

GW-023

**General
Correspondence**

YEAR(S): 2010 - 2014

Lowe, Leonard, EMNRD

From: Warren, Keith [KWARREN@dcpmidstream.com]
Sent: Thursday, November 04, 2010 8:49 AM
To: Lowe, Leonard, EMNRD
Subject: RE: GW-128 Request

Leonard,

GW-023

Thank you for the quick responses to both this, and the Artesia Gas Plant correspondences detailing our upcoming planned work. I am traveling this week and am trying to pull this information together for you as quickly as I can. I anticipate having a complete response to your Artesia questions and comments by close of business tomorrow, and I will do my best to have answers to these comments/questions by close of business Monday.

Again, I appreciate your support in reviewing these notifications in a timely fashion. I look forward to answering your questions in a similarly quick manner.

Sincerely,

Keith

Keith Warren, P.E.
Environmental Engineer IV
DCP Midstream, LP
Office: (303) 605-1936
Fax: (303) 605-1957
Cell: (303) 301-4446

From: Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]
Sent: Thursday, November 04, 2010 8:39 AM
To: Warren, Keith
Cc: VonGonten, Glenn, EMNRD
Subject: GW-128 Request
Importance: High

Mr. Warren,

Good afternoon,

Re: Modification of Discharge Permit (GW-128)

19.15.2.7 DEFINITIONS: B. Definitions beginning with the letter "B". (5)

"Below-grade tank" means a vessel, excluding sumps and pressurized pipeline drip traps, where a portion of the tank's sidewalls is below the surrounding ground surface's elevation. Below-grade tank does not include an above ground storage tank that is located above or at the surrounding ground surface's elevation and is surrounded by berms.

PART 17 PITS, CLOSED-LOOPED SYSTEMS, BELOW-GRADE TANKS AND SUMPS

19.15.17.7 DEFINITIONS:

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, November 01, 2010 5:01 PM
To: 'Warren, Keith'
Cc: VonGonten, Glenn, EMNRD
Subject: GW-023, DCP Midstream Artesia Gas Plant MODIFICATION

Mr. Warren,

The OCD has received your October 29, 2010 'Notification of Upcoming Facility Change' for your discharge permit GW-023.

A few inquiries:

What is the depth to ground water at this facility location?

Please clarify that these "sumps" noted by DCP are sumps via Part 17, 19.15.17.7 DEFINITIONS

1. It is annotated that "three existing below-grade sumps" are being removed and replaced. *Are these sumps or below grade tanks?*
 - I. AGI sump (Replace with 1000 gallon below-grade sump)
Question: It is noted that the 'AGI sump' is being replaced by a 1000 gallon "Sump", per definition anything greater than 500 gallons is NOT a Sump and is a below-grade tank. Please refer to NMAC for your information. What fluids were noted to be collected in the current "AGI Sump"? What volume capacity is the current "AGI Sump"? Were all historical hydrostatic testing passed for this 'sump'? If not what was done to determine the failed test? What material is made up of the current "Sump"?
 - II. Cat House Jacket Water sump:
Question: What was the maximum volume capacity for this "sump"? What was the major effluent known to 'run' in to this depression? What does DCP consider a 'closure' of this "sump"? Were all historical hydrostatic testing passed for this 'sump'? If not what was done to determine the failed test? What material is made up of the current "Sump"?
 - III. Cat House Oily Water Drain Sump: Question:
Question: What was the maximum volume capacity for this "sump"? What was the major effluent known to 'run' in to this depression? What does DCP consider a 'closure' of this "sump"? Were all historical hydrostatic testing passed for this 'sump'? If not what was done to determine the failed test? What material is made up of the current "Sump"?
2. Question for both Cat House "sumps": Will there be a replacement AST or each closed "Sump"? Or just one new AST replacing the two "sumps"?
3. Can you provide a photograph for each of these "sumps"?
4. Overall, how and where do you intend to dispose of all 'closed' sumps and any other associated waste?
5. Where do you intend to dispose of the 'used 6" pipe'?
6. When do you anticipate starting these projects?

Please clarify

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
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Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>



DCP Midstream
370 17th Street, Suite 2500
Denver, CO 80202
303-595-3331

October 29, 2010

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 13 9635 9313)

Mr. Glenn von Gonten
Environmental Bureau
Oil Conservation Division
New Mexico Energy, Minerals
& Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: Artesia Gas Plant
Notification of Upcoming Facility Changes
Discharge Permit (GW-23)
Eddy County, New Mexico

Mr. von Gonten:

DCP Midstream, LP (DCP Midstream) is providing you with the following information regarding several facility upgrades planned for the Artesia Gas Plant facility. Plans for the changes described below are currently being finalized in hopes of completing construction at the facility in the next few weeks. I am providing this information (following recent discussions with Leonard Lowe) in the hope that we can secure your expedited approval to proceed with the work described. Since the changes described below are generally considered to be facility improvements, DCP Midstream does not believe the changes described will result in any increase in the potential discharge of any water contaminants, nor will any water quality standard be exceeded as a result of these changes. A copy of the facility plot plan showing the locations of the new equipment is provided as Attachment 1.

DCP Midstream is planning to remove three existing below-grade sumps during a scheduled facility shutdown the first week of December 2010. One sump, designated the AGI Sump, will be removed and replaced with a new 1,000-gallon below-grade sump. The new sump will be constructed of polyethylene, and will be double-walled to provide appropriate secondary containment in order to minimize the potential for an inadvertent release of oil or other fluids. A leak detection sensor will be placed into the sump's interstitial space, and will be connected to the facility's constantly manned electronic monitoring system to alert personnel of a breach of the sumps primary vessel. Level controls will be incorporated into the sump design to provide timely emptying of the sump via a pneumatic transfer pump once the sump level reaches 70% capacity. The sump will also be equipped with an electronic level alarm system to notify operators of a potential overflow situation, should levels in the sump reach 80% of sump capacity. A drawing showing the details of the new double-walled sump is included as Attachment 2.

The two additional sumps being removed are currently designated the Cat House Jacket Water Sump and the Cat House Oily Water Drain Sump. These sumps, located on the northwest corner of the



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303-595-3331

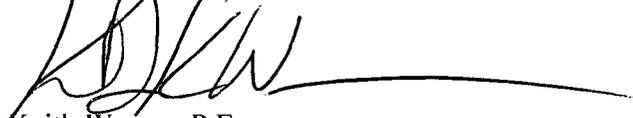
Caterpillar Compressor Building, will be replaced with new 500-gallon aboveground storage tanks (ASTs). The ASTs will be placed inside a new concrete secondary containment structure to be constructed in the current location of the sumps, following their removal. The area of the sumps will be properly back-filled and compacted prior to construction of the new secondary containment and placement of the ASTs. Sketches of the new ASTs and the associated secondary containment are provided as Attachment 3. A berm volume calculation sheet showing the available volume for secondary containment is also provided in Attachment 3.

The facility will also be adding a new compressor and associated engine (collectively known as Recompressor Unit #10). Recompressor Unit #10 will be placed atop a concrete foundation equipped with an environmental drain system. The concrete foundation will prevent incidental leaks of oil, antifreeze, and other compressor unit fluids from making contact with the ground surface in the immediate vicinity of the equipment. In addition, the foundation will be equipped with a collection and drain system designed to direct any precipitation that comes into contact with the equipment and foundation to facility slop oil and produced water bulk storage tanks via the Skimmer Tank (an existing facility oil water separator) before being sent off site for disposal. This system is included to prevent stormwater that may come into contact with de minimis amounts of oil and other equipment fluids, from discharging from the facility via sheet flow stormwater runoff.

Over the next several months, DCP Midstream will also be replacing approximately 1,100 feet of existing 6" main waste water drain line with new 8" drain pipe. A figure showing the areas where the drain line will be replaced is included as Attachment 4. The new pipe will include more and larger cleanouts, and will include new spectacle blinds for auxiliary line tie-ins to allow periodic leak testing of the main line. As conditions warrant, additional auxiliary line replacements may also occur. All piping associated with these changes will be constructed of carbon steel and will be properly protected from external corrosion following procedures outlined in our mechanical integrity program.

If you have any questions concerning the information contained within this correspondence, please contact me at (303) 605-1936. Please send all follow up correspondence regarding this matter to me at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,
DCP Midstream, LP



Keith Warren, P.E.
Environmental Engineer

Enclosures

cc: Leonard Lowe, New Mexico Oil Conservation Division
Danny Vasquez, DCP Midstream
Jon Bebbington, DCP Midstream

ATTACHMENT 2
1,000-GALLON AGI SUMP DETAIL DRAWING

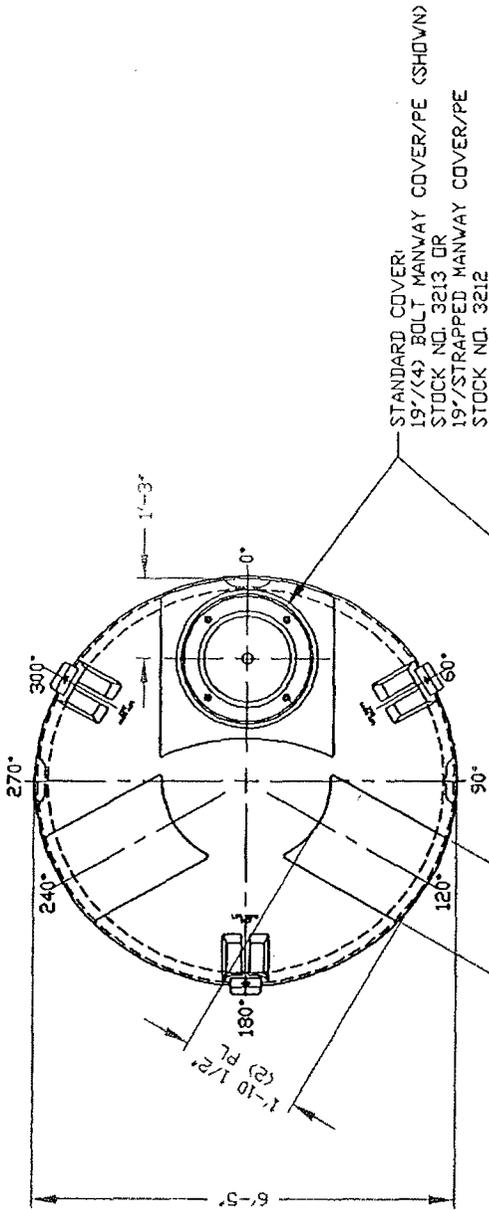
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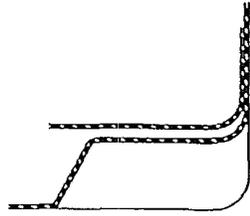
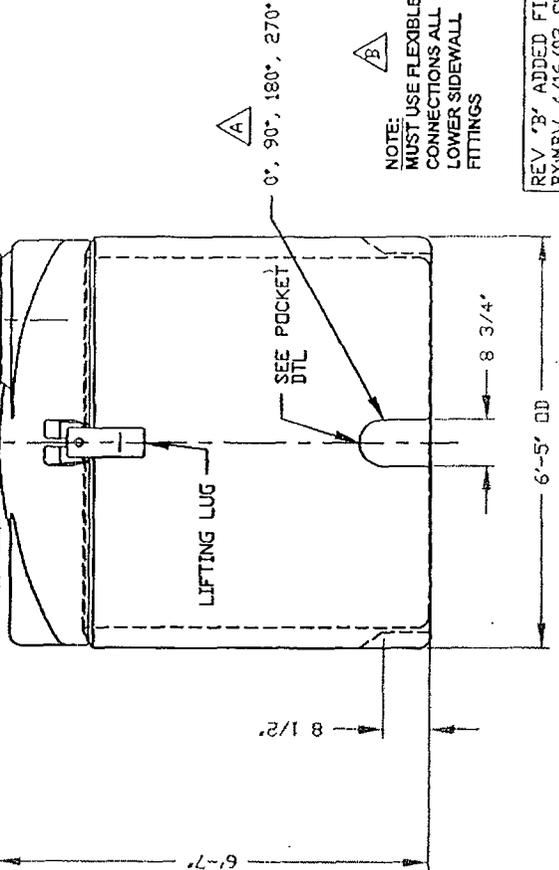
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NOTE: LUGS & POCKETS ROTATED INTO VIEW FOR CLARITY. SEE PLAN VIEW FOR DEGREE LOCATIONS



NOTES:

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- FOR INNER TANK DTLS SEE COMPUTER FILE NO. 12001000. TITLE '1000 GALLON INNER SAFE-TANK'. FOR OUTER TANK DTLS SEE COMPUTER FILE NO. 12101200. TITLE '1000 GALLON OUTER SAFE-TANK/1200 GALLON OPEN TOP TANK.'

CALCULATED CAPACITIES/ VOLUME IN U.S. GALLONS	
TANK	DESIGN CAPACITY TOTAL VOL
INNER	1016
OUTER	1215
	N/A
	1215

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DWG TITLE

1000 GALLON SAFE-TANK ASSEMBLY

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SCALE: 1/2"=1'-0"

DATE: 6/28/00

Western Region
250 MB WILKERSON
1000 GALLON SAFE-TANK
POLY PROCESSING COMPANY

DR: J. BRANTLEY
SHEET: COMPUTER FILE

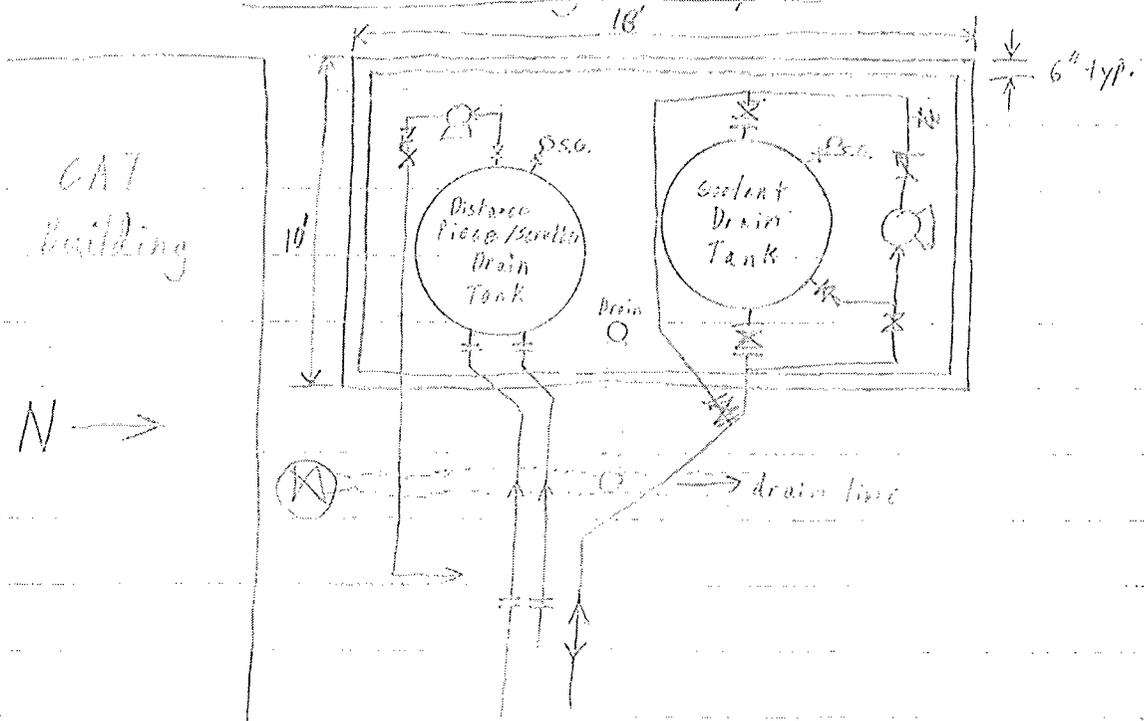
1 DF 1 12001000A B

REV 'B' ADDED FITTING NOTE
BY:MBV 4/16/03 CK:JB

REV 'A' ADDED NOTE & POCKETS IN
IN PLAN VIEW BY:JB 1/28/02 CK:NM

ATTACHMENT 3
NEW JACKET WATER AND OILY DRAIN ABOVEGROUND STORAGE TANKS AND
CONTAINMENT SKETCHES AND AVAILABLE SECONDARY CONTAINMENT
VOLUME CALCULATION

CAT Building Sumps

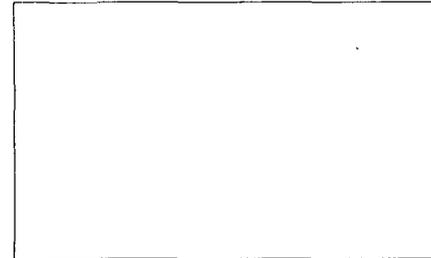


- the containment floor should be level with grade & the top of the walls should be level with CAT building containment
- the walls will be about $1\frac{1}{2}'$ to $2'$ high - more than enough containment volume for one tank

Secondary Containment (Berm) Volume Calculations
Artesia Gas Plant - Proposed Cat House AST Berm

Volume of Containment Structure

Berm Type Rectangular, No Taper
 Height (ft) 1.50
 Width (ft) 9.00
 Length (ft) 17.00



Containment Volume (bbl) 40.88

Additional Containment Volume from Below-Grade Sump

Sump Shape (none)
 Length (ft)
 Width (ft)
 Depth (ft)
 Calculated Volume (bbl) 0

Picture Unavailable

Additional Containment Volume - Manual Input

Enter Volume (bbl) 0.00
 Describe Additional Vol:

Freeboard Standard: 133% of Largest Tank Volume (Only if site has NM Discharge Plan) AND 25 yr, 24-hr Rainfall

25 yr, 24-hr Rainfall (in) 4
 Volume Displaced (bbl) 9.08

Largest Tank Volume Calculations

Tank ID CAT Oily Drain Tank
 Tank Contents Slop Oil
 Tank Shape Cylinder
 Tank Orientation Vertical
 Diameter (ft) 4.66
 Length (ft) 4.00

Calculated Volume (bbl) 12.15 510.3 gallons

Labeled Volume (bbl)* **If container not labeled use delete key to clear the cell.*

**Note: When available, the labeled container volume is used in the calculations.*

Volume Displacement from Tanks and Other Obstructions

Tank ID	Tank Contents	Tank Shape	Tank Orientation	Diameter Height if Rect. Tank (ft)	Length Weld to Weld if Bullet Tank (ft)	Width Rect. Tanks Only (ft)	Volume (bbl)	Volume of Secondary Containment Displaced (bbl)
CAT Jacket Water Tank	Coolant	Cylinder (none) (none) (none) (none) (none) (none) (none)	non-elevated, vertical (none) (none) (none) (none) (none) (none)	4.66	4.00		12.15	4.56

Enter displacement from other obstructions, in barrels (1 ft³ = 0.178 barrels):
 Describe Obstructions:

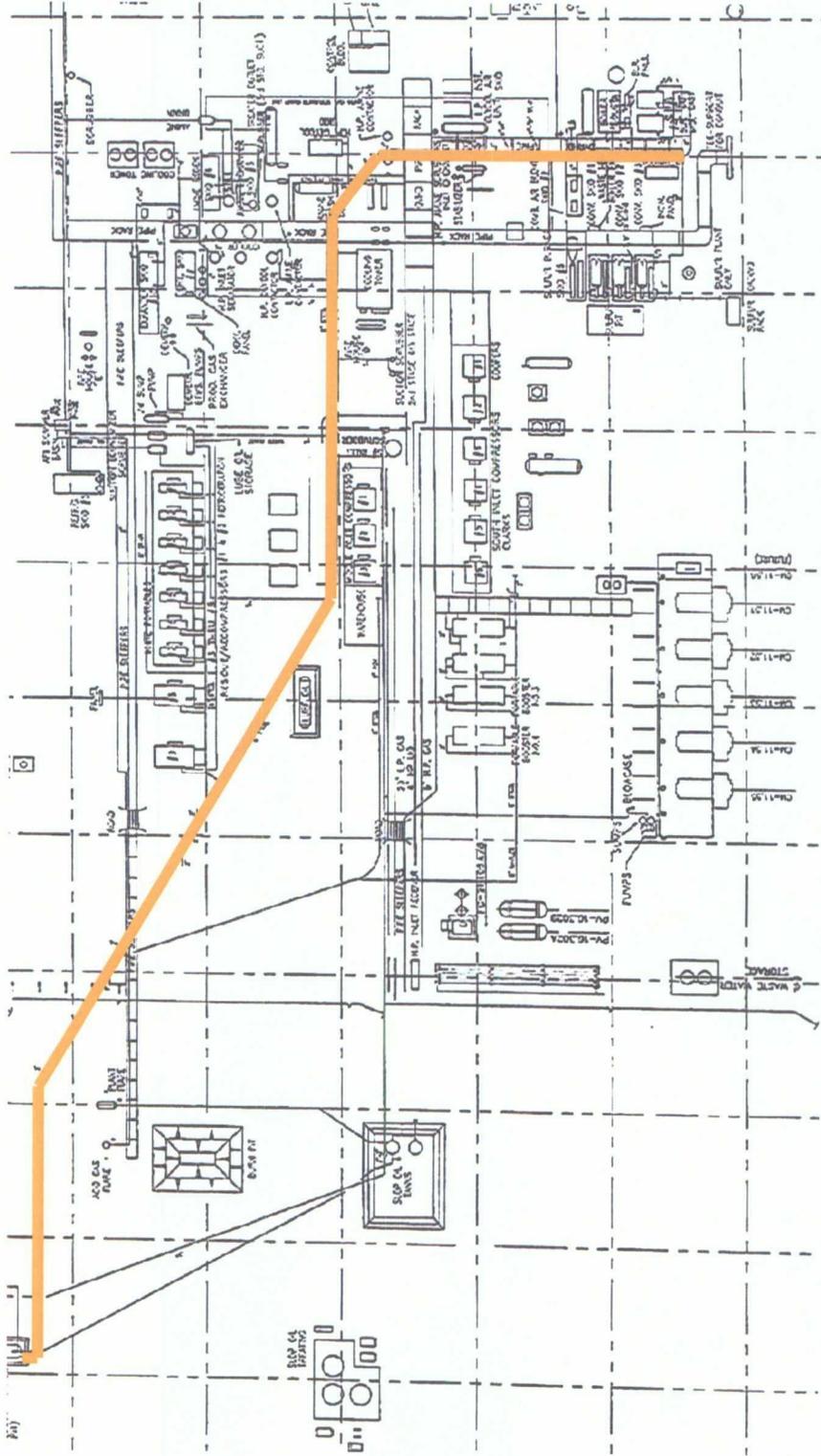
Summary

Containment Capacity (bbl) 41
 Volume Displaced by Rainfall (bbl) 9
 Volume Displaced by Tanks & Obstructions (bbl) 4.56
 Berm Volume Less Tank & Rainfall Displacement (bbl) 27
 Largest Tank Capacity (bbl) 12

% of Largest Tank Volume Contained 224% *Result must equal 100% or greater to allow for adequate precipitation from 25 yr, 24-hr Rainfall, AND*
 % of Largest Tank Volume Contained (133% std) 299% *Result must equal 133% or greater to meet NM Discharge Plan requirements.*

**ATTACHEMENT 4
DRAIN LINE REPLACEMENT FIGURE**

Replace main 6" drain line with 8"



Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, January 22, 2010 10:07 AM
To: 'Kocis, Diane E'
Cc: Dade, Randy, EMNRD; VonGonten, Glenn, EMNRD; Lowe, Leonard, EMNRD
Subject: DCP Midstream, L.P. Artesia Gas Plant (GW-23) 2-Double Wall Sumps w/ Fluids in LDS

Diane:

I'm following up for Leonard Lowe (OCD- Santa Fe) for the above subject permitted facility.

There are apparently 2 leaky sumps that have not impacted the environment, but OCD is following up with DCP to resolve any leaky sump issues. The OCD recommends the following:

Jacket Water Sump: A repaired double wall or new sump is recommended under the engine room where engine work is performed and where the sump would be most effective or efficient. The Cat Room (original location of sump) is a less preferred location.

The leaky oily waste water double walled sump may be removed, since a drain already exists at that location and a sump may not be needed there.

Please contact me if you have questions.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

CC: File