenerated by a Coastal Chemical. In the event that used activated carbon needs to be stored on site, it will be stored in a 55-gallon, steel drum on the process equipment skid. Activated carbon not regenerated by Coastal Chemical will be transported and disposed of by Waste Management of Four Corners (Waste Management) at their landfill.

B. Collection and Storage Systems

SOURCE OF WASTE	TYPE OF WASTE	COLLECTION SYSTEM/STORAGE (E.G. TANK, SUMP, ETC.)	CONSTRUCTION MATERIAL AND VOLUME OF STORAGE	METHOD OF SHIPMENT	FINAL DISPOSITION (E.G. RECYCLING, INJECTION, LANDFILL)
Pigging Operation	Pipeline Water	Tank	Steel 100 barrels above ground	Truck See Note 1	Injection in Class II Well See Note 2
Laboratory Wastes, acids and caustics	Sulfuric Acid Potassium Hydroxide	Bottle	> One gallon	To be determined	To be determined.
Process Equipment	Porous Media and Bag Filters	Drum	Steel 55 gallons, on equipment skid	Truck See Note 3	Landfill See Note 3
Process Equipment	Activated Carbon	Drum	Steel 55 gallons, on equipment skid	Truck See Note 4	Recycling or Landfill See Note 4
Laboratory Wastes, Indicators	Thymolphthalein Indicator, Methyl Red Indicator	Bottle	>One gallon	To be determined	To be determined
NA = Not applicable					

Piping is shown on Figure 3. All piping for the drain system is buried; the piping is 3-inch standard carbon steel. Drain lines will be tested for one hour to 150 pounds per square inch gauge before operations begin at the facility. Drain lines are not pressurized. All process piping is above ground.

The pipeline water tank is a 100 barrel, steel, above-ground tank. This tank, along with the 200 barrel, fiberglass, demineralized water tank, is enclosed in a berm with an impermeable liner that is large enough to contain a volume one-third more than the volume of the largest tank; the two tanks are not interconnected.

The drain tank is a below grade tank constructed of a 6 feet x 6 feet x 6 feet concrete septic-type tank placed within an open-topped 6 foot-diameter, 7 foot-deep, fiberglass tank. The bottom of the fiberglass tank is covered with sand and the concrete tank is placed on top of the sand.

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

In the event that South-Tex's Jack Rabbit Gas Treatment Plant would close, all waste materials will be properly disposed of. The NMOCD would be notified of any activities of this nature. A closure plan would be submitted as required under New Mexico Water Quality Control Commission, Ground and Surface Water Protection regulations Section 3107. A. 11.

South-Tex Treaters, Inc. will comply with the requirements put forth in the NMOCD Rule 116 and the WQCC Section 1203 in reporting any spills at this facility.

The Santa Fe New Mexican

Since 1849, We Read You.

RECEIVED

JUN 1 1 1996

NEW MEXICO OIL CONSERVATION Environmental Bureau NUMBER: 510681
Oil Conservation Division
ATTN: SALLY MARTINEZ
2040 S. PACHECO
SANTA FE, NM 87505
LEGAL NO: 59798

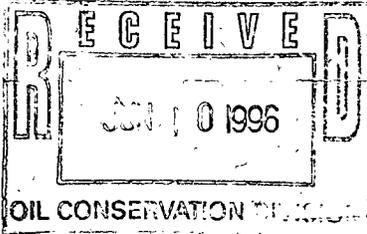
ACCOUNT: 56689
P.O. #: 96199002997

174 LINES once at \$ 69.60

Affidavits: 5.25

Tax: 4.68

Total: \$ 79.53



AFFIDAVIT OF PUBLICATION

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 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-251) - South-Tex Treatment, Inc., Mr. Paul Morrow, (915)-563-2766, 8180 Lakeview Center, Odessa, TX, 79765, has submitted a Discharge Plan Application for their Jack Rabbit Gas Plant located in the SW/4 NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. The approximate waste water in gallons per day to be discharged onsite into an above ground bermed closed prop tank has not been determined as operations of the plant have not begun. Transport of waste water will be offsite to an approved disposal facility; Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 157 feet with a total dissolved solids concentration of approximately 1,200 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 31st day of May, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
WILLIAM J. LEMAY,
Director
Legal #59798

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 # 59798 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 6th day of JUNE 1996 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 6th day of JUNE A.D., 1996



OFFICIAL SEAL
Candace C. Ruiz
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires 9/29/99

Candace C. Ruiz
6-11-96

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

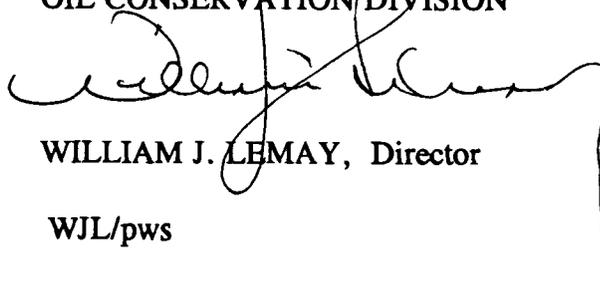
(GW-251) - South-Tex Treaters, Inc. , Mr. Paul Morrow, (915)-563-2766, 8180 Lakeview Center, Odessa, TX, 79765, has submitted a Discharge Plan Application for their Jack Rabbit Gas Plant located in the SW/4 NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. The approximate waste water in gallons per day to be discharged onsite into an above ground bermed closed top tank has not been determined as operations of the plant have not begun. Transport of waste water will be offsite to an approved OCD disposal facility; Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 157 feet with a total dissolved solids concentration of approximately 1,200 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 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 31st day of May, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

WJL/pws

SEAL

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

RECEIVED
MAY 31 1996
Environmental Bureau
Oil Conservation Division

DISCHARGE PLAN APPLICATION

PREPARED FOR

GW-251

**SOUTH-TEX TREATERS, INC.
JACK RABBIT GAS TREATMENT PLANT
SAN JUAN COUNTY, NEW MEXICO**

PREPARED BY

**PHILIP
ENVIRONMENTAL**

**4000 MONROE ROAD
FARMINGTON, NEW MEXICO 87401
(505) 326-2262**

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ATTACHMENT F	Response to Question 9.
ATTACHMENT G	Response to Question 10.
ATTACHMENT H	Response to Question 11.
ATTACHMENT I	Response to Question 12.
ATTACHMENT J	Response to Question 13.

District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
J. S. First
Artesia, NM 88210
District III - (505) 334-6178
2000 Rio Brazos Road
Bosque, 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 12/1/95
Submit Original
Plus 1 Copies
to Santa Fe
1 Copy to appropriate
District Office

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS
(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Gas Treatment Plant
2. Operator: South-Tex Treaters
Address: 8180 Lakeview Center, Odessa, Texas, 79765
Contact Person: Paul Morrow Phone: (915) 563-2766
3. Location: SW /4 NE /4 Section 23 Township 31N Range 10W
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: Paul Morrow Title: Vice President
Signature: [Handwritten Signature] Date: 5/20/96

FOREWARD

Philip Environmental Services Corporation (Philip) prepared this plan under contract to South-Tex Treaters, Inc. (South-Tex). All information supplied in this discharge plan application was supplied by South-Tex to Philip. Philip has not verified any of the information contained in the application, or it's attachments.

SOUTH-TEX TREATERS, INC. AFFIRMATION

"I hereby certify that I am familiar with the information contained in and submitted with this discharge plan, and that such information is true, accurate, and complete, to the best of my knowledge and belief."

SOUTH-TEX TREATERS INC.

BY:



PAUL MORROW

5/20/96

DATE

ITS: VICE PRESIDENT

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

Facility Landowner

United States Bureau of Land Management (BLM)
1235 La Plata Highway
Farmington, NM 87401
(505) 599-8900

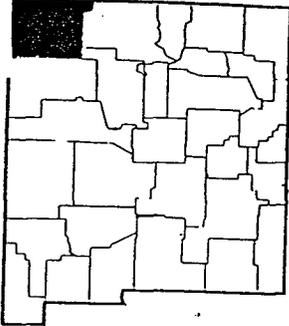
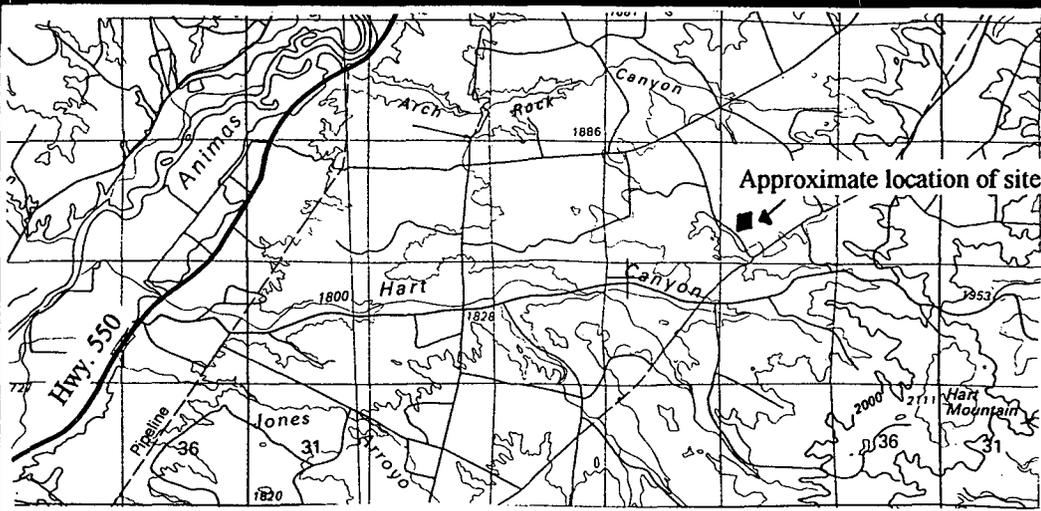
5. *Attach the description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.*

See the following figures.

FIGURE 1 Site Location, Topographic Map

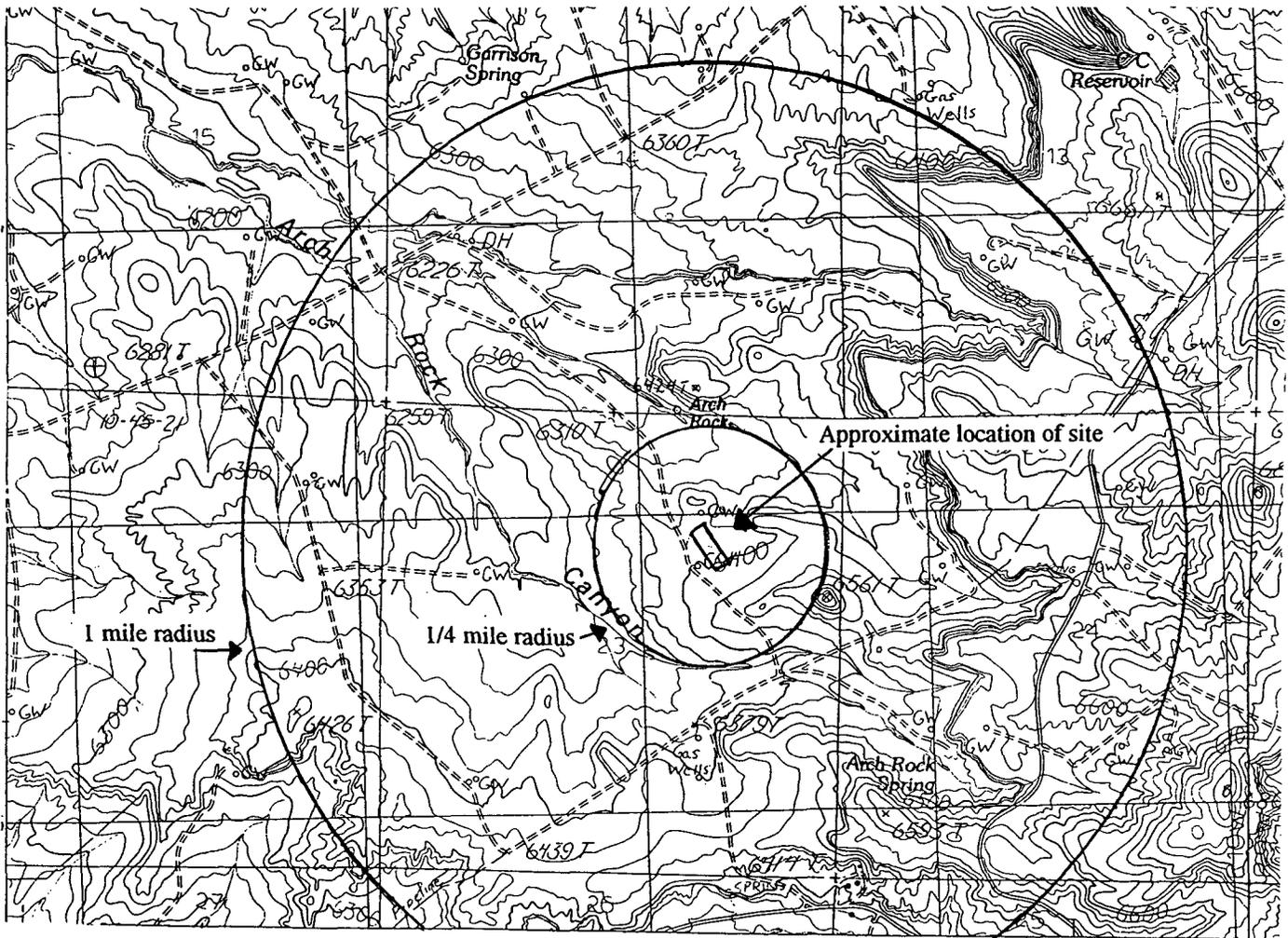
FIGURE 2 Site Vicinity Map

FIGURE 3 Site Plan



San Juan County
NEW MEXICO

From USGS 30x60 minute quadrangle titled "Navajo Reservoir, New Mexico" scale 1:100,000 contour interval 50 meters



From USGS 7.5 minute series (topographic) quadrangle titled "Mount Nebo, New Mexico-Colorado"

Scale 1:24,000
contour interval 20 feet

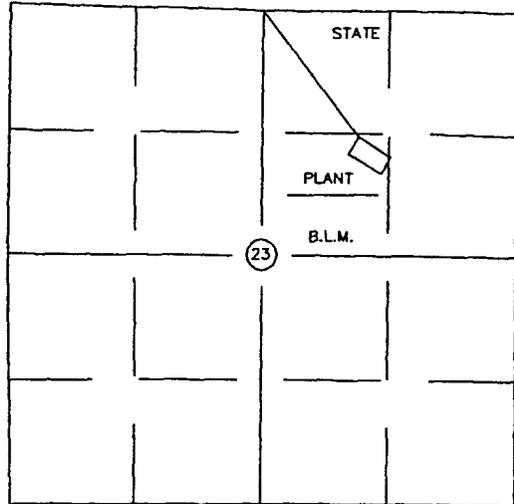


Philip Environmental Services Corp.	
Jackrabbit Plant, San Juan County, New Mexico	
SW 1/4, NE 1/4, Section 23, Township 31 North, Range 10 West South-Tex Treaters, Inc.	Figure 1

JACKRABBIT PLANT

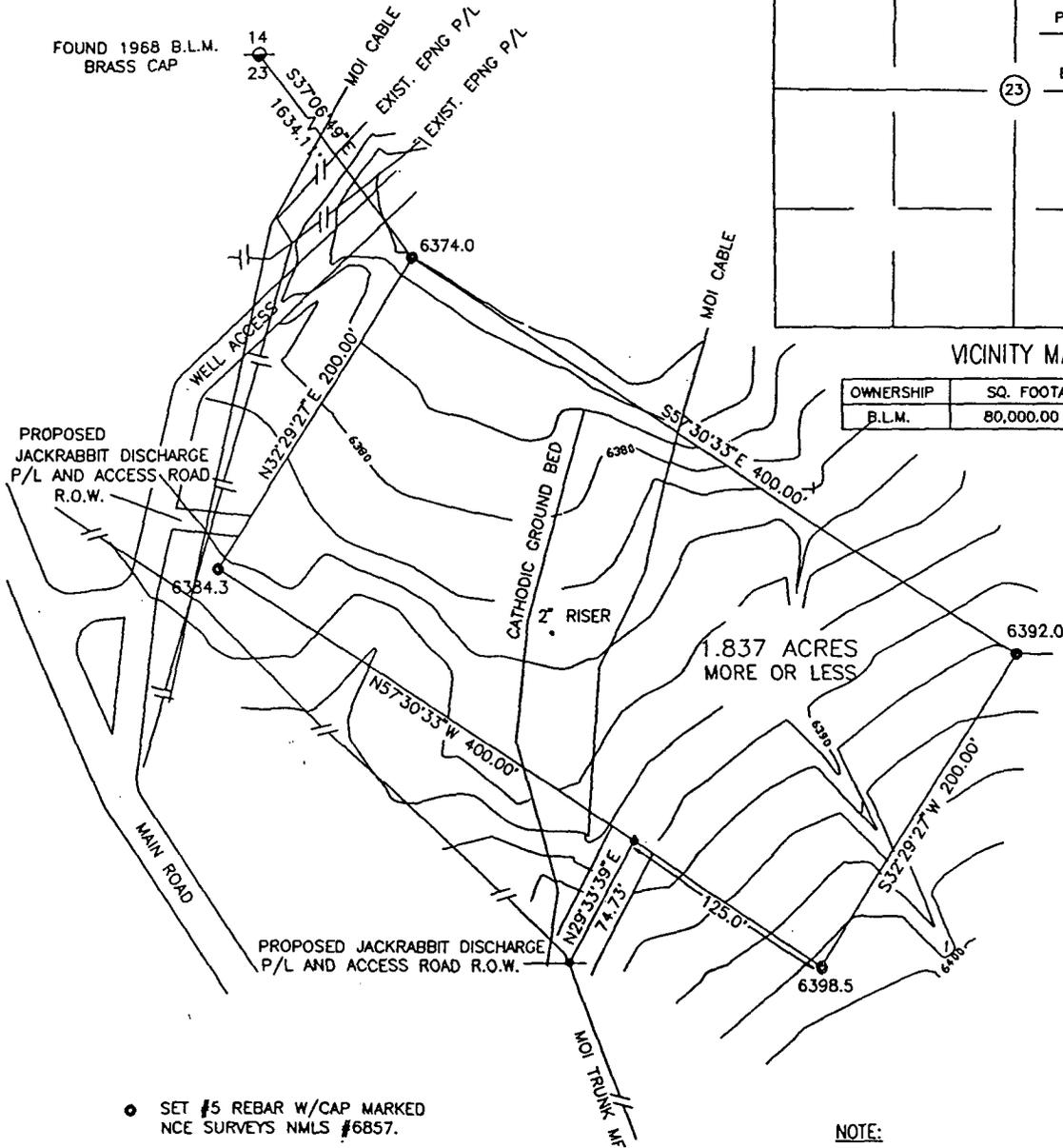
S1/2 OF THE NE1/4 OF SEC. 23, T 31 N, R 10 W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO

Figure 2
Vicinity Map



VICINITY MAP

OWNERSHIP	SQ. FOOTAGE	ACREAGE
B.L.M.	80,000.00	1.837



● SET #5 REBAR W/CAP MARKED
NCE SURVEYS NMLS #6857.

NOTE:

1. BASIS OF BEARING IS THE NORTH LINE OF THE NW 1/4 OF SEC. 23, T31N, R10W, NMPM SAN JUAN COUNTY, NEW MEXICO, BEARS N 87°53' W.
2. CONTOUR LINES ARE IN TWO FOOT INCREMENTS.



I, NEALE C. EDWARDS, A REGISTERED PROFESSIONAL SURVEYOR UNDER THE LAWS OF THE STATE OF NEW MEXICO, HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY, MEETING THE MINIMUM REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NEALE C. EDWARDS N.M.R.L.S. #6857

DATE:

CLIENT
MERIDIAN OIL

DESCRIPTION
JACKRABBIT PLANT

DATE SURVEYED: 3/6/96

REVISION DATE:

DRAWN BY: J. CLARK

DATE DRAWN: 3/7/96

FILE NAME: A959A01

SURVEYED BY

NCE SURVEYS, INC.

P.O. BOX 6612
FARMINGTON, NEW MEXICO
(505) 325-2654

PREPARED BY



TRIGON ENGINEERING INC
DENVER COLORADO
FARMINGTON NEW MEXICO

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

MATERIALS STORED OR USED AT FACILITY				
PROCESS SPECIFIC CHEMICALS				
MATERIAL	FORM	TYPE OF CONTAINER	ESTIMATED VOLUME	LOCATION ON SITE
Amine, DEA Brand, 50% soln. with H ₂ O	liquid	process equip.	5,000 gallons	See Figure 3
Triethylene Glycol (TEG)	liquid	process equip.	1,060 gallons	See Figure 3
Hot Water with 100-200 ppm corrosion inhibitor	liquid	process equip.	4,100 gallons	See Figure 3
ACIDS/CAUSTICS				
MATERIAL	FORM	TYPE OF CONTAINER	ESTIMATED VOLUME	LOCATION ON SITE
Potassium Hydroxide 1.0N	liquid	glass bottle	1 gallon	In control building
Sulfuric Acid 1.0N	liquid	glass bottle	1 gallon	In control building
SOLVENTS, INHIBITORS, AND DEGREASERS				
MATERIAL	FORM	TYPE OF CONTAINER	ESTIMATED VOLUME	LOCATION ON SITE
Corrosion Inhibitor, Hydrochem C-956A	liquid	drum	55 gallons	On process skid
Anti-foam, Exxon Corexit	liquid	bucket	5 gallons	On process skid
OTHER				
MATERIAL	FORM	TYPE OF CONTAINER	ESTIMATED VOLUME	LOCATION ON SITE
Thymolphthalein Indicator	liquid	bottle	1 pint	In control building
Methyl Red Indicator	liquid	bottle	1 pint	In control building
Demineralized Water	liquid	fiberglass tank	175 barrels, max	See Figure 3
Skid Drain Tank	liquid	concrete tank	75 barrels, max	See Figure 3
Pipeline water tank	liquid	steel tank	75 barrels, max	See Figure 3
Activated Carbon	solid	drum	variable	On process skid
ppm = parts per million				

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

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

SOURCE	TYPE OF EFFLUENT	ESTIMATED QUANTITY	COMMENTS/ DESCRIPTIONS
Separators, scrubbers, and slug catchers	Pipeline Water	2 barrels/mo.	
Spent acids or caustics used in laboratory tests	Sulfuric Acid	1 gallon/yr.	
	Potassium Hydroxide	1 gallon/yr.	
Used lube oil and process filters	Porous Media	4 filters/yr.	
	Activated Carbon	5-55 gallon drums/yr.	
	Bag Filters - Amine	4 filters/yr.	
Process Equipment Skids - Leaks	•amine •water •TEG		Skids are drained to drain tank, what is not recycled is drained to the pipeline water tank rainwater, etc.).
Laboratory Wastes	Indicators	1 gallon/yr.	
Amines, TEG, and hot water are continuously recycled through the process at the facility and are not considered a part of the waste stream.			

B. Quality Characteristics

South-Tex does not anticipate discharging any materials on this site; therefore no analysis of waste characteristics have been performed.

C. Commingled Waste Streams

Water from the drain tank and from the slug catcher are commingled in the pipeline water tank. Laboratory wastes are added to the pipeline water tank in small quantities such that they will be significantly diluted (see Section 8. A.)

8. *Attach a description of current liquid and solid waste collection/ treatment/ disposal systems.*

Description of Current Liquid and Solid Waste Collection/Storage/Disposal Procedures

A. Summary Information

- Pipeline Water Pipeline water produced from pigging operations is drained by underground line to a 100 barrel, steel, above-ground tank. When the tank contains approximately 50 to 75 barrels of water, a trucking contractor is notified to come pick up the water. The water is trucked to an off-site, Class II disposal well for injection.
- Laboratory Wastes Sulfuric acid, potassium hydroxide, thymolphthalein indicator and methyl red indicator are disposed of into the pipeline water tank after use. The small amount of these wastes, estimated to be .25 gallon per month (3 gallons per year divided by 12 months) will be significantly diluted by the pipeline water in the tank, estimated to be 50 to 75 barrels (2,100 gallons to 3,150 gallons) per month. The pipeline water is trucked to an off-site, Class II disposal well for injection.
- Porous Media and Bag Filters After use, filters are hot drained into a 55 gallon steel drum. Liquids drained from the filters are put back into the process. When a drum is filled with filters, Waste Management, Inc. is contacted to pick up the filters and dispose of them at Waste Management's landfill.
- Activated Carbon Activated carbon is supplied, collected and regenerated by a Coastal Chemical. In the event that used activated carbon needs to be stored on site, it will be stored in a 55-gallon, steel drum on the process equipment skid. Activated carbon not regenerated by Coastal Chemical will be transported and disposed of by Waste Management of Four Corners (Waste Management) at their landfill.

B. Collection and Storage Systems

SOURCE OF WASTE	TYPE OF WASTE	COLLECTION SYSTEM/STORAGE (E.G. TANK, SUMP, ETC.)	CONSTRUCTION MATERIAL AND VOLUME OF STORAGE	METHOD OF SHIPMENT	FINAL DISPOSITION (E.G. RECYCLING, INJECTION, LANDFILL)
Pigging Operation	Pipeline Water	Tank	Steel 100 barrels above ground	Truck See Note 1	Injection in Class II Well See Note 2
Laboratory Wastes, acids and caustics	Sulfuric Acid Potassium Hydroxide	NA	NA	NA	Diluted in Pipeline Water Tank
Process Equipment	Porous Media and Bag Filters	Drum	Steel 55 gallons, on equipment skid	Truck See Note 3	Landfill See Note 3
Process Equipment	Activated Carbon	Drum	Steel 55 gallons, on equipment skid	Truck See Note 4	Recycling or Landfill See Note 4
Laboratory Wastes, Indicators	Thymolphthalein Indicator, Methyl Red Indicator	NA	NA	NA	Diluted in Pipeline Water Tank
NA = Not applicable					

Piping is shown on Figure 3. All piping for the drain system is buried; the piping is 3-inch standard carbon steel. Drain lines will be tested for one hour to 150 pounds per square inch gauge before operations begin at the facility. Drain lines are not pressurized. All process piping is above ground.

The pipeline water tank is a 100 barrel, steel, above-ground tank. This tank, along with the 200 barrel, fiberglass, demineralized water tank, is enclosed in a berm with an impermeable liner that is large enough to contain a volume one-third more than the volume of the largest tank; the two tanks are not interconnected.

The drain tank is a below grade tank constructed of a 6 feet x 6 feet x 6 feet concrete septic-type tank placed within an open-topped 6 foot-diameter, 7 foot-deep, fiberglass tank. The bottom of the fiberglass tank is covered with sand and the concrete tank is placed on top of the sand.

RESPONSE TO QUESTION 8.

C. Existing Effluent and Solids Disposal

C.1. This facility has no existing on-site facilities used for the disposal of water, sludges, waste oils, or solvents.

C.2. Off-Site Disposal

Note 1: The trucking agent contracted to ship effluents off-site will be one of the following:

- Dawn Trucking Company
318 Highway 64
Farmington, New Mexico
(505) 327-6314
- Triple S Trucking Company
P.O. Box 100
Aztec, New Mexico
(505) 334-6193
- Sunco Trucking
708 S. Tucker Ave.
Farmington, New Mexico
(505) 327-0416

Note 2: The off-site disposal facility will be one of the following:

- McGrath SWD #4
Sec. 34, T30N, R12W
San Juan County, New Mexico
- Basin Disposal
Sec. 3, T29N, R11W
6 County Road 5046
Bloomfield, New Mexico
(505) 325-6336
- Sunco Disposal
Sec. 2, T29N, R12W
323 County Road 3500
Farmington, New Mexico
(505) 334-6186

RESPONSE TO QUESTION 8.

Note 3: Filters will be hot drained into a 55-gallon, steel drum stored on the equipment skids and shipped by and to:

- Waste Management
County Road 3100
Aztec, New Mexico
New Mexico registration #241102
(505) 334-1121

Liquids drained from the filters will be put back into the process equipment.

Note 4: Activated carbon will be supplied, collected, and regenerated by:

- Coastal Chemical
10 County Road 5911
Farmington, New Mexico

Carbon requiring off-site disposal will be transported and disposed of Waste Management at their landfill. Mr. John Hammer of Waste Management affirmed that Waste Management does accept filters and filter material from gas plants at their landfill. This type of waste does require a special waste profile, which includes an analysis of the material using the Toxicity Characteristic Leaching Procedure (TCLP) for metals.

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

South-Tex's facility meets the criteria of Section 8.B.2 and 8.B.3 of the New Mexico Oil Conservation Division (NMOCD) Guidelines for the preparation of discharge plans at natural gas plants, refineries, compressor and crude oil pump stations. No modifications are proposed.

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

- A. Operations personnel will be on site daily to inspect the equipment, detect any problems, and ensure proper operation of the plant. Storage tanks, drums and berms will be inspected. Should a release of materials occur, South-Tex will notify the NMOCD in accordance with the provisions described in NMOCD Rule and Regulation #116 and Water Quality and Control Commission (WQCC) Section 1203. **Spills will be reported to the Aztec NMOCD District Office at (505) 334-6178.**
- B. No groundwater monitoring is required at South-Tex's facility.
- C. Any precipitation that contacts the process equipment is collected on the equipment skids and drained to the pipeline water tank and either allowed to evaporate or is disposed of off-site as described in the answer to Question 8, C.2. The facility pad is maintained to prevent surface accumulations of storm water.

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

CONTINGENCY PLAN FOR SPILLS OF RELEASES OF STORED LIQUIDS

South-Tex Treaters, Inc.
Jack Rabbit Gas Treatment Plant
San Juan County, New Mexico

- A. Potential sources of spills or leaks at this facility include the following:
1. Tank overflow or rupture
 2. Overflow of equipment containment skids
 3. Rupture of process pipelines
 4. Pigging operations

South-Tex places a high priority on prevention of accidental releases from these sources. Spill prevention is undertaken through proper operating procedures and by an active equipment inspection and maintenance program. Spill detection is accomplished by routine visual inspection of facility equipment and monitoring of process instrumentation.

To reduce the risk of spilled process fluids from contacting the ground surface, South-Tex has utilized self-contained skids for process equipment at this facility. Each of the skids drains to the drain tank to aid in fluid recycling and disposal.

Spill clean-up procedures may involve recovery of as much free liquid as possible, and minor earthwork to prevent migration. Recovered fluids would be transported off-site for recycling or disposal. Clean-up procedures will follow NMOCD's "Guidelines for Remediation of Leaks, Spills, and Releases."

Should a release occur, South-Tex will notify the NMOCD in accordance with NMOCD Rule and Regulation #116 and WQCC Section 1203.

- B. The pipeline water and demineralized water tanks at this facility are above ground tanks contained in a bermed area with an impermeable liner. The skid drain tank is below grade. This tank is constructed of a concrete septic tank placed within an open-topped, fiberglass tank. The bottom of the fiberglass tank is filled with sand and the concrete tank is placed on top of the sand. The tanks are visually inspected daily. Any leaks or unexplained losses of fluids are investigated. Drain lines are designed so that they can be hydro-tested if a leak is suspected. Repairs are made as soon as practicable. If a significant release appears to have occurred, clean-up will commence as soon as practicable. **The Aztec NMOCD District**

Office will be notified at (505) 334-6178, within 24 hours of the discovery of the release.

- C. This facility does not have an on-site injection well.

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

1. The Jack Rabbit Gas Plant is approximately 1200 horizontal feet uphill from the arroyo in the bottom of Arch Rock Canyon. The arroyo in the bottom of Arch Rock Canyon is an intermittent stream. This arroyo is a tributary to the Animas River, which is approximately four miles down the arroyo from the facility.

Three springs are shown on the United States Geological Survey's (USGS) Mount Nebo, New Mexico-Colorado, 7.5 minute series, topographic quadrangle within one mile of the facility. (See Figure 1) One spring is named "Arch Rock Spring", the remaining two are unnamed. All three springs are either uphill from, or on the other side of a topographic divide from the facility.

An intermittent pond is shown on the USGS quadrangle approximately 300 horizontal feet downhill from the plant.

Philip put in a request to the New Mexico State Engineer Office to identify and send records for any wells in Section 23, 24, and 14, Township 31 N., Range 10 W. The State Engineer's office notified Philip in a phone call on May 14, 1996 that they had no records of wells in those areas.

2. The groundwater most likely to be affected by any possible releases at the facility is within the Tertiary Nacimiento Formation. The total dissolved solids (TDS) concentration for the Nacimiento Formation ranges from 1,200 milligrams per liter (mg/L) near La Plata, New Mexico to 6,600 mg/L near the mouth of Largo Canyon, New Mexico. This information was obtained from the USGS Hydrogeologic Investigations Atlas HA-720-A, titled "Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan Structural Basin, New Mexico, Colorado, Arizona, and Utah", by G.W. Levings and others, published in 1990. Cathodic Protection System well records maintained by Meridian Oil Inc. (Meridian) in Farmington, New Mexico had water sampling data available at the following locations and dates:

- T31N, R10W, Section 23, NW1/4, SE1/4, 12/12/78 - 812 mg/L TDS
- T31N, R10W, Section 23, NE1/4, NW1/4, 12/12/78 - 1592 mg/L TDS
- T31N, R10W, Section 23, NE1/4, NE1/4, 9/18/91 - 600 mg/L TDS

Meridian's Cathodic Protection System data show that the two cathodic protection wells drilled closest to the facility (in the SW1/4, NE1/4 of Section 23) encountered groundwater at 110 and 280 feet below ground surface. The average depth to water for the ten cathodic protection wells drilled in Section 23 is 157

feet. Well logs for these wells indicate that water is typically found in black shale, sandy shale, and grey sandstone strata.

3. a. The soil type is Haplargids, the source of this information is the United States Department of Agriculture, Soil Conservation Service's Soil Survey of San Juan County, New Mexico, eastern part, 1980. This soil type formed on moderately fine-textured alluvium of ancient river terraces. Haplargids is commonly composed of a cobbly, sandy loam about 7-inches thick at the surface, with a cobbly, sandy, clay loam subsoil.
3. b. The name of the aquifer underlying the facility is the Nacimiento Formation. The source of this information was the New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6, titled "Hydrogeology and Water Resources of San Juan Basin, New Mexico.", 1983.
3. c. The Nacimiento Formation is composed of mudstones and medium to coarse grained sandstones.
3. d. According to the United States Department of Agriculture, Soil Conservation Service's Soil Survey of San Juan County, New Mexico, the Haplargids soil is usually 2 to 5 feet deep. Beneath the soil, sandstone is usually encountered.
4. a. Flooding potential at this facility is low. The facility is located on a low ridge that is not typically subject to flooding; therefore, no special flood protection measures were incorporated into the design of the facility.

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

In the event that South-Tex's Jack Rabbit Gas Treatment Plant would close, all waste materials will be properly disposed of. The NMOCD would be notified of any activities of this nature.

South-Tex Treaters, Inc. will comply with the requirements put forth in the NMOCD Rule 116 and the WQCC Section 1203 in reporting any spills at this facility.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

May 30, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-963-154

Mr. Paul Morrow
Vice President
South-Tex Treaters, Inc.
P.O. Box 60480
Midland, TX 79711

**RE: Extension to Discharge
South-Tex Treaters, Inc.
San Juan County, New Mexico**

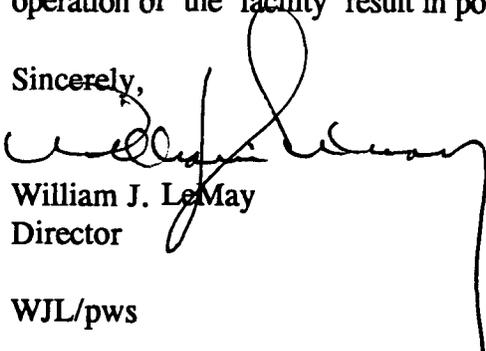
Dear Mr. Morrow:

The New Mexico Oil Conservation Division has received the request dated May 17, 1996 from Philip Environmental, on behalf of South-Tex Treaters, Inc. for an extension to discharge without an approved discharge plan for 120 days.

Pursuant to Water Quality Control Commission (WQCC) Regulations 3106.B, and for good cause shown, an extension to September 17, 1996 to discharge without an approved discharge plan for the South-Tex Treaters, Inc. facility located at SW/4 NE/4, Section 23, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico is hereby approved.

Please be advised this extension does not relieve South-Tex Treaters, Inc. of liability should the operation of the facility result in pollution of surface waters, ground waters or the environment.

Sincerely,


William J. LeMay
Director

WJL/pws

xc: Mr. Denny Foust, Ms. Sarah Kelly Z-765-963-155

Z 765 963 154



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) *Mr. Morvan*

5524674 <i>West-Tex, Treaters</i>	
Street and No. <i>P.O. Box 60480</i>	
P.O., State and ZIP Code <i>Midland TX, 79711</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
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

Z 765 963 155



Receipt for Certified Mail

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

Sent to <i>Philip Environmental - Kelly</i>	
Street and No. <i>400 Monroe Rd.</i>	
P.O., State and ZIP Code <i>Farmington, NM 87401</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
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



RECEIVED

Environmental Services Group
Southern Region

MAY 24 1996

Environmental Bureau
Oil Conservation Division

Project 16265

May 17, 1996

Rec. May 30, 1996
by PWS

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

RE: South-Tex Treaters, Inc. Discharge Application Plan

Dear Mr. LeMay:

On behalf of South-Tex Treaters, Inc. (South Tex) Philip Environmental Services Corporation herein requests a 120-day extension to operate the Jackrabbit Gas Treatment Plant (the plant) without an approved discharge plan. This request is made in accordance with New Mexico Water Quality Control Commission Regulations Section 3106.B.

The plant, located at the SW 1/4, NE 1/4, Section 23, Township 31 North, Range 10 West, is currently under construction. South-Tex forecasts that operations at the plant will begin on July 1, 1996. The reason that this extension is requested is that there is not enough time allowed for the review of South-Tex's discharge plan application, prior to the forecasted date for the start of operations at the plant. South-Tex anticipates submitting it's discharge plan application for the plant the week of May 20, 1996.

If you have any questions regarding this request, please contact Mr. Paul Morrow of South-Tex at (915) 563-2766 or Ms. Sarah Kelly of Philip Environmental Services Corporation at (505) 326-2262.

Thank you for your consideration.

Sincerely,

Philip Environmental Services Corporation

Sarah Kelly
Project Manager

Enclosures -
as stated

