

**GW - \_\_\_\_069\_\_**

**H2S CONTINGENCY  
PLAN**

## Chavez, Carl J, EMNRD

---

**From:** Chavez, Carl J, EMNRD  
**Sent:** Tuesday, September 13, 2011 7:34 AM  
**To:** Jamerson, Kelly D  
**Subject:** H2S Contingency Plan Receipt and Update

Mr. Jamerson:

Good morning. The OCD has received the [H2S] analytical data confirming DCP Midstream, L.P.'s initial determination that OCD H2S Contingency Plans do not apply to the following gas plant facilities:

Eddy County:

- East Carlsbad Gas Plant (GW-069)

Lea County:

- Lee Gas Plant (closed)
- Antelope Ridge Gas Plant (GW-162)
- Hobbs Gas Plant (GW-175)
- Zia Gas Plant (145)

Analytical data from DCP to date has not been received for the following gas plants:

Eddy County:

GW-237	DCP MIDSTREAM, LP	DUKE PECOS DIAMOND GP	Gas Plant	A	Eddy	DUKE PECOS DIAMOND GP	G-3-18 S-27 E
--------	-------------------	-----------------------	-----------	---	------	-----------------------	---------------

Lea County:

GW-016	DCP MIDSTREAM, LP	DUKE EUNICE GP	Gas Plant	A	04/25/2009	Keith Warren 303-605-2176	Lea	DUKE EUNICE GP	H-5-21 S-36 E
--------	-------------------	----------------	-----------	---	------------	---------------------------	-----	----------------	---------------

The OCD will be expecting the data soon for the above gas plants. Please contact me if you have questions. Thank you.

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](mailto:CarlJ.Chavez@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>

"Why not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward with the Rest of the Nation?" To see how, go to "Pollution Prevention & Waste Minimization" at:

<http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental>)



RECEIVED 000  
1625 W. Marland Blvd.  
Hobbs, NM 88240  
2011 SEP 12 P 11: 58

September 9, 2011

Mr. Carl J. Chavez-Environmental Engineer  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RE: Request for H<sub>2</sub>S Contingency Plans for DCP Midstream

Dear Mr. Chavez:

This letter is in response to your letter dated July 27, 2011 in regards to the quality of gas processed at the DCP Carlsbad Plant in Eddy County NM.

Attached is a gas analyses that shows the gas contains no hydrogen sulfide.

Please contact me should you have any questions at (575) 397-5539.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kelly Jamerson".

Kelly Jamerson  
SENM Asset Director

Enclosure

# Monthly Meter Analysis

September, 2011



P3326-00 EAST CARLSBAD PLANT INLET

Component	Mole %	GPMs	Mass %	Property	Total Sample	C6 Plus Fraction
Carbon Dioxide, CO2	1.2833		2.6654	Pressure Base	14.730	
Nitrogen, N2	3.1676		4.1878	Temperature Base	60.00	
Methane, C1	76.9009		58.2222	HCDP @ Sample Pressure		
Ethane, C2	10.5276	2.8243	14.9395	Cricondentherm		
Propane, C3	5.1194	1.4148	10.6537	HV, Dry @ Base P, T	1208.89	
iso-Butane, iC4	0.5648	0.1854	1.5493	HV, Sat @ Base P, T	1187.85	
n-Butane, nC4	1.3870	0.4386	3.8046	HV, Sat @ Sample P, T		
iso-Pentane, iC5	0.3123	0.1146	1.0634	Relative Density	0.7338	
n-Pentane, nC5	0.3299	0.1200	1.1233	Fws Factor		
Hexanes Plus, C6+	0.4072	0.1783	1.7908	Free Water GPM		
Water, H2O				Stock Tank Condensate Brls/mm		
Hydrogen Sulfide, H2S	0.0000		0.0000	26 # RVP Gasoline	0.616	
Oxygen, O2	0.0000		0.0000	Testcar Permian	0.701	
Carbon Monoxide, CO				Testcar Panhandle	0.587	
Hydrogen, H2				Testcar Midcon	0.564	
Helium, He	0.0000		0.0000			
Argon, Ar						
Totals	100.0000	5.2760	100.0000			

## Sample

Date: 08/23/2011      Pressure: 787.0  
Type: Spot      Temperature: 88.0

\*\*\* End of Report \*\*\*



DCP Midstream  
10 Desta Dr. Suite 400 W  
Midland, TX 79705  
O: (432) 620-4207  
F: (432) 620-4162

RECEIVED OGD

2011 SEP 12 P 11: 53

September 8, 2011

Mr. Carl Chavez  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**CERTIFIED MAIL: 7008 3230 0001 9245 8215**

**RE: East Carlsbad Gas Plant H2S Inquiry**

Dear Mr. Chavez:

In response to your letter to Mr. Kelly Jamerson dated July 27, 2011 regarding the H2S concentration of gas entering the East Carlsbad Gas Plant, I am providing the most recent gas analysis. As you can see, the H2S concentration is <1.1 ppm.

If you have any questions, please contact me at (432) 620-4207 or by e-mail at [jdbebbington@dcpmidstream.com](mailto:jdbebbington@dcpmidstream.com)

Respectfully

**DCP Midstream LP**

Jon D. Bebbington  
Sr. Environmental Specialist

Cc: Carlsbad Gas Plant Supervisor File 1.4X 3  
Denver Environmental Dept. File 1.4X 3  
Regional Environmental File: 1.4X 3



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

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

**Jami Bailey**  
Division Director  
Oil Conservation Division



July 27, 2011

Mr. Kelly Jamerson, Director – SENM Asset  
DCP Midstream  
1625 West Marland Street  
Hobbs, New Mexico 88240

Dear Mr. Jamerson:

**Re: Carlsbad Gas Plant H<sub>2</sub>S Contingency Plan (Eddy County)**

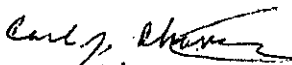
The New Mexico Oil Conservation Division (OCD) is in receipt of your letter (letter) dated June 2, 2011 for the Carlsbad Gas Plant facility in the OCD Artesia District. The letter was sent to the OCD to address the OCD's request for an H<sub>2</sub>S Contingency Plan (CP) for the DCP Midstream Facility.

The Carlsbad Gas Plant is in operation and the OCD has reviewed and considered the statement made in the letter that the facility is a "sweet gas processing plant" and influent gas into the facility does not contain H<sub>2</sub>S.

The OCD hereby requires an analysis for H<sub>2</sub>S concentration (ppm) in the influent pipeline before any separation or treatment into the facility with maximum flow rate in the pipeline and ROE calculations for any gas with [H<sub>2</sub>S] exceeding 100 ppm to satisfy the OCD's H<sub>2</sub>S Regulations (§ 19.15.11 NMAC). This should determine whether the facility is required to submit an H<sub>2</sub>S CP. The OCD requires that the H<sub>2</sub>S CP be submitted within 60-days from the date of this letter or by COB on September 22, 2011.

Please contact me if you have questions at (505) 476-3490. Thank you.

Sincerely,



Carl J. Chavez  
Environmental Engineer

File: GWs-002, 069, 145, and 175 ("H<sub>2</sub>S Contingency Plan" Thumbnail)

xc: OCD Environmental Bureau  
OCD District Office



\*\*\*\*\*  
MOBILE ANALYTICAL LABORATORIES, INC.  
P.O. BOX 69210  
ODESSA, TEXAS 79769  
432-337-4744  
\*\*\*\*\*

12/07/10

EXTENDED SULFUR ANALYSIS

LAB NO. 7387

DCP MIDSTREAM  
EAST CARLSBAD  
INLET GAS BEFORE GLYCOL  
STATION NO. P3326-00

	ppm
Hydrogen Sulfide	1.1
Carbonyl Sulfide	ND
Methyl Mercaptan	ND
Ethyl Mercaptan	ND
Dimethyl Sulfide	ND
Carbon Disulfide	2.1
I-Propyl Mercaptan	0.3
T-Butyl Mercaptan	ND
N-Propyl Mercaptan	ND
Methyl Ethyl Sulfide	ND
S-Butyl Mercaptan/Thiophene	ND
I-Butyl Mercaptan	ND
Diethyl Sulfide	ND
N-Butyl Mercaptan	ND
Dimethyl Disulfide	ND
3-Methyl Thiophene	ND
2-Methyl Thiophene	ND
Dimethyl Thiophene	ND
Diethyl Disulfide	ND
Trimethyl Thiophene	ND
Undetermined Organic Sulfur	ND
	<hr/> 3.5

Test Methods: H<sub>2</sub>S by ASTM D4084, Other Sulfur compounds  
by Capillary GC with SCD Detector ASTM D5504.

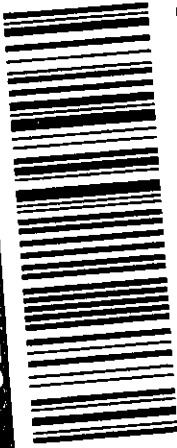
Sampled: 12/01/10 BY: SR  
ND = NONE DETECTED ( < 0.1 PPM)

Distribution:  
Mr. Gary Heath

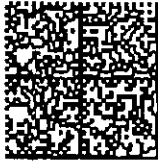
**dcp**  
**Midstream**

DCP Midstream  
Attn: Jon Bebbington  
10 Desta Drive, Suite 400W  
Midland, Tx 79705

**CERTIFIED MAIL**



7008 3230 0001 9245 8215



WITNEY BOWES

**\$ 05.59<sup>00</sup>**

02 1M

0004293351 SEP 09 2011

MAILED FROM ZIP CODE 79705

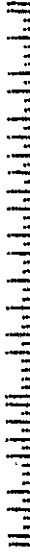
*Mr. Carl Chavez  
Oil Conservation Div.  
1220 S. St. Francis Dr.  
Santa Fe NM 87505*

1st Notice

2nd Notice

Rec-20

6750534225







# New Mexico Energy, Minerals and Natural Resources Department

---

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

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

**Jami Bailey**  
Division Director  
Oil Conservation Division



July 27, 2011

Mr. Kelly Jamerson, Director – SENM Asset  
DCP Midstream  
1625 West Marland Street  
Hobbs, New Mexico 88240

Dear Mr. Jamerson:

**Re: Carlsbad Gas Plant H<sub>2</sub>S Contingency Plan (Eddy County)**

The New Mexico Oil Conservation Division (OCD) is in receipt of your letter (letter) dated June 2, 2011 for the Carlsbad Gas Plant facility in the OCD Artesia District. The letter was sent to the OCD to address the OCD's request for an H<sub>2</sub>S Contingency Plan (CP) for the DCP Midstream Facility.

The Carlsbad Gas Plant is in operation and the OCD has reviewed and considered the statement made in the letter that the facility is a "sweet gas processing plant" and influent gas into the facility does not contain H<sub>2</sub>S.

The OCD hereby requires an analysis for H<sub>2</sub>S concentration (ppm) in the influent pipeline before any separation or treatment into the facility with maximum flow rate in the pipeline and ROE calculations for any gas with [H<sub>2</sub>S] exceeding 100 ppm to satisfy the OCD's H<sub>2</sub>S Regulations (§ 19.15.11 NMAC). This should determine whether the facility is required to submit an H<sub>2</sub>S CP. The OCD requires that the H<sub>2</sub>S CP be submitted within 60-days from the date of this letter or by COB on September 22, 2011.

Please contact me if you have questions at (505) 476-3490. Thank you.

Sincerely,

Carl J. Chavez  
Environmental Engineer

File: GWs-002, 069, 145, and 175 ("H<sub>2</sub>S Contingency Plan" Thumbnail)

xc:     OCD Environmental Bureau  
          OCD District Office





RECEIVED OCD  
2011 JUN -7 A 11:56

June 2, 2011

DCP Midstream  
1625 West Marland Street  
Hobbs, NM 88240

Mr. Daniel Sanchez  
State of New Mexico  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

This letter is in reference to your letter dated March 1, 2011 (copy attached) which referred to the DCP Carlsbad Gas Processing Plant and provided requirements for H<sub>2</sub>S contingency plans for facilities processing sour gas (100 ppm or greater).

Please be advised that the DCP Carlsbad Gas Processing Plant (GW-069) is a sweet gas processing plant and gathering systems feeding this plant do not contain hydrogen sulfide..

If additional information is required, please advise.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Jamerson".

Kelly Jamerson  
Director – SENM Asset



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Brett F. Woods, Ph.D.**  
Acting Cabinet Secretary

**Daniel Sanchez**  
Acting Division Director  
Oil Conservation Division



March 1, 2011

Ms. Elisabeth Klein  
Principal Environmental Specialist  
DCP Midstream, LP  
370 17<sup>th</sup> Street, Suite 2500  
Denver, CO 80202

Dear Ms. Klein:

**Re: Duke Carlsbad Gas Plant (GW-069) Oil and Gas Facilities/Operations that may Vent and/or Flare H<sub>2</sub>S Gas**

The New Mexico Oil Conservation Division (OCD) is writing to operators of the above-referenced types of facilities or operations that may have New Mexico Environmental Department (NMED) - Air Quality Bureau (aqb) Oil and Gas type Permits. The purpose of this communication is to inform operators of such facilities regarding OCD Rules that may be applicable to gas plant operators and/or oil and gas facilities/operations in the hope that it provides some clarification regarding the applicability of these rules, and to ultimately increase overall compliance

In New Mexico, the OCD Rules that pertain to Hydrogen Sulfide (H<sub>2</sub>S) Gas are provided at § 19.15.11 et seq. NMAC (Hydrogen Sulfide Gas). The OCD Oil and Gas Rules that address "No-Flare" and the OCD Form C-129 process are provided at § 19.15.7.37 et seq. NMAC (Application for Exception to No-Flare). Gas plants have gas gathering pipelines with meters connected to operators who then either sell or vent casinghead gas into the gas gathering pipelines that feed into the plants. The OCD Rules that pertain to "Casinghead Gas" are provided at § 19.15.18.12 et seq. NMAC (Production Operating Practices).

This letter was precipitated by a recent event where a gas plant operator shut-in a "gas gathering pipeline." This "shutting-in" of the pipeline impacted approximately thirty individually-metered operators who may have continued operating instead of "shutting-in" their well(s). In spite of the fact that approximately thirty operators were impacted, the OCD observed that only one of those thirty operators contacted the OCD via Form C-129 as required under the OCD Rules to obtain approval of their application for an "exception to no-flare." (The operator initially had contacted the OCD to request approval to vent H<sub>2</sub>S gas into the air rather than shut-in the well.) The OCD has serious public safety concerns when operators do not properly shut-in their wells when gas gathering pipelines and/or meters are shut-in, especially where the wells are near populated and/or agricultural areas due to the potential for loss of life from toxic gas.

In subsequent communications with gas plant operators who flare gas, the OCD discovered that the operators were under the impression that if their facility has an NMED- aqb Construction Permit which includes a provision to flare/emit gas, then this is all that is needed to operate in New Mexico. This is actually only partially

Oil Conservation Division  
1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3440 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/OCD](http://www.emnrd.state.nm.us/OCD)



Ms. Klein  
DCP Midstream, LP  
March 1, 2011  
Page 2 of 2

correct because operators are also required to comply with the requirements set out in the OCD Rules regarding flaring and venting. For example, in the situation where a gas plant operator has notified connected well operators of a gas-gathering pipeline shut-down, each of those well operators is required to shut-in its well(s) or to obtain OCD District Supervisor approval to flare via an OCD C-129 Form. Operators who do not comply are illegally venting and/or flaring gas under OCD Rules.

In addition, gas plants and/or oil and gas operators may be required to satisfy OCD § 19.15.11 et seq. NMAC (Hydrogen Sulfide Gas) Contingency Plan requirements for facilities and wells in cases where 100 ppm or greater H<sub>2</sub>S concentrations may impact public areas. OCD records indicate that DCP Midstream, LP does not currently have an H<sub>2</sub>S Contingency Plan (CP) on file with the OCD. If you do not have an approved CP under § 19.15.11 et seq. NMAC (Hydrogen Sulfide Gas) for your gas plant yet, please submit your CP to the OCD Environmental Bureau in Santa Fe on or before August 11, 2011. *(The OCD notes that it is aware of some operators who have recently submitted CPs to the OCD that are currently under review. Please advise if this is the case for DCP Midstream.)*

The OCD recognizes that when multiple sets of Rules, Regulations and Statutes apply, it can sometimes be tricky to definitively determine which requirements apply, to whom and in what circumstances. Operators must, however, take all care to ensure that they are at all times operating in compliance with all applicable state, federal and/or local rules and regulations. In this instance, this means that operators are subject not only to the requirements imposed by the NMED-AQB permitting structure, but also to those set forth in the OCD Rules.

We hope that this communication has helped to clarify the issue regarding the applicability of the OCD Rules in these situations, regardless of the existence of a valid NMED-AQB permit. Please contact Carl Chavez of my staff at (505) 476-3490 if you have questions or need assistance with the CP. The OCD looks forward to bringing your facility into compliance with OCD Rules if it is not currently already in compliance. Thank you for your cooperation in this matter.

Sincerely,



Daniel Sanchez,  
Compliance & Enforcement Manager

xc: Richard Goodyear, NMED- AQB  
OCD Environmental Bureau  
OCD District Offices