

AP-102

**GENERAL
CORRESPONDENCE**

2012



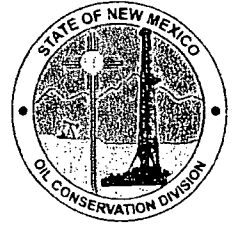
New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



JANUARY 30, 2011

Mr. Larry Campbell
Transwestern Pipeline
6381 North Main Street
Roswell, New Mexico 88201

Dear Mr. Campbell:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that three of your facilities with an expired or soon to be expired permit are not required to operate under a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit for GW-080 (Transwestern Thoreau # 5 CS) is hereby rescinded and you are not required to proceed with the renewal of this expired WQCC Discharge Permit. The WQCC Discharge Permits for GW-095 (Transwestern Laguna CS) and GW-109 (Transwestern Carlsbad CS) will be allowed to expire on the permit expiration dates of March 9, 2012 and May 18, 2012 respectively and you are not required to proceed with the renewal of these expired WQCC Discharge Permits. OCD will close these discharge permits in its database.

Previously, Transwestern Pipeline has conducted abatement of ground water at these facilities under the authority of its WQCC Discharge Permits, pursuant to 20.6.2.4000 NMAC (PREVENTION AND ABATEMENT OF WATER POLLUTION). OCD has determined that Transwestern Pipeline does not intentionally discharge at these three facilities; therefore, no WQCC Discharge Permit is required. However, because of existing ground water contamination at this facility, OCD is requiring Transwestern Pipeline to continue to abate pollution of ground water pursuant to 19.15.30 NMAC (REMEDIATION). The new Abatement Plan case number for the former GW-080 site is **AP-102**. The new Abatement Plan case number for the former GW-095 site is **AP-103**. The new Abatement Plan case number for the terminated GW-109 site is **AP-105**. Please use these Abatement Plan case numbers in all future correspondence.

Because these WQCC Discharge Permits will now longer be in effect, you may be required to obtain separate OCD permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfills and landfills. OCD will determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required.

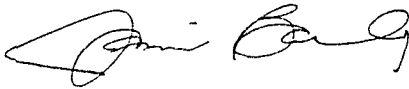
Mr. Larry Campbell

Page 2

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit.

If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey

Director