

GW - 54

**PERMITS,
RENEWALS,
& MODS**



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2009 MAY 13 AM 11 19

San Juan Business Unit
Beverly J. Cox
Sr. Staff Environmental Technologist
P.O. Box 4289
Farmington, NM 87499
505-324-6194 Fax 505-599-4005

CERTIFIED MAIL: 7099 3400 0018 4216 1478

May 12, 2009

State Of New Mexico
Oil Conservation Division
Mr. Leonard Lowe
1220 South St. Francis Drive
Santa FE, NM 87505

RE: Ground Water Discharge Plan (GW-054) Minor Modification Update

Mr. Lowe,

As per your letter dated April 15, 2009, ConocoPhillips is supplying information on two of the three requests.

- ConocoPhillips has provided written notice of the proposed modifications to the Navajo Nation Environmental Protection Agency on April 27, 2009. The letter is attached along with a copy of the Certified Mail receipt.
- The newly installed septic system permit number is GA 080037.

The Wingate Plant Rail Project is in progress with an expected completion date of June, 2009. A third party contractor for the rail car operator has not been awarded at the time of this letter. Once the contract has been awarded, ConocoPhillips will provide your office a copy of their procedures/plans for re-fueling, collection/containment methods and mitigations of unforeseen spills/releases of the rail yard.

Do not hesitate to call me should you have questions or need more information.

Sincerely,

Beverly J. Cox

cc: Lane Ayers, Asset Manager
Wingate Plant File

OCD:
2 of 3 items received
from 4/15/09 OCD letter.
Lowe



San Juan Business Unit
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beverly.j.cox@conocophillips.com

CERTIFIED MAIL: 7099 3400 0018 4216 1492

April 27, 2009

Navajo Nation Environmental Protection Agency
Old DNR Building # 2695
Window Rock Blvd
P. O. Box 339
Window Rock, AZ 86515

RE: Ground Water Discharge Plan (GW-054) Minor Modification Notice

Dear Sir or Madam,

ConocoPhillips (COP) Wingate Fractionator Plant has submitted a minor modification to the existing Ground Water Discharge Plan, GW-054. The Navajo Nation Environmental Protection Agency was not copied on the original letter submitted to the New Mexico Oil Conservation Department on April 9, 2009. A recap of the minor modification is summarized below.

The facility is located approximately one mile east of Gallup City Limits, New Mexico on U. S. Highway No. 66. It includes portions of Sections 9, 10, 15, 16 and 17, Township 15 North, Range 17 West lying north of BNSF Railroad in McKinley County, New Mexico. The physical address of the location is 68 El Paso Circle, Gallup, New Mexico.

The rail expansion will add to the current storage of propane, n-butane, isobutene and gasoline products. The new rail yard is considered to be a staging area that will have loaded rail cars temporarily staged awaiting transportation pick up by BNSF. It is anticipated that the longest time a loaded rail car would be staged in the new rail yard would be three to four days (due to weekend and/or holidays). It is also anticipated that this would occur approximately 10 percent of the time with approximately 75 loaded rail cars; 25 of these rail cars would contain gasoline. Normal operations would have loaded rail cars on the spur for approximately 1 to 2 days. It is estimated that during normal operations, approximately 54 loaded rail cars would be on the spur awaiting pickup from BNSF with 18 of these rail cars containing gasoline. The rail expansion would also allow staging of approximately 169 empty rail cars.

GWDP Modification Notice to Navajo Nation

There are no changes to the existing process or additions to the current waste streams. In addition to the rail expansion project a permitted sewer system has been installed to accommodate a new office building.

The Wingate Plant Rail Project is in progress with an expected completion date of June, 2009. Do not hesitate to call or email me should you have questions. My contact information is listed above in the return address box.

Sincerely,

A handwritten signature in cursive script that reads "Beverly J Cox".

Beverly Cox

cc: Lane Ayers, Manager San Juan Plants
Wingate Plant File
Leonard Lowe, New Mexico Oil Conservation Division

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Navajo Nation EPA
Old DNR Bldg # 2695
PO Box 339
Window Rock, AZ 86515

2. Article Number

7099 3400 0018 4216 1492

(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Handwritten Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

[Handwritten Name]

C. Date of Delivery

[Handwritten Date: 2/18/04]

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail
- Express Mail
- Registered
- Return Receipt for Merchandise
- Insured Mail
- C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, April 15, 2009 1:55 PM
To: 'Cox, Beverly J.'
Cc: Powell, Brandon, EMNRD
Subject: GW-054, ConocoPhillips Wingate Plant
Attachments: GW-054 modification letter.pdf; Renewal WQCC PN Rules.pdf

Beverly Cox,

If you have any questions please feel free to contact me.

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



April 15, 2009

Ms. Beverly Cox
ConocoPhillips
3401 E. 30th Street
P.O. Box 4289
Farmington, N.M. 87499

Re: GW-054, Modification of the Wingate Fractionating Gas Plant discharge plan
Section 16, Township 15 North, Range 7 West, NMPM, McKinley County, N.M.

Dear Ms. Cox

The Environmental Bureau of the New Mexico Oil Conservation Division (NMOCD) has received and reviewed the modification of the facility's discharge plan permit. The OCD hereby approves the modification of the facility per the conditions below:

- ConocoPhillips shall provide a written notice of the proposed modifications to the other land owner (Navajo Tribal Council). The notice shall also include items noted in the WQCC requirements. See attachment for details. Provide the certified letter affidavit to the OCD when received.
- ConocoPhillips shall provide the new permitted septic system permit number to the OCD Environmental Bureau.
- ConocoPhillips shall submit to the OCD Environmental Bureau the procedures/plan of the re-fueling, maintenance area, for the collection/containment methods for the hose connections and the mitigation of unforeseen spills/releases of the new rail yard. The OCD may incorporate additional measures. It is recommended that these plans be OCD approved prior to building any structures. Upon approved satisfactory conditions these will be added to the already submitted modification application.

Please be advised that the NMOCD approval of this modification does not relieve the owner/operator of responsibility should modifications pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

If you have any questions pertaining to this process please call me at (505) 476-3492 or e-mail me at leonard.lowe@state.nm.us.

Sincerely,

Leonard Lowe



April 15, 2009
Page 2

Environmental Engineer



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2009 APR 14 PM 1 22

San Juan Business Unit
Beverly J. Cox
Sr. Staff Environmental Technologist
P.O. Box 4289
Farmington, NM 87499
505-324-6194 Fax 505-599-4005

CERTIFIED MAIL: 7099 3400 0018 4216 1515

April 9, 2009

State Of New Mexico
Oil Conservation Division
Mr. Leonard Lowe
1220 South St. Francis Drive
Santa FE, NM 87505

RE: Ground Water Discharge Plan (GW-054) Minor Modification

Mr. Chavez,

ConocoPhillips (COP) Wingate Fractionator is submitting a minor modification to the existing Ground Water Discharge Plan, GW-054. The modification consists of a rail expansion and temporary staging of empty and loaded rail cars. Below is a list of the elements that have changes.

Summary: Modification to the summary.

Section 2: Plant Supervisor name change.

Section 5: Description of the rail expansion.

Section 6: Description of the staging capacity of the rail cars and their products.

Section 7: Removal of El Paso Natural Gas domestic waste stream and the addition of a permitted sewage treatment system for an office building.

Section 8: Description of rail yard locomotive fueling and waste handling.

Section 9: Description of modifications for rail yard expansion.

Section 10: Rail yard maintenance, inspection and reporting integration into the existing programs/procedures.

Section 11: Addition of an Oil Spill Response Organization contractor and changes to the Spill Prevention Controls and Countermeasure Plan.

The Wingate Plant Rail Project is in progress with an expected completion date of June, 2009. Please advise should you require notification of start up. Do not hesitate to call me should you have questions.

Sincerely,

Beverly Cox

cc: Lane Ayers, Asset Manager
Wingate Plant File

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ConocoPhillips Company—Wingate Fractionating Plant

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Wingate Fractionating Plant Discharge Plan

ConocoPhillips Company—Wingate Fractionating Plant

This document constitutes a minor modification for Groundwater Discharge Plan #054 for the Wingate Fractionating Plant (Wingate). The modification consists of a rail expansion and temporary staging of empty and loaded rail cars. There are no changes to the existing process. This Discharge Plan application has been prepared in accordance with the New Mexico Oil Conservation Division's (OCD) *Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations* (revised 12-95) and New Mexico Water Quality Control Commission regulations at 20 New Mexico Administrative Code (NMAC) 6.2.

1 TYPE OF OPERATION

Wingate Fractionating Plant is natural gas liquids processing plant operated to separate hydrocarbon liquids from a natural gas liquid stream into propane, n-butane, iso-butane, and natural gasoline using a distillation train.

2 OPERATOR/LEGALLY RESPONSIBLE PARTY

Operator

ConocoPhillips Company
Attn: Jim Chapman (Plant Supervisor)
PO Box 119
Rehoboth, NM 87322
(505) 863-1007

Legally Responsible Party

ConocoPhillips Company
Attn: Lane Ayers (Asset Manager)
PO Box 217
Bloomfield, NM 87413
(817) 632-4906

3 LOCATION OF DISCHARGE FACILITY

ConocoPhillips' Wingate Fractionating Plant is located approximately one mile east of Gallup City Limits, New Mexico on U.S. Highway No. 66. It includes portions of Sections 9, 10, 15, 16 and 17, Township 15 North, Range 17 West lying north of BNSF Railroad in McKinley County, New Mexico. The exact location of the plant is at latitude 35° 32' 36" north and longitude 108° 38' 3" west. The elevation is 6593 feet above mean seal level (msl). The facility location is show on Figure 1.

4 LANDOWNERS

ConocoPhillips Company
PO Box 119
Rehoboth, NM 87322
(817) 390-8686

The Navajo Tribal Council
PO Box 701
Window Rock, AZ 86515
(928) 871-7160

5 FACILITY DESCRIPTION

The ConocoPhillips' Wingate Fractionating Plant is a processing plant, which fractionates natural gas liquids into usable products. The products of the facility are

propane, n-butane, iso-butane, natural gasoline (light gasoline). Its feedstock is received via pipelines from two natural gas facilities.

Finished products are stored in a tank farm and empty and loaded rail cars are temporarily staged in the rail yard. Spherical pressurized tanks are used for light gasoline and part of the normal butane storage. These have containment dikes surrounding them. Other products, which are gaseous under atmospheric pressure, are stored in un-diked horizontal pressurized tanks. There is no underground product storage. Products leave the facility by truck, rail cars, and pipeline. (See the Wingate Chemical Inventory Attachment for facility layout).

A rail expansion is being performed in 2009. This expansion of track will assist the facility in the staging of empty and loaded rail cars. The empty cars will be staged on the new rail system until they are brought into the facility for loading. The loaded rail cars will be moved from the facility loading area and staged on the new rail awaiting pickup by Burlington Northern Santa Fe (BNSF).

6 MATERIAL STORED AND USED

A number of process and non-process chemicals or additives are used at the Wingate Plant. A list of products and chemicals stored is presented in the Wingate Chemical Inventory attachment. The majority of the chemicals are stored in small quantities and any spills or leaks would be very small in volume and easily contained in the immediate area. Any liquid chemicals stored in larger volumes are equipped with secondary containment. Material Safety Data books are maintained and kept in the field office.

The rail expansion will add to the current storage of propane, n-butane, isobutene and gasoline products. The new rail yard is considered to be a staging area that will have loaded rail cars temporarily staged awaiting transportation pick up by BNSF. It is anticipated that the longest time a loaded rail car would be staged in the new rail yard would be three to four days (due to weekend and/or holidays). It is also anticipated that this would occur approximately 10 percent of the time with approximately 75 loaded rail cars; 25 of these rail cars would contain gasoline. Normal operations would have loaded rail cars on the spur for approximately 1 to 2 days. It is estimated that during normal operations, approximately 54 loaded rail cars would be on the spur awaiting pickup from BNSF with 18 of these rail cars containing gasoline. The rail expansion would also allow staging of approximately 169 empty rail cars.

7 SOURCES AND QUANTITIES OF EFFLUENT AND WASTE SOLIDS

Waste streams originate from the regeneration of the sodium zeolite ion exchanger, from the reverse osmosis waste, from the boiler and cooling tower blowdowns, from the backwashing of the condensers, from the backwashing of the side stream filters and from the septic tank systems. Table 7-1 list the waste streams with their flows.

The waste streams are directed to the general waste sump and are discharged directly to the evaporation pond.

The general waste sump provides a waste collection point for the softener regeneration water, Nano Filtration Unit, the reverse osmosis waste, the boiler blowdown waste, the cooling tower blowdown water, wet surface air cooler (WSAC) blowdown, the boiler house drain water, and the plant's septic tank water. The waste in the general waste sump may include some surface water runoff.

Domestic discharges are made through six septic tanks. One septic tank in the southeast corner of the plant is fed by one low use restroom and is pumped and hauled away by a sewage contractor. The septic tanks in the processing plant area are discharged into the general waste sump. The septic tank discharge line for

EPNG's general warehouse and pipeline district office no longer ties into the ConocoPhillips' Plant waste stream line which discharges into the evaporation ponds. A new office building has been erected and a state permitted sewage system is installed to receive and process waste from this building.

Table 7-1	
Stream	Flow
Sodium Zeolite Regeneration	Estimated Volume is 775,260 gal / month*
Boiler Blowdown	Estimated Volume is 148,102 gal / month*
Cooling Tower Blowdown	Metered volume of 553,521 gal / month
WSAC Blowdown	Estimated Volume is 446,760 gal / month*
Reverse Osmosis Unit Waste Stream	Estimated Volume is 357,700 gal / month*
Caustic Waste (pH levels are as per RCRA standards)	Estimated Volume is 6000 gal / month*
Domestic Waste (sewage & gray water)	Estimated Volume is 9000 gal / month*
Water Quality Test Waste	Estimated Volume is 30 gal / month*
Nano Filtration Unit	Estimated Volume is 324,000 gal / month*
Rain Water	Varies
*Estimated volumes are based from engineering calculations of equipment maximum flow rates.	

8 LIQUID AND SOLID WASTE COLLECTION/STORAGE/DISPOSAL

Evaporation Ponds

Plant waste streams are discharged to the evaporation ponds for final disposal by evaporation. The streams enter the east pond through a metered line containing effluent from the ConocoPhillips facility. When the east pond is full the west pond receives the overflow. The east pond is contained in a 560 foot by 940-foot area and has a surface area of 480,000 square feet (11.0 acres). The west pond is contained in a 900 foot by 850-foot area and has a surface area of 693,000 square feet (15.9 acres).

A series of flow meters have been installed to measure incoming water and outgoing waste streams. They measure both flow rate and total flow. These flowmeters are read monthly and the total flow recorded.

The new rail yard will have a designated area for re-fueling and maintenance of the locomotives. Procedures/plan will be developed that describes the connection and disconnection of the fuel hoses. The procedure/plan will also address collection/containment methods for the hose connections and the mitigation of unforeseen spills/releases. Fuel for the locomotives will be delivered upon request and not stored on site.

Waste Disposal

Waste oil from engines, generators, and motors is stored in waste oil tanks located in the concreted containment pads east of the processing area and vapor recovery unit. The waste oil is trucked out periodically and processed as recycled oil. The waste oil generated from the locomotives will either be stored with the facility used oil to await pick up for recycling or immediately removed from the rail yard upon generation.

Other wastes generated at the facility are disposed of at OCD approved locations. Table 8-1 lists the potential waste generated.

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(1)(n)	Absorbent Material/Pads (used and dry)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(1)(n)	Absorbent Material/Pads (used and wet)	Drum	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on paint filter test)
D(2)(a)	Spent Alumina (used in air service)	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(2)(a)	Spent Alumina (used in hydrocarbon service)	Not stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(2)(d)	Asbestos	All items are properly wrapped and sealed. Small items are stored in special asbestos drums; large items are stored in designated storage area.	Keers Environmental
D(1)(a)	Barrels, drums, 5-gallon buckets, 1-gallon containers; emptied and tripled washed	Special waste dumpsters and/or containment pad	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(b)	Brush and vegetation arising from clearing operations; uncontaminated	East of facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(b)	Activated Carbon	TBD	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(3)(b)	Catalysts	Not Stored	Recycled by Manufacturer
D(3)(e)	Concrete (contaminated)	Point of generation or East of Facility	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(c)	Concrete (uncontaminated)	East of Facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(d)	Construction Debris (uncontaminated)	East of Facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(l)	Contaminate PPE (w/Iron Sulfide, e.g. gloves, tyvek suit).	Drums	Safety Kleen for Incineration (based on analysis or process knowledge)
D(2)(e)	Cooling Tower Filters	Drums / Special Waste Dumpsters	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Copper Sweep	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(d) D(3)(f)	Demolition Debris	Near Site Of Generation	Waste Management Solid Waste Facility or Red Rock Regional Landfill (based on analysis or process knowledge)
D(1)(f)	Detergent Buckets (empty)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(g)	Dry Chemicals (unused)	Original Container	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
Liquid waste – N/A Solids – D(3)(n)	E & P Exempt Waste (e.g. separator fluid/water, process fluid/water, solids/sludges from tank	Not Stored	Liquid - Basin Salt Water Disposal Solids - Waste Management Solid Waste Facility or Envirotech Inc. (based on analysis or

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
	bottoms)		process knowledge)
D(1)(a)	Empty Drums	Cement Containment Pad	Recycled by vendors or Red Rock Regional Landfill
D(3)(n)	Engine Water Filters (spent/used – non-contact water)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill (based on analysis or process knowledge)
D(2)(i)	Ferrous Sulfate or Elemental Sulfur (Iron Sponge – contaminated)	Drum	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis)
D(1)(i)	Ferrous Sulfate or Elemental Sulfur (uncontaminated)	Special Waste Dumpsters or Drums	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(g)	Fiberglass Tanks (EPA cleaned and cut up/shredded)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(g)	Gas Condensate Filters (inlet product filters – spent)	Drums	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, Envirotech Inc., or Safety Kleen for Incineration (based on analysis or process knowledge)
D(1)(h)	Grease Buckets (empty and EPA cleaned)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(n)	Lube Oils (spent/used)	Tank	Recycled - US Filter Recovery System Inc., Odessa Terminal
D(1)(o)	Lumber / Pallets Scrap (uncontaminated)	Next to Special Waste Dumpsters or East Side of Facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(l)	Lumber / Pallets Scrap (contaminated)	At point of generation or in containment pan	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Mercaptain Filters (spent/used)	Special Container / Drum	Safety Kleen
D(1)(j)	Metal Plate / Metal Cable /	East Side of Facility	Waste Management Solid Waste Facility, Red Rock

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
	Junk Iron		Regional Landfill, or Recycled
D(2)(k)	Molecular Sieve	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Tierra Environmental, or Envirotech Inc. (based on analysis)
D(1)(k)	Office / Domestic Trash	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(o)	Oil Filters (used)	Enclosed Drain Box	Waste Management Solid Waste Facility or recycled (based on analysis or process knowledge)
D(3)(n)	Paint Chips (dried)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Painting Waste	Drum	Safety Kleen
D(3)(n)	Pipe Scale (deposits removed from non-contact water equipment)	Drums	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(l)	Pipe Scale (deposits removed from petroleum hydrocarbon pipeline and process equipment)	Drums/Tanks	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Safety Kleen (based on analysis or process knowledge)
D(2)(l)	Pipe Scale, Deposits (removed from petroleum hydrocarbon pipeline e.g. pigging residue potentially containing iron sulfide)	Drums/Tanks	Safety Kleen for Incineration (based on analysis or process knowledge)
D(1)(j)	Pipes & Valves (used in non-contact water services)	East Side of Facility	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or recycled
D(2)(j)	Pipes & Valves (used in petroleum hydrocarbon services)	East Side of Facility	(Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Recycled (based on analysis or process knowledge)

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(1)(m)	Plastic Pit Liners (cleaned)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(1)(n)	Rags / Gloves (dry)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(2)(n)	Sandblasting Sand (spent/used)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(j)	Scrap Metal	East side of plant	Recycled
D(3)(c)	Soil (contaminates other than petroleum)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech, Inc. (based on analysis or process knowledge)
D(3)(n)	Soil (petroleum hydrocarbon contaminated)	Stored near the point of generation until disposal site is determined.	Waste Management Solid Waste Facility (based on analysis or process knowledge)
D(2)(k)	Support Balls	Not Stored	Part of Molecular Sieve waste
D(3)(k)	Tower Packing Materials	Not Stored	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech, Inc. (based on analysis or process knowledge)
D(3)(n)	Universal Waste (lead acid & gel packed batteries)	Sealed Containers	Recycled – Recycling Center, Farmington, NM (currently under evaluation)
D(3)(n)	Universal Waste (florescent tubes)	Florescent Tube Container	Saftey Kleen
D(3)(n)	Non-Universal Waste Florescent tubes (Green Bulbs)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(n)	Zeolite Resin Beads	Not Stored	Waste Management Solid Waste Facility (based on process knowledge)

9 PROPOSED MODIFICATIONS

ConocoPhillips is in the process of adding a rail yard to store empty rail cars and stage full rail cars for transportation. The anticipated completion date for the rail expansion project is June 2009.

10 INSPECTION, MAINTENANCE, AND REPORTING

Wingate is operated in a manner to prevent and mitigate any unplanned releases to the environment. The plant is manned 24 hours per day and 365 days per year including holidays. Plant process and storage units are regularly observed by a number of personnel during normal operations, and any evidence or sign of spill/leaks are reported to supervisory personnel so that repairs or cleanup can be promptly implemented. Routine maintenance procedures conducted at the Wingate also help to assure that equipment remains functional and that the possibility of spills/leaks is minimized. The facility is also equipped with 10 monitoring wells that are sampled annually to insure early detection of possible groundwater impacts. Samples from the evaporation ponds are also collected annually.

The new rail yard will be integrated into the existing facility inspections, maintenance activities and spill response program.

11 SPILL/LEAK PREVENTION AND REPORTING (CONTINGENCY PLANS)

ConocoPhillips will handle all spills and leaks, maintain records, and make reports as required by the current version of the Spill Prevention Control and Countermeasures Plan (SPCC), required by 40 CFR 112, maintained at Wingate. ConocoPhillips will also report all spills and leaks according to the requirements of the State of New Mexico found in 19.5.13.103 NMAC.

An Oil Spill Response Organization (OSRO) has been secured to ensure properly trained and qualified personnel are available to assist in the mitigations of spills from the rail spur and the existing facility. The SPCC plan will be modified to include the rail expansion and OSRO roles and responsibilities.

12 SITE CHARACTERISTICS

Regional Geology

Wingate is situated along the southwestern margin of the San Juan Basin designated the Zuni Uplift, in the Colorado Plateau physiographic Province. The Zuni Uplift is a northwest trending structural dome comprising an area approximately 55 miles in length by 20 miles in width. The site lies at the head of the western side of the uplift termed the Nutria Monocline. The San Juan Basin forms an asymmetric basin covering an area of about 25,000 square miles in northwestern New Mexico, and portions of northeastern Arizona, and southwestern Colorado. The basin is reported to contain as much as 15, 000 feet of Paleozoic and Mesozoic sediments (Fassett and Hinds, 1971).

The surficial geology surrounding the site areas is comprised of Quaternary-aged alluvial deposits. Below the alluvium lies a thick sequence (on the order of 1,500 feet) of the Chinle Formation siltstones and mudstones. Underlying the Moenkopi Formation, also unconformably, are the Permian-age San Andres Limestone, and Glorieta Sandstone (102 and 230 feet thick, respectively), which comprise the regional aquifer in the site area. The deepest onsite well is completed into the top portion of the Yeso Formation also of Permian-age, described as fine-grained Arkosic sandstone, to a depth of approximately 2,000 feet. Below the base of the Yeso Formation in descending order are the sandstone, claystone and siltstone of the Permian-age Abo Formation, unnamed limestone and conglomerate rocks of Pennsylvania-age, and Percambrian granitic and metamorphic rocks, which comprise the basement, rocks in the regions.

Local Geology

The site lies along the south side of an east-west trending alluvial drainage formed by the south fork of the Puerco River. To the south of the site are the Zuni Mountains, reaching a maximum elevation of around 9,000 feet. North of the plant, a massive red sandstone escarpment comprised of the Triassic/Jurassic-age sandstone and siltstone deposits of the Entreda and Wingate sandstones. It rises

approximately 400 feet above the valley to an elevation of around 7,000 feet. The Wingate property ranges in elevation from around 6,580 to 6,612 ft-msl. The surficial geology in the site area, consists of Quaternary-ages alluvium. These strata dip to the northwest at approximately 2-3 degrees.

Regional Hydrogeology

The hydrogeology of the region is a function of geologic structure and hydraulic properties of the sedimentary formations deposited in the basin. Permeable sandstones and limestones are typically interbedded with relatively impermeable shales, siltstones and mudstones, resulting in the formation of numerous confined aquifer systems in the Permian, Triassic, Jurassic, and Cretaceous-aged deposits. The northward dip of these strata in the southwestern portion of the San Juan Basin, in conjunction with the presence of impermeable overlying formation, results in recharge being limited to the outcrop exposure of the water-bearing unit, with progressively artesian conditions occurring to the north. The major regional aquifer in the site area is San Andres Limestone/Glorieta Sandstone of Permian-age. Recharge to the Sand Andres/Glorieta aquifer occurs primarily in areas of the Zuni Mountains to the south of the site area.

As stated previously, the San Andres Limestone/Glorieta Sandstone formations constitute the primary aquifer in the region. This aquifer has been designated part of the C multiple-aquifer in the region. This aquifer has been designated part of the C multiple-aquifer system (Cooley, et.al 1969). The top of the San Andres is found at a depth of approximately 1,6750 feet, according to the driller's log data from on site wells. The thickness of the combined aquifer system in the site area is reported to be about 3300 feet. Driller's log data from off site wells approximately six miles to the east, which service the plant via pipeline indicate the top of the San Andres/Glorieta aquifer to be present locally at a depth of around 1,000 feet. Based on well data from the four active wells (two onsite and two offsite), the San Andres/Glorieta aquifer appears to become more productive to the east perhaps reflecting an increased degree of fracturing and/or solution cavities in that area.

Local Hydrogeology

Shallow borings in the southwestern corner of the plant site associated with a geotechnical investigation for a railroad overpass (Sergeant, Hauskins and Beckwith, 1987), encountered between 40 and 80 feet of unconsolidated clays, silty clays, silty sands and gravels, prior to auger refusal in weathered siltstones and sandstone. The specific capacity of offsite wells completed in alluvium reported to range from 0.19 to 1.75 gpm/ft (Shomaker, 1971). A review of driller's logs for the onsite water supply wells indicated alluvial thickness on the order of 100 feet. These logs variously report that the Chinle Formation or basal unit of the Wingate sandstone to underlie the alluvial fill deposits.

In order to better define the hydrogeology of the shallow alluvial aquifer and assess the impact of the plant's wastewater impoundments (i.e. east and west evaporation ponds) three groundwater monitoring wells were installed around the impoundments (Dames & Moore 1990) and three additional test holes were drilled and four field permeability test were conducted (Shomaker 1992). In addition, five other wells were installed onsite as part of a property transfer environmental assessment (WMW.-1,2,3,4 and WMW-5).

Three test holes were drilled around the ponds between January 6 and 8, 1992. Each hole was drilled to a depth of 26.5 feet. Split-spoon samples were collected to total depth in each hole. Core samples were collected in BH-3 from 12.5 to 14 feet (red clay), and 17.5 to 19 feet (dark red clayey silt). The core samples were submitted for laboratory analysis for column constant-head permeability test. The laboratory was unable to saturate the samples after 21 days. The samples were sieved and found to be very fine-grained with 76 percent of the samples passing 200 mesh. The plasticity and liquid limit of both samples were 35 and 51, respectively,

indicating both samples were high plasticity clays. The permeabilities were found to be less than 10^{-7} cm/sec.

Based upon well logs, boreholes and cores, the stratigraphy of the alluvium under the ponds consist generally of three unconsolidated units which are illustrated in Figure 12-6. These units include (from the surface downward): an upper unit consisting of sands and silty clays to depths of 4 to 5 feet; and intermediate unit consisting of clay with minor silt and sands to depths of 15 to 23 feet; and a lower unit consisting of sands, silts and interbedded clay at depths from 15 to 55 feet. As discussed above, the hydraulic conductivity of the intermediate clay unit was determined to be less than 10^{-7} cm/sec. Saturated conditions were encountered only in the lower unit.

The shallow aquifer at the plant is in the shallow alluvium. In the pond area, the aquifer occurs in sands, silty sands interbedded with clays and silty clays of the lower unit at depths between 20 and 25 feet. Logs indicated soils were unsaturated to a depth of between 21 and 25 feet around the ponds. Saturated conditions were encountered below these depths. The potentiometric surface is about three feet below the land surface. The shallow aquifer, beneath the pond area, is confined by the overlying intermediate unit. This confining interval should restrict downward migration of water from the ponds.

Regional Aquifer Water Quality

Water quality data for plant water supply is collected monthly. Ground water from plant water supply meets New Mexico State water quality standards.

Alluvial Aquifer Water Quality

The locations of wells within one mile of Wingate and the onsite water supply wells are shown in Figure 12-7 (USGS, 1990). All the offsite wells are shallow alluvial wells to the east and upgradient of the facility.

The hydraulic and stratigraphic relationships previously discussed suggest water in the evaporation ponds is not likely to leak into the aquifer beneath the evaporation ponds. This interpretation is based upon the following:

- The clayey sediments in the intermediate unit underlying the evaporation ponds have a hydraulic conductivity less than 10^{-7} cm/sec.
- The intermediate interval is from 15 to 20 feet thick beneath the ponds.
- The confined hydraulic head in the shallow aquifer indicates upward flow is limited and restricted by the clay-rich intermediate unit.

13 ADDITIONAL INFORMATION

Evaporation Pond Closure Plan

The Evaporation Pond Closure Plan was submitted on September 4, 2008. The plan was submitted to comply with the New Mexico Oil conservation Division regulatory requirement for a discharge permit renewal, and the closure and post-closure requirements of 19.15.36.17 NMAC and 19.15.36.18 NMAC.

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, September 16, 2008 4:55 PM
To: Price, Wayne, EMNRD
Cc: VonGonten, Glenn, EMNRD
Subject: ConocoPhillips (COP) Wingate Plant Rail Project & Modification to Permit (GW-054) Esat of Gallup

Wayne:

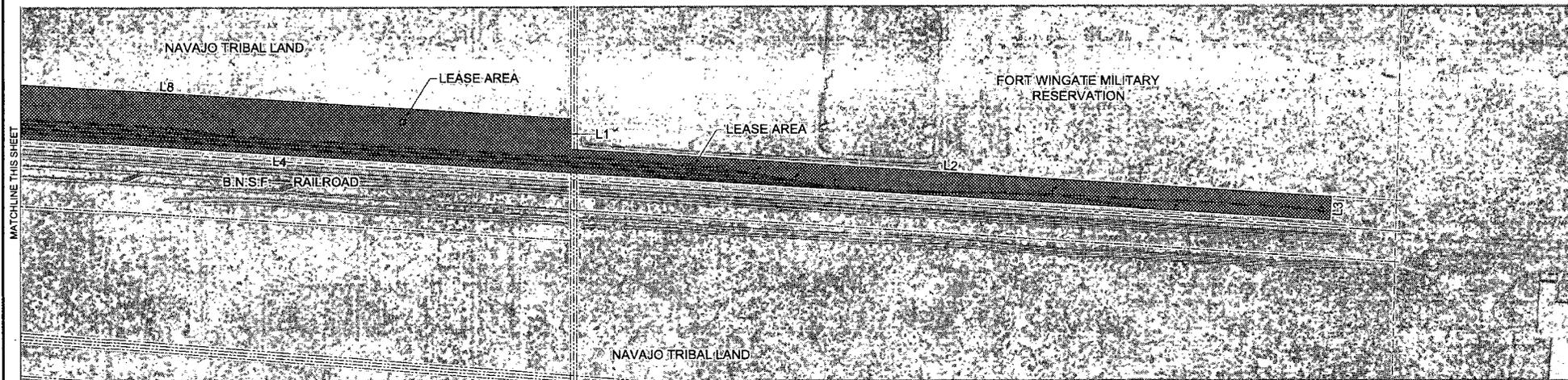
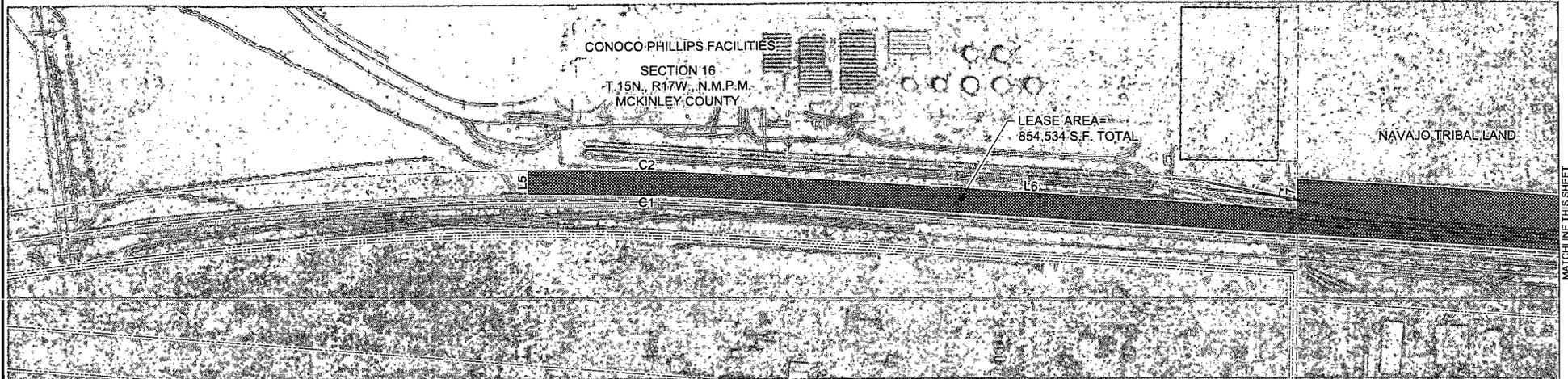
FYI, today I met w/ Ms. Beverly Cox and Larry Anderson of COP about a rail project along the railroad corridor south and east of their OCD permitted facility. They wanted to explain a project that was precipitated by BSNF Railroad after they no longer will handle COP Railroad cars and switching of COP cars. COP cars consist of Propane, Butane and Natural Gas Liquids. Consequently, COP is working to lease or purchase land within the railroad corridor to construct its own rail road storage and switching area. They plan to construct about 1.5 miles of track (rail road at a projected cost of \$7.1 million just south of their facility) toward the east of their facility. COP will hire a rail road related company to perform all of their car storage and switching activities in order to make filled cars available for shipment on Mondays, Wednesdays and Fridays.

Since their will not be any changes to their process lines or existing facility with the exception of their storage and switching activities, COP will be proposing a "Minor Modification" to their permit via addendums to their Application and existing discharge permit as needed. They are also working to satisfy EPA and DOT requirements for emergency response, risk management plan, SWPPP, etc. They will need to build additional track to stage their filled cars for transport. COP estimates that at least 4% of total storage will be staged at anytime before BSNF picks up their staged cars. Nothing really changes at the facility except the construction of the track and staging area. COP discussed their upcoming planned submittal in detail (maps, addendums, etc.) and the applicable sections of the application and permit that they will slightly modify. For example, the rail area would also need to be mentioned in the closure, housekeeping, etc. sections of the permit. Sections of the application (ex., emergency response, etc.) would also be slightly modified where needed and be part of their submittal.

In conclusion, I think their rail project is a "Minor Modification" according to the discharge permit and COP will submit a request for a Minor Modification with addendums to their existing application and discharge permit within the next couple of months. They will include any Federal info. that may also pertain to the OCD Permit in case it will satisfy or supplement the OCD discharge permit provisions.

Please contact me if you have questions. Thanks.

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) 476-3491
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")



Line Table		
Line #	Length	Direction
L1	100.192	S0° 07' 48.00"W
L2	2468.058	S86° 19' 07.48"E
L3	77.702	S3° 25' 55.72"W
L4	6834.729	N86° 19' 07.48"W
L5	77.701	N0° 18' 35.97"W
L6	1725.776	S86° 19' 07.48"E
L7	100.157	N0° 28' 06.96"E
L8	2639.964	S86° 19' 07.48"E

Curve Table			
Curve #	Length	Radius	Delta
C1	762.493	10945.859	3.9912
C2	767.905	11023.560	3.9912



NORTH



2255 N. 44th Street Suite 125
Phoenix, AZ 85008,3279
Tel: 602.244.2546
Fax: 602.244.8947
Website: www.entellus.com

CONOCO PHILLIPS WINGATE PLANT RAIL PROJECT
GALLUP, NEW MEXICO

DESIGN: 900	QA/QC: 00	PROJECT NUMBER: 100.007	SHEET: 07
DRAWN BY: BDC		EXHIBIT 2 - LEASE AREA	

Chavez, Carl J, EMNRD

From: Cox, Beverly J. [Beverly.J.Cox@conocophillips.com]
Sent: Friday, June 22, 2007 9:27 AM
To: Chavez, Carl J, EMNRD
Subject: Wingate Discharge Permit (GW-054)

Mr. Chavez,

I received your letter on June 15, 2007 on the public notice requirements for the Wingate Plant.

Just wanted to let you know that I should have the Public Notice in the local Gallup news paper next week. The public notice is for the ConocoPhillips Wingate Fractionation Plant located in Gallup, New Mexico; Groundwater Discharge Permit 054.

Thanks,

Beverly

Beverly J. Cox
Environmental Specialist
ConocoPhillips San Juan Business Unit
505.324.6194 Cell: 505.947-7243

This inbound email has been scanned by the MessageLabs Email Security System.

6/27/2007

David Chavez

Affidavit of Publication
RECEIVED

State of New Mexico,
County of Eddy, **2007 JUN 15 PM 1 23**

April Hernandez, being first duly sworn,
on oath says:

That she is HR/Administrative Assistant of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that she is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

June 10 2007

*6/25/07
dicto my
and ability*

That the cost of publication is **\$141.09** that Payment Thereof has been made and will be assessed as court costs.

April Hernandez

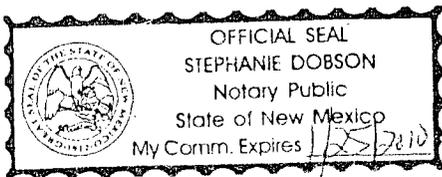
Subscribed and sworn to before me this

11 day of June, 2007

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



June 10, 2007

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 (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-054) Conoco Phillips Company, Beverly Cox, Environmental Specialist, 3401 E. 30th Street (P.O. Box 4289), Farmington, New Mexico 87499, has submitted a renewal application for a discharge plan for the Wingate Fractionating Gas Plant located in Sections 9-10, and 15-17 Township 15 North, Range 7 West, NMPM, McKinley County, New Mexico (approximately one mile east of Gallup on US Hwy. 66). The facility separates hydrocarbon liquids from a natural gas liquid stream into propane, n-butane, light gasoline, natural gas and mixed butane. The facility discharges wastewater into unlined evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers and shipped offsite for disposal or recycling at an OCD approved site. Ground water most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 to 25 feet below the ground surface, with a total dissolved solids concentration of approximately 1,000 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the applications listed above are administratively complete and has prepared draft permits. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there

is significant public interest. If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

is significant public interest.

Para obtener mas informacion sobre esta solicitud en espanol, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerales y Recursos Naturales de Nuevo Mexico), Oil Conservation Division (Depto. Conservacion Del Petroleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461).

Para obtener mas informacion sobre esta solicitud en espanol, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerales y Recursos Naturales de Nuevo Mexico), Oil Conservation Division (Depto. Conservacion Del Petroleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461).

GIVEN under the seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of June 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL
Mark Fesmire,
Director

Classified Advertising Invoice

The Independent
 500 North Ninth
 Box 1200
 Gallup, NM 87305
 Phone: (505) 863-6811
 Fax: (505) 863-0019

RECEIVED
 2007 JUN 15 PM 1:23

5

LE
 OIL CONSERATION DIVISION
 1220 S. ST. FRANCIS DRIVE
 SANTA FE, NM 87505

Cust#: 01101818-000
 Phone: (505)476-3440
 Date: 06/12/07
 Due Date: 07/09/07

Ad#	Text	Start	Stop	Days	Amount	Prepaid	Due
01510354-001	LE #8836	06/12/07	06/12/07	1	190.84	0.00	190.84

*6/25/07
 ok to pay
 Dan Shroy*

*Please Refer To Legal# Indicated On
 Your Invoice For Proper Posting When
 Mailing In A Payment.
 Thank You
 Legal Dept.
 863-6811 Ext. 201*

Please return a copy with payment

Total Due

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 Dan Shroy*

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 (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

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permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may sub-

Affidavit of Publication

STATE OF NEW MEXICO

) SS

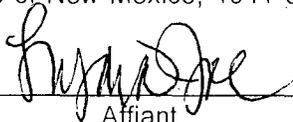
COUNTY OF MCKINLEY

LYDIA JOE being duly sworn upon oath, deposes and says:

As LEGALS CLERK of The Independent, a newspaper published in and having a general circulation in McKinley County, New Mexico and in the City of Gallup, New Mexico and having a general circulation in Cibola County, New Mexico and in the City of Grants, New Mexico and having a general circulation in Apache County, Arizona and in the City of St. Johns and in the City of Window Rock, Arizona therein: that this affiant makes this affidavit based upon personal knowledge of the facts herein sworn to. That the publication, a copy of which is hereto attached was published in said newspaper during the period and time of publication and said notice was published in the newspaper proper, and not in a supplement thereof, for one time, the first publication being on the 12th day of June 20 07, the second publication being on the _____ day of _____ 20_____, the third publication being on the _____ day of _____ 20_____.

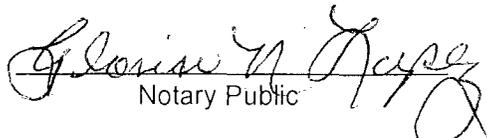
and the last publication being on the _____ day of _____, 20_____.

That such newspaper, in which such notice or advertisement was published, is now and has been at all times material hereto, duly qualified for such purpose, and to publish legal notices and advertisements within the meaning of Chapter 12, of the statutes of the State of New Mexico, 1941 compilation.



Affiant.

Sworn and subscribed to before me this 12th day of June, A.D., 20 07.



Notary Public

My commission expires:

February 9, 2009

THE SANTA FE
NEW MEXICAN
Founded 1849

NM ENERGY MINERAL NA
OFFICE OF SECRETARY A
1220 S ST FRANCIS DR
SANTA FE NM 87505

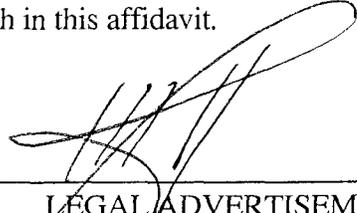
ALTERNATE ACCOUNT: 56673
AD NUMBER: 00218386 ACCOUNT: 00002202
LEGAL NO: 81071 P.O. #: 52100-00000039
311 LINES 4 TIME(S) a 584.68
AFFIDAVIT: 6.00
TAX: 45.04
TOTAL: 635.72

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, T. Valencia, 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 # 81071 a copy of which is hereto attached was published in said newspaper 4 day(s) between 06/12/2007 and 07/03/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 12nd day of June, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/

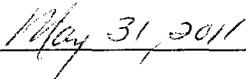

LEGAL ADVERTISEMENT REPRESENTATIVE

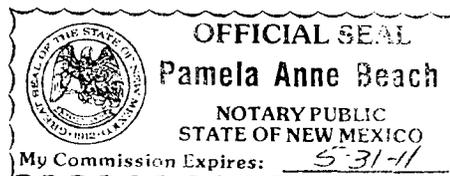
Subscribed and sworn to before me on this 3rd day of July, 2007

Notary



Commission Expires:





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 (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 467-3440

(GW-054) Conoco Phillips Company, Beverly Cox, Environmental Specialist, 3401 E. 30th Street (P.O. Box 4289), Farmington, New Mexico 87499, has submitted a renewal application for the Wingate Fractionating Gas Plant located in Sections 9-10, and 15-17 Township 15 North, Range 7 West, NMMP, McKinley County, New Mexico (approximately one mile east of Gallup on US Hwy 66). The facility separates hydrocarbon liquids from a natural gas liquid stream into propane, n-butane, light gasoline, natural gas and mixed butane. The facility discharges wastewater into unlined evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers and shipped offsite for disposal or recycling at an. Groundwater most likely to be affected by a spill, leak, or accidental discharge is at a

depth from 20 to 25 ft. below ground surface, with a total dissolved solids concentration of 1000 mg/L. The discharge plan addresses well construction, operation, monitoring of the well, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m. Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30)

days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held the Director will approve or disapprove the proposed permit based on information submitted at the hearing.

Para obtener mas informacion sobre esta solicitud en espanol, sirvase comunicarse por favor: New Mexico Energy, Minerals, and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo Mexico), Oil Conservation Division (Depto. Conservacion Del Petroleo) 1220 South Saint Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 7th day of June 2007

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL

Mark Fesmire, Director

Legal #81071

Pub. June 12, 19, 26 & July 3, 2007

LEGAL NOTICE
Santa Fe-Santa Fe County
New Mexico

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 (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505. Telephone (505) 476-3440:

(GW-054) ConocoPhillips Company, Beverly Cox, Environmental Specialist, 3401 E. 30th Street (P.O. Box 4289), Farmington, New Mexico 87499, has submitted a renewal application for a discharge plan for the Wingate Fracturing Gas Plant located in Sections 9-10, and 15-17 Township 15 North, Range 7 West, NMPM, McKinley County, New Mexico (approximately one mile east of Gallup on US Hwy. 66). The facility separates hydrocarbon liquids from a natural gas liquid stream into propane, o-butane, light gasoline, natural gas and mixed butane. The facility discharges wastewater into unlined evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers and shipped offsite for disposal or recycling at an OCD approved site. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 to 25 feet below the ground surface, with a total dissolved solids concentration of approximately 1,000 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the applications listed above are administratively complete and has prepared draft permits. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.cmoil.state.nm.us/ocdl/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at

Post-it® Fax Note	7871	Date	6/08	# of pages	3
To	Carl Chavez	From	Lydia		
Co./Dept.		Co.			
Phone #		Phone #	863-6811		
Fax #	476-3462	Fax #			

Proof of legal
Publ. please
call to confirm.

the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener mas informacion sobre esta solicitud en espanol, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo Mexico), Oil Conservation Division (Depto. Conservacion Del Petroleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of June 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Mark Fesmire, Director

Legal #8836 Published in The Independent June 12, 2007

Advertising Receipt

The Independent
 500 North Ninth
 PO Box 1210
 Gallup, NM 87305
 Phone: (505) 863-6811
 Fax: (505) 863-0039

LE
 OIL CONSERATION DIVISION
 1220 S. ST. FRANCIS DRIVE
 SANTA FE, NM 87505

Cust#: 01101818-000
Ad#: 01510354
Phone: (505)476-3440
Date: 06/08/07

Ad taker: 001 **Salesperson:** **Classification:** 002

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
01 The Independent	06/12/07	06/12/07	1	177.20		177.20

Payment Reference:

LEGAL NOTICE
 Santa Fe-Santa Fe County
 New Mexico

NOTICE OF PUBLICATION

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

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Total: 177.20
Tax: 13.64
Net: 190.84
Prepaid: 0.00

Total Due 190.84

NOTICE OF PUBLICATION

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

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(GW-054) ConocoPhillips Company, Beverly Cox, Environmental Specialist, 3401 E. 30th Street (P.O. Box 4289), Farmington, New Mexico 87499, has submitted a renewal application for a discharge plan for the Wingate Fractionating Gas Plant located in Sections 9-10, and 15-17 Township 15 North, Range 7 West, NMPM, McKinley County, New Mexico (approximately one mile east of Gallup on US Hwy. 66). The facility separates hydrocarbon liquids from a natural gas liquid stream into propane, n-butane, light gasoline, natural gas and mixed butane. The facility discharges wastewater into unlined evaporation ponds. Other wastes generated will be temporarily stored in tanks or containers and shipped offsite for disposal or recycling at an OCD approved site. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 to 25 feet below the ground surface, with a total dissolved solids concentration of approximately 1,000 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of June 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, September 14, 2007 3:58 PM
To: 'Cox, Beverly J.'
Cc: Price, Wayne, EMNRD
Subject: GW-054 Ground Water Discharge Plan (GW-054) Approval Reply Letter of August 31, 2007

Ms. Cox:

The OCD is in receipt of your letter regarding Conditions: 1) #9 and 2) 11 B.

With respect to #1, the clay liner, if at least 2 feet of clay was properly compacted and emplaced before the tank was installed, the OCD may be amenable to the existing clay liner; however, if the tank was emplaced on substrate and then clay was emplaced to construct the containment area, then the OCD would not be amenable to the "clay liner."

With respect to #2, the OCD maintains its requirement for secondary containment with leak detection; however, please schedule a meeting with the OCD in November 2007 to discuss your concerns. 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) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/oed/index.htm>
(Pollution Prevention Guidance is under "Publications")

9/14/2007



RECEIVED

2007 SEP 10 AM 10 49

San Juan Business Unit
Beverly J. Cox
Environmental Specialist
P.O. Box 4289
Farmington, NM 87499
505-324-6194 Fax 505-599-4005

August 31, 2007

State Of New Mexico
Oil Conservation Division
Carl Chavez
1220 South St. Francis Drive
Santa FE, NM 87505

RE: Ground Water Discharge Plan (GW-054) Approval Conditions Reply

Mr. Chavez,

ConocoPhillips (COP) Wingate Fractionator is submitting a signed copy of the Ground Water Discharge Plan Approval Conditions. For this renewal, Condition #4 Owner/Operator Commitments and Condition #20 Additional Site Specific Conditions reference applicability to the previously approved discharge permit. These items reference have been included in this submittal and are in italics.

As previously discussed in a phone conversation with you, COP has exceptions to some items listed in the discharge approval conditions and would like to have further face to face discussions on these exceptions. We are signing the approval conditions at your request to expedite the process but do not accept condition 9 and 11 B until further face to face discussions are conducted. The exceptions are listed/outlined below.

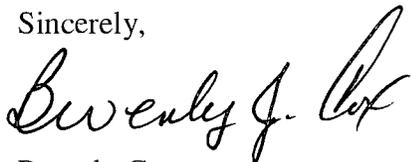
1. Condition #9, Above Ground Tanks: There are concerns on the language contained in parentheses "e.g., liners and berms". COP believes that the containment to be impermeable via a clay liner. We are seeking clarification as to the existing clay liner sufficiency. Should additional liners be required, COP would seek to keep the existing clay liner due to structural stability issues in lining around two of the spheres.
2. Condition #11 B, Below-Grade Tanks/Sumps and Pits/Ponds: There are concerns on the language stating "In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans". The existing ponds have a clay liner and documentation about the hydrologic and geologic data of the area. There are two evaporation ponds; one 12 acres and one 5 acres. There are 4 down gradient monitoring wells; two wells are in the first water table and two are shallow wells located in the vadose zone. A file research has produced a document by John W. Shomaker Inc. that

describes the clay liner and that if a leak would occur, it would be lateral and not a downward movement. COP would like to continue discussions on maintaining the evaporation ponds in their current state.

The Wingate Plant is still undergoing some data gathering for the evaporation ponds. Once we complete this task, I will contact you to set up an appointment to review the two items listed above.

Should you have questions please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Beverly J. Cox". The signature is written in a cursive style with a large, looping initial "B".

Beverly Cox

cc: Lane Ayers, Asset Manager
Wingate Plant File

**ATTACHMENT TO THE DISCHARGE PERMIT
CONOCOPHILLIPS, WINGATE FRACTIONATING GAS
PLANT (GW-054)
DISCHARGE PERMIT APPROVAL CONDITIONS**

August 7, 2007

**Please remit a check for \$4000.00 made payable to Water Quality
Management Fund**

If you have not done so already:

**Water Quality Management Fund
C/o: Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505**

***All carry over information carried over from the previous permit is
documented in italic type.***

- 1. Payment of Discharge Plan Fees:** All discharge permits area subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a renewal flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$4100.00 filing and renewal discharge plan fee.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on August 17, 2012** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall

abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978. Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its April 13, 2007 discharge plan renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
5. **Modifications:** WQCC Regulation 20.6.2.3107.C, and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water New Mexico.
6. **Waste Disposal and storage:** The owner/operator shall dispose of all wastes at an OCD approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a class approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.
 - A. **OCD Rule 712 Waste:** Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.
 - B. **Waste Storage:** The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The

owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. **Drum Storage:** The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.
8. **Process, Maintenance and Yard Areas:** The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.
9. **Above Ground Tanks:** The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.
10. **Labeling:** The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.
11. **Below-Grade Tanks/Sumps and Pits/Ponds.**
 - A. All below-grade tanks and sumps must be approved by the OCD Prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to

facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

- B.** All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.
- C.** The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds. ***See Section 20 of this permit.***
- D.** The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

- A.** The owner/operator shall test underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

- B.** The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.
- 13. Class V Wells:** The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that 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 (NMED).
- 14. Housekeeping:** The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.
- 15. Spill Reporting:** The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.
- 16. OCD Inspection:** The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspection.
- 17. Storm Water:** The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality

Standards for Interstate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

Section 15 of old permit: Storm Water Plan: *Stormwater runoff controls shall be maintained pursuant CoP's SPCC plan and integrated Contingency Plan. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the plan to prevent such occurrences.*

18. **Unauthorized Discharges:** The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

19. **Vadose Zone and Water Pollution:** The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit. **See Section 20 of this permit.**

20. **Additional Site Specific Conditions:** The owner/operator shall comply with the terms and conditions of the previously approved discharge permit dated March 24, 2004 Sections 16 (Waste Water Evaporation Ponds), 17 (Vadose Zone and Water Pollution), and 18 (Annual Report).

Section 16 of previous permit: Waste Water Evaporation Ponds: *A minimum freeboard of 3 feet will be maintained in the ponds so that no over topping of wastewater occurs. All waste entering the ponds or the plant wastewater collection system shall be RCRA non-hazardous as defined by EPA 40 CFR Part 261. Any repairs or modifications to the pond, wastewater collection system and/or monitoring systems must receive prior OCD approval. Leaks, releases from the ponds, or any contaminant found in any monitoring device or*

groundwater that exceeds the New Mexico Ground Water (WQCC) standards shall be reported pursuant to Item 12 (Spill Reporting) of these conditions.

- A. Pond Inspections: Evaporation ponds shall be inspected monthly and after any major storm event. Records shall be maintained for fluid levels, freeboard, seepage, flow channels, pipes, valves and dike integrity.
- B. Evaporation Pond(s) and Pond Monitor Well(s): MWR-1, MW-2 and MW-3 monitor wells shall be purged and sampled annually. MWS-1 and MWS-2 shall be inspected for fluids quarterly. If fluids are discovered in MWS-1 and MWS-2 in volumes sufficient for sampling, CoP shall make a chemical stoichiometric comparison to determine if fluids are from the ponds. If fluids are determined to be from the ponds then CoP shall submit an action plan to address this issue. Composite pond samples shall be collected and analyzed annually.

All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Due to the raw untreated sewage going into the ponds OCD will require that general requirements found in WQCC regulations 20.6.2.2101 (BOD, COD, Total Coliform Bacteria, and PH) be part of the sampling program. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

- C. Migratory Bird Protection: ConocoPhillips will not be required to net the evaporation ponds as long as the ponds are rendered nonhazardous to wildlife including migratory birds. ConocoPhillips will be responsible for monitoring, recording, and reporting any significant event that provides evidence that the ponds are hazardous to any wildlife including migratory birds.

Section 17 of previous permit: Vadose Zone and Water Pollution: The previously submitted investigation(s) and remediation plans that were submitted pursuant to the discharge plan and all future discoveries of contamination will be addressed through the discharge plan process.

- A. Fire Training Pit area is considered closed and no further action required at this time.
- B. Flare Pit area soil remediation is considered closed with continued groundwater monitoring in the area. In addition, OCD will require a new monitor well to be installed down gradient from WMW-3 to ensure that contamination is not leaving ConocoPhillip's property.

CoP will locate this well pursuant to their February 05, 2004 response. COMPLETED

- C. *Railroad Rack area is still active. At the request of ConocoPhillips, OCD will allow long term monitoring in this area and forgo any active remediation requirement as long the follow is adhered to:*
1. *a new monitor well shall be installed west of existing monitoring well WMW-2. COMPLETED*
 2. *The remediation of the groundwater and vadose zone contamination shall be addressed upon closure of the facility, or at any time upon discovery the contamination begins to migrate away from this area, then a corrective plan shall be submitted for OCD approval.*
- D. *Plant area groundwater salt contamination: OCD is in receipt of the CoP (Maxim) February 05, 2004 "Response to Draft #2" and hereby approves of the path forward plan.*
- E. *Monitor wells WMW-1, WMW-2, WMW-3, WMW-4, WMW-5 and WMW-6 shall be purged and sampled annually. All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.*

Additional Requirements:

1. *ConocoPhillips shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities such that the OCD has the opportunity to witness the events and split samples. For large facilities, i.e. gas processing plants, an annual notification will suffice.*
2. *ConocoPhillips shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any down gradient monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.*

18. ANNUAL REPORT: *An annual report will be submitted to the OCD by September 15 of each year. The annual report will contain:*

A. A description of the monitoring and remediation activities that occurred during the year including conclusions and recommendations.

B. Summary tables listing laboratory analytic results, of all water quality sampling for each monitoring point and plots of concentration vs. time for contaminants of concern from each monitoring point. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets will also be submitted.

C. An annual water table potentiometric elevation map using the water table elevation of the ground water in all facility monitor wells. A corrected water table elevation shall be determined for all wells containing phase-separated hydrocarbons. This map shall show well locations, pertinent site features, and the direction and magnitude of the hydraulic gradient.

D. Plots of water table elevation vs. time for each ground water monitoring point.

E. Electronic filing: OCD would like to encourage ConocoPhillips to file this report in an acceptable electronic format.

21. Transfer of Discharge Permit (WQCC 20.6.2.311): Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure and Financial Assurance (20.6.23.3107A(11) NMAC): The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. A closure plan to prevent the exceedance of standards of Section 20.6.2.3103 NMAC or the presence of a toxic pollutant in ground waste after the cessation of operation which includes: a description of closure measures, maintenance and monitoring plans, post-closure maintenance and monitoring plans, financial assurance inclusive of wastewater ponds, and other measures necessary to prevent and/or abate such contamination is required by August 6, 2007. The obligation to implement the closure plan as well as the requirements of the closure plan, if any is required, survives the termination or expiration of the permit. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

23. Certification: ConocoPhillips Company, (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. Owner/Operator further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

ConocoPhillips Company – Wingate Fractionator
Company Name-print name above

Lane Ayers
Company Representative-print name

Lane Ayers
Company Representative-signature

Title SJGP/WINGATE PLANT SUPERINTENDANT
Date 9/7/07



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 7, 2007

Ms. Beverly Cox
Environmental Specialist
ConocoPhillips
McKinley Business Unit
3401 E. 30th Street (P.O. Box 4289)
Farmington, New Mexico 87499

Re: **Discharge Permit Renewal (GW-054)**
ConocoPhillips Wingate Fractionating Gas Plant Permit
Renewal: Closure Plan and Financial Assurance

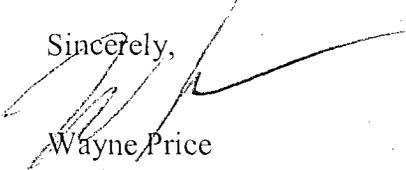
Dear Ms. Cox:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3000 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the ConocoPhillips Company (owner/operator) Wingate Fractionating Gas Plant GW-054 located in the Sections 9-10, and 15-17, Township 15 North, Range 7 West, NMPM, McKinley County, New Mexico, under the conditions specified in the enclosed **Attachment To The Discharge Permit**. 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 30 working days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,


Wayne Price

Environmental Bureau Chief

LWP/cc

Attachments-1

xc: OCD District Office

**ATTACHMENT TO THE DISCHARGE PERMIT
CONOCOPHILLIPS, WINGATE FRACTIONATING GAS PLANT (GW-054)
DISCHARGE PERMIT APPROVAL CONDITIONS**

August 7, 2007

**Please remit a check for \$4000.00 made payable to Water Quality Management Fund
if you have not done so already:**

**Water Quality Management Fund
C/o: Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505**

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$4100.00 filing and renewal discharge plan fee.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on August 17, 2012** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA1978} and civil penalties may be assessed accordingly.*
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its April 13, 2007 discharge plan renewal application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

5. **Modifications:** WQCC Regulation 20.6.2.3107.C, and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. **OCD Rule 712 Waste:** Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. **Waste Storage:** The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. **Drum Storage:** The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. **Process, Maintenance and Yard Areas:** The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. **Above Ground Tanks:** The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain

fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh

water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that 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 (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. *An unauthorized discharge is a violation of this permit.*

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions: The owner/operator shall comply with the terms and conditions of the previously approved discharge permit dated March 24, 2004 Sections 16 (Waste Water Evaporation Ponds), 17 (Vadose Zone and Water Pollution), and 18 (Annual Report).

21. Transfer of Discharge Permit (WQCC 20.6.2.3111): Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure and Financial Assurance (20.6.2.3107A(11) NMAC): The owner/operator shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. A closure plan to prevent the exceedance of standards of Section 20.6.2.3103 NMAC or the presence of a toxic pollutant in ground water after the cessation of operation which includes: a description of closure measures, maintenance and monitoring plans, post-closure maintenance and monitoring plans, financial assurance inclusive of wastewater ponds, and other measures necessary to prevent and/or abate such contamination is required by August 6, 2007. The obligation to implement the closure plan as well as the requirements of the closure plan, if any is required, survives the termination or expiration of the permit. Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

23. Certification: ConocoPhillips Company, (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted

Ms. Beverly Cox

GW-054

August 7, 2007

Page 7 of 7

commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name-print name above

Company Representative- print name

Company Representative- signature

Title _____

Date: _____



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 7, 2007

Ms. Beverly Cox
Environmental Specialist
ConocoPhillips
McKinley Business Unit
3401 E. 30th Street (P.O. Box 4289)
Farmington, New Mexico 87499

Re: **Draft** Discharge Permit Renewal (GW-054)
ConocoPhillips Wingate Fractionating Gas Plant Permit
Renewal: Closure Plan and Financial Assurance

Dear Ms. Cox:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3000 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the ConocoPhillips Company (owner/operator) Wingate Fractionating Gas Plant GW-054 located in the Sections 9-10, and 15-17, Township 15 North, Range 7 West, NMPM, McKinley County, New Mexico, under the conditions specified in the enclosed **Attachment To The Discharge Permit**. 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 30 working days of receipt of this letter including permit fees.**

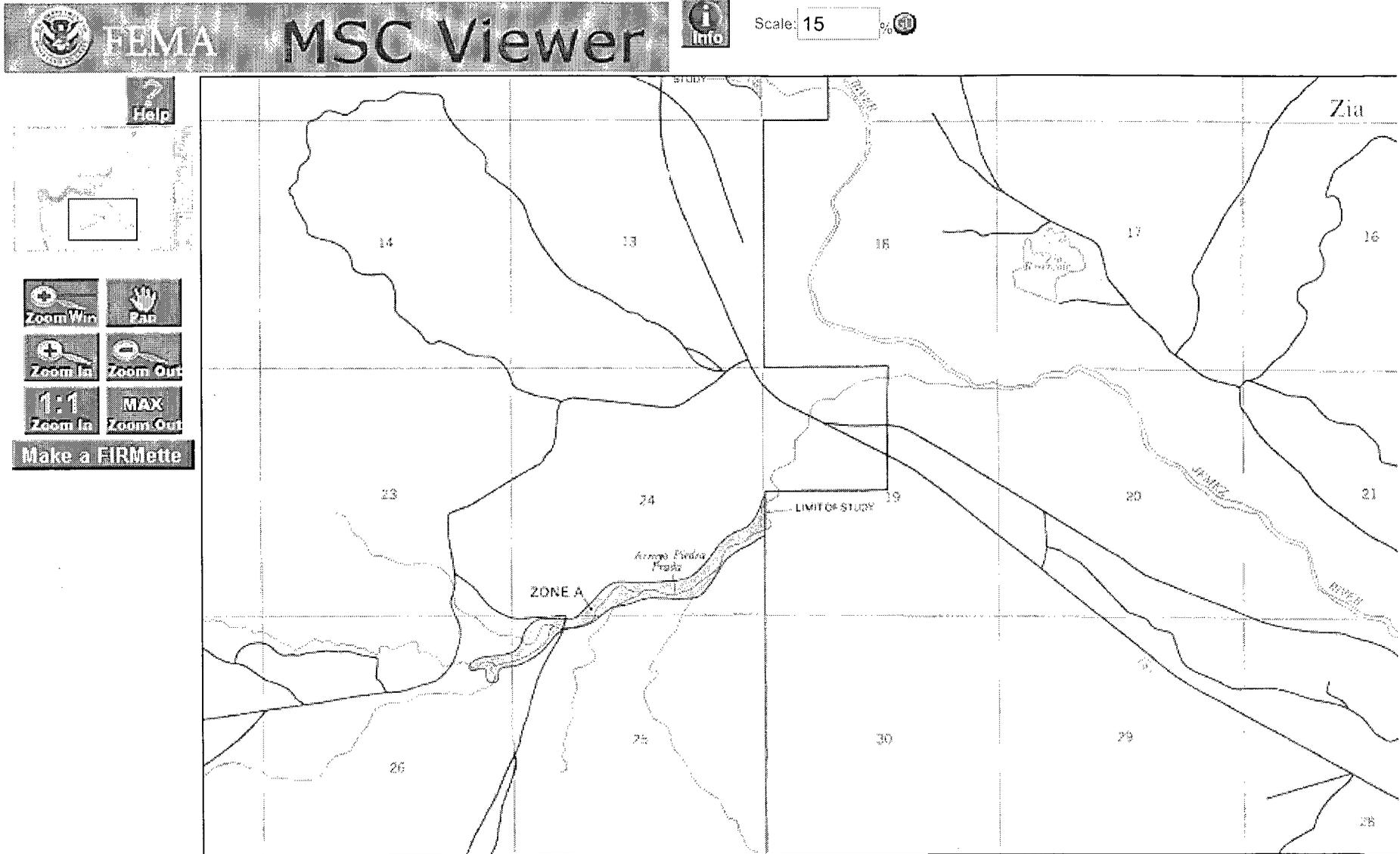
Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Carl Chavez of my staff at (505-476-3491) or E-mail carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP/cc
Attachments-1
xc: OCD District Office



http://map1.msc.fema.gov/idms/IntraView.cgi?ROT=0&O_X=6691&O_Y=7005&O_ZM=0.077444&O_SX=865&O_SY=515&... 7/3/2007



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 1, 2007

Ms. Beverly Cox
Environmental Specialist
ConocoPhillips
San Juan Business Unit
3401 E. 30th Street (P.O. Box 4289)
Farmington, New Mexico 87499

Re: Discharge Permit GW-054
Wingate Gas Plant Permit
Modification: Closure Plan and Financial Assurance

Dear Ms. Cox:

Pursuant to Water Quality Control Commission and New Mexico Oil and Gas Commission Regulations, the Oil Conservation Division requests a modification to the above discharge plan permit to include: a future closure plan for the wastewater ponds along with a financial assurance for the closure and/or remediation of the ponds. 19.15.36.11(B) NMAC shall be required to address the financial assurance requirements of the above.

WQCC Regulations 20.6.2.3107.C, and 20.6.2.3109 NMAC address modifications to a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

Pursuant to WQCC 20.6.2.3107(11), a closure plan to prevent the exceedance of standards of Section 20.6.2.3103 NMAC or the presence of a toxic pollutant in ground water after the cessation of operation, which includes: a description of closure measures, maintenance and monitoring plans, post-closure maintenance and monitoring plans, financial assurance, and other measures necessary to prevent and/or abate such contamination. The obligation to implement the closure plan as well as the requirements of the closure plan, if any is required, survives the termination or expiration of the permit.

Pursuant to WQCC 20.6.2.4104, if an abatement plan is required, the source of the water pollution to be abated is a facility that operated under a discharge plan, the OCD requires the responsible person(s) to submit a financial assurance plan, which covers the estimated costs to conduct the actions required by the abatement plan. Such a financial assurance plan shall be consistent with any financial assurance requirements adopted by the commission.

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact me at (505-476-3490) or E-mail wayne.price@state.nm.us. Thank you for your cooperation in this matter.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP
xc: OCD District Office

April 16, 2007

Oil Conservation Division
Environmental Bureau
Attn: Wayne Price
1220 South St. Francis Dr.
Santa Fe, NM 87505

Subject: ConocoPhillips Company Discharge Plan Renewal Wingate
Fractionating Plant (GW #054)

Dear Wayne,

Enclosed please find the Application for Renewal of Discharge Plan for ConocoPhillips Company's (ConocoPhillips) Wingate Fractionating Plant (GW #054). Attached to this letter you will also find a check for \$4100 to cover plan filing and application fees.

If you have any questions regarding these applications please feel free to contact me at (505) 266-6611.

Sincerely



Cale E. Swanson
Environmental Scientist III

cc: Beverly Cox (ConocoPhillips)

© n v i r o n m e n t a l © s e r v i c e s © l l c .

**Application for Renewal
Groundwater Discharge Plan #054
Wingate Fractionating Plant
ConocoPhillips Company
PO Box 119
Rehoboth, NM 87322-0119**

April 2007 CONcox 001

8220 Louisiana NE, Suite A, Albuquerque, NM 87113
tel 505.266.6611 fax 505.266.7738

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ConocoPhillips Company—Wingate Fractionating Plant

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District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 June 10, 2003

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: Wingate Fractionating Plant

2. Operator: ConocoPhillips Company

Address: PO Box 119, Rehoboth, NM 87322-0119

Contact Person: Lane Ayers Phone: (505) 632-4906

3. Location: N/A /4 N/A /4 Section 9, 10, 15, 16, & 17 Township 15N Range 7W
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: Lane Ayers

Title: Asset Manager

Signature: 

Date: 4/13/07

E-mail Address: G.Lane.Ayers@conocophillips.com

Wingate Fractionating Plant Discharge Plan

ConocoPhillips Company—Wingate Fractionating Plant

This document constitutes a renewal application for Groundwater Discharge Plan #054 for the Wingate Fractionating Plant (Wingate). This Discharge Plan application has been prepared in accordance with the New Mexico Oil Conservation Division's (OCD) *Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations* (revised 12-95) and New Mexico Water Quality Control Commission regulations at 20 New Mexico Administrative Code (NMAC) 6.2.

1 TYPE OF OPERATION

Wingate Fractionating Plant is natural gas processing plant operated to separate hydrocarbon liquids from a natural gas liquid stream into propane, n-butane, iso-butane, light gasoline and mixed butane using a distillation train.

2 OPERATOR/LEGALLY RESPONSIBLE PARTY

Operator
ConocoPhillips Company
Attn: Daniel Henderson (Plant Supervisor)
PO Box 119
Rehoboth, NM 87322
(505) 863-1007

Legally Responsible Party
ConocoPhillips Company
Attn: Layne Ayres (Asset Manager)
PO Box 217
Bloomfield, NM 87413
(817) 632-4906

3 LOCATION OF DISCHARGE FACILITY

ConocoPhillips' Wingate Fractionating Plant is located approximately one mile east of Gallup, New Mexico on U.S. Highway No. 66. It includes portions of Sections 9, 10, 15, 16 and 17, Township 15 North, Range 17 West lying north of BNSF Railroad in McKinley County, New Mexico. The exact location of the plant is at latitude 35° 32' 36" north and longitude 108° 38' 3" west. The elevation is 6593 feet above mean seal level (msl). The facility location is shown on Figure 1.

4 LANDOWNERS

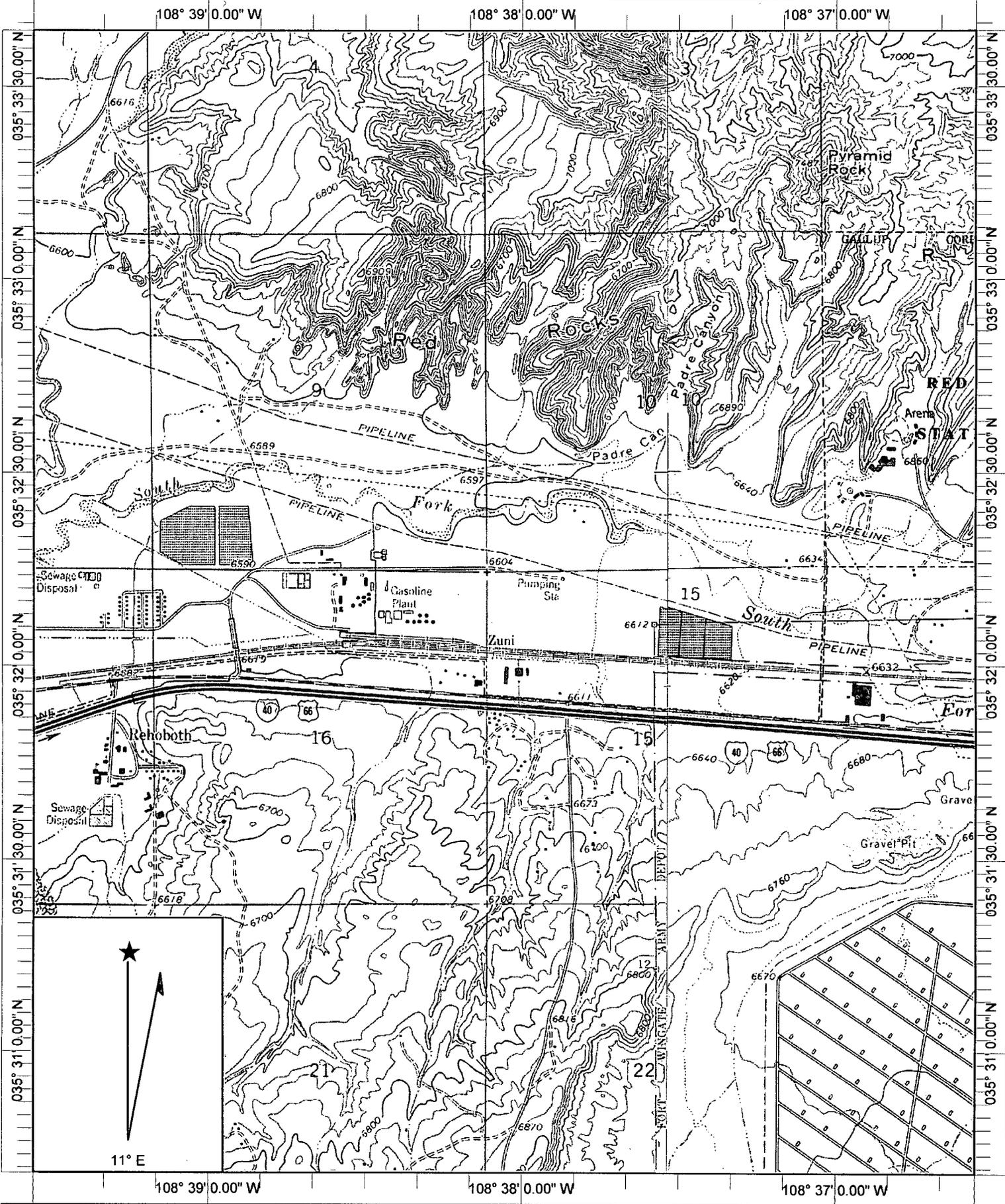
ConocoPhillips Company
PO Box 119
Rehoboth, NM 87322
(817) 390-8686

The Navajo Tribal Council
PO Box 701
Window Rock, AZ 86515
(928) 871-7160

5 FACILITY DESCRIPTION

The ConocoPhillips' Wingate Fractionating Plant is a processing plant, which fractionates natural gas liquids into usable products. The products of the facility are propane, n-butane, iso-butane, natural gas liquid (light gasoline), and mixed butane. Its feedstock is received via pipelines from three natural gas facilities.

Finished products are stored in a tank farm. Spherical tanks are used for natural gas liquid (light gasoline) and part of the normal butane storage. These have containment dikes surrounding them. Other products, which are gaseous under atmospheric pressure, are stored in un-diked horizontal tanks. There is no underground product storage. Products leave the



Name: GALLUP EAST
 Date: 4/4/2007
 Scale: 1 inch equals 2000 feet

Location: 035° 32' 10.10" N 108° 38' 03.48" W
 Caption: Figure 1
 Facility Location

facility by truck, rail cars and, pipeline. (See the Wingate Chemical Inventory Attachment for facility layout).

6 MATERIAL STORED AND USED

A number of process and non-process chemicals or additives are used at the Wingate Plant. A list of products and chemicals stored is presented in the Wingate Chemical Inventory attachment. The majority of the chemicals are stored in small quantities and any spills or leaks would be very small in volume and easily contained in the immediate area. Material Safety Data books are maintained and kept in the field office.

7 SOURCES AND QUANTITIES OF EFFLUENT AND WASTE SOLIDS

Waste streams originate from the backwashing of the sand filters in the pretreatment system, from the regeneration of the sodium zeolite ion exchanger, from the reverse osmosis waste, from the boiler and cooling tower blowdowns, from the backwashing of the condensers, from the backwashing of the side stream filters and from the septic tank systems. Table 7-1 list the waste streams with their flows.

The waste streams are directed to the general waste sump and are discharged directly to the evaporation pond.

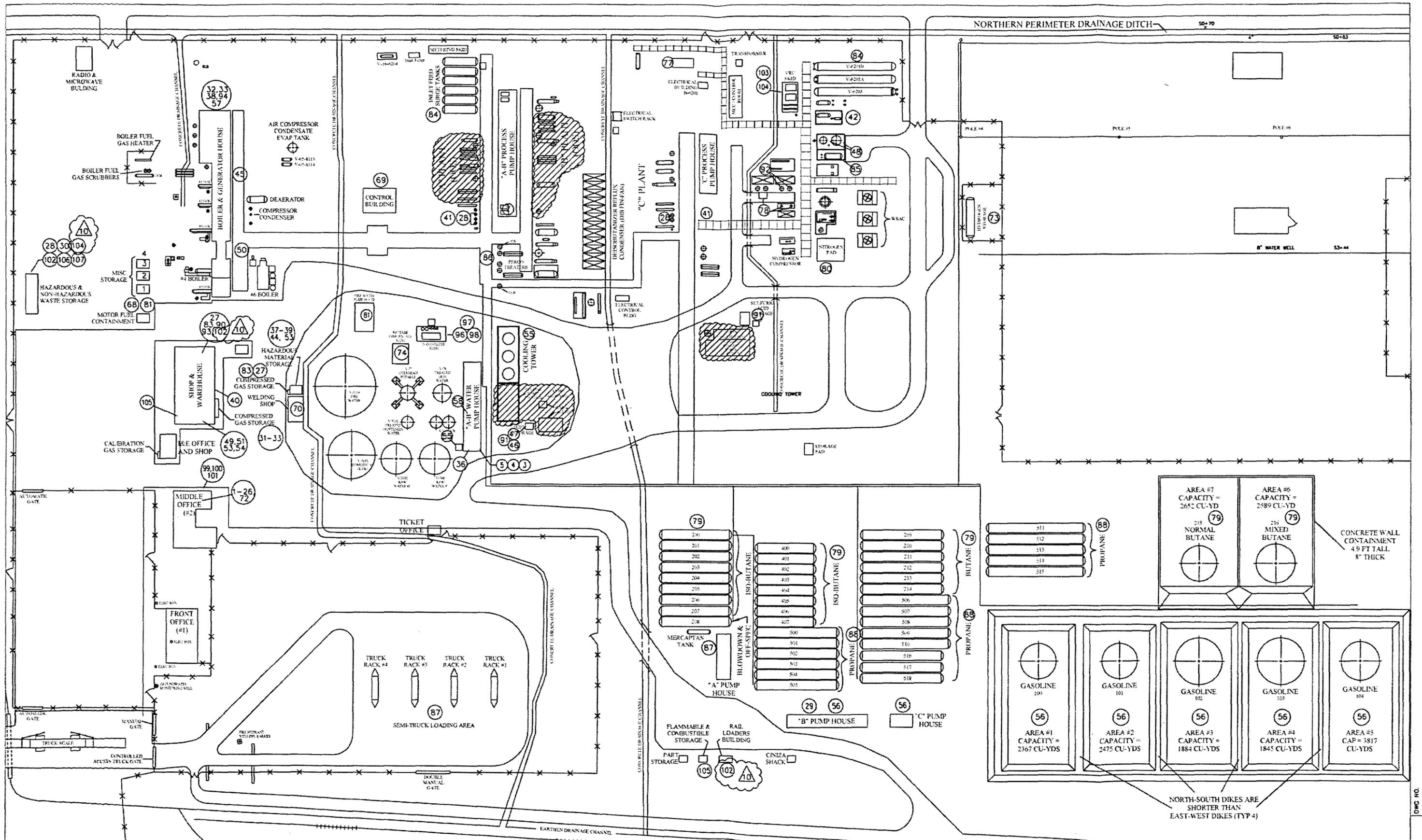
The general waste sump provides a waste collection point for the iron filter backwash, the softener regeneration water, the reverse osmosis waste, the boiler blowdown waste, the cooling tower blowdown water, wsac blowdown, the boiler house drain water, and the plant's septic tank water. The waste in the general waste sump may include some surface water runoff.

Domestic discharges are made through six septic tanks. One septic tank in the southeast corner of the plant is fed by one low use restroom. It has a leach field and does not empty into the evaporation ponds. The septic tanks in the processing plant area are discharged into the general waste sump. The septic tank discharge line for EPNG's general warehouse and pipeline district office ties into the ConocoPhillips' Plant waste stream line which discharges into the evaporation ponds.

Stream	Flow
Sand Filter Backwash	Currently no-flow
Sodium Zeolite Regeneration	Estimated Volume is 775,260 gal / month*
Boiler Blowdown	Estimated Volume is 148,102 gal / month*
Cooling Tower Blowdown	Metered volume of 553,521 gal / month
Wsac Blowdown	Estimated Volume is 446,760 gal / month*
Reverse Osmosis Unit Waste Stream	Estimated Volume is 357,700 gal / month*
Caustic Waste (pH levels are as per RCRA standards)	Estimated Volume is 6000 gal / month*
Domestic Waste (sewage & gray water)	Estimated Volume is 9000 gal / month*
Water Quality Test Waste	Estimated Volume is 30 gal / month*
Rain Water	Varies
*Estimated volumes are based from engineering calculations of equipment maximum flow rates.	

8 LIQUID AND SOLID WASTE COLLECTION/STORAGE/DISPOSAL
Evaporation Ponds

Plant waste streams are discharged to the evaporation ponds for final disposal by evaporation. The streams enter the east pond through a metered line containing effluent from the ConocoPhillips facility and from the EPNG district office containing only domestic waste. When the east pond is full the west pond receives the overflow. The east pond is contained in a 560 foot by 940-foot area and has a surface area of 480,000 square feet (11.0 acres). The west pond is contained in a 900 foot by 850-foot area and has a surface area of 693,000 square feet (15.9 acres).



REFERENCE DRAWINGS:
WG-20007b

LAST INSTRUMENT NO. USED: n/a
LAST LINE NO. USED: n/a
LAST TIE-POINT NO. USED: n/a
LAST EQUIPMENT NO. USED: n/a

REV #	DATE	REVISION	DWN.	DESIGN	CHECK	APP.	REV #	DATE	REVISION	DWN.	DESIGN	CHECK	APP.
7	01/23/04	PLOTPLAN REVISION	AAS	AAS	COX	COX	3	02/13/01	UPDATED FOR SARA TITLE III REPORTS	COH	WCB	WCB	WCB
6	02/27/03	PLOTPLAN REVISION	AAS	AAS	COX	COX	10	06/03/06	REVISED AS NOTED	MB	COX	COX	
5	7/11/02	AS BUILT	PLM				9	03/02/05	REVISED PER FIELD COMMENTS	CCD		BJC	
4	02/14/02	ISSUED FOR SARA TITLE III REPORT	COH	WCB	WCB	WCB	8	9/21/04	UPDATE PER MOC WG-2-2004-053	CCD			

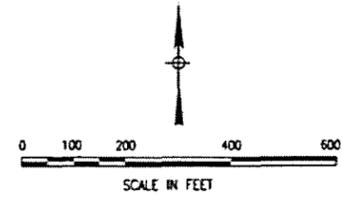
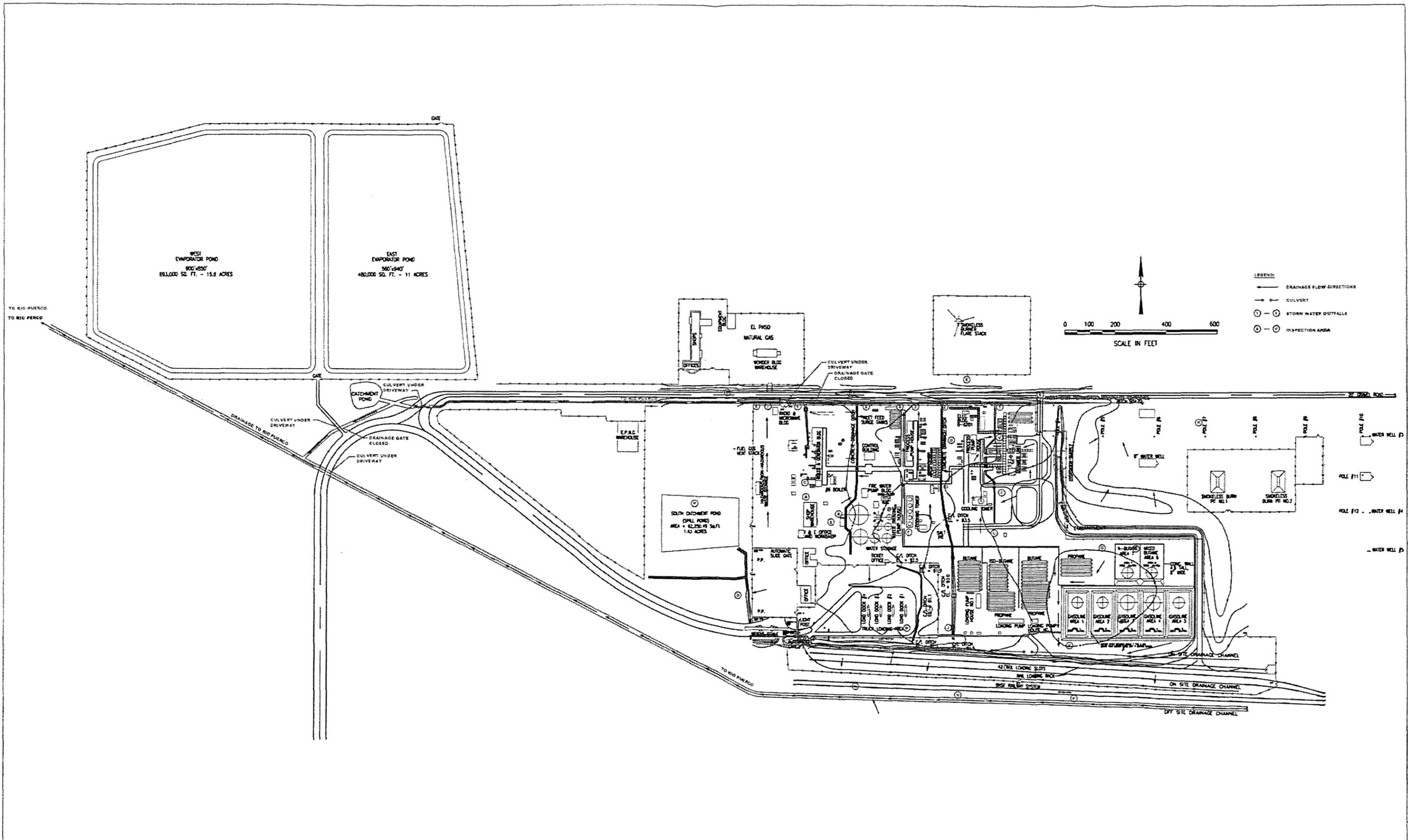


Wingate Fractionator
Chemical Inventory Map

SCALE: NONE	PLOT SCALE: 11x17 (LEDGER)
DATE:	LOCATION: GALLUP, NM
DWG. NO. WG-20007a	REV. 10

NORTH-SOUTH DIKES ARE SHORTER THAN EAST-WEST DIKES (TYP 4)

DWG. NO.



- LEGEND:**
- > DRAINAGE FLOW DIRECTIONS
 - CULVERT
 - ①-② STORM WATER OUTFALLS
 - ⊕-⊖ INSPECTION AREA

REFERENCE DRAWINGS:
 LAST INSTRUMENT NO. USED: n/a
 LAST LINE NO. USED: n/a
 LAST TIE-POINT NO. USED: n/a
 LAST EQUIPMENT NO. USED: n/c

REV #	DATE	REVISION	DWN.	DESIGN	CHECK	APP.	REV #	DATE	REVISION	DWN.	DESIGN	CHECK	APP.
7							3						
6							2						
5							1	03/13/03	PLOTPLAN REVISION	AAS	AAS	CDX	CDX
4							0	02/05/03	ORIGINAL	AAS	VAC		



Wingate Fractionator
 PLOTPLAN
 SPCC & DRAINAGE

SCALE: NONE	PLOT SCALE: 11x17 (LEDGER)
DATE: 04/12/07	LOCATION: GALLUP, NM
DWG. NO: WG-29001	REV. 1

DWG. NO.

A series of flow meters have been installed to measure incoming water and outgoing waste steams. They measure both flow rate and total flow. These flowmeters are read monthly and the total flow recorded.

Waste Disposal

Waste oil from engines, generators, and motors is stored in waste oil tanks located in the concreted containment pads east of the processing area and vapor recovery unit. The waste oil is trucked out periodically and processed as recycled oil.

Other wastes generated at the facility are disposed of at OCD approved locations. Table 8-1 lists the potential waste generated.

Table 8-1 Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(1)(n)	Absorbent Material/Pads (used and dry)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(1)(n)	Absorbent Material/Pads (used and wet)	Drum	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on paint filter test)
D(2)(a)	Spent Alumina (used in air service)	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(2)(a)	Spent Alumina (used in hydrocarbon service)	Not stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(2)(d)	Asbestos	All items are properly wrapped and sealed. Small items are stored in special asbestos drums; large items are stored in designated storage area.	Keers Environmental
D(1)(a)	Barrels, drums, 5- gallon buckets, 1- gallon containers; emptied and triple washed	Special waste dumpsters and/or containment pad	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(b)	Brush and vegetation arising from clearing operations; uncontaminated	East of facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(2)(b)	Activated Carbon	TBD	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(b)	Catalysts	Not Stored	Recycled by Manufacturer
D(3)(e)	Concrete (contaminated)	Point of generation or East of Facility	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(c)	Concrete (uncontaminated)	East of Facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(d)	Construction Debris (uncontaminated)	East of Facility	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(l)	Contaminate PPE (w/Iron Sulfide, e.g. gloves, tyvek suit).	Drums	Safety Kleen for Incineration (based on analysis or process knowledge)
D(2)(e)	Cooling Tower Filters	Drums / Special Waste Dumpsters	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Copper Sweep	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(d) D(3)(f)	Demolition Debris	Near Site Of Generation	Waste Management Solid Waste Facility
D(1)(f)	Detergent Buckets (empty)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(g)	Dry Chemicals (unused)	Original Container	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
Liquid waste – N/A Solids – D(3)(n)	E & P Exempt Waste (e.g. separator fluid/water, process fluid/water, solids/sludges from tank bottoms)	Not Stored	Liquid - Basin Salt Water Disposal & Solids Waste Management Solid Waste Facility (based on analysis or process knowledge)
D(1)(a)	Empty Drums	Cement Containment Pad	Recycled by vendors

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(3)(n)	Engine Water Filters (spent/used – non-contact water)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill (based on analysis or process knowledge)
D(2)(i)	Ferrous Sulfate or Elemental Sulfur (Iron Sponge – contaminated)	Drum	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis)
D(1)(i)	Ferrous Sulfate or Elemental Sulfur (uncontaminated)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(1)(g)	Fiberglass Tanks (EPA cleaned and cut up/shredded)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(g)	Gas Condensate Filters (inlet product filters – spent)	Drums	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, Envirotech Inc., or Safety Kleen for Incineration (based on analysis or process knowledge)
D(1)(h)	Grease Buckets (empty and EPA cleaned)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(n)	Lube Oils (spent/used)	Tank	Recycled - US Filter Recovery System Inc., Odessa Terminal
D(1)(o)	Lumber / Pallets Scrap (uncontaminated)	Next to Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(3)(l)	Lumber / Pallets Scrap (contaminated)	At point of generation or in containment pan	Waste Management Solid Waste Facility, Red Rock Regional Landfill, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Mercaptain Filters (spent/used)	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill (based on process knowledge)
D(1)(j)	Metal Plate / Metal Cable / Junk Iron	East Side of Facility	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Recycled
D(2)(k)	Molecular Sieve	Not Stored	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Tierra Environmental, or Envirotech Inc. (based on analysis)
D(1)(k)	Office / Domestic Trash	Special Waste Dumpsters	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(o)	Oil Filters (used)	Enclosed Drain Box	Waste Management Solid Waste Facility or recycled (based on analysis or process knowledge)

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(3)(n)	Paint Chips (dried)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(3)(n)	Painting Waste	Drum	Safety Kleen
D(3)(n)	Pipe Scale (deposits removed from non-contact water equipment)	Drums	Waste Management Solid Waste Facility or Red Rock Regional Landfill
D(2)(l)	Pipe Scale (deposits removed from petroleum hydrocarbon pipeline and process equipment)	Drums/Tanks	Waste Management Solid Waste Facility or Red Rock Regional Landfill (based on analysis)
D(2)(l)	Pipe Scale, Deposits (removed from petroleum hydrocarbon pipeline e.g. pigging residue potentially containing iron sulfide)	Drums/Tanks	Safety Kleen for Incineration (based on analysis or process knowledge)
D(1)(j)	Pipes & Valves (used in non-contact water services)	East Side of Facility	Waste Management Solid Waste Facility, Red Rock Regional Landfill, or recycled
D(2)(j)	Pipes & Valves (used in petroleum hydrocarbon services)	East Side of Facility	(Waste Management Solid Waste Facility, Red Rock Regional Landfill, or Recycled (based on analysis or process knowledge)
D(1)(m)	Plastic Pit Liners (cleaned)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(1)(n)	Rags / Gloves (dry)	Special Waste Dumpsters	Waste Management Solid Waste Facility, or Red Rock Regional Landfill
D(2)(n)	Sandblasting Sand (spent/used)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech Inc. (based on analysis or process knowledge)
D(1)(j)	Scrap Metal	East side of plant	Recycled
D(3)(c)	Soil (contaminates other than petroleum)	Drums	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech, Inc. (based on analysis or process knowledge)

Table 8-1			
Rule 712 Reference	Liquid / Solid Waste	Storage	Disposal
D(3)(n)	Soil (petroleum hydrocarbon contaminated)	Stored near the point of generation until disposal site is determined.	Waste Management Solid Waste Facility (based on process knowledge)
D(2)(k)	Support Balls	Not Stored	Part of Molecular Sieve waste
D(3)(k)	Tower Packing Materials	Not Stored	Waste Management Solid Waste Facility, Tierra Environmental, or Envirotech, Inc. (based on analysis or process knowledge)
D(3)(n)	Universal Waste (lead acid & gel packed batteries)	Sealed Containers	Recycled – Recycling Center, Farmington, NM (currently under evaluation)
D(3)(n)	Universal Waste (florescent tubes)	TBD	TBD
D(3)(n)	Zeolite Resin Beads	Not Stored	Waste Management Solid Waste Facility (based on process knowledge)

9 PROPOSED MODIFICATIONS

ConocoPhillips does not propose any modifications at this time.

10 INSPECTION, MAINTENANCE, AND REPORTING

Wingate is operated in a manner to prevent and mitigate any unplanned releases to the environment. The plant is manned 24 hours per day and 365 days per year including holidays. Plant process and storage units are regularly observed by a number of personnel during normal operations, and any evidence or sign of spill/leaks are reported to supervisory personnel so that repairs or cleanup can be promptly implemented. Routine maintenance procedures conducted at the Wingate also help to assure that equipment remains functional and that the possibility of spills/leaks is minimized.

11 SPILL/LEAK PREVENTION AND REPORTING (CONTINGENCY PLANS)

ConocoPhillips will handle all spills and leaks, maintain records, and make reports as required by the current version of the Spill Prevention Control and Countermeasures Plan (required by 40 CFR 112) maintained at Wingate. ConocoPhillips will also report all spills and leaks according to the requirements of the Statute of New Mexico found in 19.5.13.103 NMAC.

12 SITE CHARACTERISTICS

Regional Geology

Wingate is situated along the southwestern margin of the San Juan Basin designated the Zuni Uplift, in the Colorado Plateau physiographic Province. The Zuni Uplift is a northwest trending structural dome comprising an area approximately 55 miles in length by 20 miles in width. The site lies at the head of the western side of the uplift termed the Nutria Monocline. The San Juan Basin forms an asymmetric basin covering an area of about 25,000 square miles in northwestern New Mexico, and portions of northeastern Arizona, and southwestern Colorado. The basin is reported to contain as much as 15,000 feet of Paleozoic and Mesozoic sediments (Fassett and Hinds, 1971).

The surficial geology surrounding the site areas is comprised of Quaternary-aged alluvial deposits. Below the alluvium lies a thick sequence (on the order of 1,500 feet) of the Chinle Formation siltstones and mudstones. Underlying the Moenkopi Formation, also unconformably, are the Permian-age San Andres Limestone, and Glorieta Sandstone (102 and 230 feet thick, respectively), which comprise the regional aquifer in the site area. The deepest onsite well is completed into the top portion of the Yeso Formation also of Permian-age, described as fine-grained Arkosic sandstone, to a depth of approximately 2,000 feet. Below

the base of the Yeso Formation in descending order are the sandstone, claystone and siltstone of the Permian-age Abo Formation, unnamed limestone and conglomerate rocks of Pennsylvania-age, and Precambrian granitic and metamorphic rocks, which comprise the basement, rocks in the regions.

Local Geology

The site lies along the south side of an east-west trending alluvial drainage formed by the south fork of the Puerco River. To the south of the site are the Zuni Mountains, reaching a maximum elevation of around 9,000 feet. North of the plant, a massive red sandstone escarpment comprised of the Triassic/Jurassic-age sandstone and siltstone deposits of the Entreda and Wingate sandstones. It rises approximately 400 feet above the valley to an elevation of around 7,000 feet. The Wingate property ranges in elevation from around 6,580 to 6,612 ft-msl. The surficial geology in the site area, consists of Quaternary-ages alluvium. These strata dip to the northwest at approximately 2-3 degrees.

Regional Hydrogeology

The hydrogeology of the region is a function of geologic structure and hydraulic properties of the sedimentary formations deposited in the basin. Permeable sandstones and limestones are typically interbedded with relatively impermeable shales, siltstones and mudstones, resulting in the formation of numerous confined aquifer systems in the Permian, Triassic, Jurassic, and Cretaceous-aged deposits. The northward dip of these strata in the southwestern portion of the San Juan Basin, in conjunction with the presence of impermeable overlying formation, results in recharge being limited to the outcrop exposure of the water-bearing unit, with progressively artesian conditions occurring to the north. The major regional aquifer in the site area is San Andres Limestone/Glorieta Sandstone of Permian-age. Recharge to the San Andres/Glorieta aquifer occurs primarily in areas of the Zuni Mountains to the south of the site area.

As stated previously, the San Andres Limestone/Glorieta Sandstone formations constitute the primary aquifer in the region. This aquifer has been designated part of the C multiple-aquifer in the region. This aquifer has been designated part of the C multiple-aquifer system (Cooley, et al 1969). The top of the San Andres is found at a depth of approximately 1,6750 feet, according to the driller's log data from on site wells. The thickness of the combined aquifer system in the site area is reported to be about 3300 feet. Driller's log data from off site wells approximately six miles to the east, which service the plant via pipeline indicate the top of the San Andres/Glorieta aquifer to be present locally at a depth of around 1,000 feet. Based on well data from the four active wells (two onsite and two offsite), the San Andres/Glorieta aquifer appears to become more productive to the east perhaps reflecting an increased degree of fracturing and/or solution cavities in that area.

Local Hydrogeology

Shallow borings in the southwestern corner of the plant site associated with a geotechnical investigation for a railroad overpass (Sergent, Hauskins and Beckwith, 1987), encountered between 40 and 80 feet of unconsolidated clays, silty clays, silty sands and gravels, prior to auger refusal in weathered siltstones and sandstone. The specific capacity of offsite wells completed in alluvium reported to range from 0.19 to 1.75 gpm/ft (Shomaker, 1971). A review of driller's logs for the onsite water supply wells indicated alluvial thickness on the order of 100 feet. These logs variously report that the Chinle Formation or basal unit of the Wingate sandstone to underlie the alluvial fill deposits.

In order to better define the hydrogeology of the shallow alluvial aquifer and assess the impact of the plant's wastewater impoundments (i.e. east and west evaporation ponds) three groundwater monitoring wells were installed around the impoundments (Dames & Moore 1990) and three additional test holes were drilled and four field permeability test were conducted (Shomaker 1992). In addition, five other wells were installed onsite as part of a property transfer environmental assessment (WMW.-1,2,3,4 and WMW-5).

Three test holes were drilled around the ponds between January 6 and 8, 1992. Each hole was drilled to a depth of 26.5 feet. Split-spoon samples were collected to total depth in each hole. Core samples were collected in BH-3 from 12.5 to 14 feet (red clay), and 17.5 to 19 feet (dark red clayey silt). The core samples were submitted for laboratory analysis for column constant-head permeability test. The laboratory was unable to saturate the samples after 21

days. The samples were sieved and found to be very fine-grained with 76 percent of the samples passing 200 mesh. The plasticity and liquid limit of both samples were 35 and 51, respectively, indicating both samples were high plasticity clays. The permeabilities were found to be less than 10^{-7} cm/sec.

Based upon well logs, boreholes and cores, the stratigraphy of the alluvium under the ponds consist generally of three unconsolidated units which are illustrated in Figure 12-6. These units include (from the surface downward): an upper unit consisting of sands and silty clays to depths of four to five feet; and intermediate unit consisting of clay with minor silt and sands to depths of 15 to 23 feet; and a lower unit consisting of sands, silts and interbedded clay at depths from 15 to 55 feet. As discussed above, the hydraulic conductivity of the intermediate clay unit was determined to be less than 10^{-7} cm/sec. Saturated conditions were encountered only in the lower unit.

The shallow aquifer at the plant is in the shallow alluvium. In the pond area, the aquifer occurs in sands, silty sands interbedded with clays and silty clays of the lower unit at depths between 20 and 25 feet. Logs indicated soils were unsaturated to a depth of between 21 and 25 feet around the ponds. Saturated conditions were encountered below these depths. The potentiometric surface is about three feet below the land surface. The shallow aquifer, beneath the pond area, is confined by the overlying intermediate unit. This confining interval should restrict downward migration of water from the ponds.

Regional Aquifer Water Quality

Water quality data for the four plant water supply wells are collected annually. Ground water from these wells meets New Mexico State water quality standards.

Alluvial Aquifer Water Quality

The locations of wells within one mile of Wingate and the onsite water supply wells are shown in Figure 12-7 (USGS, 1990). All the offsite wells are shallow alluvial wells to the east and upgradient of the facility.

The hydraulic and stratigraphic relationships previously discussed suggest water in the evaporation ponds is not likely to leak into the aquifer beneath the evaporation ponds. This interpretation is based upon the following:

- The clayey sediments in the intermediate unit underlying the evaporation ponds have a hydraulic conductivity less than 10^{-7} cm/sec.
- The intermediate interval is from 15 to 20 feet thick beneath the ponds.
- The confined hydraulic head in the shallow aquifer indicates upward flow is limited and restricted by the clay-rich intermediate unit.

13 ADDITIONAL INFORMATION

Evaporation Pond Closure Plan

The preliminary closure plan is to flush, drain, a permanently disconnect all supply lines leading to the evaporation ponds. The ponds will be filled with replacement native soil will attempting to place any coarser grade material on bottom with finer grade material on top. This will tend to create a capillary break, enhancing the efficacy of the monolithic Evapotranspiration (ET) cover. The ponds will be covered with an ET cover constructed consistent with the design parameters determine to be most effective by Sandia National Labs (www.sandia.gov/caps/alternative_covers.pdf).

Ninety centimeters of compacted native soil will be placed over the evaporation ponds and an additional fifteen centimeters of topsoil. The cover will be graded to a five degree slope to prevent excessive accumulation of precipitation. The topsoil will be seeded with a combination of both cold and warm weather native vegetation. The topsoil will allow for adequate water storage to support the vegetation and optimize evapotranspiration. After seeding a thin layer of gravel will be applied over the cap to support the establishment of the vegetation and minimize erosion.

This closure plan is preliminary and at this time ConocoPhillips has no intent of closing the evaporation plans in the near future. ConocoPhillips reserves the right to modify or redesign the closure plan to reflect any new research into cap design or the discovery of any changes in data or conditions that may allow for a more practical or efficacious design.



Wingate Plant
P.O. Box 119
Rehoboth, NM 87322
phone 505.863.1045

Beverly J. Cox
Compliance Coordinator
505-863-1023, Fax 505-863-1047
beverly.j.cox@conocophillips.com

April 14, 2004

Mr. Wayne Price
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Renewal of Discharge Plan GW-054
ConocoPhillips Wingate Fractionator, Gallup, New Mexico**

Dear Mr. Price,

Enclosed you will find the sign copy of the Amended Discharge Plan Approval Conditions for the Wingate Fractionator. This document has been signed by Mr. Daniel Henderson whom in the interim in fulfilling the role of Operations Manager.

Should you have any questions, please do not hesitate to call me at 505-863-1023.

Sincerely,

A handwritten signature in cursive script that reads "Beverly J. Cox".

Beverly J. Cox
Compliance Coordinator

Enclosure

cc: Denny Foust
1000 Rio Brazos Rd
Aztec, NM 87401

Henry Platt
ConocoPhillips
Westlake Building III
Houston, TX

**ATTACHMENT TO THE DISCHARGE PLAN GW-054 APPROVAL
ConocoPhillips, Wingate Gas Fractionating Plant
Amended DISCHARGE PLAN APPROVAL CONDITIONS
March 24, 2004**

1. Payment of Discharge Plan Fees: The \$100.00 filing fee and required flat fee of \$4000.00 for gas processing plants has been received by the OCD.
2. Commitments: ConocoPhillips will abide by all commitments submitted in the discharge plan renewal application dated April 18, 2002, including attachments, and addendums dated June 06, 2002, October 28, 2002 (E-mail), April 03, 2003, Response to Draft #2 dated February 05, 2004 submitted by Maxim and all subsequent submittals and these amended conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. 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 must also be stored on an impermeable pad with curbing.
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 within the berm.
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. Labeling: All tanks, drums, and other containers 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 below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as 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.

9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders 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.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation 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.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203.
13. 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.

Rule 712 Waste: Pursuant to Rule 712. disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge plan, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections or the annual report.
15. Storm Water Plan: Stormwater runoff controls shall be maintained pursuant CoP's SPCC plan and integrated Contingency Plan. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to

mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the plan to prevent such occurrences.

16. Waste Water Evaporation Ponds: A minimum freeboard of 3 feet will be maintained in the ponds so that no over topping of wastewater occurs. All waste entering the ponds or the plant wastewater collection system shall be RCRA non-hazardous as defined by EPA 40 CFR Part 261. Any repairs or modifications to the pond, wastewater collection system and/or monitoring systems must receive prior OCD approval. Leaks, releases from the ponds, or any contaminant found in any monitoring device or groundwater that exceeds the New Mexico Ground Water (WQCC) standards shall be reported pursuant to Item 12. (Spill Reporting) of these conditions.

- A. Pond Inspections: Evaporation ponds shall be inspected monthly and after any major storm event. Records shall be maintained for fluid levels, freeboard, seepage, flow channels, pipes, valves and dike integrity.
- B. Evaporation Pond(s) and Pond Monitor Well(s): MWR-1, MW-2 and MW-3 monitor wells shall be purged and sampled annually. MWS-1 and MWS-2 shall be inspected for fluids quarterly. If fluids are discovered in MWS-1 and MWS-2 in volumes sufficient for sampling, CoP shall make a chemical stoichiometric comparison to determine if fluids are from the ponds. If fluids are determined to be from the ponds then CoP shall submit an action plan to address this issue. Composite pond samples shall be collected and analyzed annually.

All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Due to the raw untreated sewage going into the ponds OCD will require that general requirements found in WQCC regulations 20.6.2.2101 (BOD, COD, Total Coliform Bacteria, and PH) be part of the sampling program. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

- C. Migratory Bird Protection: ConocoPhillips will not be required to net the evaporation ponds as long as the ponds are rendered nonhazardous to wildlife including migratory birds. ConocoPhillips will be responsible for monitoring, recording, and reporting any significant event that provides evidence that the ponds are hazardous to any wildlife including migratory birds.

17. Vadose Zone and Water Pollution: The previously submitted investigation(s) and remediation plans that were submitted pursuant to the discharge plan and all future discoveries of contamination will be addressed through the discharge plan process.
- A. Fire Training Pit area is considered closed and no further action required at this time.
 - B. Flare Pit area soil remediation is considered closed with continued groundwater monitoring in the area. In addition, OCD will require a new monitor well to be installed down gradient from WMW-3 to ensure that contamination is not leaving ConocoPhillip's property. CoP will locate this well pursuant to their February 05, 2004 response.
 - C. Railroad Rack area is still active. At the request of ConocoPhillips, OCD will allow long term monitoring in this area and forgo any active remediation requirement as long the follow is adhered to:
 - 1. a new monitor well shall be installed west of existing monitoring well WMW-2.
 - 2. The remediation of the groundwater and vadose zone contamination shall be addressed upon closure of the facility, or at any time upon discovery the contamination begins to migrate away from this area, then a corrective plan shall be submitted for OCD approval.
 - D. Plant area groundwater salt contamination: OCD is in receipt of the CoP (Maxim) February 05, 2004 "Response to Draft #2" and hereby approves of the path forward plan.
 - E. Monitor wells WMW-1, WMW-2, WMW-3, WMW-4, WMW-5 and WMW-6 shall be purged and sampled annually. All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

Additional Requirements:

- 1. ConocoPhillips shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities such that the OCD has the opportunity to witness the events and split samples. For large facilities, i.e. gas processing plants, an annual notification will suffice.

2. ConocoPhillips shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any down gradient monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.

18. ANNUAL REPORT: An annual report will be submitted to the OCD by September 15 of each year. The annual report will contain:
 - A. A description of the monitoring and remediation activities that occurred during the year including conclusions and recommendations.
 - B. Summary tables listing laboratory analytic results, of all water quality sampling for each monitoring point and plots of concentration vs. time for contaminants of concern from each monitoring point. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets will also be submitted.
 - C. An annual water table potentiometric elevation map using the water table elevation of the ground water in all facility monitor wells. A corrected water table elevation shall be determined for all wells containing phase-separated hydrocarbons. This map shall show well locations, pertinent site features, and the direction and magnitude of the hydraulic gradient.
 - D. Plots of water table elevation vs. time for each ground water monitoring point.
 - E. Electronic filing: OCD would like to encourage ConocoPhillips to file this report in an acceptable electronic format.

19. Transfer of Discharge Plan: The OCD will be notified 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.

20. 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.

21. **Certification:** **ConocoPhillips** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **ConocoPhillips** 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.

Conditions accepted by: **ConocoPhillips**

DANIEL HENDERSON
Company Representative- print name

Daniel Henderson Date 4/12/04
Company Representative- Sign

Title PROCESS FOREMAN



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

March 24, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 7923 4313

Mr. Chuck White
ConocoPhillips (CoP)
P.O. Box 119
Rehoboth, New Mexico 87322

Re: Renewal of Discharge Plan GW-054
Wingate Gas Fractionating Plant

Dear Mr. White:

The groundwater discharge plan GW-054 for the ConocoPhillips, Wingate Gas Fractionating Plant, located in the portions of Section 9,10,15,16 and 17, Township 15 North, Range 17 West, NMPM, McKinley County, New Mexico, **is hereby approved** under the **amended** conditions contained in the enclosed attachment. Enclosed are two copies of the amended conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter.**

The original discharge plan was approved on August 17, 1992. The discharge plan renewal application dated April 18, 2002, including attachments, and an addendum dated June 06, 2002, October 28, 2002 (E-mail) was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations which included all earlier applications and all conditions later placed on those approvals was approved with conditions on October 30, 2002.

On December 02, 2002 ConocoPhillips acknowledge receipt of the discharge plan approval and submitted the required fees and noted the approval conditions will be signed and forwarded to OCD when all comments have been addressed in their letter. As a result of ConocoPhillips request, OCD began negotiations concerning the issues listed. After several meetings, site visit, additional file search, and additional investigation work performed by ConocoPhillips, the OCD has amended the approval conditions to reflect the current conditions. The supporting documentation is as follows: COP December 02, 2002 "Renewal of Ground Water Discharge Plan GW-054 Reply and Comments from Wingate Fractionating Plant"; COP-Maxim March 13, 2003 "Environmental Monitoring and Closure Plan"; COP-Maxim April 03, 2003 "addendum regarding Flare Pit and Fire Training Pit Closure"; OCD April 18, 2003 "E-mail Draft permit"; COP April 30, 2003 "Reply to Draft Amended Discharge Approval Conditions"; COP-Maxim June 27, 2003 Railroad Rack Vadose Zone and Groundwater Contamination and Flare"; COP-Maxim September 11, 2003 "Outcome and Monitoring as of September 08, 2003"; COP November 07, 2003 "pond sampling results", "Response to Draft #2 Attachment dated February 05, 2004 submitted by Maxim".

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 ConocoPhillips of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve ConocoPhillips of its responsibility to comply with any other governmental authority's rules and regulations.

Please be advised that all exposed pits, including lined pits and open top 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 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., ConocoPhillips 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.H.4., this approval is for a period of five years. **This approval will expire August 17, 2007** and an application for renewal should be submitted in ample time before that date. Pursuant to 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.

The discharge plan application for the ConocoPhillips, Wingate Gas Fractionating Plant, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$4000.00 for gas processing plants. The OCD has received the \$100 filing fee and \$4000.00 flat fee.

If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@state.nm.us. 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
Environmental Bureau Chief

RCA/lwp
Attachment-1
Xc: OCD Aztec Office

**ATTACHMENT TO THE DISCHARGE PLAN GW-054 APPROVAL
ConocoPhillips, Wingate Gas Fractionating Plant
Amended DISCHARGE PLAN APPROVAL CONDITIONS
March 24, 2004**

1. Payment of Discharge Plan Fees: The \$100.00 filing fee and required flat fee of \$4000.00 for gas processing plants has been received by the OCD.
2. Commitments: ConocoPhillips will abide by all commitments submitted in the discharge plan renewal application dated April 18, 2002, including attachments, and addendums dated June 06, 2002, October 28, 2002 (E-mail), April 03, 2003, Response to Draft #2 dated February 05, 2004 submitted by Maxim and all subsequent submittals and these amended conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. 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 must also be stored on an impermeable pad with curbing.
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 within the berm.
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. Labeling: All tanks, drums, and other containers 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 below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as 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.

9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders 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.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation 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.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203.
13. 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.

Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge plan, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections or the annual report.
15. Storm Water Plan: Stormwater runoff controls shall be maintained pursuant CoP's SPCC plan and integrated Contingency Plan. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to

mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the plan to prevent such occurrences.

16. Waste Water Evaporation Ponds: A minimum freeboard of 3 feet will be maintained in the ponds so that no over topping of wastewater occurs. All waste entering the ponds or the plant wastewater collection system shall be RCRA non-hazardous as defined by EPA 40 CFR Part 261. Any repairs or modifications to the pond, wastewater collection system and/or monitoring systems must receive prior OCD approval. Leaks, releases from the ponds, or any contaminant found in any monitoring device or groundwater that exceeds the New Mexico Ground Water (WQCC) standards shall be reported pursuant to Item 12. (Spill Reporting) of these conditions.

A. Pond Inspections: Evaporation ponds shall be inspected monthly and after any major storm event. Records shall be maintained for fluid levels, freeboard, seepage, flow channels, pipes, valves and dike integrity.

B. Evaporation Pond(s) and Pond Monitor Well(s): MWR-1, MW-2 and MW-3 monitor wells shall be purged and sampled annually. MWS-1 and MWS-2 shall be inspected for fluids quarterly. If fluids are discovered in MWS-1 and MWS-2 in volumes sufficient for sampling, CoP shall make a chemical stoichiometric comparison to determine if fluids are from the ponds. If fluids are determined to be from the ponds then CoP shall submit an action plan to address this issue. Composite pond samples shall be collected and analyzed annually.

All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Due to the raw untreated sewage going into the ponds OCD will require that general requirements found in WQCC regulations 20.6.2.2101 (BOD, COD, Total Coliform Bacteria, and PH) be part of the sampling program. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

C. Migratory Bird Protection: ConocoPhillips will not be required to net the evaporation ponds as long as the ponds are rendered nonhazardous to wildlife including migratory birds. ConocoPhillips will be responsible for monitoring, recording, and reporting any significant event that provides evidence that the ponds are hazardous to any wildlife including migratory birds.

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- A. Fire Training Pit area is considered closed and no further action required at this time.
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- C. Railroad Rack area is still active. At the request of ConocoPhillips, OCD will allow long term monitoring in this area and forgo any active remediation requirement as long the follow is adhered to:
1. a new monitor well shall be installed west of existing monitoring well WMW-2.
 2. The remediation of the groundwater and vadose zone contamination shall be addressed upon closure of the facility, or at any time upon discovery the contamination begins to migrate away from this area, then a corrective plan shall be submitted for OCD approval.
- D. Plant area groundwater salt contamination: OCD is in receipt of the CoP (Maxim) February 05, 2004 "Response to Draft #2" and hereby approves of the path forward plan.
- E. Monitor wells WMW-1, WMW-2, WMW-3, WMW-4, WMW-5 and WMW-6 shall be purged and sampled annually. All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

Additional Requirements:

1. ConocoPhillips shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities such that the OCD has the opportunity to witness the events and split samples. For large facilities, i.e. gas processing plants, an annual notification will suffice.

2. ConocoPhillips shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any down gradient monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.
18. ANNUAL REPORT: An annual report will be submitted to the OCD by September 15 of each year. The annual report will contain:
 - A. A description of the monitoring and remediation activities that occurred during the year including conclusions and recommendations.
 - B. Summary tables listing laboratory analytic results, of all water quality sampling for each monitoring point and plots of concentration vs. time for contaminants of concern from each monitoring point. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets will also be submitted.
 - C. An annual water table potentiometric elevation map using the water table elevation of the ground water in all facility monitor wells. A corrected water table elevation shall be determined for all wells containing phase-separated hydrocarbons. This map shall show well locations, pertinent site features, and the direction and magnitude of the hydraulic gradient.
 - D. Plots of water table elevation vs. time for each ground water monitoring point.
 - E. Electronic filing: OCD would like to encourage ConocoPhillips to file this report in an acceptable electronic format.
 19. Transfer of Discharge Plan: The OCD will be notified 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.
 20. 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.

21. **Certification:** **ConocoPhillips** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **ConocoPhillips** 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.

Conditions accepted by: **ConocoPhillips**

Company Representative- print name

Date _____
Company Representative- Sign

Title _____



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 30, 2002

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 9536

Mr. Chuck White
Conoco Inc.
P.O. Box 119
Rehoboth, New Mexico 87322

Re: Renewal of Discharge Plan GW-054
Wingate Gas Fractionating Plant

Dear Mr. White:

The groundwater discharge plan GW-054 for the Conoco Inc., Wingate Gas Fractionating Plant, located in the portions of Section 9,10,15,16 and 17, Township 15 North, Range 17 West, NMPM, McKinley 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 30 working days of receipt of this letter.**

The original discharge plan was approved on August 17, 1992. The discharge plan renewal application dated April 18, 2002, including attachments, and an addendum dated June 06, 2002 and October 28, 2002 (E-mail) 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 Conoco Inc. of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Conoco Inc. of its responsibility to comply with any other governmental authority's rules and regulations.

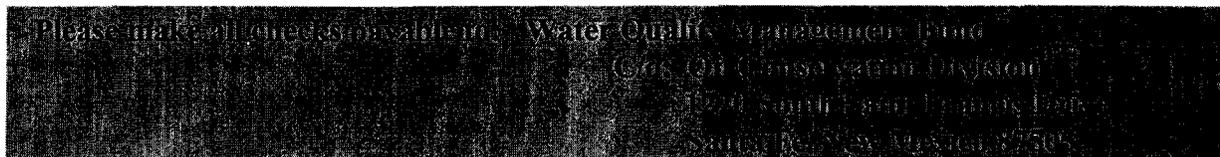
Please be advised that all exposed pits, including lined pits and open top tanks (exceeding 16 feet in diameter) shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Mr. White
October 30, 2002
Page 2

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., Conoco 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.H.4., this approval is for a period of five years. **This approval will expire August 17, 2007** and an application for renewal should be submitted in ample time before that date. Pursuant to 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.

The discharge plan application for the Conoco Inc., Wingate Gas Fractionating Plant, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$4000.00 for gas processing plants. The OCD has not received the \$4000.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.



If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@state.nm.us. 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
Environmental Bureau Chief

RCA/lwp
Attachment-2
Xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-054 APPROVAL
Conoco Inc., Wingate Gas Fractionating Plant
DISCHARGE PLAN APPROVAL CONDITIONS
October 30, 2002

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$4000.00 for gas processing plants. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: Conoco Inc. will abide by all commitments submitted in the discharge plan renewal application dated April 18, 2002, including attachments, and addendums dated June 06, 2002, October 28, 2002 (E-mail) and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. 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 must also be stored on an impermeable pad with curbing.
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 within the berm.
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. Labeling: All tanks, drums, and other containers 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 below grade tanks and sumps must be tested annually. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as 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.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders 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.

Investigation Plan Required: As a result of the failed pressure tests conducted during the fall of 1999 it was unclear if any of these lines were actually leaking, If so please provide a plan for investigation of these areas. Please send plan or explanation concerning this issue by March 15, 2003.

10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation 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.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203.

13. 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.

Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge plan, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.

14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections. As a result of the inspection conducted on May 30, 2002 (copy of report attached) the OCD requires the following actions to be taken by March 15, 2002.

- A. Investigate the brine water sump for mechanical integrity (see picture #3).
- B. The out of service "C" cooling tower sulfuric acid tank and secondary containment (see picture #5) requires closure. The secondary containment was noted to contain acid waste residue and the containment has possible lost mechanical integrity. Please address this issue.
- C. A NGL line was noted to be leaking located approximately between tanks 215 and 102. Please provide a closure report for this leak.

15. Storm Water Plan: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge plan to include a formal stormwater run-off containment plan and submit for OCD approval within 15 days.

16. Waste Water Evaporation Ponds: A minimum freeboard of 3 feet will be maintained in the ponds so that no over topping of wastewater occurs. All waste entering the ponds or the plant wastewater collection system shall be RCRA non-hazardous as defined by EPA 40 CFR Part 261. Any repairs or modifications to the pond, wastewater collection system and/or monitoring systems must receive prior OCD approval. Leaks, releases from the ponds, or any contaminant found in any monitoring device or groundwater that exceeds the New Mexico Ground Water (WQCC) standards shall be reported pursuant to Item 12. (Spill Reporting) of these conditions.

Additional Monitoring Devices Required: OCD's inspection revealed the fact that it is uncertain whether the ponds are lined or unlined. After reviewing the pond monitor well construction diagrams it appears that the down gradient monitor wells MW#1 and MW#2 may not be screened in the shallow zone. Therefore, please provide a groundwater investigation and monitoring plan that will adequately determine if the ponds are leaking into this zone. Please provide for OCD approval by March 15, 2003.

Pond and Monitor Well Sampling: All pond monitor wells (MW#1-3) must be sampled quarterly and pond composite samples semi-annually. OCD bases this decision on the fact the ponds may not have liners and monitoring of the shallow zone has not taken place. All Samples collected shall be analyzed for Volatile Organics (Method 8260), semi-volatiles organics (Method 8270), New Mexico Water Quality Control Commission (WQCC) metals, and General Chemistry including cations and anions. Due to the raw untreated sewage going into the ponds OCD will require that general requirements found in WQCC regulations 20.6.2.2101 (BOD, COD, Fecal Coliform Bacteria, and PH) be part of the sampling program. Sampling and analytical work shall be pursuant to EPA approved methods and quality assurance/quality control (QA/QC) procedures.

16. Vadose Zone and Water Pollution: Provide a final closure plan for OCD approval of the railroad rack vadose zone and groundwater contamination area, the fire training landfarm area, and the flare pit groundwater contamination area by March 15, 2003.
17. Annual Report: Provide a summary of all groundwater investigation results and sample results required pursuant to this permit. This information may be sent in a compatible electronic format. The annual report shall be due on or before March 15 of each year.
18. 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.
19. 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.

20. **Certification: Conoco Inc.** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **Conoco Inc.** 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.

Conditions accepted by: **Conoco Inc.**

Company Representative- print name

Date _____
Company Representative- Sign

Title _____

ATTACHMENT TO THE DISCHARGE PLAN GW-54 RENEWAL
CONOCO INC.

WINGATE FRACTIONATING PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(November 21, 1997)

RECEIVED
FEB 23 1998

1. Payment of Discharge Plan Fees: The \$1,667.50 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. Conoco Commitments: Conoco will abide by all commitments submitted in the discharge plan application dated April 16, 1997.
3. Waste Disposal: All wastes shall 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 by characteristics may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
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 facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
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 should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
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 at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees 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: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste 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.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall 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. 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.
16. Groundwater Investigation: The ground water investigation will continue as approved by the OCD on October 1, 1993.
17. Evaporation Ponds: Samples from the evaporation ponds will be obtained annually and analyzed in accordance with the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Pump Stations" (Revised 12/95). Samples results will be submitted to the OCD by January 21, 1998.
18. Butamer Unit: The spent caustic from the butamer unit will be analyzed in accordance with the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries,

Compressor and Crude Pump Stations" (Revised 12/95). Sample results will be submitted to the OCD within 60 days of beginning operations at the butamer unit.

19. Certification: Conoco, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Conoco 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:

CONOCO INC.

by


Title
Edward E. Kirk - Engineer

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/18/02
or cash received on _____ in the amount of \$ 100⁰⁰

from CONOCO-WG-
for WINGATE FRACTIONATING PLANT GW-054

Submitted by: WAYNE PRICE (Family Name) Date: 5/8/02 (DP No.)

Submitted to ASD by: [Signature] Date: "

Received in ASD by: _____ Date: _____

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

Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

DEBRA L. GOMEZ CONOCO-WG-MISC-CK P O BOX 217 BLOOMFIELD, NM 87413-0217		17-2/910
DATE <u>April 18, 2002</u>		
PAY TO THE ORDER OF	<u>Water Quality Management Fund</u>	\$ <u>100.00</u>
<u>One hundred dollars and ⁰⁰/₁₀₀</u>		DOLLARS <small>Security features included. Details on back.</small>
usbank <small>U.S. Bank National Association ND Fargo, ND (505)3</small>	<small>PAYABLE THROUGH U.S. Bank National Association Minneapolis, MN 55440</small>	NOT PAYABLE FOR CASH AND OR OVER \$2500.00
FOR <u>GW-054 filing fee</u>	<u>Debbie Gomez</u>	MP

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 6/25/98
or cash received on _____ in the amount of \$ 1667.50
from Conoco

for Wingate GP GW-054

Submitted by: _____ Date: _____

Submitted to ASD by: R. [Signature] Date: 8/10/98

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal
Modification _____ Other _____

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____



CONOCO INC
PONCA CITY, OK 74602

No. [redacted]

62-20
311

To: Citibank Delaware
New Castle, DE 19720

JUNE 25, 1998

VOID AFTER 90 DAYS

Vendor Code: 165931R03

Exactly *****\$1,667.50***

Pay
To the
Order
Of

|||||
NMED WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
PO BOX 6429
SANTA FE NM 87502-6429

[Signature]
Authorized Signature



Vendor Code: 165931R03

Company: 001 - CONOCO INC

Check No.:

S H	Voucher Reference	Invoice Date	Inv Num	1099 CD	Gross Amount	ADJ CD	Adjustme Amount	Discount Amount	Net Amount
--------	----------------------	-----------------	------------	------------	-----------------	-----------	--------------------	--------------------	---------------

VENDOR NAME: NMED WATER QUALITY MANAGEMENT

IN CASE OF QUESTIONS ABOUT THE FOLLOWING INVOICES, PLEASE CALL (281) 293-6742

S 0606115DC175A006 19980622 RQC134536

1,667.50

.00

.00

1,667.50

*GROUND WATER DISCHARGE PLAN FEE

* * * INQUIRIES ON ABOVE INVOICES SHOULD BE DIRECTED TO PHONE NO. LISTED ABOVE

TOTAL NET AMOUNT

\$1,667.50

1099 CODES - R=RENTAL L=ROYALTIES P=PERSONAL SERVICES M=MEDICAL I=INTEREST F=FOREIGN VDR PYMT N=NET PROFIT
D=PERMIT/DAMAGE G=PRIZES/AWARDS C=BWP REFUND/INTEREST B=BWP REFUND/MISC A=NON-REPORTABLE TYPES
ADJ CODES - Q=WRONG QUANTITY P=WRONG PRICE C=WRONG CALCULATION M=MULTIPLE ERRORS F=CORRECTED FREIGHT CHARGES
D=CORRECTED DISCOUNT T=TAX REMOVAL B=BACKUP WITHHOLDING OF 31% PER IRS REGULATIONS O=OTHER



Edward E. Kirk
Environmental Engineer
Engineering and Compliance
Natural Gas & Gas Products

Conoco Inc.
P.O. Box 2197
Houston, Tx 77252-2197
(281) 293-2561

June 23, 1998

Certified Mail No. P 365 861 215
Return Receipt Requested

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505
Attn: Mr. Roger Anderson



Dear Mr. Anderson:

Enclosed is a check in the amount of \$1,667.50 for **Conoco's Wingate Fractionator** ground water discharge plan fee. The discharge plan was approved in November, 1997, and we appologize for the delay in processing the fee.

GW-54

Sincerely,

Ed Kirk
Environmental Engineer

cc: ENV 215-6

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 4/16/97,

or cash received on _____ in the amount of \$ 50.00

from C-K Assoc (Conoco)

for Wingate 3W-054

Submitted by: _____ Date: _____
(Facility Name) (DP No.)

Submitted to ASD by: R. [Signature] Date: 5-23-97

Received in ASD by: _____ Date: _____

Filing Fee XR New Facility _____ Renewal _____
Modification _____ Other _____
(quantity)

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

C-K ASSOCIATES, INC.
17170 PERKINS ROAD
BATON ROUGE, LOUISIANA 70810
PHONE (504) 755-1000

PREMIER BANK OF BATON ROUGE
BANK CODE 02
BATON ROUGE, LOUISIANA

04/16/ 1997

NO. [REDACTED]

PAY *****50***** DOLLARS AND**NO/100** CENTS \$ 50.00

TO THE ORDER OF NMED-WATER QUALITY MANAGEMENT
New Mexico Energy Minerals and Natural Resources Dept.
2040 South Pacheco St.
Santa Fe, New Mexico 87505

Wm. D. Kennedy
AUTHORIZED SIGNATURE

INVOICE NUMBER	DATE	VOUCHER NO.	AMOUNT
041697 <i>GW-054</i>	04/16/97	NMED-WATER QUALITY MANAGEMENT Filing Fee - Project #015-586	\$50.00



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

November 21, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-997

Ms. Terry L. Killian, P.E.
Director-Environmental
Conoco Inc.
P.O. box 2197 - HU3036
Houston, Texas 77252

**RE: Discharge Plan GW-54 Renewal
Wingate Fractionating Plant
McKinley County, New Mexico**

Dear Ms. Killian:

The ground water discharge plan GW-54, for the Conoco Inc. (Conoco) Wingate Fractionating Plant located in Sections 9, 10, 15, 16, 17, Township 15 North, Range 17 West, NMPM, McKinley County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan as approved August 17, 1992, and the discharge plan renewal application dated April 16, 1997. 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 discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve Conoco 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.

Ms. Terry L. Killian
November 21, 1997
Page 2

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. Conoco 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.

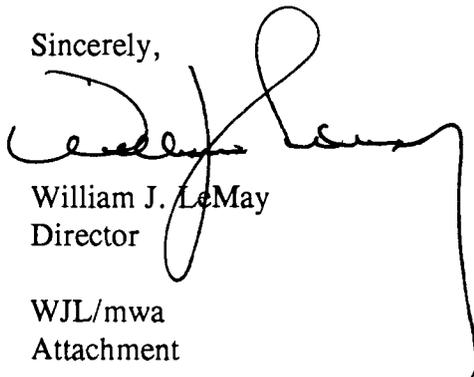
Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on August 17, 2002, and Conoco should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application 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 renewal.

The discharge plan renewal application for the Conoco Inc. Wingate Fractionating Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$1,667.50 for gas processing plants. The OCD has received the filing fee. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

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,



William J. LeMay
Director

WJL/mwa
Attachment

xc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN GW-54 RENEWAL
CONOCO INC.
WINGATE FRACTIONATING PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(November 21, 1997)

1. Payment of Discharge Plan Fees: The \$1,667.50 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. Conoco Commitments: Conoco will abide by all commitments submitted in the discharge plan application dated April 16, 1997.
3. Waste Disposal: All wastes shall 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 by characteristics may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
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 facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
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 should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
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 at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees 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: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste 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.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall 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. 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.
16. Groundwater Investigation: The ground water investigation will continue as approved by the OCD on October 1, 1993.
17. Evaporation Ponds: Samples from the evaporation ponds will be obtained annually and analyzed in accordance with the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Pump Stations" (Revised 12/95). Samples results will be submitted to the OCD by January 21, 1998.
18. Butamer Unit: The spent caustic from the butamer unit will be analyzed in accordance with the "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries,

Compressor and Crude Pump Stations" (Revised 12/95). Sample results will be submitted to the OCD within 60 days of beginning operations at the butamer unit.

19. Certification: Conoco, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Conoco 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:

CONOCO INC.

by _____
Title

P 288 258 997

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

Sent to	
Street & Number	
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



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

April 8, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-963-126

Ms. Terry L. Killian, P.E.
Director - Environmental
Conoco, Inc.
P.O. Box 2197 - HU 3002
Houston, TX 77252

RE: Discharge Plan GW- 054
Permit Conditions
Conoco, Inc. - NG & GP

Dear Ms. Killian:

The New Mexico Oil Conservation Division (OCD) has received the letter dated April 1, 1996, which notified the OCD of the transfer of GW-054, located in Sections 16 and 17, Township 15 North, Range 17 West, NMPM, McKinley County, New Mexico, from Meridian Oil Inc. to Conoco, Inc.

The information was submitted pursuant to WQCC regulation 3111 "Transfer of Discharge Plan," and is **hereby approved**. The Discharge Plan consists of the application received by the OCD dated April 9, 1992 and the OCD Approval letter and its conditions dated August 17, 1992. **Two original copies of the discharge plan approval conditions are enclosed. Please sign and return one original to the OCD Santa Fe office, within 5 working days of receipt of this letter.**

Please be advised the Discharge Plan GW-054 expiration date will remain unchanged. Pursuant to WQCC Section 3109.G.4, this plan is for a period of five (5) years. This approval will expire August 17, 1997, and Conoco, Inc. should submit an application for renewal six (6) months before this date.

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 Conoco, Inc. 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.

Ms. Terry L. Killian
 Conoco, Inc.
 April 8, 1996
 Page 3

**Attachment to the Discharge Plan GW-054 Approval
 Wingate Gas Plant
 Discharge Requirements
 April 8, 1996**

1. **Drum Storage:** All drums will be stored on pad and curb type containment.
2. **Sump Integrity Test Methods:** All pre-existing sumps at this facility will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade tanks will be approved by the OCD prior to installation and will incorporate leak detection in their designs.
3. **Leak Detection Inspection:** All leak detection sumps will be inspected on a monthly basis.
4. **Closure Schedules:** All closure schedules as required of Meridian Oil Inc. in the August 17, 1992 discharge plan approval letter from OCD will be adhered to.
5. **Contamination Investigation:** The contamination investigation and subsequent actions of the investigation as required of Meridian Oil Inc. by the OCD in the August 17, 1992 discharge plan approval letter from OCD will be adhered to.
6. **Spills:** All spills and /or leaks shall be reported to the OCD Aztec District office pursuant to WQCC 1203 and OCD Rule 116. (Phone - 505-334-6178)

7. _____
Company Representative

Title

Date
 Z 765 963 126

 **Receipt for Certified Mail**
 No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse) *GW-054*

Sent to <i>Conoco, Inc Ms. Killian</i>	
Street and No. <i>P.O. Box 2197 -HU 3002</i>	
P.O., State and ZIP Code <i>Houston, TX 77252</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	

mm 3800, March 1993

Z 765 963 106



Receipt for Certified Mail

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

Sent to <i>Fluc Pit</i>	
Street and No.	
P.O., State and ZIP Code	
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

OIL CONSERVATION DIVISION

August 9, 1995

CERTIFIED MAIL
RETURN RECEIPT NO.Z-765-963-106

Mr. Kevin C. Myers
Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

RE: Closure Plan Approval
Flare Pit - Wingate Plant GW-54
McKinley County, New Mexico

Dear Mr. Myers:

The New Mexico Oil Conservation Division (OCD) has received the Meridian Oil, Inc. closure proposal and sample data dated July 24, 1995 signed by Mr. Kevin C. Myers. **The closure of the Meridian Oil, Inc. Flare Pit located at the Wingate Plant in Mckinley County, New Mexico is approved with the following conditions:**

1. The remmediated soil may be used by Meridian Oil, Inc. to backfill the excavation of the "Flare Pit."
2. Meridian Oil, Inc. shall mound the "Flare Pit" in order to prevent the ponding of rainwater over the former "Flare Pit" site.
3. Sampling/monitoring by Meridian Oil, Inc. at all the monitor wells shall continue.

Note, that OCD approval does not relieve Meridian Oil, Inc. of liability should if remaining contaminants pose a future threat to groundwater, surface water or public health. In addition, OCD approval does not relieve Meridian Oil, Inc. of responsibility for compliance with any other Federal, State, or other local laws and/or regulations. If you have any questions regarding this matter feel free to call me at (505)-827-7156.

Sincerely,



Patricio W. Sanchez
Petroleum Engineer, Environmental Bureau OCD

XC: Mssr. Denny Foust - Environmentalist.

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

August 17, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CERTIFIED MAIL
RETURN RECEIPT NO. P-667-242-134

Mr. C.R. Owen, Regional Vice President
Meridian Oil, Inc.
P.O. Box 4289
Farmington, New Mexico 87499-4289

RE: Discharge Plan GW-54
Wingate Fractionating Plant
McKinley County, New Mexico

Dear Mr. Owen:

The groundwater discharge plan GW-54 for the Meridian Oil, Inc Wingate Fractionating Plant located in Sections 16 and 17, Township 15 North, Range 17 West, NMPM, McKinley County, New Mexico **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated April 9, 1992.

The discharge plan was submitted pursuant to Section 3-106 of the Water Quality Control Commission Regulations. It is approved pursuant to section 3-109.A. Please note Section 3-109.F., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

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.

Please note that section 3-104 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 3-107.c. you are required to notify the Director of any facility

Mr. C.R. Owen
August 17, 1992
Page -2-

expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3-109.g.4., this plan approval is for a period of five years. This approval will expire August 17, 1997 and you should submit an application for renewal in ample time before that date.

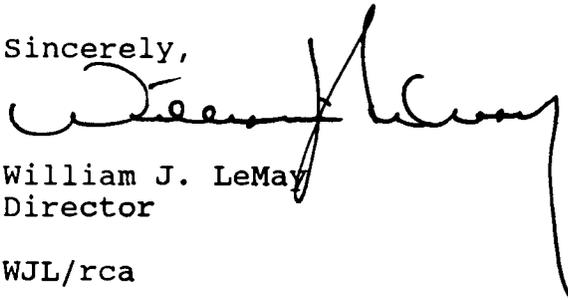
The discharge plan application for the Meridian Oil, Inc. Wingate Fractionating Plant is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus the flat rate of three thousand three hundred and thirty-five (3335) dollars for gas processing plants.

The OCD has received your \$50 filing fee. The flat fee for an approved discharge plan 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.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe 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/rca

xc: Denny Foust - OCD Aztec Office

ATTACHMENT TO DISCHARGE PLAN GW-54 APPROVAL
MERIDIAN OIL, INC. WINGATE FRACTIONATING PLANT
DISCHARGE PLAN REQUIREMENTS
(August 17, 1992)

1. Payment of Discharge Plan Fees: The \$3335 flat fee (either total payment or installment) will be paid upon receipt of this approval.
2. Drum Storage: All drums will be stored on pad and curb type containment.
3. Sump Inspection: All pre-existing sumps at this facility will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade will be approved by the OCD prior to installation and will incorporate leak detection in their designs.
4. Leak Detection Inspection: All leak detection sumps will be inspected on a monthly basis.
5. Closure Schedules: Meridian Oil, Inc. will submit a schedule or approval for the proposed modifications and closures as committed to in Section 6 of the application. The schedule will be submitted by September 30, 1992.
6. Contamination Investigation: Based on analytical results submitted with the application, Meridian Oil, Inc. will submit a investigation proposal for the contaminants observed in WMH-1, WMH-2, WMH-3 and WMH-4. The investigation proposal will be submitted by December 18, 1992.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 10/1/92,
or cash received on 10/15/92 in the amount of \$ 3335
from Meridian Oil

for Wingate Gas Plant GW-54
(Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Kathy Brown Date: 10/15/92

Received in ASD by: Harold C. Montoy Date: 10/15/92

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

Organization Code 521.07 Applicable FY 93

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment _____

MERIDIAN OIL
801 CHERRY STREET - SUITE 200
FORT WORTH, TEXAS 76102-6842
(817) 347-2000

Citibank (Delaware)
A subsidiary of Citicorp
ONE PENN'S WAY
NEW CASTLE, DE. 19720

62-2C
311
[REDACTED]
CHECK NO.

VENDOR NO.
400384

DATE	AMOUNT
10/01/92	\$ *****3335.00

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 60 DAYS

PAY TO
THE ORDER OF

NMED WATER QUALITY
MANAGEMENT
1190 ST FRANCIS DR
SANTA FE, NM

87503

[Handwritten Signature]



MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

'92 OCT 15 PM 9 03

October 9, 1992

Certified Mail - P 794 519 876

Roger Anderson
New Mexico Oil Conservation Division
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

**RE: Discharge Plan GW-54
Discharge Plan Fee**

Dear Mr. Anderson:

Attached is Meridian Oil Inc.'s Discharge Plan fee of \$3335.00.

If you have any comments or questions please call me at 326-9841.

Sincerely,



Michael J. Frampton
Sr. Staff Environmental Representative

Attachment: Check No. 575210 -- \$3335.00

xc: Wingate Discharge Plan:Correspondence

MERIDIAN OIL

801 CHERRY ST. - SUITE 200 • FORT WORTH, TEXAS 76102-6842 • (817) 347-2000

VENDOR NO.

4003

CHECK NO.



CONTROL NO.	REFERENCE		PAID ON BEHALF OF	DUE VENDOR
	INVOICE	DATE		
420343313	RFC	920924	MOPI DISCHARGE PLAN	3,335.00
TOTAL →				3,335.00

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 4/13/92
or cash received on 4/21/92 in the amount of \$ 50.00
from Meridian Oil
for Wingate Gas Plant GW-54
(Facility Name) (DP No.)
Submitted by: Kathy Brown Date: _____
Submitted to ASD by: _____ Date: _____
Received in ASD by: Anthony C. Montoya Date: 4/21/92
Filing Fee New Facility _____ Renewal _____
Modification _____ Other _____
(specify)

Organization Code 521.07 Applicable FY 80

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

MERIDIAN OIL

801 CHERRY STREET - SUITE 200
FORT WORTH, TEXAS 76102-6842
(817) 347-2000

Citibank (Delaware)

A subsidiary of Citicorp
ONE PENN'S WAY
NEW CASTLE, DE. 19720

62-20
311
[REDACTED]
CHECK NO.

VENDOR NO.
400384

DATE	AMOUNT
04/13/92	\$ *****50.00

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 60 DAYS

PAY TO
THE ORDER OF

NMED WATER QUALITY
MANAGEMENT
1190 ST FRANCIS DR
SANTA FE, NM

87503

[Handwritten Signature]





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 1, 2007

Ms. Beverly Cox
Environmental Specialist
ConocoPhillips
San Juan Business Unit
3401 E. 30th Street (P.O. Box 4289)
Farmington, New Mexico 87499

Re: Discharge Permit GW-054
Wingate Gas Plant Permit
Modification: Closure Plan and Financial Assurance

Dear Ms. Cox:

Pursuant to Water Quality Control Commission and New Mexico Oil and Gas Commission Regulations, the Oil Conservation Division requests a modification to the above discharge plan permit to include: a future closure plan for the wastewater ponds along with a financial assurance for the closure and/or remediation of the ponds. 19.15.36.11(B) NMAC shall be required to address the financial assurance requirements of the above.

WQCC Regulations 20.6.2.3107.C, and 20.6.2.3109 NMAC address modifications to a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

Pursuant to WQCC 20.6.2.3107(11), a closure plan to prevent the exceedance of standards of Section 20.6.2.3103 NMAC or the presence of a toxic pollutant in ground water after the cessation of operation, which includes: a description of closure measures, maintenance and monitoring plans, post-closure maintenance and monitoring plans, financial assurance, and other measures necessary to prevent and/or abate such contamination. The obligation to implement the closure plan as well as the requirements of the closure plan, if any is required, survives the termination or expiration of the permit.

Pursuant to WQCC 20.6.2.4104, if an abatement plan is required, the source of the water pollution to be abated is a facility that operated under a discharge plan, the OCD requires the responsible person(s) to submit a financial assurance plan, which covers the estimated costs to conduct the actions required by the abatement plan. Such a financial assurance plan shall be consistent with any financial assurance requirements adopted by the commission.

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact me at (505-476-3490) or E-mail wayne.price@state.nm.us. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wayne Price', with a long horizontal flourish extending to the right.

Wayne Price
Environmental Bureau Chief

LWP

xc: OCD District Office