

GW - 161

INSPECTION

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**Additional information on resolution of COND. 16
in PERMITS THUMBNAIL. **

June 5, 2009

Mr. Leonard Lowe
State of New Mexico- Oil Conservation Division
Environmental Bureau
1220 So. St. Francis Drive
Santa Fe, NM 87505

RE: Rosa East Compressor Station
GW-161 Renewal -Item 16- OCD Inspections
Operated by Williams Production Co, LLC

The following correspondence is a followup to our renewal of the referenced GroundWater Discharge Permit. The following corrective measures were taken to demonstrate compliance with the outstanding concerns in Item #16 of the renewal permit:

- #2 The saddle tanks used to store make up glycol and lube oil were reset in the concrete containment and the drain valves repiped to ensure the valves and hoses are located inside the containment in case of an accidental release. See the attached photo.
- #3 Monthly inspection are done on the BGT by our field technicians assigned to the site. These are reported using an EXCEL® spreadsheet. The following in the inspection record for May. No leak was detected.

		Tech		Nathan Sanburg					
Date Inspected	Well Name	Run	Formation	Construct ion	Type	Leak Detection ?	Leak Detection Level	Pit Level	Comments
5/27/2009	ROSA EAST CDP	04-50		Double Wall Steel	BGT	N	Moist <1"	10"	No Leak

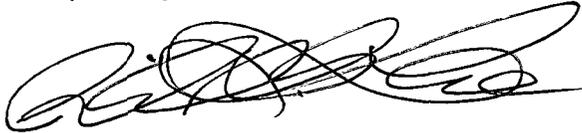
- #4 Williams did not construct the original facility and no as-built drawings or information was provided when it was purchased. Additional investigation was done in early May to determine if a liner was installed under the above-ground tanks used to store produced water. The attached photo notes that after digging and removing the soil and gravel cover in the containment, a plastic (geosynthetic) liner was found. Williams does not at this time plan to do any future modifications or upgrades to this tank battery as we feel the liner meets the NMOCD requirements.

NMOCD
Renewal Permit GW-161: Rosa East CS
Followup to Item #16
Williams Production Co, LLC

June 5, 2009

Please contact me if there is any additional information or stipulations required of Williams for this permit. Thanks for your time and consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael K. Lane", with a large, stylized flourish at the end.

Michael K. Lane
San Juan Basin Operations
EH&S Team Lead

Encl:
Photos



Product Storage Tanks – Drain Valves
(Taken May 6, 2009)



Liner under West Berm (Secondary Containment for Produced Water Tanks)
(Taken May 6, 2009)

Inspection concerns were noted in the latest renewal permit for GW-161. Signed 05/04/09 by Michael Lane

16. OCD Inspections: The OCD performed an inspected this facility on November 20, 2008. Doug Sprague and Brandon Powell were in attendance. All photographs referenced below are located in the attachment of this permit. Based on the inspection OCD determined the following:

1. **Photo 1:** This saddle tank was not identified on the facility schematic. Williams Productions shall identify all tanks on the facility schematics.
2. **Photo 2:** Saddle tanks located on the southeast plot of the facility. Williams Production shall reconfigure these tanks so that the exit port (see red arrow) are kept within the secondary containment area. If either of the valves failed there would be a direct discharge onto the ground.
3. **Photo 3:** Williams shall verify that this BGT is double walled/bottom and has a leak detection system. See Condition 11.a for maintaining a below grade tank.
4. **Photo 4 - 6:** All above ground tanks shall be lined in accordance with Condition 9 of the permit conditions.
5. **Photo 6:** This tank was not identified with any labels and was not identified on the facility schematic. Williams shall mark this tank accordingly and update their facility schematic. Once done, the schematic shall be sent to the OCD to update their file for this facility.
6. **No photo:** The BGT and the tank noted in photo 6 appear to have underground lines connected to them. Have these lines ever been hydrostatically tested? Please provide the latest test results.

The Williams Rosa East compressor station appeared to be in excellent condition. **Williams Production Company shall submit OCD inquires of number 3, 5, and 6 by May 1, 2009.** All other issues should be addressed in accordance with the permit conditions. Williams Production Company shall ensure that the all field employees are aware of the discharge plant permit conditions.