

GW - 69

**GENERAL
CORRESPONDENCE**

YEAR(S):
2007-1990



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

July 9, 2007

*CARL,
THEY HAVE CLOSED
THIS LAND FARM!
LWP
2/29/08*

Ms. Elisabeth Klein
DCP Midstream LP.
370 17th Street, Suite 2500
Denver, Colorado 80202

**Re: Discharge Plan 'Minor Modification' to include" Landfarm(s)" (GW-069)
DCP Midstream LP. Carlsbad Gas Plant
Eddy County, New Mexico**

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has developed a "Minor Modification" (modification) to the recently renewed discharge plan for the DCP Midstream LP. Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

The modification allows DCP Midstream L.P. 3 months from the date of this letter to either close the entire landfarm or land treatment areas if it does not wish to continue landfarming under the "Minor Modification- Landfarm(s)" terms and conditions or it may continue landfarming under the new terms and conditions of this modification. A letter confirming DCP Midstream L.P.'s acceptance of this "Minor Modification" should be submitted on or before October 9, 2007.

Please contact me at (505) 476-3491 or carlj.chavez@state.nm.us if you have questions.

Sincerely,

Carl J. Chavez
Carl J. Chavez
Environmental Engineer

CJC/ejc

Attachment "Minor Modification"

xc: OCD District II Office, Artesia

DCP Midstream Carlsbad Facility Discharge Plan (GW-069)
Minor Modification “ to include “Landfarm(s)”
in Section 20 (Additional Site Specific Conditions)

July 9, 2007

20. **Landfarm(s):**

A. Land Treatment: The owner/operator shall implement the Landfarm provisions below in its discharge plan permit. The owner/operator shall submit a closure plan within 3 months of the date of the corresponding “minor modification” letter, if it wishes to discontinue landfarm and/or land treatment operations. If the owner/operator wishes to continue landfarming, it shall implement or comply with the following “minor modification” permit conditions applicable to landfarming soils contaminated with predominantly petroleum hydrocarbons generated at the facility.

B. Waste Acceptance:

(1) Only facility RCRA non-hazardous waste or exempt soils predominantly contaminated by petroleum hydrocarbons that are capable of being remediated shall be placed in the landfarm.

(2) All waste placed in the landfarm(s) shall be sufficiently free of liquid content to pass the paint filter test and shall not have a chloride concentration exceeding 500 mg/kg.

(3) Records shall be maintained and made available for inspection. OCD form C-138 or equivalent form approved by the division shall be used to verify waste generated and acceptance.

C. Operation and Waste Treatment.

(1) The operator shall berm each cell to prevent run-on and run-off of rainwater.

(2) The operator shall disk all contaminated soils in eight inch or less lifts or approximately 1000 cubic yards per acre per eight-inch lift within 72 hours of receipt.

(3) The operator shall ensure that soils are disked biweekly.

(4) The operator may add fresh water, as necessary, to enhance bioremediation and to control blowing dust.

(5) The application of microbes for the purposes of enhancing bioremediation requires prior division approval.

(6) Pooling of liquids in the landfarm is prohibited. Freestanding water shall be removed within 24 hours.

(7) The operator shall maintain records of the facility's treatment activities in a form readily accessible for division inspection.

(8) Prior to adding an additional lift the treatment zone monitoring as shown in 20.D below shall be met and documented.

(9) The maximum thickness of treated soils in a landfarm cell shall not exceed two feet or approximately 3000 cubic yards per acre. When that thickness is reached, the operator shall not place additional waste in the landfarm cell.

D. Treatment zone monitoring. The operator shall conduct treatment zone monitoring to ensure that prior to adding an additional lift the TPH concentration of each lift, as determined by EPA SW-846 method 8015M or EPA method 418.1 or other EPA method approved by the division, does not exceed 2500 mg/kg and that the chloride concentration, as determined by EPA method 300.1, does not exceed 500 mg/kg. The operator shall collect and analyze at least one composite soil sample, consisting of four discrete samples, from the treatment zone at least semi-annually using the methods specified for TPH and Chlorides shown above.

E. Vadose zone monitoring.

(a) Sampling. The operator shall monitor the vadose zone beneath the treatment zone in each landfarm cell. The operator shall take the vadose zone samples from soils between three and four feet below the cell's original ground surface.

(b) Semi-annual monitoring program. The operator shall collect and analyze a minimum of four randomly selected, independent samples from the vadose zone at least semi-annually using the methods specified above for TPH, BTEX and chlorides and shall compare each result to the higher of the practical quantitation limit (PQL) or the background soil concentrations to determine whether a release has occurred.

(c) Five year monitoring program. The operator shall collect and analyze a minimum of four randomly selected, independent samples from the vadose zone, using the methods specified in section F below for the constituents listed in Subsections A and B of 20.6.2.3103 NMAC at least every five years and shall compare each result to the higher of the PQL or the background soil concentrations to determine whether a release has occurred.

(d) Record keeping. The operator shall maintain a copy of the monitoring reports in a form readily accessible for division inspection.

(e) Release response. If vadose zone sampling results show that the concentrations of TPH, BTEX or chlorides exceed the higher of the PQL or the background soil concentrations, then the operator shall notify the division's environmental bureau of the exceedance, and shall immediately collect and analyze a minimum of four randomly selected, independent samples for TPH, BTEX, chlorides and the constituents listed in 20.F(5) below. The operator shall submit the results of the re-sampling event and a response action plan for the division's approval within 45 days of the initial notification. The response action plan shall address changes in the landfarm's operation to prevent further contamination and, if necessary, a plan for remediating existing contamination, or removed.

F. Closure Performance Standards. After the operator has filled a landfarm cell to the maximum thickness of two feet or approximately 3000 cubic yards per acre, the operator shall continue treatment until the contaminated soil has been remediated to the higher of the background concentrations or the following closure performance standards. The operator shall demonstrate compliance with the closure performance standards by collecting and analyzing a minimum of one composite soil sample, consisting of four discrete samples.

(1) Benzene, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 0.2 mg/kg.

(2) Total BTEX, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 50 mg/kg.

(3) The gasoline range organics (GRO) and diesel range organics (DRO) combined fraction, as determined by EPA SW-846 Method 8015M, shall not exceed 500 mg/kg. The total extractable petroleum hydrocarbon (TPH) fractions, as determined by EPA Method 418.1 or other EPA method approved by the division, shall not exceed 2,500 mg/kg.

(4) Chlorides, as determined by EPA method 300.1, shall not exceed 500 mg/kg.

(5) The concentration of constituents listed in Subsections A and B of 20.6.2.3103 NMAC shall be determined by EPA SW-846 methods 6010B or 6020 or other methods approved by the division. If the concentration of those constituents exceed the PQL or background concentration, the operator may either perform a site specific risk assessment using EPA approved methods and propose closure performance standards based upon individual site conditions that protect fresh water, public health, safety and the environment, which shall be subject to division approval or remove the soils to an approved OCD facility.

Closure Constituents			
(i)	Arsenic (As)	(xix)	1,1,2-trichloroethylene (TCE)
(ii)	Barium (Ba)	(xx)	methylene chloride
(iii)	Cadmium (Cd)	(xxi)	chloroform
(iv)	Chromium (Cr)	(xxii)	1,1-dichloroethane
(v)	Cyanide (CN)	(xxiii)	ethylene dibromide (EDB)
(vi)	Fluoride (F)	(xxiv)	1,1,1-trichloroethane
(vii)	Lead (Pb)	(xxv)	1,1,2-trichloroethane
(viii)	Total Mercury (Hg)	(xxvi)	1,1,2,2-tetrachloroethane
(ix)	Nitrate (NO ₃ as N)	(xxvii)	vinyl chloride
(x)	Selenium (Se)	(xxviii)	PAHs: total naphthalene plus monomethylnaphthalenes
(xi)	Silver (Ag)	(xxix)	benzo-a-pyrene
(xii)	Uranium (U)	(xxx)	Copper (Cu)
(xiii)	Radioactivity: Combined Radium-226 and Radium-228	(xxxi)	Iron (Fe)
(xiv)	Polychlorinated biphenyls (PCBs)	(xxxii)	Manganese (Mn)
(xv)	Carbon Tetrachloride	(xxxiii)	Phenols
(xvi)	1,2-dichloroethane (EDC)	(xxxiv)	Sulfate (SO ₄)

(xvii)	1,1-dichloroethylene (1,1-DCE)	(xxxv)	Zinc (Zn)
(xviii)	1,1,2,2-tetrachloroethylene (PCE)		

(6) Disposition of treated soils.

(a) If the operator achieves the closure performance standards specified in 20.F, then the operator may either leave the treated soils in place or, with prior division approval, dispose or reuse of the treated soils in an alternative manner.

(b) If the operator cannot achieve the closure performance standards specified in above within five years or as extended by the division, then the operator shall remove contaminated soils from the landfarm cell and properly dispose of it at a division-permitted landfill or reuse or recycle it in a manner approved by the division.

ADVERTISING INVOICE/STATEMENT

Mail Payment To:
Carlsbad Current-Argus
P.O. Box 1629
Carlsbad, NM 88221-1629

**DETACH THIS STUB AND RETURN WITH PAYMENT PAYABLE TO:
Carlsbad Current-Argus**

2007 APR 8 AM 5 01

NEW MEXICO ENERGY, MINERALS &
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

ACCOUNT NO.	INVOICE NO.
730593	0003247052
DUE DATE	AMOUNT DUE
04/24/07	136.90
BILLING PERIOD	THROUGH
03/01/07	03/31/07
AMOUNT PAID	

RETAIN THIS PORTION FOR YOUR RECORDS

DATE	EDT	CLASS	DESCRIPTION	COL	DEPTH	TMS RUN	TOTAL SIZE	RATE	AMOUNT
301			PREVIOUS BALANCE						114.76
306			PAYMENT-THANK YOU						114.76-
328	CRC	0152	1000644707/MARCH /GW-069	1	211.00	1	211.00		128.84
328		0152	NM TAX						8.06
WE KNOW YOU HAVE CHOICES - THANK YOU FOR YOUR BUSINESS !									

CURRENT	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	OVER 120 DAYS	TOTAL DUE
136.90	.00	.00	.00	.00	136.90

TYPE	CONTRACT QUANTITY	EXPIRATION DATE	CURRENT USAGE	TOTAL USED	QUANTITY REMAINING	SALES PERSON
						0433

*Ok to pay
and bill*

NOTE: Bills are due and payable when rendered. If the ending balance of any statement is not paid in full during the following month, that portion of it which remains unpaid, after application of all payments and those credits which pertain to that balance (rather than to the current month's charges), will be assessed a FINANCE CHARGE of 1.35% per month (an ANNUAL PERCENTAGE RATE not to exceed 18% per year). The minimum FINANCE CHARGE (which will apply should there be any unpaid balance) will be \$0.50. No FINANCE will be made if the ending balance is paid in full within the ensuing month.

For your records:

ACCOUNT NO.	NAME	INVOICE NUMBER	AMOUNT PAID
730593	NEW MEXICO ENERGY, MINERALS &	0003247052	
		DUE DATE	
		04/24/07	

Carlsbad Current-Argus

For Billing Inquiries Call: (505) 887-5501

ADVERTISING INVOICE/STATEMENT

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

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 the same 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:

March 28 2007

That the cost of publication is \$136.90 and that Payment Thereof has been made and will be assessed as court costs.

April Hernandez

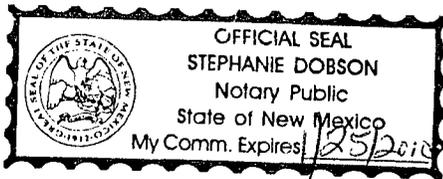
Subscribed and sworn to before me this

29 day of March, 2007

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



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-069) DCP Midstream LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan

for their Carlsbad Gas Plant located in the SW/4, NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, about 1 mile north west of Loving, New Mexico. The facility does not discharge wastewater to surface or subsurface waters. All wastes generated will be temporarily stored in tanks or containers. Waste shipped offsite will be disposed or recycled at an OCD approved site. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 31 feet below the ground surface, with a total dissolved solids concentration of approximately 4,100 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including

charges 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 deter-

mination 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 ma-

jor 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 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 más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerías y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of March 2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL Mark Fesmire, Director

2007 APR 2

THE SANTA FE
NEW MEXICAN
Founded 1849

669
6W-~~669~~

NM EMNRD OIL CONSERVATION

ATTN: Carl Chaney
1220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00208194 ACCOUNT: 00002212
LEGAL NO: 80648 P.O. #: 52100-3956
308 LINES 1 TIME(S) 172.48
AFFIDAVIT: 6.00
TAX: 13.61
TOTAL: 192.09

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

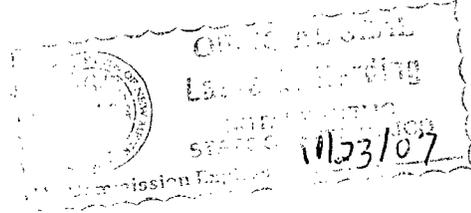
I, R. Lara, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 80648 a copy of which is hereto attached was published in said newspaper 1 day(s) between 03/29/2007 and 03/29/2007 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 29th day of March, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/ *R. Lara*
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 29th day of March, 2007

Notary *Laura E. Harding*

Commission Expires: 11/23/07



Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, March 23, 2007 3:07 PM
To: 'legals@sfnewmexican.com'; 'sdobson@currentargus.com'
Subject: RE: Public Notice Request (GW-069)

Ms. Laura (Carlsbad) and Besty Perner (Santa Fe):

Re: Carlsbad Current Argus (PO# 52100-0000000042 Acct # 42)
Santa Fe New Mexican (PO# 52100-0000003956 Acct.# 56689)

Please post the attached public notice in your newspaper. Please provide affidavit of proof of posting and contact me if you have questions. The original invoice and proof needs to be mailed directly to me for payment. 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/ocd/>
(Pollution Prevention Guidance is under "Publications")



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 23, 2007

Ms. Elisabeth Klein
DCP Midstream LP.
370 17th Street, Suite 2500
Denver, Colorado 80202

**Re: Discharge Plan Renewal Permit (GW-069)
DCP Midstream LP. Carlsbad Gas Plant
Eddy County, New Mexico**

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream LP.'s request and initial fee, dated December 28, 2006, to renew GW-069 for the DCP Midstream LP. Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

Therefore, the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the NMOCD. NMOCD will provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3491 or carlj.chavez@state.nm.us. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Carl J. Chávez
Environmental Engineer

CJC/cjc

xc: OCD District II Office, Artesia



370 17th Street, Suite 2500
Denver, Colorado 80202
(303) 595-3331
(303) 605-1957 fax

December 28, 2006

UPS Next Day Air (Tracking No. 1Z F46 915 22 1005 0647)

Mr. Wayne Price
New Mexico Energy, Minerals
& Natural Resources Department

Duke Energy Field Services, LP

Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

PAYEE NUMBER

0000078217

PAYEE NAME

NEW MEXICO-

CHECK NUMBER

61796756

CHECK DATE

12/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1206-DISCHAPP-CA	12/05/06	100.00	CARLSBAD GAS PLANT
			TOTAL PAID
			\$100.00

PLEASE RETAIN FOR YOUR RECORDS

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: Carlsbad Gas Plant

2. Operator: Duke Energy Field Services, LP

Address: See enclosed discharge plan.

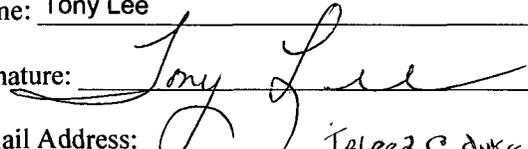
Contact Person: See enclosed discharge plan. Phone: See enclosed discharge plan.

3. Location: SW /4 NE /4 Section 10 Township 23 S Range 28 E
Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
See enclosed discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
See enclosed discharge plan.
6. Attach a description of all materials stored or used at the facility.
See enclosed discharge plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
See enclosed discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
See enclosed discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
See enclosed discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
See enclosed discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
See enclosed discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
See enclosed discharge plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
See enclosed discharge plan.
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: Tony Lee

Title: Asset Manager

Signature: 

Date: 12-11-06

E-mail Address: TALee2@duke-energy.com

Carlsbad Gas Plant
SW/4 NE/4 T 23S, R 28E, Section 10

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit for the Carlsbad Gas Plant On-site Remediation Biocell, which was previously approved by NMOCD on November 6, 1997. This Discharge Permit application has been prepared in accordance with the NMOCD "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 (WQCC) regulations, 20.6.2.3-106C NMAC.

1 Type of Operation

The facility is a gas plant. There is an on-site remediation biocell operation which includes the operation of three biocells, one of which is currently active. The three biocells resulted from the combining of twenty-two cells into three cells, as previously approved by the NMOCD in a minor modification. The dimensions of each cell are approximately 66 feet long and 55 feet wide. No changes have been made to the biocell field operations as previously approved by NMOCD.

DEFS does not intend to discharge, and has not discharged, any other effluent or leachate, besides the biocells, from the facility that may move directly or indirectly into groundwater.

2 Operator / Legally Responsible Party

Operator

Duke Energy Field Services, LP
10 Desta Drive, Suite 400W
Midland, TX 79705
(505) 397-5520
Contact Person: Mr. Tony Lee – Asset Manager

Legally Responsible Party

Duke Energy Field Services, LP
370 17th Street, Suite 2500
Denver, CO 80202
(303) 595-3331
Contact Person: John Admire – Director, Environmental Protection

3 Location of Discharge / Facility

SW/4 NE/4 Section 10, Township 23S, Range 28E
See Figure 1 – Site Location Map.

4 Landowner

Duke Energy Field Services, LP
370 17th Street, Suite 2500
Denver, CO 80202
(303) 595-3331

5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines. The facility also has above ground storage containers that are in secondary containment and has sumps with level controls.

The facility operates biocells to perform onsite remediation of soils contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events and a septic and leach field system to handle domestic sewage generated at the facility.

See Figure 2 – Facility Plot Plan for the site overview and location of the septic/leach field system and the biocell operations.

6 Materials Stored or Used

There are no materials stored on-site or used that are discharged so that they may move directly or indirectly into groundwater.

Material Stored/Used	Method of Storage
Condensate	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Triethylene glycol (TEG)	Aboveground storage tank within secondary containment.
Used Oil	Aboveground storage tank within secondary containment.
Varsol	Aboveground storage tank within secondary containment.
Diesel	Aboveground storage tank within secondary containment.
Engine Coolant	Aboveground storage tank within secondary containment.
Engine Skid Drain (equipment wash down water and stormwater)	Below-grade double-walled sump with a high level alarm or level control

Micro-Blaze Emergency Liquid Spill Control which is used in the onsite biocell operation is not stored onsite. The contractor who maintains the biocells provides the Micro-Blaze Emergency Liquid Spill Control as part of their maintenance service.

7 Sources and Quantities of Effluent and Waste Solids

Except for the sewage system and the biocells, there are no effluents or waste solids that are discharged on site onto or below the surface of the ground so that they may move directly or

indirectly into groundwater. All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8.

Separators/Scrubbers

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site for disposal to the East Loving SWD, a NMOCD permitted Class II well.

Boilers and Cooling Towers/Fans

There are no boilers or cooling towers/fans at the facility.

Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site for disposal at East Loving SWD.

Solvents/Degreasers

Solvents or degreasers are not used at the facility.

Spent Acids/Caustics

Spent acids or caustics are not typically generated at the facility. If generated at the facility, spent acids or caustics will be collected and stored in aboveground storage containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

Used Engine Coolants

Used engine coolants are not generated at the facility. The engine coolant is consumed by the engines so no waste coolant is generated. Engine coolants are not discharged on site so that they may move directly or indirectly into groundwater.

Waste Lubrication and Motor Oils

Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage containers within secondary containment and removed by a contractor for off-site recycling.

Used Oil Filters

Used oil filters generated at the facility are collected in an aboveground storage bin and are removed by a contractor for off-site recycling.

Solids and Sludges

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal.

Painting Wastes

Painting wastes are not discharged on site. All paint wastes generated on site are managed in aboveground containers and disposed off-site in accordance with applicable Federal, State, and local regulations.

Sewage

Domestic discharges are made through one septic tank and leach line system which is subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations, 20.7.3 NMAC. Sewage generated from the Operators Building and the PSM Building is routed to the septic tank and leach line system.

The septic system is shown on Figure 2, the facility plot plan.

Lab Wastes

The facility does not have a laboratory. Lab type wastes generated at the facility generated at the facility for testing amine concentration and acid gas in solution are collected in an aboveground storage container within secondary containment for off-site disposal. The lab type wastes are not discharged on site. Less than 1 gallon per month of lab type wastes are generated at the facility. Included in the lab type waste are the following test reagents and samples:

- Distilled Water
- Methanol
- Thymophthalein Solution, < 0.11% in alcohol
- Methyl Purple Indicator
- 0.5 N Potassium Hydroxide Solution
- 0.1 N Sulfuric Acid Solution
- Diethanolamine

Other Liquids and Solid Wastes

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

8 Liquid and Solid Waste Collection / Storage / Disposal

Table 1 identifies sources and quantities, quality and disposition of effluent and waste solids generated at the facility.

Table 1
Effluent and Solid Waste Sources, Quantity, Quality

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Produced Water/Condensate	Aboveground storage tank within secondary containment	~ 150 bbls per month	Off-site disposal	East Loving Disposal
Equipment Washdown Water/Stormwater/Skid Drain Water	Aboveground storage tank within secondary containment	~ 100 bbls per month	Off-site disposal	CRI Control Recovery Incorporated
Amine Filters	Aboveground storage bin	~ 12 per year	Off-site disposal	Thermofluids
Glycol Filters	Aboveground storage bin	12 per year	Off-site disposal	Thermofluids
Charcoal Filters (Glycol System)	Aboveground storage bin	18 per year	Off-site disposal	Thermofluids
Amine Charcoal	55 gallon drums	2 - 55 gallon drums	Off-site disposal	Thermofluids
Used Oil Filters	Aboveground storage bin	~ 18 per year	Off-site recycling	Thermofluids
Used Oil	Aboveground storage tank within secondary containment	~ 1000 gallons per year	Off-site recycling	Thermofluids
Control Room	Sewage	155 gallons per month	On-site Septic Tank/Leach Field	On-site Septic Tank/Leach Field
PSM Building	Sewage	75 gallons per month	On-site Septic Tank/Leach Field	On-site Septic Tank/Leach Field
Activated Carbon Charcoal	55 gallon drums	Varies	Off-site disposal	Thermofluids
Plant Process Area	Hydrocarbon contaminated soil	~55 gallons per month	On-site Biocells	On-site Biocells
Transmission Fluid	Aboveground storage tank with secondary containment	~100 per year	Off-site recycling	Thermofluids
Used Antifreeze	Aboveground storage tank with secondary containment	1000 gallons per year	Off-site recycling	Thermofluids
Sump Bottoms	Sumps/Transport rolloffs	70 bbls per year	Off-site disposal	CRI
Light bulbs	Shipping Boxes	12 bulbs per year	Off-site recycling	Safety Kleen

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Batteries	Wooden pallets	6 per year	Off-site recycling	Technologies
Lab Waste	Aboveground storage drum within secondary containment	<1 gal. per month	Off-site disposal	Safety Kleen
Paint Wastes	Original paint cans	41 lbs per year	Off-site disposal	Safety Kleen

Collection/Storage

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

On-site Disposal

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Domestic sewage is disposed in the on-site septic tanks and leach fields subject to the Environmental Improvement Board's Liquid Waste Disposal Regulations, 20.7.3 NMAC.

Off-site Disposal

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Thus, there is no offsite disposal of the soil remediated in the onsite biocells. Wastes are not removed from the leachfield system for offsite disposal.

9 Proposed Modifications

No proposed modifications.

10 Inspection, Maintenance, and Reporting

The onsite biocells are maintained by Environmental Plus, Inc. The active biocells are treated with Micro-Blaze Emergency Liquid Spill Control, cultivated, and sampled every 60 days. The following laboratory analyses are performed on the samples collected: TPH (GRO+DRO) – EPA Method 8015M, Benzene – EPA Method 8020/8260, Toluene – EPA Method 8020/8260, Ethyl Benzene – EPA Method 8020/8260, and Total Xylenes – EPA Method 8020/8260. Contaminated soils are treated to remediation action levels provided in NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993). When remediation levels are achieved, the soil is left in the biocells. The biocells are inspected at least once per quarter to check for weed growth and unauthorized placement of wastes in the biocells.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

The facility is manned 24-hours per day, 7-days per week. Facility inspections are performed once a month and plant rounds are made hourly. DEFS will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

12 Site Characteristics

No Changes.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

FIGURES

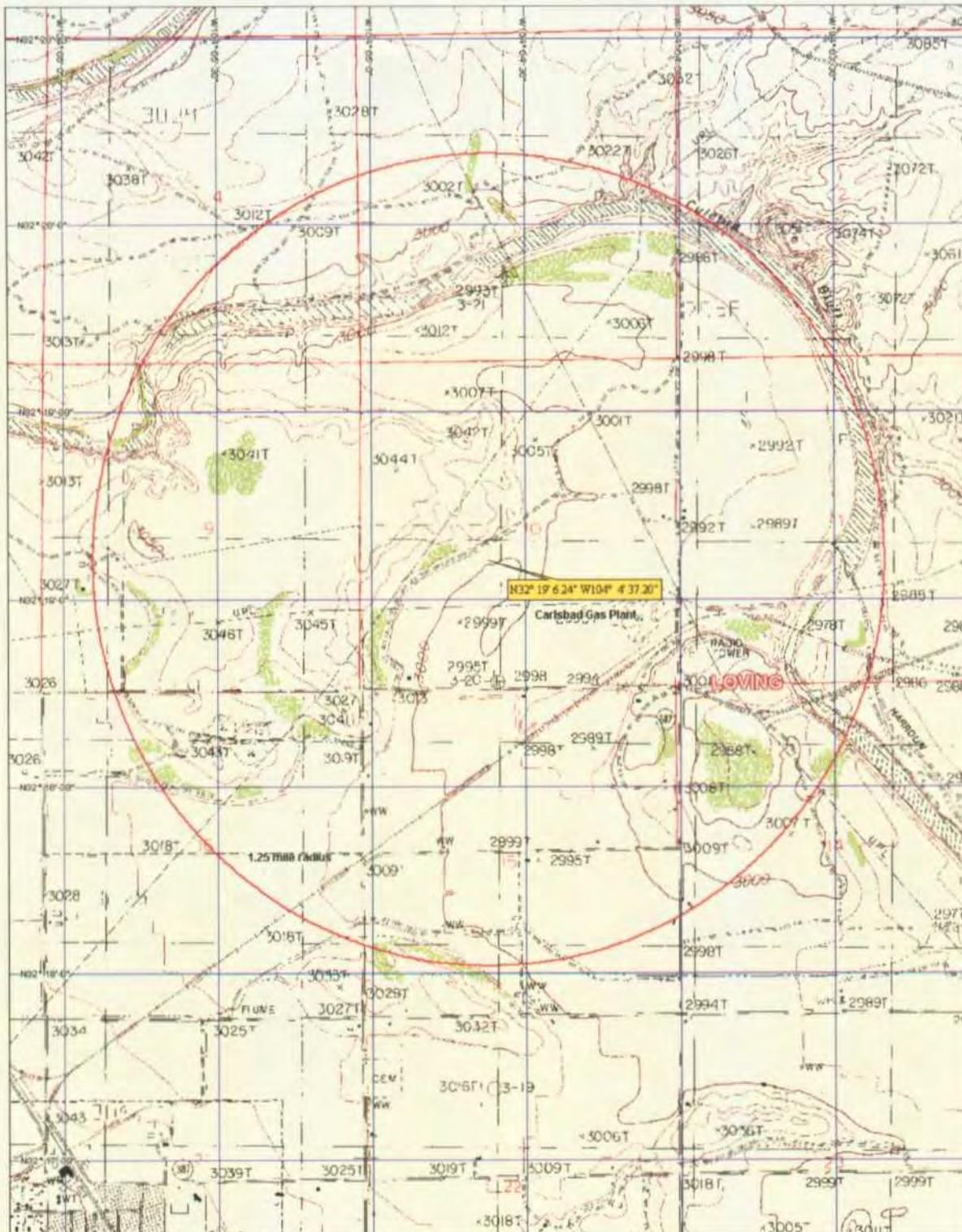
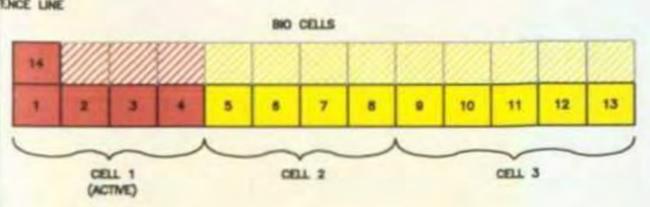
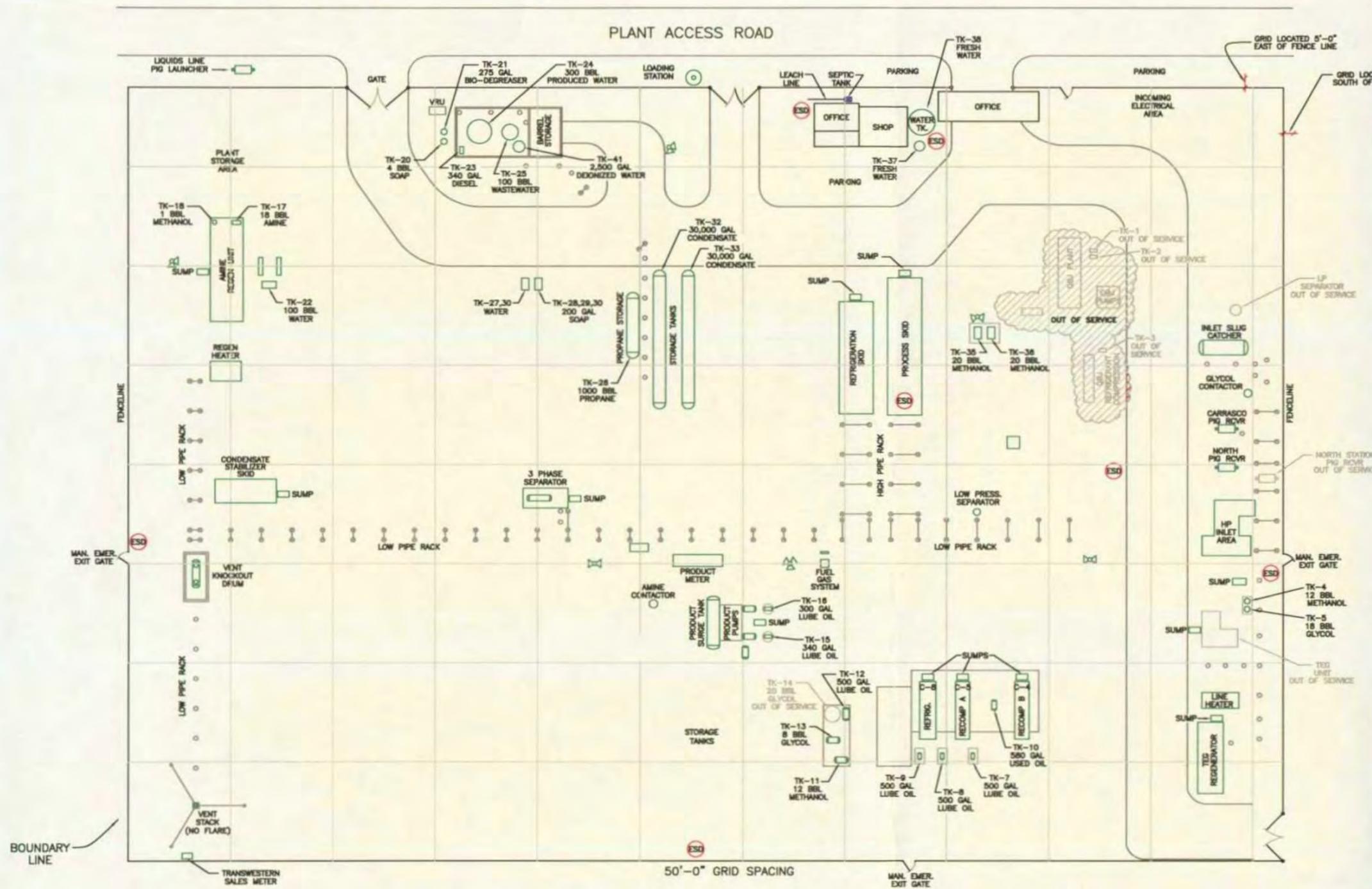


Figure 1. Site Location Map – Carlsbad Gas Plant.



NOT TO SCALE
 NOTE: SCALE IS APPROXIMATE.
 DRAWING IS BASED ON A
 FIELD SKETCH; ACTUAL
 FACILITIES MAY VARY IN SIZE
 AND POSITION FROM THOSE
 REPRESENTED HERE.

FIGURE 2

REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.	REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.
0	12-12-06	DRAWN FROM DEF'S SKETCH (9-19-02)	J.R.E.	E.A.K.									



**EAST CARLSBAD GAS PLANT
 CARLSBAD GATHERING SYSTEM**

Eddy County
 NEW MEXICO

\\data\EhsDrawings\Mapping\NewMexico\Carlsbad\EastCarlsbad_SPCC

APPENDIX 1
Carlsbad Gas Plant
Stormwater Run-off Plan

STORMWATER RUN-OFF PLAN

FOR:

Carlsbad Gas Plant, Eddy County, New Mexico (GW-069)

Rainwater collected inside containment structures at the facility is lost through evaporation or removed with a vacuum truck for off-site disposal. None of the containment structures at the facility have valves. Good housekeeping is practiced at the facility to help prevent contaminants from leaving the site during a rainstorm.

Duke Energy Field Services, LP

Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

PAYEE NUMBER

0000078217

PAYEE NAME

NEW MEXICO-

CHECK NUMBER

CHECK DATE

12/07/06

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
1206-DISCHAPP-CA	12/05/06	100.00	CARLSBAD GAS PLANT
			TOTAL PAID
			\$100.00

PLEASE RETAIN FOR YOUR RECORDS

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP

Accounts Payable
370 17th Street, Suite 2500
Denver, Colorado 80202
303.605.2219

J.P. Morgan Chase Bank, N.A.
Syracuse, New York

50-937/213

PAYEE NO.

0000078217

CHECK DATE

12/07/06

CHECK NO.



TO THE ORDER OF

NEW MEXICO-
WATER QUALITY MANAGEMENT FUND
C/O NEW MEXICO OIL CONSERVATION DIV
1220 S ST FRANCIS DRIVE
Santa Fe, NM 87505



NOT NEGOTIABLE AFTER 120 DAYS

CHECK AMOUNT

*****\$100.00

AUTHORIZED SIGNATURE

One hundred and 00/100 Dollars

HOLD BETWEEN THUMB AND FOREFINGER. OR BREATHE ON COLORED BOX. COLOR WILL DISAPPEAR, THEN REAPPEAR.

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

GW-069

Form C-144
June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address: _____
Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220
Facility or well name: East Carlsbad Gas Plant API #: _____ U/L or Qtr/Qtr SW/NE Sec 10 T 23S R 28E
County: Eddy Latitude 32.3184 Longitude -104.0770 NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit	Below-grade tank	
Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Water, non-hazardous biodegradable detergent, TEG Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume), storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ TEG Skid Sump	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <input checked="" type="checkbox"/>	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	20

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite offsite If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 9-23-04
Printed Name/Title Randy Counts/Field Supervisor Signature: [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title _____ Signature _____ Date: _____

GW-069

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

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address: _____
 Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220
 Facility or well name: East Carlsbad Gas Plant API #: _____ U/L or Qtr/Qtr SW/NE Sec 10 T 23S R 28E
 County: Eddy Latitude 32.3184 Longitude -104.0770 NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Below-grade tank Water, non-hazardous biodegradable detergent, produced Volume: <u>2.4</u> bbl Type of fluid: <u>water, storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ 3-Phase Separator Skid Sump	
	Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No <input checked="" type="checkbox"/> (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more <input checked="" type="checkbox"/> (0 points)	
Ranking Score (Total Points)		20

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 9-23-04
 Printed Name/Title Randy Counts/Field Supervisor Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
 Printed Name/Title _____ Signature _____ Date: _____

GW-069

District I
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1301 W. Grand Avnuc, 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

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address: _____
 Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220
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 County: Eddy Latitude 32.3184 Longitude -104.0770 NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Below-grade tank Water, non-hazardous biodegradable detergent, amine Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume), storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ Amine Treater Sump	
	Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No <input checked="" type="checkbox"/> (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more <input checked="" type="checkbox"/> (0 points)	
Ranking Score (Total Points)		20

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 9-23-07
 Printed Name/Title Randy Counts/Field Supervisor Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
 Printed Name/Title _____ Signature _____ Date: _____

GW-069

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

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Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Duke Energy Field Services, LP Telephone: (505) 628-0282 e-mail address: _____
Address: 2010 E. Carlsbad Lane, Carlsbad, NM 88220
Facility or well name: East Carlsbad Gas Plant API #: _____ U/L or Qtr/Qtr SWNE Sec 10 T 23S R 28E
County: Eddy Latitude 32.3184 Longitude -104.0770 NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Below-grade tank Water, non-hazardous biodegradable detergent, TEG Volume: <u>2.4</u> bbl Type of fluid: <u>(incidental volume). storm water</u> Construction material: <u>Fiberglass</u> Double-walled, with leak detection? Yes <input checked="" type="checkbox"/> If not, explain why not. _____ Stabilizer Skid Sump	
	Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No <input checked="" type="checkbox"/> (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more <input checked="" type="checkbox"/> (0 points)	
Ranking Score (Total Points)		20

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Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 9-23-07
Printed Name/Title Randy Counts/Field Supervisor Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title _____ Signature _____ Date: _____



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

February 13, 2003

Lori Wrotenbery
Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 3929 9468

Ms. Karin Char Kimura
Environmental Specialist
Duke Energy Field Services Inc
P.O. Box 5493
Denver, Colorado 80217

**RE: Minor Modification
GW-069 Carlsbad Gas Plant
Eddy County, New Mexico**

Dear Ms. Kimuara:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated February 4, 2003 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the reconfiguration of the existing onsite remediation bio cell operations. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

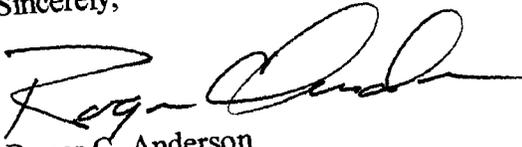
Please note "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C Duke Energy Field Services Inc. is required to notify the Director of any facility expansion, production increase or process modification that would result in a significant modification in the discharge of potential ground water contaminants.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

Ms. Karin Char
Duke Energy Field Services Inc.
February 13, 2003
Page No. 2

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

cc: OCD Artesia District Office

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

9468
6263
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OFFICIAL USE	
Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	

Sent To *K. Kirpura*

Street, Apt. No., or PO Box No. *Duke*

City, State, ZIP+4 *EW-069*

PS Form 3800, January 2001 See Reverse for Instructions

February 4, 2003

CERTIFIED MAIL
RETURN RECEIPT (7002 2030 0006 2400 0334)

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests NMOCD approval of a minor modification to the Carlsbad Gas Plant Discharge Plan No. GW-069. The minor modification consists of reconfiguration of the existing on-site remediation biocell operations. The existing on-site remediation biocell operations were previously requested in DEFS' December 6, 2001 discharge plan renewal application and a subsequent request dated January 31, 2002 to amend the renewal application as approved by NMOCD on February 15, 2002.

The reconfiguration of the on-site remediation biocells will consist of combining the existing twenty-two biocells into four biocells of approximately 60' x 30'. The new cells will be marked with biocell numbers and biocell status. Attached is plot plan of the existing and proposed biocell configurations.

If you have any questions, please call me at (303) 605-1717. Please send any correspondence regarding this minor modification request to my attention at 370 17th Street, Suite 900, Denver, CO 80202.

Sincerely,
Duke Energy Field Services, LP

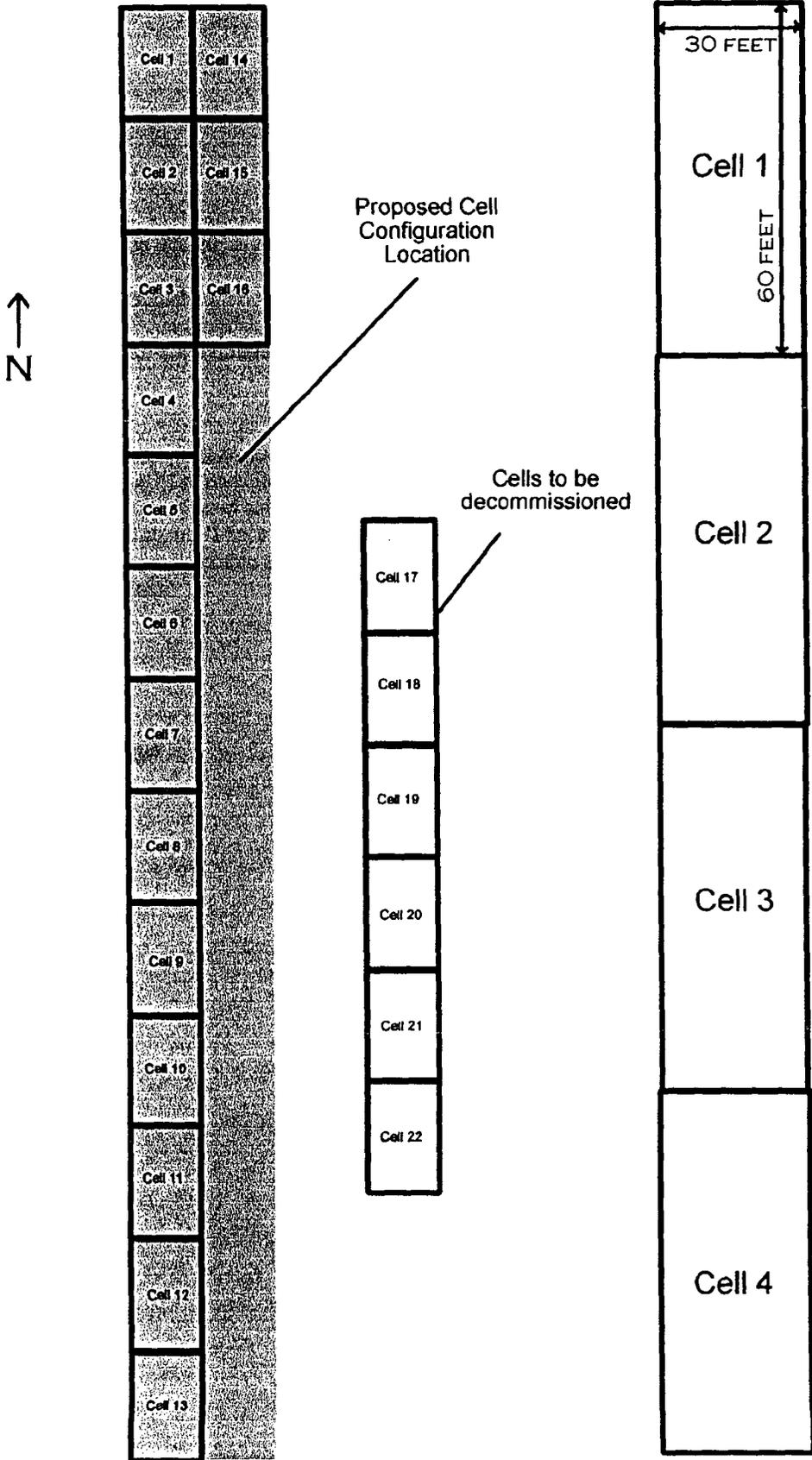

Karin Char Kimura
Senior Environmental Specialist

Attachment

cc: NMOCD District 2 Office (*Certified Mail, Return Receipt Requested 7002 2030 0006 2400 0327*)
1301 W. Grand Avenue
Artesia, NM 88210

Current Cell Configuration

Proposed Cell Configuration





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

August 15, 2002

Lori Wrotenberg
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 9093

Ms. Karin Char
Environmental Specialist
Duke Energy Field Services Inc
P.O. Box 5493
Denver, Colorado 80217

RE: Minor Modification
GW-069 Carlsbad Gas Plant
Eddy County, New Mexico

Dear Ms. Char:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated August 12, 2002 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the remediation of diethanolamine contaminated soils in the currently approved biocells. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,


W. Jack Ford, C.P.G.
Environmental Bureau
Oil Conservation Division

cc: OCD Artesia District Office

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

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Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees

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6906 6266 3929 9093

SENT TO
Street, Apt. No., or PO Box No.
City, State, ZIP+4

R. Char
Duke
GW-069

PS Form 3800, January 2001 See Reverse for Instructions

August 12, 2002

RECEIVED

AUG 14 2002

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

CERTIFIED MAIL
RETURN RECEIPT

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico
Request for Minor Modification

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests to make a minor modification to the approved Carlsbad Gas Plant discharge plan, GW-069. DEFS requests NMOCD approval to place soil contaminated with diethanolamine from incidental leakage from plant process equipment and spill events into the on site remediation biocells previously approved by NMOCD. Diethanolamine contaminated soil will be handled in the same manner as soil contaminated with lube oil, condensate, triethylene glycol, and methanol as described in the December 2001 discharge plan.

If you have any questions regarding this request for minor modification, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP



Karin Char
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

April 17, 2002

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 7747

Ms. Karin Char
Environmental Specialist
Duke Energy Field Services Inc
P.O. Box 5493
Denver, Colorado 80217

RE: Minor Modification
GW-069 Carlsbad Gas Plant
Eddy County, New Mexico

Dear Ms. Char:

The New Mexico Oil Conservation Division (OCD) has received Duke Energy Field Services Inc. letter dated April 4, 2002 requesting a modification to the Carlsbad Gas Plant (GW-069) discharge plan for the installation of three below grade double walled tanks with leak detection. The Duke Energy Field Services Inc. request is considered a minor modification to the above referenced discharge plan and public notice will not be issued. **The requested minor modification is hereby approved.**

The Application for modification was submitted pursuant to Water Quality Control Commission (WQCC) Regulation 3107.C and is approved pursuant to WQCC Regulation 3109.

Please note "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3107.C Duke Energy Field Services 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.

Note, that OCD approval does not relieve Duke Energy Field Services Inc. of liability should Duke Energy Field Services Inc. operations result in contamination of surface waters, ground waters or the environment.

Ms. Karin Char
Duke Energy Field Services Inc.
April 17, 2002
Page No. 2

If you have any questions please feel free to call W. Jack Ford at (505)-476-3489.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

cc: OCD Artesia District Office

U.S. Postal Service
CERTIFIED MAIL RECEIPT *FORD* *000*
(Domestic Mail Only; No Insurance Coverage Provided)

7001 1940 0004 3929 7747

OFFICIAL USE	
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Total Postage & Fees \$	

Sent To
Street, Apt. No.; or PO Box No.
City, State, ZIP+4

SANTA FE NM
MAY 01 2002
K. Char
Duke
87505-069

PS Form 3800 (January 2001) See Reverse for Instructions

April 4, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant - *GW-069*
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests the approval for the installation of three below-grade tanks at the Carlsbad Gas Plant. The enclosed application for below-grade tank installation has been prepared in accordance with the NMOCD "Guidelines for the Selection and Installation of Below-Grade Produced Water Tanks" (revised October 1991). DEFS has also included information pertaining to the existing below-grade tanks at the Carlsbad Gas Plant.

If you have any questions, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP



Karin Char
Environmental Specialist

Enclosure

**Duke Energy Field Services, LP
 Carlsbad Gas Plant
 Below-grade Tank Installation Application**

Tank Selection

Jerry Co. Sales – Double-walled iso-polyester resin sumps (~100 gal. capacity). Refer to Figure 1 for construction details.

Installation

Refer to Figure 2 – Facility Plot Plan for the three below-grade tank installation locations.

The table below identifies the wastes, quantities, and disposition of effluent that will be collected in the below-grade tanks (sumps) and the disposition of the wastes.

Sump	Waste	Quantity	Disposition
Dehydrator Skid	Triethylene glycol	Incidental volume ¹	100 bbl aboveground tank
	Lube oil	Incidental volume ¹	
	Rain water	Approx. 13"/year ²	
	Wash down water	Approx. 20 gal/year	
3-Phase Separator Skid	Rain water	Approx. 13"/year ²	100 bbl aboveground tank
	Wash down water	Approx. 20 gal/year	
Stabilizer Skid	Rain water	Approx. 13"/year ²	100 bbl aboveground tank
	Wash down water	Approx. 20 gal/year	

1 Incidental volume due to incidental leakage from process equipment.

2 Based upon average rainfall data for the Carlsbad area.

Maintenance

Plant personnel will perform daily visual inspections of the below-grade tanks during each shift. Plant personnel will also perform monthly inspections of the below-grade tanks to check the condition of the tank, piping and skid, ensure the drains are locked, check for standing water or any spills/leaks, condition of the pump. If any problems are noted, repairs are made in the most expeditious manner possible.

Contingency Plan

In the event of a tank leak, the first on-site responder will contact emergency responders for containment and clean-up if necessary and the below-grade tank will be repaired in the most expeditious manner possible.

**Duke Energy Field Services, LP
Carlsbad Gas Plant
Information for Existing Below-grade Tanks**

Tank Selection

Jerry Co. Sales – Double-walled iso-polyester resin sumps (~100 gal. capacity) for the Amine Treater below-grade tank. Refer to Figure 1 for construction details.

Fiberglass below-grade tanks (~70 gal. capacity) for each of the below-grade tank installations except the Amine Treater below-grade tank. Refer to Figure 3 for construction details.

Installation

Refer to Figure 2 – Facility Plot Plan for the nine existing below-grade tank installation locations.

The table below identifies the wastes, quantities, and disposition of effluent that are collected in the existing below-grade tanks (sumps) and the disposition of the wastes.

Sump	Waste	Quantity	Disposition
Amine Treater	Diethanolamine Lube oil Rain water Wash down water	Incidental volume ¹ Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
C-4 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
C-5 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
C-8 Residue Compressor	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
Cryogenic Skid	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
Product Area	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
Propane Skid	Lube oil Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank
QBJ Compressor	Lube oil Rain water	Incidental volume ¹ Approx. 13 ³ /year ²	100 bbl aboveground tank
TEG Skid	TEG Rain water Wash down water	Incidental volume ¹ Approx. 13 ³ /year ² Approx. 20 gal/year	100 bbl aboveground tank

³ Incidental volume due to incidental leakage from process equipment.

⁴ Based upon average rainfall data for the Carlsbad area.

Duke Energy Field Services, LP
Carlsbad Gas Plant
Information for Existing Below-grade Tanks, *continued*

Maintenance

Plant personnel checks the levels of each of these below-grade tanks during each daily shift and empties the tanks as needed. Plant personnel also perform monthly inspections of the below-grade tanks to check the condition of the tank, piping and skid, ensure the drains are locked, check for standing water or any spills/leaks, condition of the pump. If any problems are noted, repairs will be made in the most expeditious manner possible.

Contingency Plan

In the event of a tank leak, the first on-site responder will contact emergency responders for containment and clean-up if necessary and the below-grade tank will be repaired in the most expeditious manner possible.

Figures

Figure 1. Below-grade tank construction and design details.

JERRY CO SALES - DOUBLE WALL TANK

CORROSION ISO POLYESTER RESIN (ACID RESISTANT)
APPROX 1/4" THICK PLUS ONE LAYER
FIBER GLASS CLOTH.

CAPACITIES

81.58 GAL (INNER TANK)
106.28 GAL (OUTER TANK)

(APPROX SIZES)

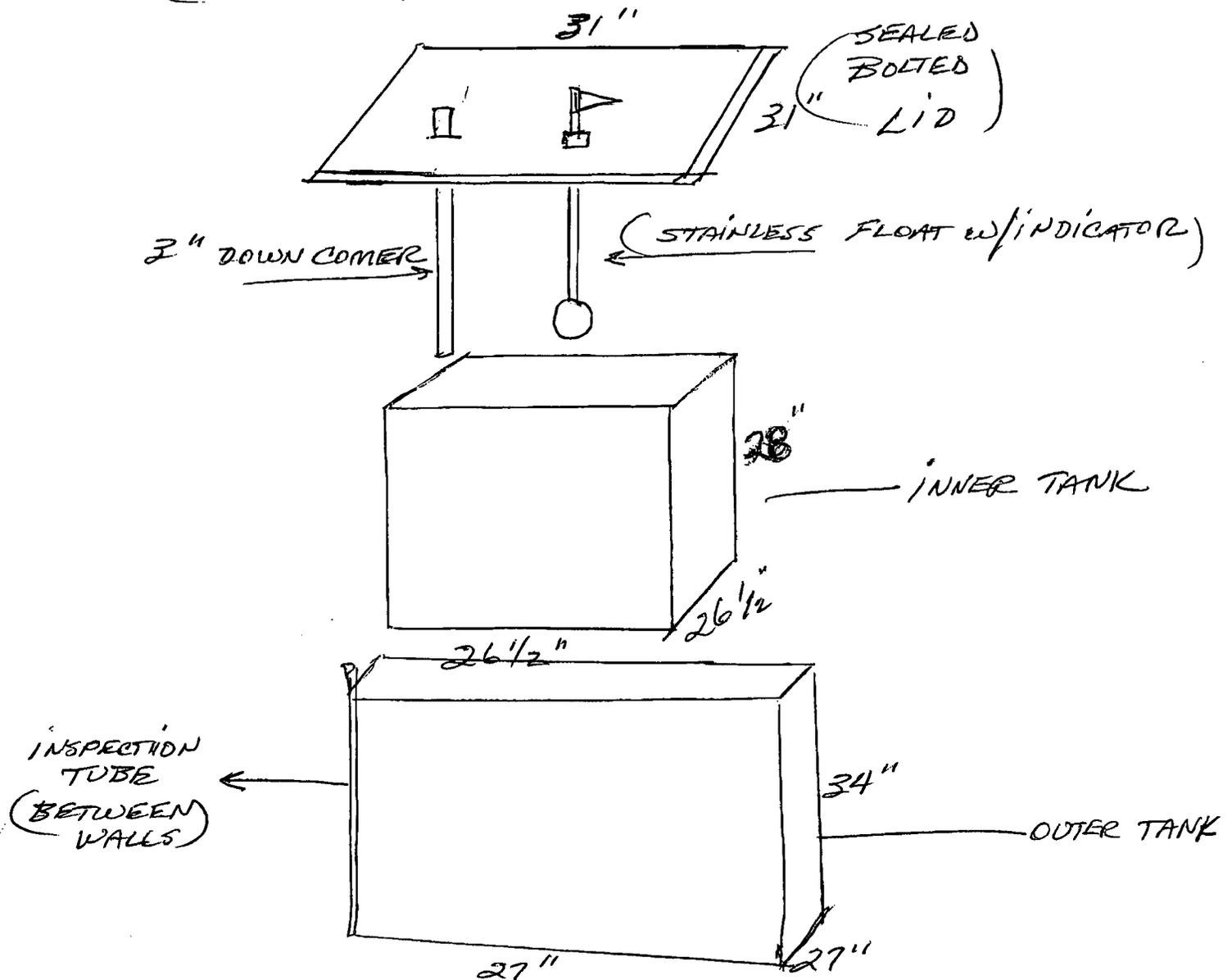


Figure 2. Facility Plot Plan.

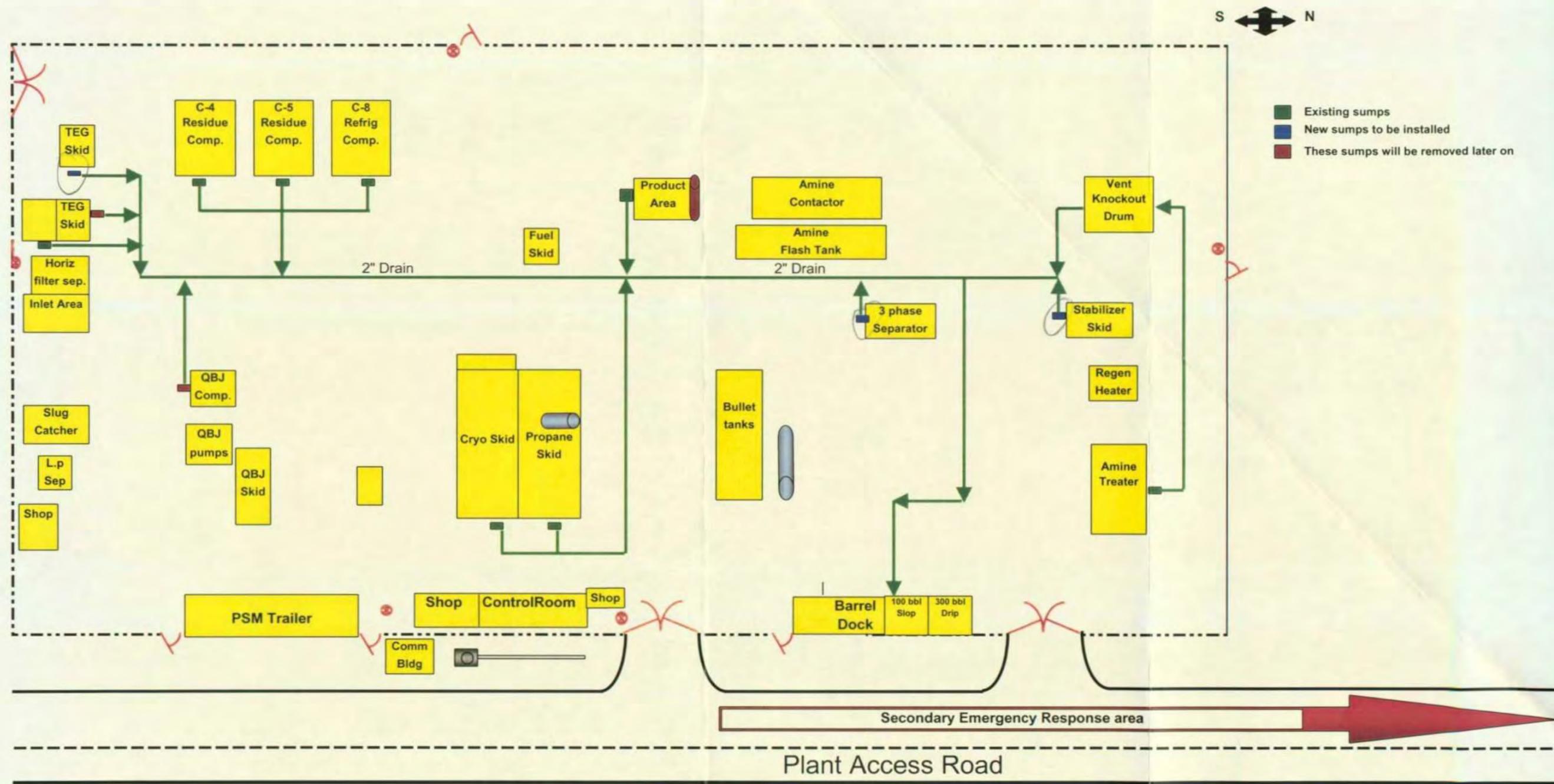
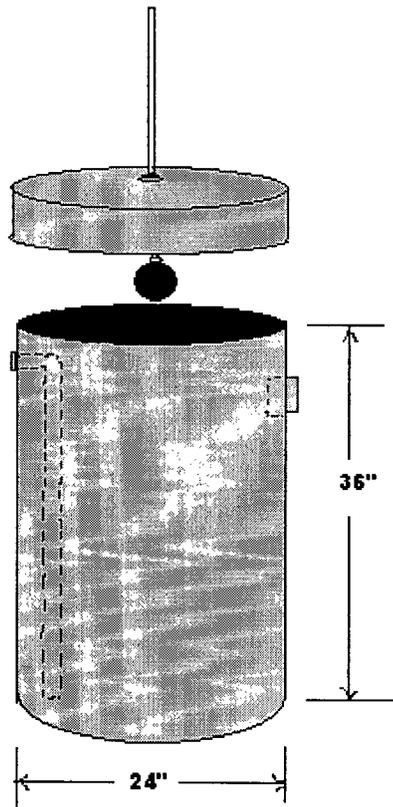


Figure 3. Existing below-grade tank construction and design details.



Below-grade tanks specifications:

- Fiberglass construction¹
- Snug fitting lids made of fiberglass²
- Floating level indicator
- 2" inlet
- 1" outlet
- Approximately 70 gallon capacity

- 1 Cryogenic and Propane Skid below-grade tanks are constructed of polyethylene.
- 2 Cryogenic and Propane Skid below-grade tanks have screw-on lids.

March 28, 2002

CERTIFIED MAIL
RETURN RECEIPT

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Check in the amount of \$4000.00 for the Carlsbad Gas Plant discharge plan flat fee;
- Signed copy of the Discharge Plan Approval Conditions for the Carlsbad Gas Plant; and
- Stormwater Run-Off Plan for the Carlsbad Gas Plant.

If you have any questions, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP



Karin Char
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2/26/02

or cash received on _____ in the amount of \$ 4,000.00

from Duke Energy Field Services

for Carlsbad G.P. GW-069

Submitted by: [Signature] Date: 2/3/02

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal

Modification _____ Other _____
(Specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE.

Duke Energy Field Services, LP P.O. Box 2401 Denver, CO 80219		THE CHASE MANHATTAN BANK System 200		TRAVEL
Vendor No. 11615	Check Date 2/26/02	Check Number [REDACTED]		Check Amount \$4,000.00

NOT NEGOTIABLE AFTER 120 DAYS

Pay Four thousand and no/100 Dollars

To the Order of NYED
Water Quality Management Fund
NM-Oil Conservation District
1220 South St Francis Drive

[Signature]
Authorized Signature

HOLD BETWEEN THUMB AND FOREFINGER. OR BREATHE ON COLORED BOX. COLOR WILL DISAPPEAR, THEN REAPPEAR.

Duke Energy Field Services, LP
P O Box 5493
Denver, CO 80217

Vendor Number
111615
Vendor Name
NMED-

Check Number
[REDACTED]
Check Date
2/26/02

Invoice Number	Invoice Date	Net Amount	Description
02-02	2/25/02	4,000.00	Accounts Payable Vouchers
	Total Paid	\$4,000.00	

Please Detach and Retain for Your Records



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

February 15, 2002

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 7495

Ms. Karin Char
Duke Energy Field Services, LP
P.O. Box 5493
Denver, Colorado 80217

RE: Discharge Plan Renewal Approval GW-069
Duke Energy Field Services, LP
Carlsbad Gas Plant
Eddy County, New Mexico

Dear Ms. Char:

The ground water discharge plan renewal GW-069 for the Duke Energy Field Services, LP Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy 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 days of receipt of this letter.**

The original discharge plan application was submitted on January 16, 1991 pursuant to Section 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan renewal application letter was submitted December 6, 2001 pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. 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 Duke Energy Field Services, LP 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.

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

5642 6226 4000 0447 1002
7001 1940 0000 3929 7495

OFFICIAL USE

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Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$3.19	2002

Santa Fe, NM
Postmark Here

Sent To
K. Char

Street, Apt. No., or PO Box No. **87505**
Duke

City, State, ZIP+4 **GW-069**

PS Form 3800, January 2001 See Reverse for Instructions

Ms. Karin Char
GW-069 Carlsbad Gas Plant
February 15, 2002
Page 2

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Duke Energy Field Services, LP 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 discharge plan is for a period of five years. This plan will expire on **April 29, 2007**, and Duke Energy Field Services, LP 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. Duke Energy Field Services, LP will submit a storm water run-off plan for approval by the OCD within six (6) months of the date of this approval letter for the Carlsbad Gas Plant if such plan has not been submitted.

The discharge plan application for the Duke Energy Field Services, LP Carlsbad Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a non-refundable fee equal to the filing fee of \$50. There is a flat fee assessed for natural gas processing plants equal to \$4,000.00. The OCD has received the filing fee.

**Please make all checks payable to: Water Management Quality Management Fund
C/o: Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505.**

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. 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
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-069
DUKE ENERGY FIELD SERVICES, LP
CARLSBAD GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(February 15, 2002)

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for natural gas processing plants equal to \$4,000.00. The 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. Duke Energy Field Services, LP Commitments: Duke Energy Field Services, LP will abide by all commitments submitted in the discharge plan renewal application letter dated December 6, 2001 and these conditions for approval.
3. 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. Methanol contaminated soils will be handled in the same manner as other contaminated soils as proposed in the renewal application.
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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
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 will be clearly labeled to identify their contents and other emergency notification information.
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 every 5 years. The permittee 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: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected by a Duke Energy Field Services, LP's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Artesia 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. Storm Water Plan: The facility will have an approved storm water run-off plan.

16. Closure: The OCD will be notified when operations of the Carlsbad Gas Plant are discontinued for a period in excess of six months. Prior to closure of the Carlsbad Gas Plant 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.
17. Certification: Duke Energy Field Services, LP, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Duke Energy Field Services, LP 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:

DUKE ENERGY FIELD SERVICES, LP

by _____
Title

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-069) – Duke Energy Field Services, LP, Mr. Harley Temple, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Carlsbad Gas Plant located in the SW/4 NE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any effluent generated is collected in a closed containment prior to disposal at an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 31 feet with total dissolved solids concentrations of approximately 4100 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above.

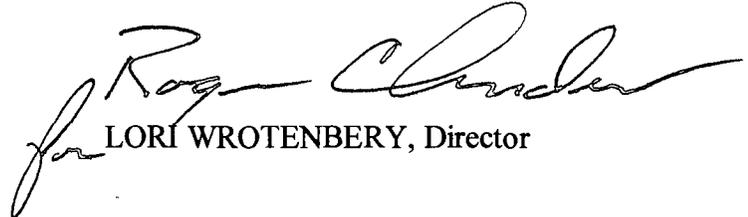
The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held.

A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


for LORI WROTENBERY, Director

SEAL

January 31, 2002

CERTIFIED MAIL
RETURN RECEIPT

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) requests to modify the discharge plan renewal application dated December 6, 2002 for the Carlsbad Gas Plant. DEFS would like to amend the renewal application to include on-site remediation of soil contaminated with methanol from incidental leakage from plant process equipment and spill events. Methanol contaminated soil will be handled in the same manner as soil contaminated with lube oil, condensate and triethylene glycol as described in the December 6, 2002 discharge plan renewal application.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP



Karin Char
Environmental Specialist

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

January 30, 2002

CERTIFIED MAIL
RETURN RECEIPT

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico

Dear Mr. Ford:

This letter is in response to your letter dated January 2, 2002 regarding the Carlsbad Gas Plant discharge plan renewal. Produced water is generated at a rate of 1 to 9 barrels per day dependent upon weather conditions and well-head equipment operations. The produced water is stored in the slop oil tank until transferred to Bird Creek Resources for disposal into their EPA approved injection well.

This information was not included in the discharge plan renewal application dated December 6, 2001 since the produced water is not disposed on-site at the Carlsbad Gas Plant.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP



Karin Char
Environmental Specialist

cc: NMOCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 2, 2002

CERTIFIED MAIL
RETURN RECEIPT 3929 7006

Mr. Harley Temple, Asset Manager
Duke Energy Field Services, LP
3300 N. A Street, Building 7
Midland, Texas 79705

RE: RENEWAL DISCHARGE APPLICATION
GW-069 CARLSBAD GAS PLANT

Dear Mr. Temple:

The New Mexico Oil Conservation Division (OCD) is in receipt of a discharge plan renewal application, dated December 6, 2001, for Duke Energy Field Services, LP's Carlsbad Gas Plant, GW-069. A preliminary review of the application indicates a deficiency of required information.

Prior application, dated July 24, 1997, indicated that produced water was generated at the rate of between 1 to 9 barrels/day, dependent upon weather conditions and well-head equipment operations. Produced water was stored in the slop oil tank until transferred to Bird Creek Resources for disposal into an EPA approved injection well. No information regarding produced water generated at the plant or the disposal of such water was included in the renewal application. Please clarify if the amount of produced water generated is still the same and the handling of such water is still in effect.

If you have any questions contact me at (505) 476-3489. Until such information is received the renewal application is considered administratively incomplete.

Sincerely:

W. Jack Ford, C.P.G.
Oil Conservation Division

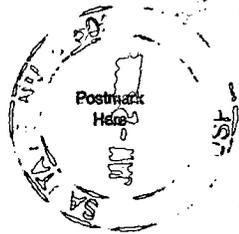
cc: Artesia OCD District Office

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**NOTICE OF PUBLICA-
TION
STATE OF NEW MEXICO
ENERGY, MINERALS
AND NATURAL RE-
SOURCE DEPARTMENT
OIL CONSERVATION DI-
VISION**

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440: (GW-069) - Duke Energy Field Services, LP, Mr. Harley Temple, 3300 N. A Street, Midland, Texas 79705, has submitted a discharge plan renewal application for their Carlsbad Gas Plant located in the SW/4 NE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any effluent generated is collected in a closed containment prior to disposal at an OCD approved disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 31 feet with total dissolved solids concentrations of approximately 4100 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information from the Oil Conservation Division and may submit written com-

ments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest. If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL
LORI WROTENBERY, Director
Legal #70842
Pub. January 21, 2002

1220 S. St. Francis
Santa Fe, NM 87505
Phone: 505-476-3492

**New Mexico Oil
Conservation
Division**

Fax

To: Artesia Daily Press, Barbara Boans **From:** Ed Martin

Fax: 505-746-8795 **Pages:** 2

Phone: 505-746-3524 **Date:** 1/15/2002

Re: Legal Notice **CC:** Jack Ford, Mary Anaya

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

Please publish the attached legal notice, one time only, on or before Wednesday, January 23, 2002.

After publication forward to this office:

Publisher's affidavit

Invoice. Our purchase order number is 02199000252

If you have any questions, phone me at (505) 476-3492.

Thank you.

NOTICE OF PUBLICATION

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

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GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

LORI WROTENBERY, Director

Ford, Jack

From: Martin, Ed
Sent: Tuesday, January 15, 2002 2:49 PM
To: Santa Fe New Mexican (E-mail)
Cc: Ford, Jack; Anaya, Mary
Subject: Legal Notices

Please publish the attached legal notices, one time only, on or before Wednesday, January 23, 2002.

After publication, forward to this office:

Publisher's affidavit
Invoice. Our purchase order number is **02199000249**

If you have any questions, please e-mail me or phone (505) 476-3492.

Thank you.



Publ. Notice
GW-069.doc



Publ. Notice
GW-092.doc

Ed Martin
New Mexico Oil Conservation Division
Environmental Bureau
1220 S. St. Francis
Santa Fe, NM 87505
Phone: (505) 476-3492
Fax: (505) 476-3471

Ford, Jack

From: Martin, Ed
Sent: Tuesday, January 15, 2002 2:53 PM
To: Bruce S. Garber; Chris Shuey; Colin Adams; Director, State Parks; Gerald R. Zimmerman; Jack A. Barnett; James Bearzi; Jay Lazarus; Lee Wilson & Associates; Marcy Leavitt; Mike Matush; Mike Schultz; Ned Kendrick; Regional Forester; Ron Dutton; Secretary, NMED
Cc: Ford, Jack
Subject: Discharge Plan Renewals



Publ. Notice
GW-069.doc



Publ. Notice
GW-092.doc

Ed Martin
New Mexico Oil Conservation Division
Environmental Bureau
1220 S. St. Francis
Santa Fe, NM 87505
Phone: (505) 476-3492
Fax: (505) 476-3471

Ford, Jack

To: Martin, Ed
Subject: Public Notice for GW-069



069PUB.DOC

NOTICE OF PUBLICATION

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

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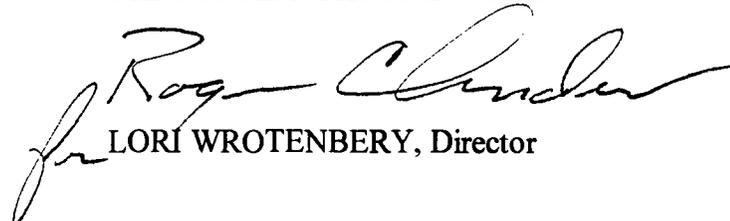
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A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 15th day of January, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY, Director

SEAL

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87504

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87504

Revised January 24, 2001

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: Carlsbad Gas Plant – On-site Remediation Biocell and Leach Field Operations
2. Operator: *See enclosed Discharge Plan.*
Address:
Contact Person: Phone:
3. Location: *See enclosed Discharge Plan.*
4. Attach the name, telephone number and address of the landowner of the facility site.
See enclosed Discharge Plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
See enclosed Discharge Plan.
6. Attach a description of all materials stored or used at the facility.
See enclosed Discharge Plan.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
See enclosed Discharge Plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
See enclosed Discharge Plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
See enclosed Discharge Plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
See enclosed Discharge Plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
See enclosed Discharge Plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
See enclosed Discharge Plan.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
See enclosed Discharge Plan.
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: Harley Temple

Title: Asset Manager

Signature: Harley Temple

Date: 12-6-01



A New Kind of Energy

**CARLSBAD GAS PLANT
DISCHARGE PLAN**

December 2001

Carlsbad Gas Plant
SW/4 NE/4 T 23S, R 28E, Section 10

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Plan for the Carlsbad Gas Plant On-site Remediation Biocell and Leach Field Operations, which were previously approved by NMOCD on November 6, 1997. This Discharge Plan application has been prepared in accordance with the NMOCD "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 (WQCC) regulations, 20.6.2.3-104 and 3-106 NMAC.

1 Type of Operation

On-site remediation biocell operations include the operation of three active biocells. There are eleven inactive biocells. The dimensions of each biocell is 20'L x 10'W x 1.5'D.

Leach field operations for onsite sewage septic system. No changes have been made to the leach field operations as previously approved by NMOCD.

2 Operator / Legally Responsible Party

Operator

Duke Energy Field Services, LP
3300 N. A Street, Building 7
Midland, TX 79705
(505) 628-0282
Contact Person: Harley Temple – Asset Manager

Legally Responsible Party

Duke Energy Field Services, LP
370 17th Street, Suite 900
Denver, CO 8020
(303) 595-3331
Contact Person: John Admire – Director, Environmental Protection

3 Location of Discharge / Facility

SW/4 NE/4 Section 10, Township 23S, Range 28E

See Figure 1 – Site Location Map.

4 Landowner

Duke Energy Field Services, LP
370 17th Street, Suite 900
Denver, CO 80202
(303) 595-3331

5 Facility Description

The facility fractionates and treats natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines.

The facility operates biocells to perform onsite remediation of soils contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events and a septic and leach field system to handle domestic sewage generated at the facility.

See Figure 2 – Facility Plot Plan for the location of the septic and leach field system and the biocell operations.

6 Materials Stored or Used

Micro-Blaze Emergency Liquid Spill Control which is used in the onsite biocell operation is not stored onsite. The contractor who maintains the biocells provides the Micro-Blaze Emergency Liquid Spill Control as part of their maintenance service.

7 Sources and Quantities of Effluent and Waste Solids

Table 1 identifies sources and quantities, quality and disposition of effluent and waste solids generated at the facility related to the remediation biocell and leach field operations at the facility.

Table 1
Effluent and Solid Waste Sources, Quantity, Quality

<i>Source</i>	<i>Waste/Quality</i>	<i>Quantity (gal/month unless otherwise specified)</i>	<i>Disposition</i>
Control Room	Sewage	155	Septic Tank
PSM Building	Sewage	75	Septic Tank
Plant Process Area	Hydrocarbon contaminated soil	~55	Biocells

Separators/Scrubbers

There are no separators or scrubbers involved in the remediation biocell and leach field operations at the facility.

Boilers and Cooling Towers/Fans

There are no boilers or cooling towers/fans involved in the remediation biocell and leach field operations at the facility.

Process and Storage Equipment Wash Down

Wash down is not generated from the remediation biocell and leach field operations at the facility.

Solvents/Degreasers

There is no solvent or degreasers used in the remediation biocell and leach field operations at the facility.

Spent Acids/Caustics

No spent acids or caustics are generated from remediation biocell and leach field operations at the facility.

Used Engine Coolants

Engine coolants are not used in the remediation biocell and leach field operations at the facility.

Waste Lubrication and Motor Oils

Lubrication and motor oils are not used in the remediation biocell and leach field operations at the facility.

Used Oil Filters

Used oil filters are not generated from the remediation biocell and leach field operations at the facility.

Solids and Sludges

Solids and sludges are not generated from the remediation biocell and leach field operations at the facility.

Painting Wastes

Painting wastes are not generated from the remediation biocell and leach field operations at the facility.

Sewage

Sewage is generated from the Operators Building and the PSM Building is routed to the septic tank and leach line system.

Lab Wastes

The facility is not equipped with a laboratory.

Other Liquids and Solid Wastes

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage

Soil contaminated with condensate, lube oil, and triethylene glycol from incidental leakage from plant process equipment and spill events is placed in the biocells for onsite remediation.

On-site Disposal

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Sewage collected in the septic tank is routed to the onsite leach line.

Off-site Disposal

Soil remediated in the onsite biocells is left in the biocells following the achievement of acceptable remediation levels. Thus, there is no offsite disposal of the soil remediated in the onsite biocells. Wastes are not removed from the leachfield system for offsite disposal.

9 Proposed Modifications

No proposed modifications.

10 Inspection, Maintenance, and Reporting

The onsite biocells are maintained by Environmental Plus, Inc. The active biocells are treated with Micro-Blaze Emergency Liquid Spill Control, cultivated, and sampled every 60 days. The following laboratory analyses are performed on the samples collected: TPH (GRO+DRO) – EPA Method 8015M, Benzene – EPA Method 8020/8260, Toluene – EPA Method 8020/8260, Ethyl Benzene – EPA Method 8020/8260, and Total Xylenes – EPA Method 8020/8260. Contaminated soils are treated to remediation action levels provided in NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993). When remediation levels are achieved, the soil is left in the biocells. The biocells are inspected at least once per quarter to check for weed growth and unauthorized placement of wastes in the biocells.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

The facility is manned 24-hours per day, 7-days per week. Facility inspections are performed once a month and plant rounds are made hourly. DEFS will respond to spills as outlined in the facility's SPCC plan (Refer to Appendix 1) and report spills and leaks according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

12 Site Characteristics

No Changes.

13 Additional Information

All unauthorized releases and discharges will be reported to the NMOCD in accordance with NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

FIGURES

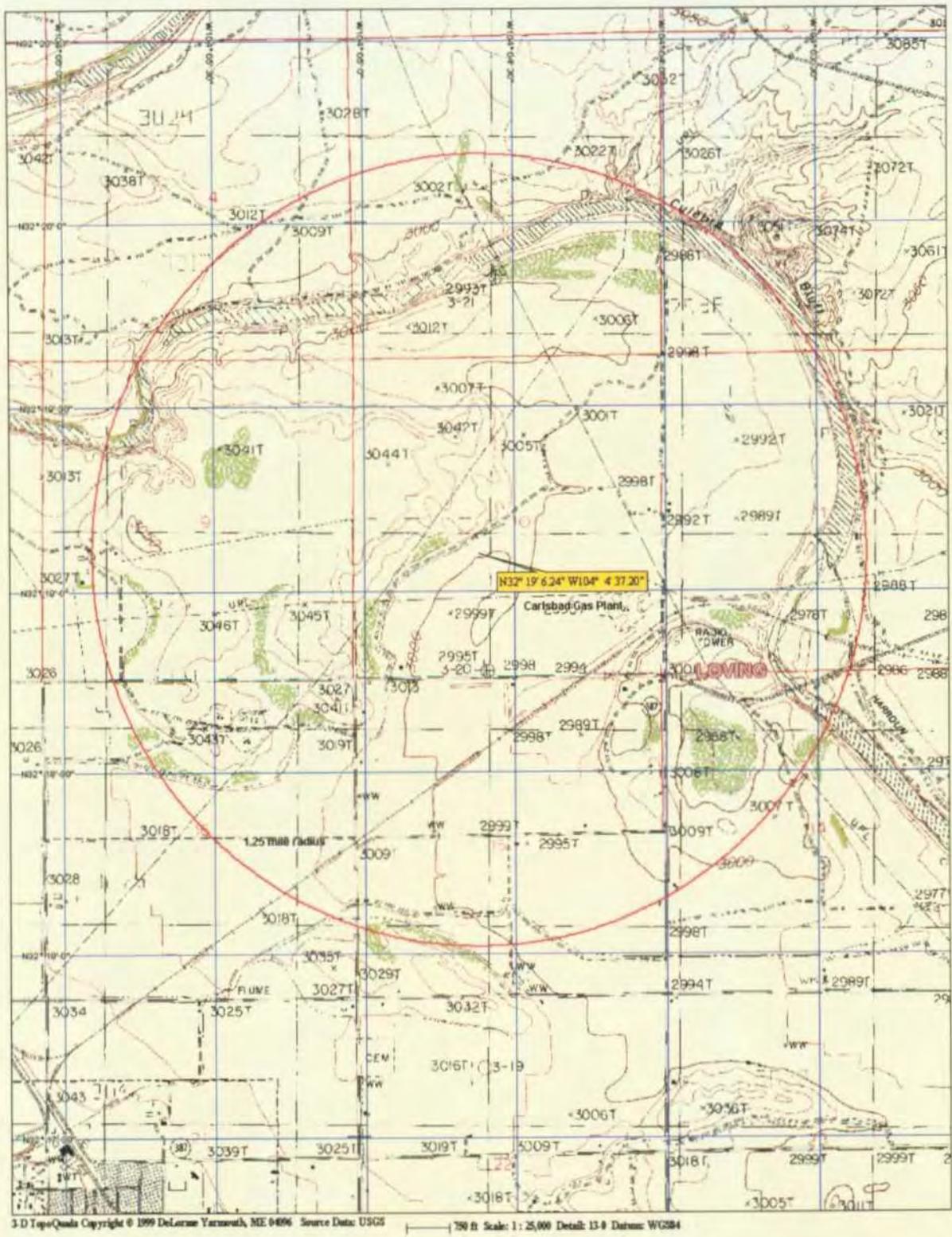


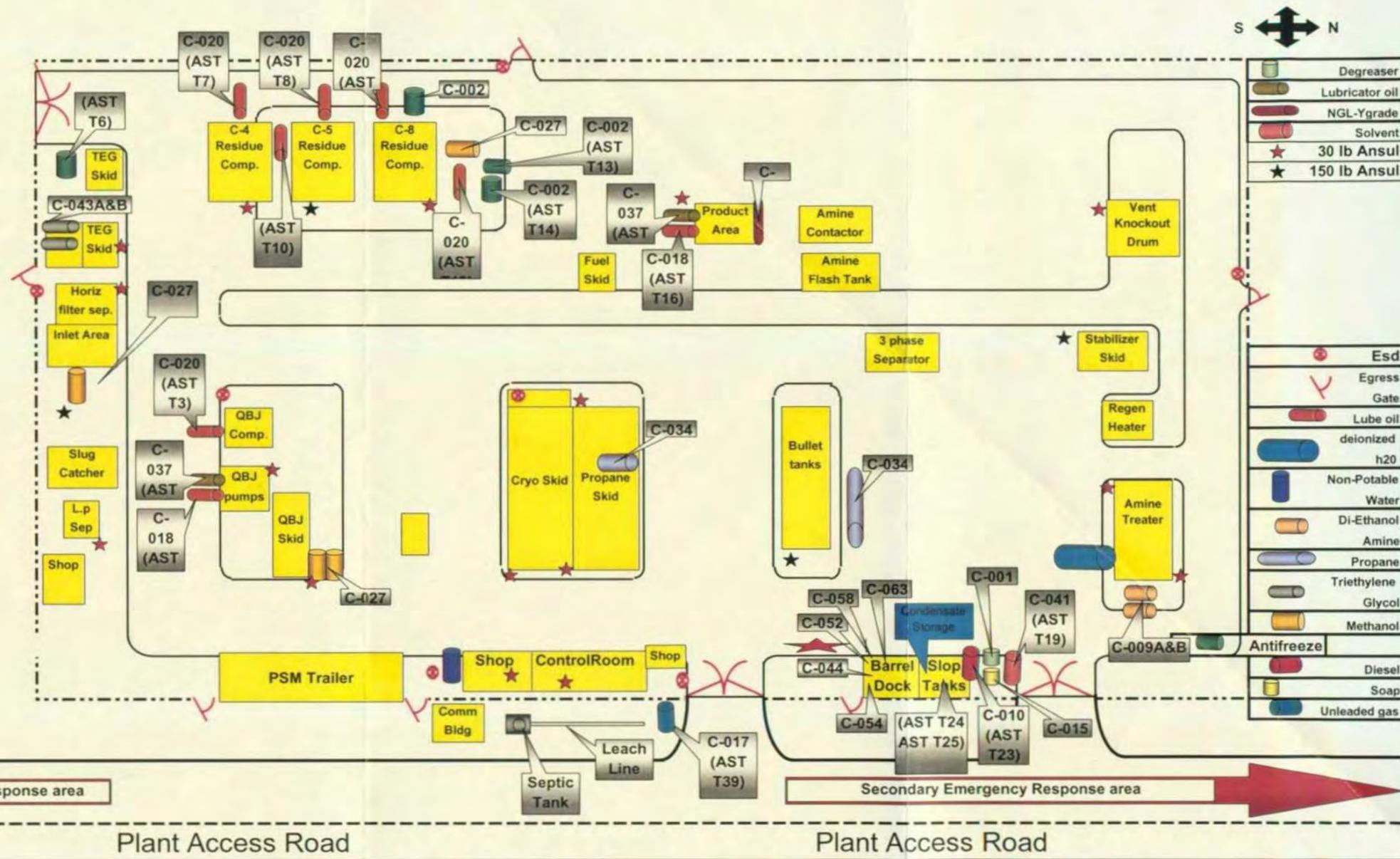
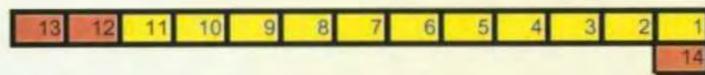
Figure 1. Site Location Map – Carlsbad Gas Plant.

Figure 2. Facility Plot Plan - Carlsbad Gas Plant

Bio Cells are located on the south side of the plant

Yellow Indicates cells that have been phased out.
 Orange indicates Cells that are active and being treated

Cells are 20 ft long x 10 ft wide and 18" in depth.



APPENDIX 1

**Carlsbad Gas Plant
SPCC Plan**



**SPILL PREVENTION, CONTROL,
AND
COUNTERMEASURE PLAN**

**CARLSBAD GAS PLANT
EDDY COUNTY, NEW MEXICO**

June 2000

Prepared for:

**Duke Energy Field Services, LLC
Carlsbad Gas Plant Office
260 Potash Mines Road
Loving, New Mexico 88250**

Prepared by:

**SECOR International, Inc.
4700 McMurry Drive Suite 101
Fort Collins, Colorado 80525**



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Figure 2	Site PlanSee Figures Section
Figure 3	Site PhotographsSee Figures Section

1.0 INTRODUCTION

Duke Energy Field Services, LLC (Duke Energy) has prepared this Spill Prevention, Control, and Countermeasure (SPCC) Plan for the Carlsbad Gas Plant located in Eddy County, New Mexico to comply with the Oil Pollution Prevention Regulation (40 CFR Section 112) issued under Section 311 of the Clean Water Act. This SPCC Plan was prepared in accordance with good engineering practices and has the approval of Duke Energy management at a level having the authority to commit the resources necessary to comply with SPCC and New Mexico spill prevention regulations.

This SPCC Plan follows the format outlined in the regulations and includes specific contingencies and operating procedures to be implemented in case of a release. Original copies of this plan must be maintained at the facility or the nearest field office. In addition, this plan will be kept at Duke Energy's corporate office in Denver, Colorado.

Duke Energy will complete a review and evaluation of this SPCC Plan within six months of facility design, construction, operation, or maintenance changes at the Carlsbad Gas Plant, and at least once every three years. Based on the review, Duke Energy will update this SPCC Plan as necessary.

2.0 GENERAL FACILITY INFORMATION

2.1 Name and Address of Owner/Operator

Duke Energy Field Services, LLC
370 17th Street
Denver, Colorado 80202

Duke Energy Field Services, LLC
Carlsbad Gas Plant
260 Potash Mines Road
Loving, New Mexico 88250

2.2 Facility Description

The function of the Carlsbad Gas Plant is to fractionate and treat natural gas to meet market requirements. Process equipment used on site includes turbo expanders, separators, amine contactors and reboilers, glycol dehydrators and reboilers, and compressor engines. SPCC-regulated equipment owned by Duke Energy consists of aboveground storage tanks (ASTs). Liquids stored in these ASTs are delivered or removed from the facility by tanker truck. The facility has a Standard Industrial Classification (SIC) code of 1321.

2.3 Location of Facility

The Carlsbad Gas Plant is approximately 12 miles southeast of Carlsbad and four miles northeast of Loving, New Mexico, in Eddy County. The facility is located in southeast New Mexico at latitude 32.3184° N and longitude 104.0770° W. A site location map is provided as Figure 1.

2.4 Materials Used, Stored, or Handled at this Facility

Condensate, lube oil, diesel, varsol, and unleaded gasoline are stored or handled at this facility. These products are hydrocarbon liquids classified as a petroleum, oil, or lubricant (POLs). Dehy drip water may contain small amounts of POL and is therefore SPCC-regulated. The average daily storage of condensate at the Carlsbad Gas Plant is approximately 1,100 barrels, with a daily

throughput of approximately 75 barrels. The average daily storage of lube oil is approximately 1,000 gallons, with a daily throughput of approximately 10 gallons.

Methanol, glycol, amine, soap, water, and biodegradable degreaser are also stored on site. SPCC regulations do not apply to these non-POLs.

2.5 Surface Water in Area Proximity

The Pecos River is approximately 0.75 miles north and east of the site. This river flows in a southerly direction. Figures 1 and 2 depict the local topography and site layout.

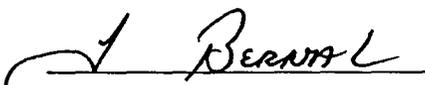
2.6 Designated Person Accountable for Spill Prevention

The Plant Foreman is responsible for implementation of the SPCC Plan. The Plant Foreman with responsibility for the Carlsbad Gas Plant is:

Mr. Tom Bernal
Plant Foreman
Duke Energy Field Services, LLC
Carlsbad Gas Plant
260 Potash Mines Road
Loving, New Mexico 88250
Office Phone: (505) 745-3407
Mobile Phone: (505) 390-2790
Pager: (505) 339-1464

2.7 Management Approval

Management approval has been extended at a level having authority to commit the necessary resources to implement this Spill Prevention, Control, and Countermeasure (SPCC) Plan. This SPCC Plan will be implemented as herein described.

Signature: 
Name: Tom Bernal
Title: Plant Foreman

Date: 7/14/00

2.8 Professional Engineer Certification

I hereby certify that I have supervised the evaluation of the facility, and being familiar with the provisions of 40 CFR 112 attest that this SPCC plan has been prepared in accordance with the aforementioned regulations and good engineering practices.

Disclaimer:

As described within the text of this SPCC Plan, there are oil product storage, handling, and usage areas at the facility where spill containment structures and other spill prevention devices are not in place, or are not adequate. It is Duke Energy's responsibility to implement quick and effective action to prevent adverse effects on human health and the environment from any spill event, and to install effective spill containment structures where feasible.

Included as Appendix D are the action items recommended to meet current SPCC compliance standards at this facility.

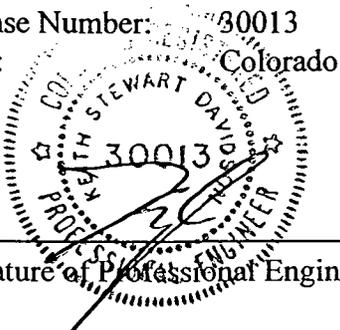
This SPCC Plan is based on fieldwork conducted by SECOR on June 4, 1999 and information provided by Duke Energy on or before March 23, 2000.

Keith S. Davidson, P.E.
Name of Professional Engineer

License Number: 30013
State: Colorado
Seal:

Signature of Professional Engineer

Date



6-2000

3.0 SPILL PREVENTION, CONTROL, AND COUNTERMEASURE PLAN

This SPCC Plan is organized as specified in 40 CFR 112, and includes a discussion of the facility's conformance with the appropriate guidelines listed.

3.1 Spill History Within Last 12 Months

No spill event has been reported for this site during the past twelve months.

3.2 Potential Discharges

The Carlsbad Gas Plant has ASTs that are regulated under SPCC requirements (refer to Table 1). On-site storage locations and drainage pathways away from the storage facilities are identified on Figure 2. The off-site surface water drainage pathways are shown on Figure 1. If an on-site release were to occur, it would most likely flow away from the facility to the east or west, and the rate of flow would depend on the quantity released. Potential spill scenarios for each individual tank are summarized in Table 1. Potential discharges of POL from the site that may impact navigable waterways include tank overfills, tank ruptures, pipe ruptures, pipe leaks, and loadout accidents.

3.3 Containment and/or Diversionary Structures

A summary of the secondary containment information is presented in Table 2. Field measurements and volume calculations for the secondary containment structure are provided in Appendix A. Photographs of the tanks are provided in Figure 3.

TABLE 1
POTENTIAL SPILL SCENARIOS - PREDICTIONS AND CONTROL
 Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

Source	Major Type of Failure	Rate of Release	Direction of Off-Site Flow (spill path)	Secondary Containment / Diversionary Structures	Comments (impact to surface water)
AST T1 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm A (See Table 2)	Secondary containment would likely prevent surface water impacts
AST T2 340 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm B (See Table 2)	
AST T3 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm C (See Table 2)	
AST T6 80 gal Dehydration Drip	Catastrophic	Instantaneous	South then east	Berm D (See Table 2)	
AST T7 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm E (See Table 2)	
AST T8 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm F (See Table 2)	
AST T9 500 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm G (See Table 2)	
AST T10 580 gal Used Oil	Catastrophic	Instantaneous	South then east	Berm H (See Table 2)	

TABLE 1 - Continued
POTENTIAL SPILL SCENARIOS - PREDICTIONS AND CONTROL
 Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

Source	Major Type of Failure	Rate of Release	Direction of Off-Site Flow (spill path)	Secondary Containment / Diversionary Structures	Comments (impact to surface water)
AST T12 500 gal Lube Oil (Out-of-service)	Catastrophic	Instantaneous	South then east	Berm I (See Table 2)	Secondary containment would likely prevent surface water impacts
AST T15 340 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm J (See Table 2)	
AST T16 300 gal Lube Oil	Catastrophic	Instantaneous	South then east	Berm K (See Table 2)	
AST T19 500 gal Varsol	Catastrophic	Instantaneous	South then east	Berm M (See Table 2)	Insufficient secondary containment may allow surface water impacts
AST T23 340 gal Diesel	Catastrophic	Instantaneous	South then east	Berm L (See Table 2)	Secondary containment would likely prevent surface impacts
AST T24 300 bbl Condensate	Catastrophic	Instantaneous	South then east		
AST T25 110 bbl Condensate	Catastrophic	Instantaneous	South then east		
AST T39 500 gal Unleaded Gasoline	Catastrophic	Instantaneous	South then east	Berm N (See Table 2)	

TABLE 2
STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION
 Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T1	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm A Corrugated steel	19 bbl (160% of the tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River.
AST T2	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal), 37 inches diameter by 74 inches long	Berm B Corrugated steel	19 bbl (232% of the tank volume)	
AST T3	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches ong	Berm C Corrugated steel	19 bbl (160% of the tank volume)	
AST T6	Dehydration Drip	Single-wall, corrugated steel (vertical), no tag	2 bbl (80 gal), 2 feet in diameter by 41 inches high	Berm D Corrugated steel	8 bbl, (244% of the tank volume)	
AST T7	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm E Corrugated steel	19 bbl (160% of the tank volume)	
AST T8	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal), 45 inches diameter by 74 inches long	Berm F Corrugated steel	19 bbl (160% of the tank volume)	

TABLE 2 - Continued
STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION
Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Carlsbad Gas Plant
Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T9	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm G Corrugated steel	19 bbl (160% of the tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River.
AST T10	Used Oil	Single-wall, welded steel (horizontal, elevated), no tag	13.8 bbl (580 gal) 42 inches diameter by 97 inches long	Berm H Concrete	343 bbl (2,477% of the tank volume)	
AST T12	Lube Oil (Out of service)	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm I Concrete	27 bbl (227% of the tank volume)	
AST T15	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal) 37 inches diameter by 74 inches long	Berm J Corrugated steel	19 bbl (232% of the tank volume)	
AST T16	Lube Oil	Single-wall, welded steel (horizontal, elevated), no tag	7.3 bbl (300 gal) 38 inches diameter by 62 inches long	Berm K Corrugated steel	19 bbl (262% of the tank volume)	
AST T19	Varsol	Single-wall, welded steel (horizontal, elevated), no tag	12.1 bbl (500 gal)	Berm M Corrugated Steel	13 bbl (109% of the tank volume)	
AST T23	Diesel	Single-wall, welded steel (horizontal, elevated), no tag	8.2 bbl (340 gal) 37 inches diameter by 74 inches long	Berm L Concrete	668 bbl (223% of the largest tank volume)	
AST T24	Condensate	Single wall, welded steel (vertical fixed roof), Palmer, 1921F, 1996	300 bbl 12 feet in diameter by 15 feet high			

TABLE 2 - Continued
STORAGE TANK AND SECONDARY CONTAINMENT INFORMATION
 Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

Tank ID	Tank Contents	Tank Construction Material	Tank Capacity	Secondary Containment Structure	Secondary Containment Capacity	Direction of Flow
AST T25	Condensate	Single-wall, welded steel (vertical fixed roof), Permian, 25682, 1991	110 bbl 8 feet in diameter by 12 feet high	Berm L Concrete	668 bbl (223% of the largest tank volume)	A discharge migrating beyond containment would flow south then east toward the Pecos River.
AST T39	Unleaded Gasoline	Single-wall, welded steel (horizontal, elevated), no tag	12 bbl (500 gal) 45 inches diameter by 74 inches long	Berm N Corrugated Steel	14 bbl (117% of the tank volume)	

Lube Oil AST T1 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm A). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T1. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T2 (340 gal), is surrounded by a corrugated sheet metal containment berm (Berm B). The secondary containment capacity is approximately 19 bbl, or 232 percent of the volume of AST T2. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T3 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm C). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T3. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Dehy Drip Water AST T6 (80 gal), is surrounded by a corrugated sheet metal containment berm (Berm D). The secondary containment capacity is approximately 8 bbl, or 244 percent of the volume of AST T6. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T7 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm E). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T7. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T8 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm F). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T8. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T9 (500 gal), is surrounded by a corrugated sheet metal containment berm (Berm G). The secondary containment capacity is approximately 19 bbl, or 160 percent of the volume of AST T9. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Used Oil AST T10 (580 gal), is surrounded by a concrete containment berm (Berm H). The secondary containment capacity is approximately 343 bbl, or 2,477 percent of the volume of AST T10. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T12 (500 gal), is surrounded by a concrete containment berm (Berm I). The secondary containment capacity is approximately 27 bbl, or 227 percent of the volume of AST T12. This berm is in good condition and meets the SPCC volume requirements for secondary containment. This AST is out of service.

Lube Oil AST T15 (340 gal), is surrounded by a corrugated sheet metal containment berm (Berm J). The secondary containment capacity is approximately 19 bbl, or 232 percent of the volume of AST T15. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this regulated tank would likely be contained.

Lube Oil AST T16 (300 gal), is surrounded by a corrugated sheet metal containment berm (Berm K). The secondary containment capacity is approximately 19 bbl, or 262 percent of the volume of AST T16. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released this regulated tank would likely be contained.

Varsol AST T19 (500 gal) is surrounded by a corrugated steel containment berm (Berm M). The secondary containment capacity is approximately 13 bbl, or 109 percent of the volume of AST T19. This berm is in good condition. Under these conditions, POLs released from this tank may not be contained (see recommendations in Appendix D).

Diesel AST T23 (340 gal), Condensate AST T24 (300 bbl), and Condensate AST T25 (110 bbl) are surrounded by a common concrete containment berm (Berm L). The secondary containment capacity is approximately 668 bbl, or 223 percent of the volume of the largest tank (AST T24). This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from either of these regulated tanks would likely be contained.

Unleaded Gasoline AST T39 (500 gal) is surrounded by a corrugated steel containment berm (Berm N). The secondary containment capacity is approximately 14 bbl, or 117 percent of the volume of AST T39. This berm is in good condition and meets the SPCC volume requirements for secondary containment. Under these conditions, POLs released from this tank would likely be contained.

3.4 Contingency Plan if Containment and/or Diversionary Structures Are Not Available

To reduce the likelihood of POL discharged by tank or piping failures from reaching navigable waters, an oil spill contingency plan is in practice and spill response materials are kept on-site.

Spill response equipment such as sorbent, shovels, disposal drums, etc. will be maintained on-site to enable personnel to respond to limited spills. The Plant Foreman, Mr. Tom Bernal, is responsible for spill mitigation programs. The first on-site responder will contact emergency responders and hazardous materials responders for containment and cleanup, if necessary (see Appendix C for emergency contacts).

The Plant Foreman will evaluate the situation to establish the personnel, materials, and equipment required for making repairs and cleaning the release area. The response team will initiate, support, or completely implement the spill response activities. The degree of involvement from internal personnel will depend on the magnitude of the release.

Once a site inspection has verified a release of a reportable quantity or any quantity that has reached a waterway, the spill will be reported to the appropriate governmental agency following the notification details presented in Appendix C. Potential response personnel who may be utilized in the event of an off-site release or other site emergency are also identified in Appendix C.

3.5 Facility Conformance

In addition to the minimal prevention standards listed under 40 CFR 112.7(c) (Section 3.3 of this Plan), a discussion of conformance with the applicable guidelines listed in 40 CFR 112.7(e) are discussed below.

3.5.1 Facility Drainage

Rainwater collected inside containment structures is typically lost through evaporation, pumped out by a contractor, or emptied through a manual valve after the absence of POL has been confirmed. Based on field observations, drainage within the site is to the east and west and drainage away from the site is to the south then east.

3.5.2 Bulk Storage Tanks

Bulk storage tanks are used for purposes including, but not limited to, the storage of POL prior to use, while being used, or prior to further distribution in commerce. The in-service bulk storage tanks are listed in Table 2. The tanks are constructed of welded steel or fiberglass, and are compatible with the materials stored. The steel tanks are painted to reduce rust and corrosion.

Tanks must be fail-safe engineered to prevent spills, as practical. In lieu of installing high level sensors to prevent over-filling of regulated tanks, field personnel check the tank levels routinely. Tank level data are recorded on a gauge report and kept on file at the Carlsbad Gas Plant office.

In addition, the storage tanks are scheduled to be:

1. Visually inspected by Duke Energy personnel during routine operational rounds, and
2. Visually inspected annually by Duke Energy personnel when completing reports regarding review of tank gauging, secondary containment, truck loading area, aboveground piping, and cathodic readings. Inspection records are maintained at the Carlsbad office for a minimum of three years. A Tank and Berm Inspection Checklist is provided in Appendix B.

Visible leaks that result in a loss of POL from tank seams, gaskets, rivets and bolts sufficiently large to cause the accumulation of POL will be promptly corrected.

3.5.3 Facility Transfer Operations, Pumping, and In-Plant Processes

Buried flow lines are wrapped and grounded. Piping not in service or in standby service for six months or more is capped or blank-flanged and marked as to origin. Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction.

Pipes, valves, and fittings are painted to provide corrosion protection and facilitate detection of leaks. Aboveground pipes, valves, and fittings are inspected during daily routine operations for damage and leaks. An inspection checklist (see Appendix B) is filled out each year and kept on file at the Carlsbad office for a minimum of three years.

The roadways at the Carlsbad Gas Plant are engineered to physically direct traffic away from any potential areas where piping, pumps, and tanks could be damaged from collision.

3.5.4 Facility Tank Car and Tank Truck Loading/Unloading Rack

Based on the local topography and distance to navigable waterways, a release from the truck loading area would not likely impact surface waters. In addition, an oil spill contingency plan is in effect. Drivers must observe loading and unloading operations at all times to prevent accidental spills. Drains and outlets on company trucks are inspected prior to loading and unloading for evidence of leaks.

3.5.5 Inspections and Records

Site personnel visually inspect the ASTs for obvious leaks and cracks as they perform their routine duties. Annual facility inspections are recorded on forms and kept on file at the Carlsbad Gas Plant office for a minimum of three years. As mentioned previously, a copy of the Tank and Berm Inspection Checklist is provided in Appendix B.

3.5.6 Security

The site is in a rural area, with access from Highway 31. Lighting is provided for the facility. A chain link fence surrounds the site, and gates are kept locked when the plant is unattended. Loadout valves are kept locked when not in use by authorized personnel.

3.5.7 Personnel, Training, and Spill Prevention Procedures

The personnel operating the facility are instructed on job responsibilities and duties. Operators also receive safety training. They are under the direct supervision of the Plant Foreman, who is responsible for establishing daily performance and duty guidelines. Scheduled meetings address safety procedures and other pertinent job responsibility criteria. The operators conduct spill prevention briefings yearly to assure adequate understanding of this SPCC Plan.

The Plant Foreman will notify the appropriate outside parties in case of a release. These parties may include, but are not limited to, federal, state, and local government agencies, as well as public safety personnel, listed in Appendix C. Also listed in this Appendix are emergency (fire and police), medical (hospital and transportation), and contractor contacts. The assistance of these personnel can be used to minimize public exposure to the hazard, evacuate the public, control traffic, assist in fire control, and provide emergency medical care.

4.0 CERTIFICATION OF THE APPLICABILITY OF THE SUBSTANTIAL HARM CRITERIA'

The following page contains the Certification of the Applicability of the Substantial Harm
Criteria Checklist for the Carlsbad Gas Plant, as found in 40 CFR 112 Attachment C-II.

**CERTIFICATION OF THE APPLICABILITY
OF THE SUBSTANTIAL HARM CRITERIA CHECKLIST**
[ref. 40 CFR 112 Attachment C-II]

FACILITY NAME: Carlsbad Gas Plant

FACILITY ADDRESS: Eddy County, New Mexico

1. Does the facility transfer oil over water to or from vessels **and** does the facility have a total oil storage capacity greater than or equal to 42,000 gallons?

Yes _____ No X

2. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** does the facility lack secondary containment that is sufficiently large to contain the capacity of the largest aboveground oil storage tank plus sufficient freeboard to allow for precipitation within any aboveground oil storage tank area?

Yes _____ No X

3. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula in Attachment C-III Appendix C, 40 CFR 112 or a comparable formula¹) such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments? For further description of fish and wildlife and sensitive environments, see Appendices I, II, and III to DOC/NOAA's "Guidance for Facility and Vessel Response Plans" (section 10, Appendix E, 40 CFR Part 112 for availability) and the applicable Area Contingency Plan.

Yes _____ No X

4. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** is the facility located at a distance (calculated using the appropriate formula (Attachment C-III, Appendix C, 40 CFR 112 or a comparable formula¹) such that a discharge from the facility would shut down a public drinking water intake²?

Yes _____ No X

5. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons **and** has the facility experienced a reportable oil spill in an amount greater than or equal to 10,000 gallons within the last 5 years?

Yes _____ No X

CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals responsible for obtaining this information, I believe that the submitted information is true, accurate, and complete.

Tom Bernal
Name (please type or print)

Tom Bernal
Signature

Title Plant Foreman

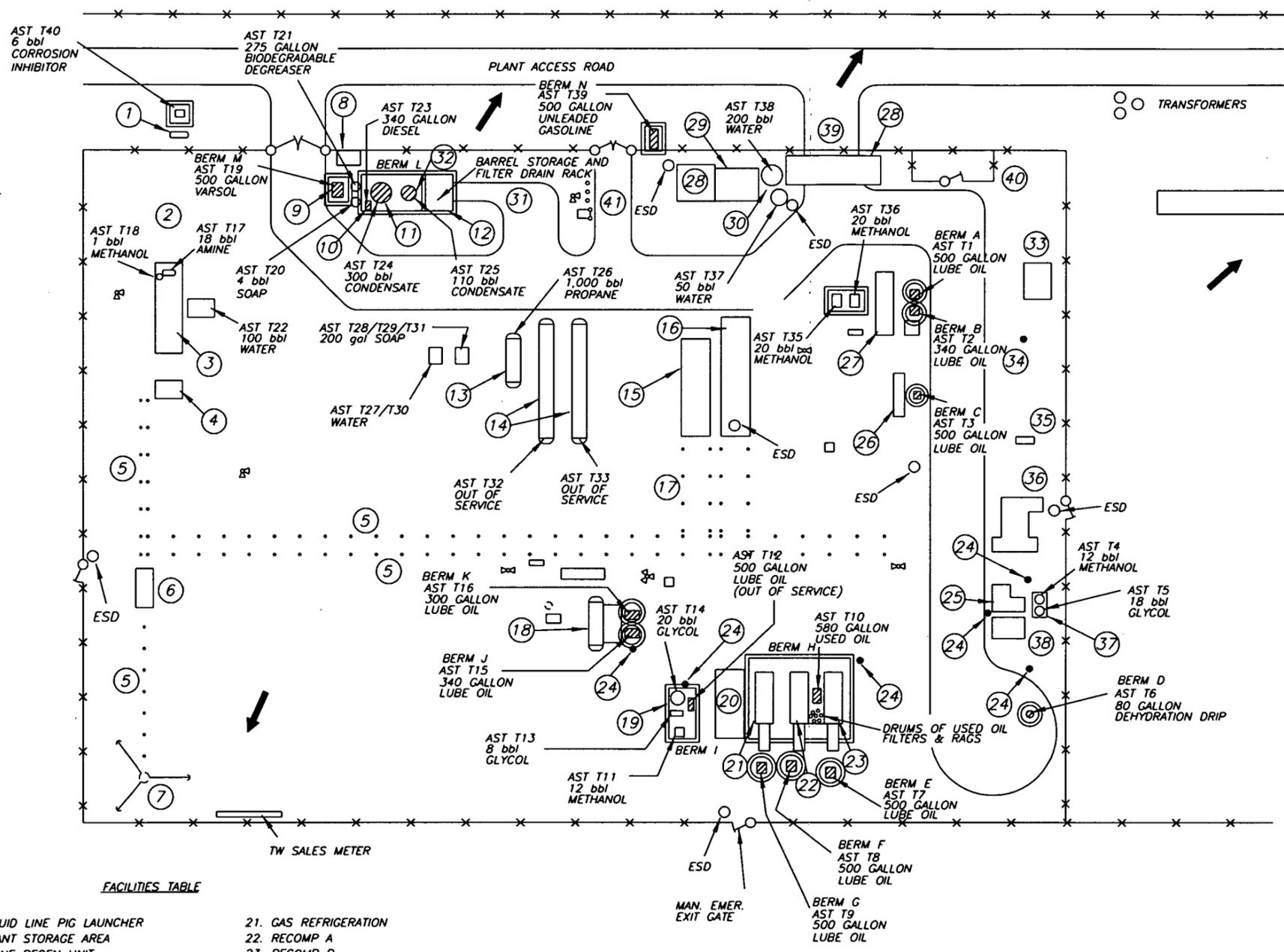
Date 7/14/00

¹ If a comparable formula is used, documentation of the reliability and analytical soundness of the comparable formula must be attached to this form.
² For the purposes of 40 CFR Part 112, public drinking water intakes are analogous to public water systems as described at 40 CFR 143.2(c).

FIGURES

- FIGURE 1 SITE LOCATION**
FIGURE 2 SITE PLAN
FIGURE 3 SITE PHOTOGRAPHS

FIGURE 2 SITE PLAN



FACILITIES TABLE

- | | |
|-----------------------------|---------------------------------|
| 1. LIQUID LINE PIG LAUNCHER | 21. GAS REFRIGERATION |
| 2. PLANT STORAGE AREA | 22. RECOMP A |
| 3. AMINE REGEN UNIT | 23. RECOMP B |
| 4. REGEN HEATER | 24. SUMP |
| 5. LOW LINE PIPE RACK | 25. TEC UNIT/GLYCOL UNIT |
| 6. VENT KNOCKOUT DRUM | 26. OBJ REFRIGERANT COMPRESSION |
| 7. VENT STACK (NO FLARE) | 27. OBJ PLANT |
| 8. VAPOUR RECOVERY UNIT | 28. OFFICE |
| 9. OIL TANK | 29. SHOP |
| 10. DIESEL TANK | 30. WATER TANK |
| 11. CONDENSATE TANK | 31. CONDENSATE OFF-LOADING AREA |
| 12. BARREL STORAGE | 32. SLOP OIL TANK |
| 13. PROPANE STORAGE | 33. STORAGE SHED |
| 14. STORAGE TANKS | 34. INLET SEPARATOR |
| 15. REFRIGERATION SKID | 35. PIG RECEIVER |
| 16. PROCESS SKID | 36. HP INLET AREA |
| 17. HIGH PIPE RACK | 37. BERM/TWO TANKS |
| 18. AMINE CONTACTOR | 38. LINE HEATER |
| 19. TANKS | 39. EMERGENCY CONTROL CENTER |
| 20. CASING GAS | 40. ELECTRICAL AREA |
| | 41. LOADING RACK |

LEGEND

- SURFACE WATER FLOW DIRECTION
- SECONDARY CONTAINMENT BERM
- ABOVEGROUND STORAGE TANK (AST) OR DRUM
- ▨ SPCC-REGULATED AST OR DRUM

E
N — S
W

0 25 50 100
APPROXIMATE SCALE IN FEET

PREPARED BY:
SECOR INTERNATIONAL INCORPORATED

SECOR

4700 McMurry Drive
Suite 101
Fort Collins, CO 80525

PREPARED FOR:
**Duke Energy®
Field Services**

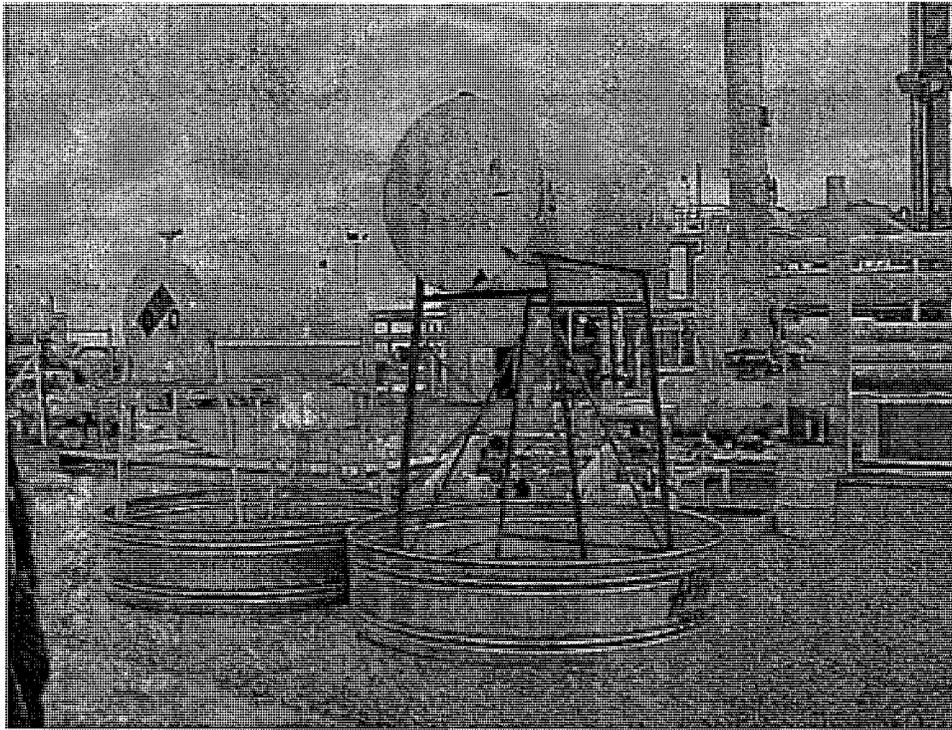
CARLSBAD GAS PLANT
EDDY COUNTY, NEW MEXICO

SPILL PREVENTION, CONTROL,
AND COUNTERMEASURE PLAN
SITE PLAN

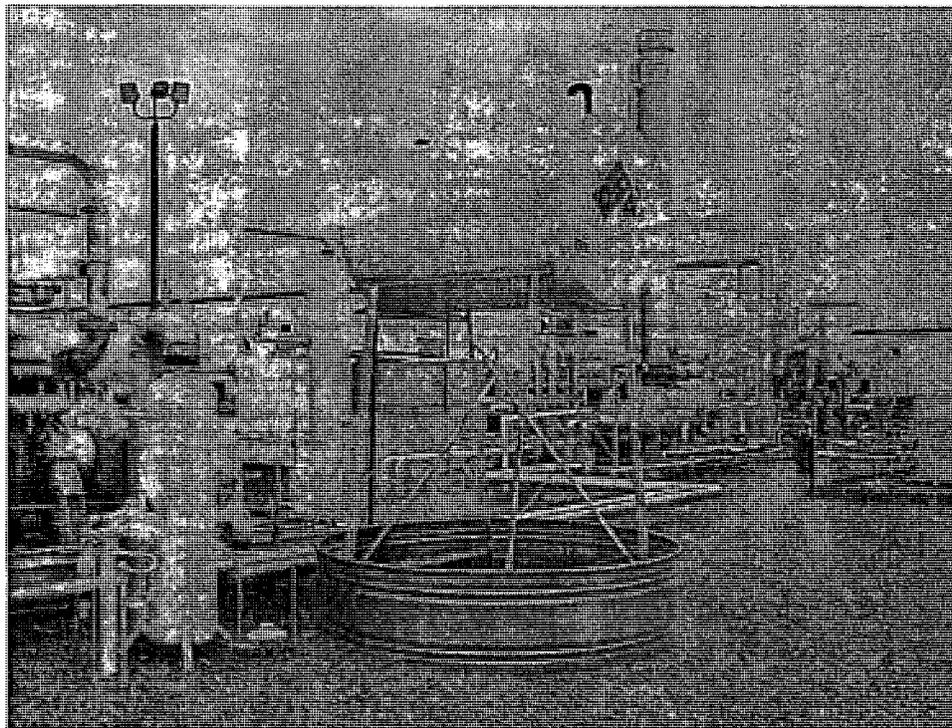
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DATE: 06/14/00	ACAD FILE: CarlsbadGP	
PROJECT NO.: 012.06595.002	PLOT SCALE: 1" = 50'	

Figure 2

FIGURE 3: SITE PHOTOGRAPHS

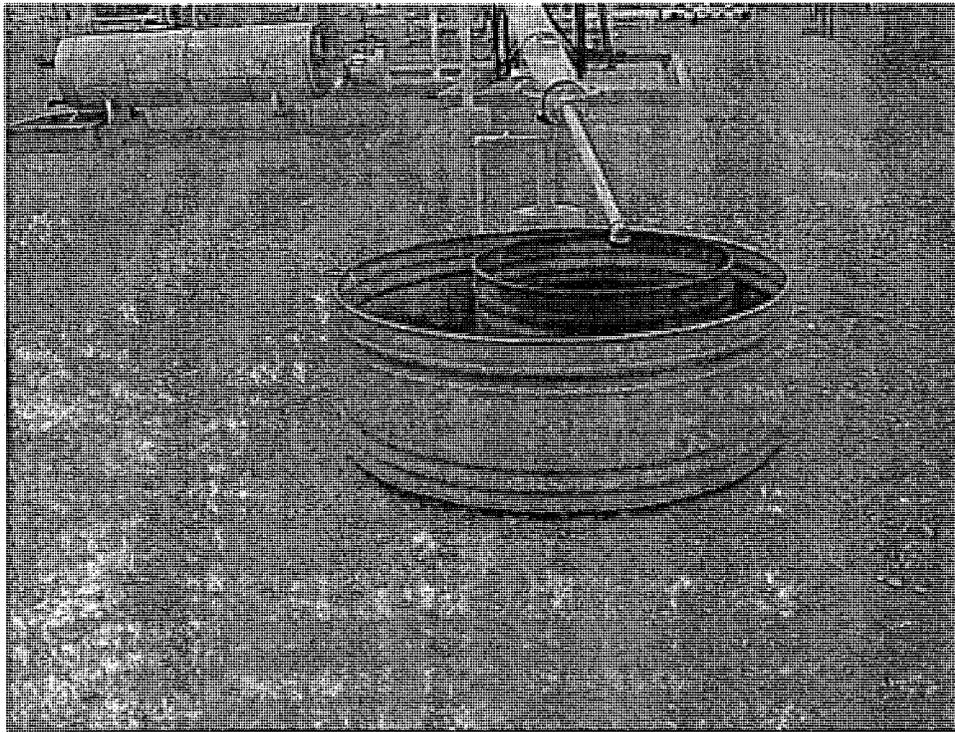


AST T1 and AST T2 – Lube Oil (Left to Right)

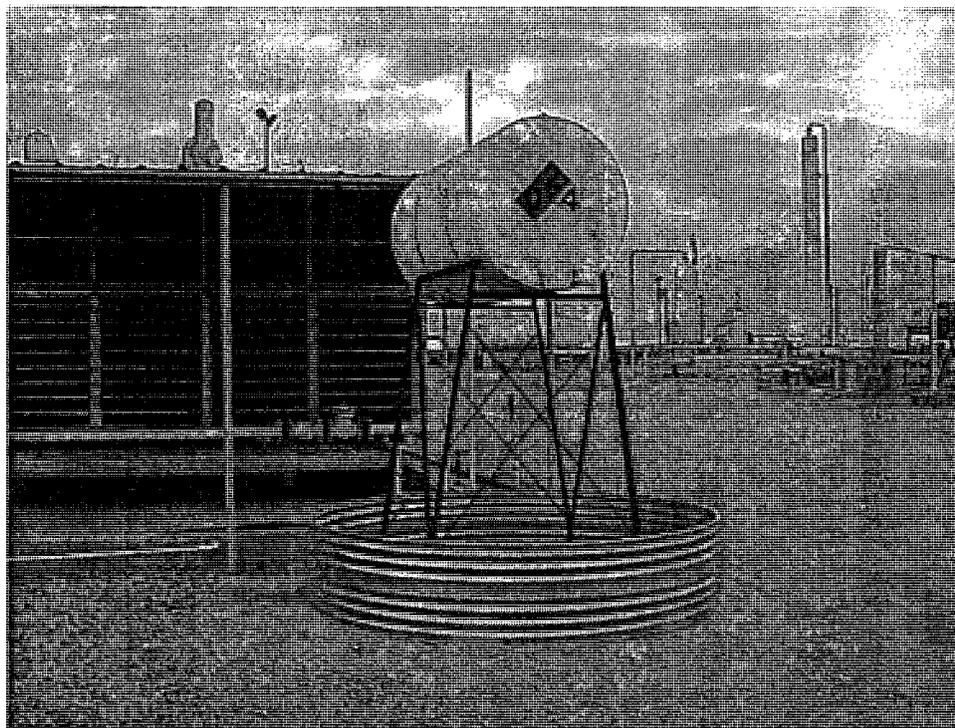


AST T3 – Lube Oil

FIGURE 3: SITE PHOTOGRAPHS (Continued)

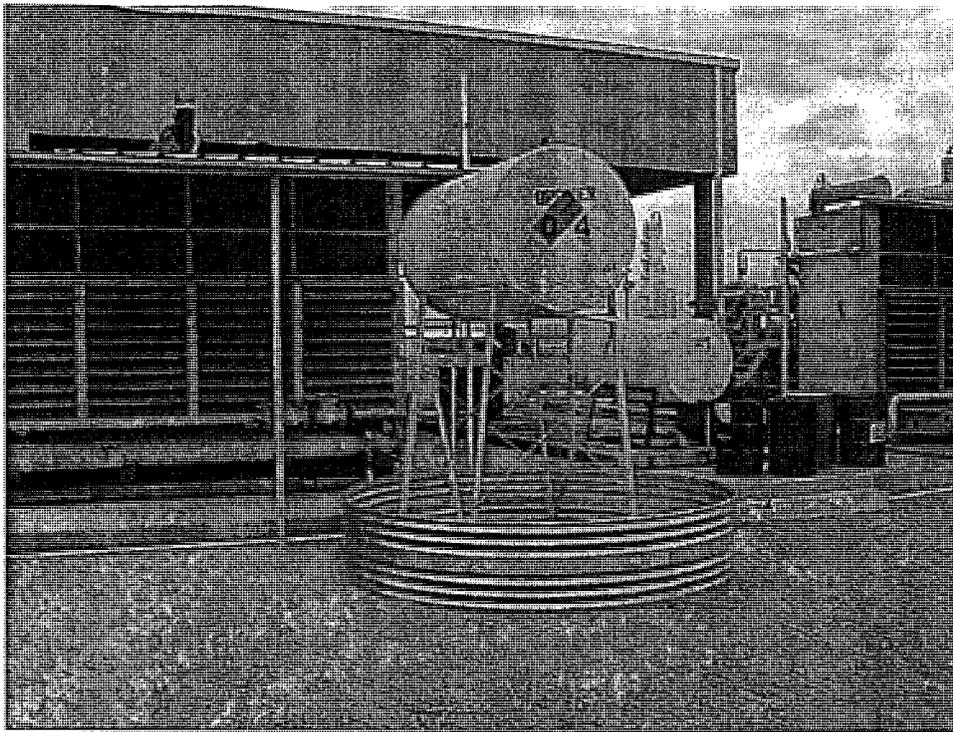


AST T6- Dehydration Drip

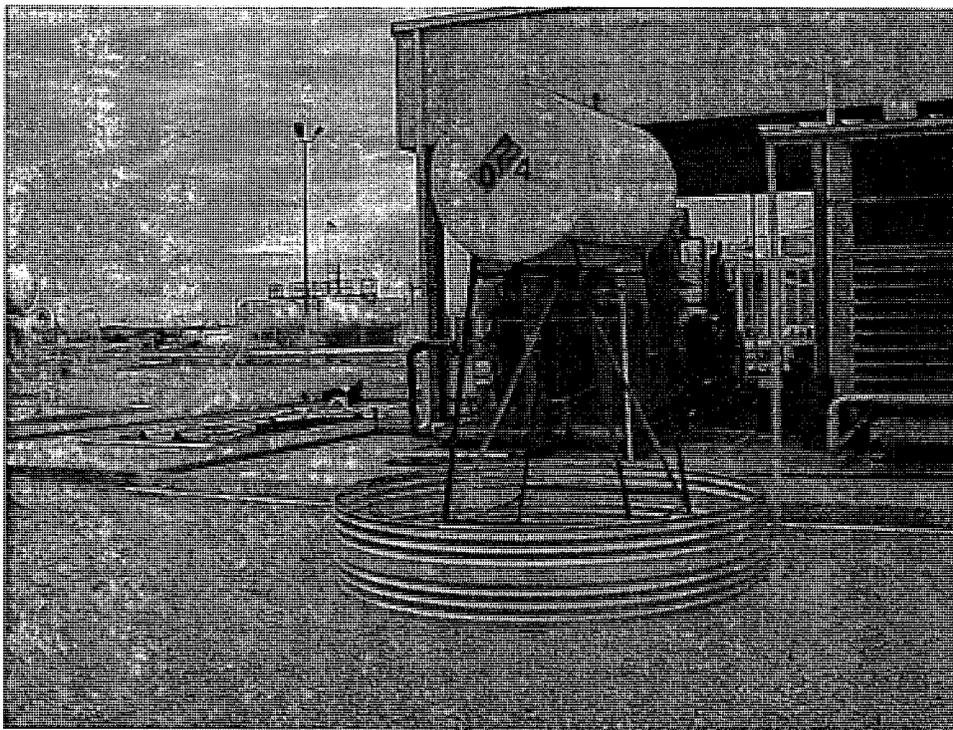


AST T7 - Lube Oil

FIGURE 3: SITE PHOTOGRAPHS (Continued)

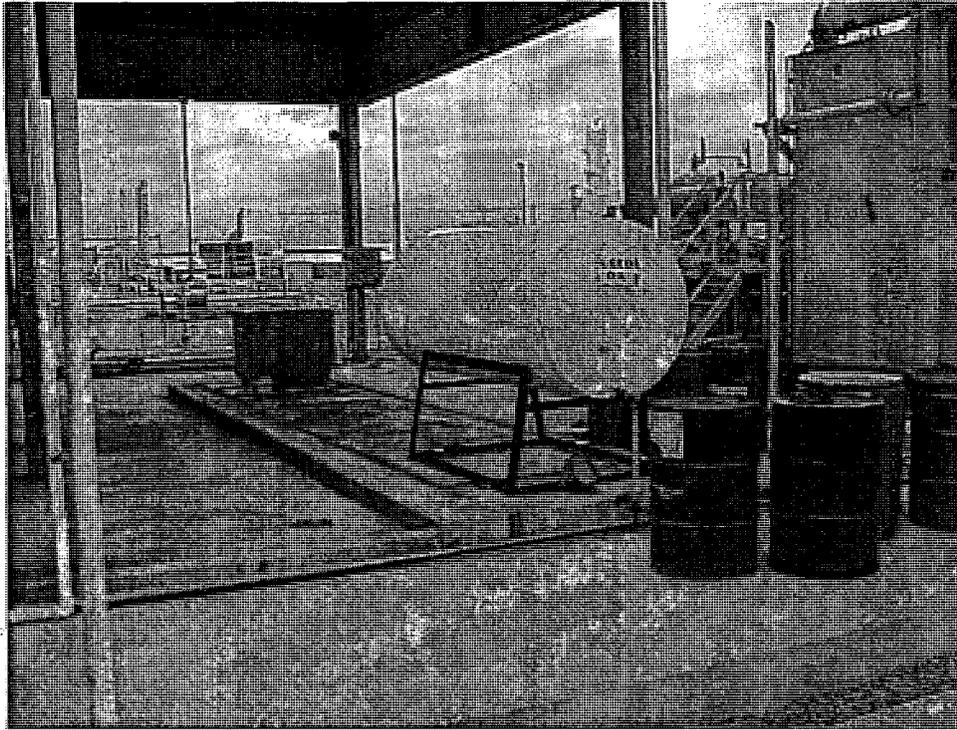


AST T8 – Lube Oil

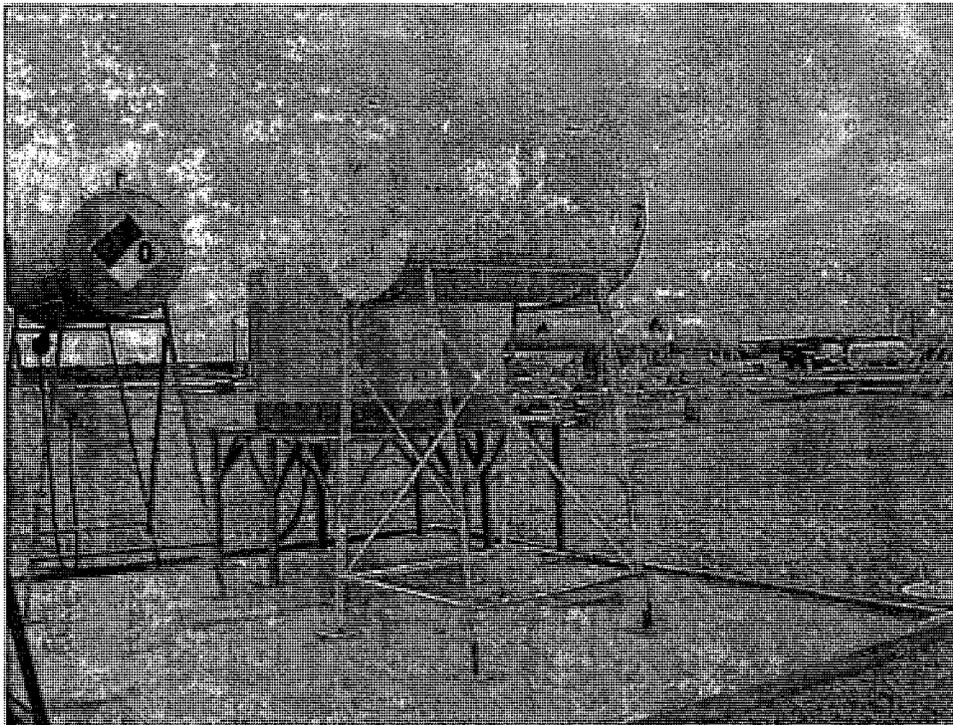


AST T9 – Lube Oil

FIGURE 3: SITE PHOTOGRAPHS (Continued)

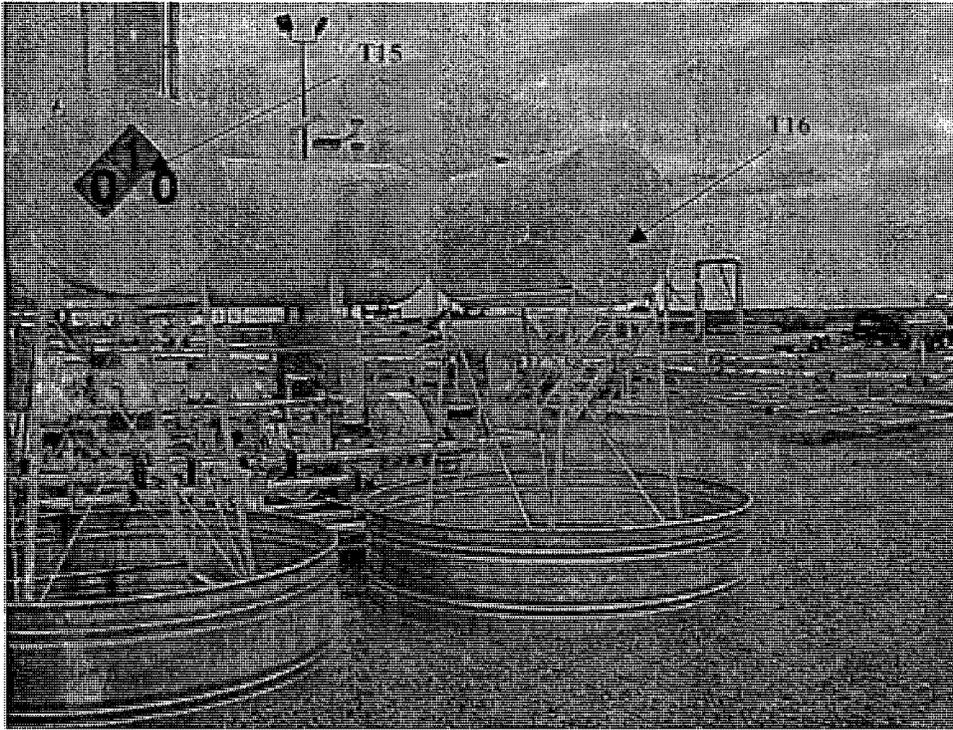


AST T10 – Used Oil

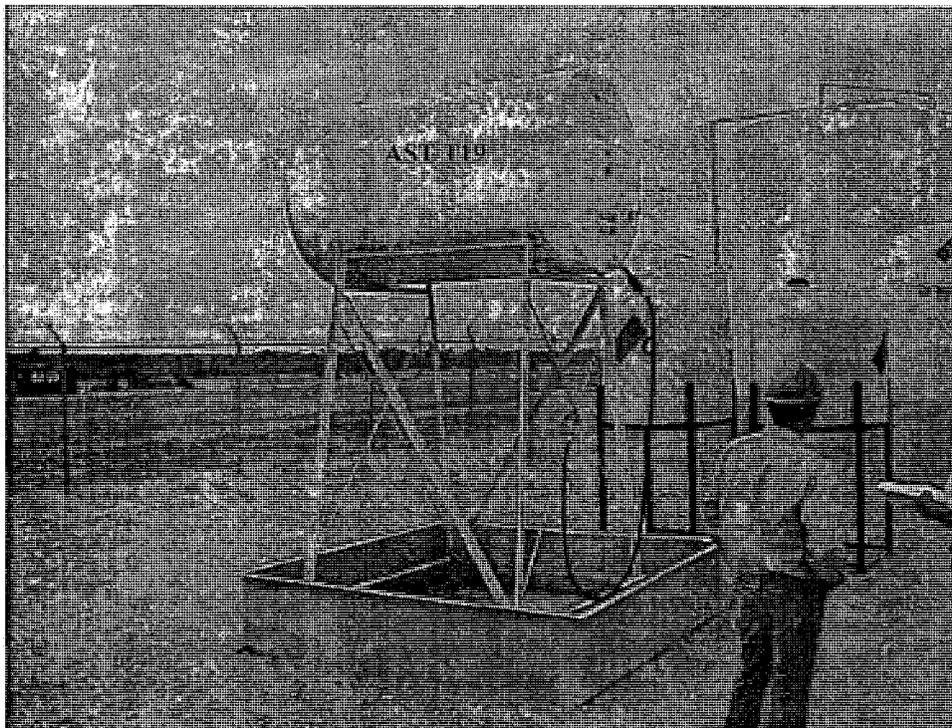


AST T13 - Glycol, AST T14 - Glycol, AST T12 - Lube Oil (Left to Right)

FIGURE 3: SITE PHOTOGRAPHS (Continued)

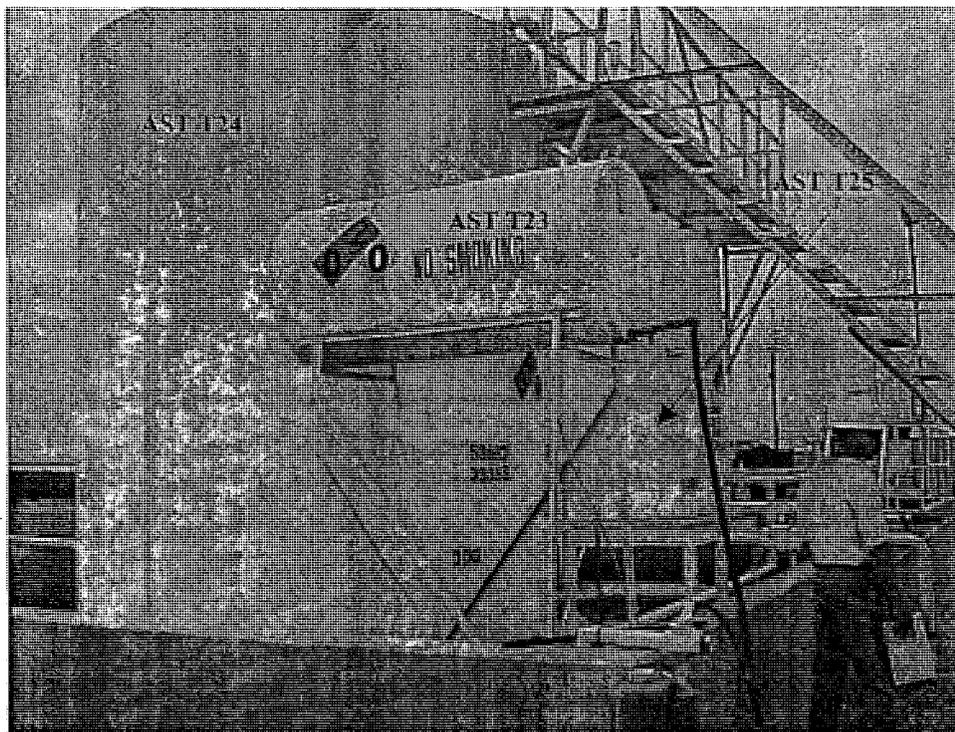


AST T15 – Lube Oil, AST T16 – Lube Oil (Left to Right)

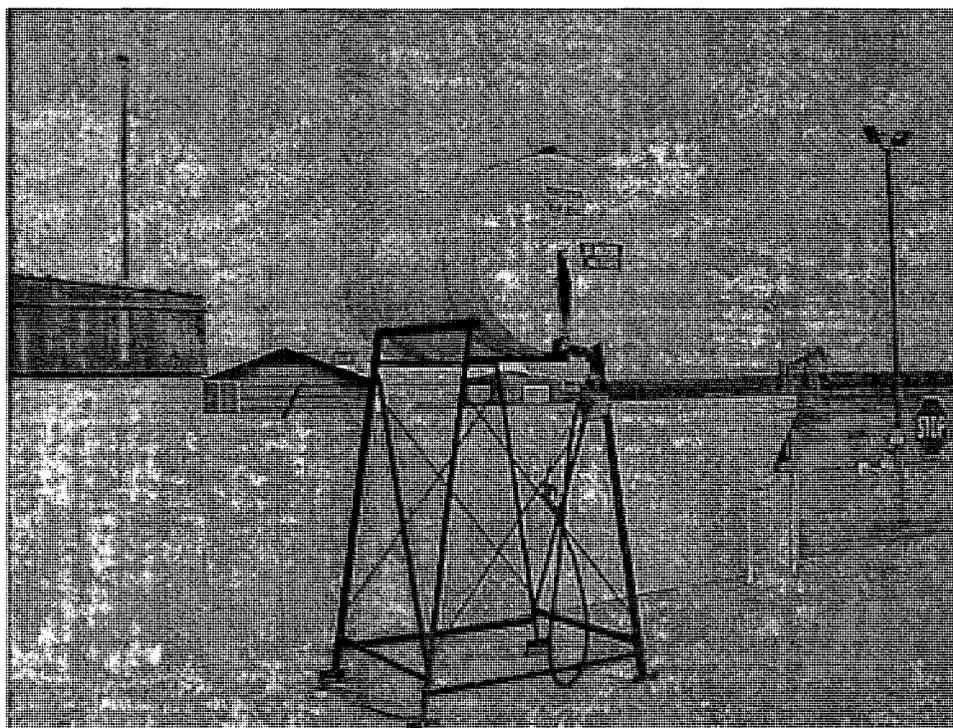


AST T19 - Varsol

FIGURE 3: SITE PHOTOGRAPHS (Continued)



AST T24-Condensate, AST T23-Diesel, AST T25-Condensate (Left to Right)



AST T39 - Unleaded Gasoline (Secondary containment added after site visit - see Table 2)

APPENDIX A

SECONDARY CONTAINMENT VOLUME CALCULATIONS

APPENDIX B

TANK AND BERM INSPECTION CHECKLIST

**TANK and BERM
 ANNUAL INSPECTION CHECKLIST**

Facility Name	Carlsbad Gas Plant
Date	
Inspector	

Tank ID	
Contents	
Capacity (bbl)	
Working Capacity (bbl)	

TANK INSPECTION	Yes	No	NA	Comments/Description
Exterior surface shows signs of leakage.				
External coating is bubbled, cracked or damaged.				
Tank is corroded, pitted or damaged.				
Bolts, rivets or seams are damaged, cracked, or corroded.				
Tank foundation has eroded, settled or shows signs of leakage.				
Overfill protection system is not working.				
Tank bottoms have accumulated rust, scale, microorganisms, or foreign material.				
Vents and pressure release devices are obstructed.				
External stairways/walkways are unsound or obstructed.				
External stairways/walkways have low spots where water can accumulate.				
Level controls are inoperable.				
Tank roof drains are blocked, or damaged.				
Personnel are aware of emergency procedures applicable to the site.				
PIPING, VALVES, PUMPS, GAUGES	Yes	No	NA	Comments/Description
Equipment in good working condition.				
Equipment is leaking.				
Soil stained with product below equipment.				

BERM INSPECTION	Yes	No	NA	Comments/Description
Berm drainage valve is closed and locked.				
Berm shows indications of erosion or disrepair.				
Berm has holes, cracks, or other breaches that could result in leaks.				
Vegetation with large root systems (trees, bushes) is present in berm area.				
Ramps or other structures associated with spill control are damaged.				
Containment area has accumulated water.				
Sheen or oil on accumulated water.				
Pooled oil or stained soil.				
Drainage pipe or structures are clogged or have accumulated debris.				
Berm drainage outfall shows signs of erosion or disrepair.				

Additional Remarks:

APPENDIX C

**REPORTABLE QUANTITIES, EMERGENCY NOTIFICATION CONTACTS, SPILL
RESPONSE NOTIFICATION FORMS**

REPORTABLE QUANTITIES

Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

List of Hazardous Substances and Reportable Quantities
(Reference: Code of Federal Regulations Part 40, Section 302.4)

Note: The table below does not include all substances found in 40 CFR 302.4. Substances not associated with the extraction, processing, or distribution of natural gas have been omitted.

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Acetic acid	5000	571
Acetone	5000	752
Acrolein (Magnacide B)	1	0.1
Allyl alcohol	100	14
Allyl chloride	1000	127
Aluminum sulfate	5000	221
Ammonia	100	15
Ammonium bicarbonate	5000	--
Ammonium bifluoride	100	--
Ammonium bisulfite	5000	--
Ammonium chloride	5000	394
Ammonium hydroxide	1000	--
Aniline	5000	--
Antimony	5000	--
Arsenic acid	1	--
Asbestos (friable)	1	--
Benzenamine	5000	--
Benzene	10	1
Biphenyl	100	--
1-Butanol	5000	--
2-Butanone	5000	--
Calcium hypochlorite	10	--
Carbon disulfide	100	9
Carbon tetrachloride *	10	0.7
Carbonic dichloride	10	--
Carbonyl sulfide	100	--
Chlorine	10	8
Chloroform	10	0.8
Chromium	5000	--

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Copper	5000	--
Cumene	5000	--
Cupric chloride	10	--
Diethanolamine (DEA) (Amine)	100	11
Diethylamine	100	--
1,4 Dioxane (component of Tretolite KW-100)	100	--
Ethyl acrylate	1000	--
Ethylene diamine tetra acetic acid (EDTA)	5000	--
Ethylene glycol	5000	538
Ferrous chloride	100	3
Formaldehyde	100	12
Formic acid	5000	489
Hexane	5000	--
Hydrochloric acid	5000	366
Hydrofluoric acid	100	--
Hydrogen chloride	5000	--
Hydrogen fluoride	100	--
Hydrogen sulfide	100	--
1,3-Isobenzofurandione	5000	--
Lead	10	--
Lead acetate	10	--
Mercury	1	0.01
Methanethiol	100	--
Methanol	5000	758
Methyl ethyl ketone (MEK)*	5000	--
Methyl isobutyl ketone (MIBK)*	5000	--
Methyl methacrylate	1000	--
Methylene chloride *	1000	--
Methylmercaptan	100	--
4-Methyl-2-pentanone	5000	--
Monoethanolamine (MEA)	100	--
Naphthalene	100	10
Naphthenic acid	100	--
n-Butyl alcohol	5000	--
Nitric acid	1000	--
Paraformaldehyde	1000	--
Pentachlorophenol (Dowcide G)	10	0.6
Phenol	1000	111

Hazardous Substances	Final Reportable Quantity (RQ)	
	Pounds	Gallons
Phosphoric acid	5000	--
Phthalic anhydride	5000	--
Polychlorinated biphenyls (PCB)	1	--
Potassium chromate	10	--
Potassium hydroxide (potash)	1000	--
Potassium permanganate	100	--
2-Propenoic acid, ethyl ester	1000	--
2-Propenoic acid, 2-methyl-, methyl ester	1000	--
Propionaldehyde	1000	--
Radionuclides	Contact Environmental Services	--
Silver nitrate	1	0.02
Sodium bichromate	10	--
Sodium bisulfite	5000	405
Sodium chromate	10	--
Sodium dodecylbenzenesulfonate	1000	--
Sodium hydrosulfide	5000	--
Sodium hydroxide (caustic soda)	1000	56
Sodium hypochlorite	100	--
Sodium nitrite	100	5.5
Sodium phosphate, tribasic	5000	--
Sulfuric acid	1000	65
Thiomethanol	100	138
Toluene*	1000	138
1,1,1, Trichloroethane (Chloroethane) *	1000	80
Trichloroethylene (TCE)*	100	8
Trichlorophenol	10	0.8
Vinyl acetate	5000	--
Vinyl acetate monomer	5000	--
Xylene	100	13.8
Zinc bromide	1000	--
Zinc carbonate	1000	--
Zinc chloride	1000	41
<p>*These chemicals are usually found in spent solvents. A mixture or blend containing more than 10% (by volume) of one or more of these solvents is by definition a hazardous waste when the mixture or blend is spent. For example, 1000 pounds (138 gallons) of a spent solvent which before use contained 10% toluene is a RQ.</p>		

EMERGENCY NOTIFICATION
GOVERNMENT AGENCIES
 Spill Prevention, Control, and Countermeasure Plan
 Duke Energy Field Services, LLC
 Carlsbad Gas Plant
 Eddy County, New Mexico

Government Agency	Location	Office Telephone	Notifications
National Response Center	Washington, DC	(800) 424-8802 (24-hour)	Notify immediately of reportable release (any quantity that could cause a sheen on water or reportable quantity ¹ of a hazardous substance).
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief	Santa Fe, New Mexico	(505) 827-7152 or (505) 827-7131 (24-hour)	Major Release²: Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. Minor Release³: Written notification within fifteen days.
New Mexico Oil Conservation Division (OCD) District 2	Artesia, New Mexico	(505) 748-1283 (24 hour)	Major Release²: Immediate verbal notification (within 24 hours of release) and written notification within fifteen days. Minor Release³: Written notification within fifteen days.
New Mexico Environment Department	Santa Fe, New Mexico	(505) 827-9329 (24-hour) (505) 827-1561	No notification necessary if all reporting requirements to the OCD are satisfied. (ref. 20 NMAC 6.2.1.1203.4)
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC)	Carlsbad, New Mexico	(505) 887-9511	Notify immediately of any reportable release and/or if any emergency response is required.
State Emergency Response Commission (SERC)	Santa Fe, New Mexico	(505) 476-9620	Notify immediately of any reportable release and/or if any emergency response is required.
OSHA	Washington, DC	(800) 321-6742	Report three hospitalizations or one or more deaths.

¹ Reportable quantities of hazardous substances are included in the Reportable Quantities table on the preceding page.

² A **major release** is defined as: (ref. OCD 116.B.1)

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19.B(1), B(2), or B(3).

³ A **minor release** is defined as: (ref. OCD 116.B.2)

An unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gas.

EMERGENCY NOTIFICATION
LOCAL EMERGENCY PERSONNEL AND DUKE ENERGY MANAGEMENT
Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Carlsbad Gas Plant
Eddy County, New Mexico

Area Fire Department – Carlsbad Fire Department 911 or (505) 887-6718

Area Law Enforcement Agencies

Carlsbad Police 911 or (505) 885-2111

State Police (Carlsbad, NM) 911 or (505) 885-3137

Sheriff (Eddy County, NM) (505) 887-7551

Hospital – Columbia Medical Center (505) 887-4100
2430 W. Pierce Street, Carlsbad, NM

Ambulance Service – Columbia Medical Center (505) 887-4100
(Columbia, NM)

Duke Energy Gas Control (24-Hour Emergency Number) (888) 204-1781
Beaumont, Texas

Plant Foreman

Mr. Tom Bernal
Office: (505) 745-3407
Mobile: (505) 390-2790
Pager: (505) 339-1464

Maintenance Foreman

Mr. Randy Counts
Office: (505) 628-0282
Mobile: (505) 420-8412
Pager: (505) 339-1497

Asset Manager

Mr. Harley Temple
Office: (505) 628-0282
Mobile: (505) 390-2206
Pager: (505) 339-1460

Environmental Affairs Department

Office: (303) 595-3331
Administrative Assistant: (303) 605-1715
Environmental Fax: (303) 389-1957

Health and Safety Department

Office: (303) 595-3331

**EMERGENCY NOTIFICATION
CONTRACTORS**
Spill Prevention, Control, and Countermeasure Plan
Duke Energy Field Services, LLC
Carlsbad Gas Plant
Eddy County, New Mexico

The following contractors may be called to assist Duke Energy with the clean up of a spill.

Contractor Name	Location	Office Telephone	Services Offered
Sullivan's Crane Service	Hobbs, NM	(505) 393-7141	Crane
Constructors Inc.	Carlsbad, NM	(505) 885-8838	Excavating equipment (backhoes, etc.)
Key Energy	Carlsbad, NM	(505) 746-6233	Frac trucks, water trucks, vacuum trucks

**DUKE ENERGY FIELD SERVICES, LLC
NOTIFICATION DATA SHEET**

SPILL RESPONSE NOTIFICATION FORM

Reporter's Last Name: _____ First: _____ M.I. _____
Reporter's Daytime Phone Number: (_____) _____
Evening Phone Number: (_____) _____
Home Phone Number: (_____) _____
Reporter's Company: _____
Reporter's Department/Section: _____
Reporter's Position: _____
Owner's Address: _____
Owner's City, State and Zip: _____

Initial or Follow-up Notification:

Were Materials Released? _____ (Y/N)?
Confidential _____ (Y/N)?
Reportable Quantity _____ (Y/N)?
Surface waters Impacted _____ (Y/N)? If yes, contact NRC immediately.
Call Made to National Response Center (NRC) (800) 424-8802 _____ (Y/N)?
Date: _____ Time: _____
Call Incident Commander: _____ (Y/N)?

INCIDENT DESCRIPTION

Source and Cause of Incident: _____

Date of Incident: _____ Time of Incident: _____
Incident Address/Location: _____

Incident Location: Section, Township and Range: _____
Facility Latitude (degrees, minutes, and seconds): _____
Facility Longitude (degrees, minutes and seconds): _____
Nearest City (also list the County, State and Zip Code): _____

Distance from the Nearest City (include units): _____
Direction from the Nearest City: _____
Container Type: _____
Tank Capacity (include units): _____
Facility Capacity (include units): _____

MATERIAL

CAS Number: Crude Oil (8002-05-09), Ethylene Glycol (107211), Diethanolamine (111422), Methanol (67561), Methylmercaptan (74931), Benzene (71-43-2), H₂S (7783-06-4)
Released Quantity (include units): _____
Material Released in Water? If so, quantity (include units): _____

RESPONSE ACTION

Actions Being Taken On-site to Correct, Control, or Mitigate Incident: _____

WEATHER CONDITIONS:

(Current) _____ (Forecast) _____

IMPACT

Number of Injuries: _____
 Number of Deaths: _____
 Were there Evacuations: _____ (Y/N)? If yes, the number of people evacuated: _____
 Was there any property damage: _____ (Y/N)? If yes, describe the damage including the medium affected and the approximate dollar amount of damage. (Be complete): _____

ADDITIONAL INFORMATION

Any information about the incident not recorded elsewhere in the report?: _____

CALLER NOTIFICATIONS

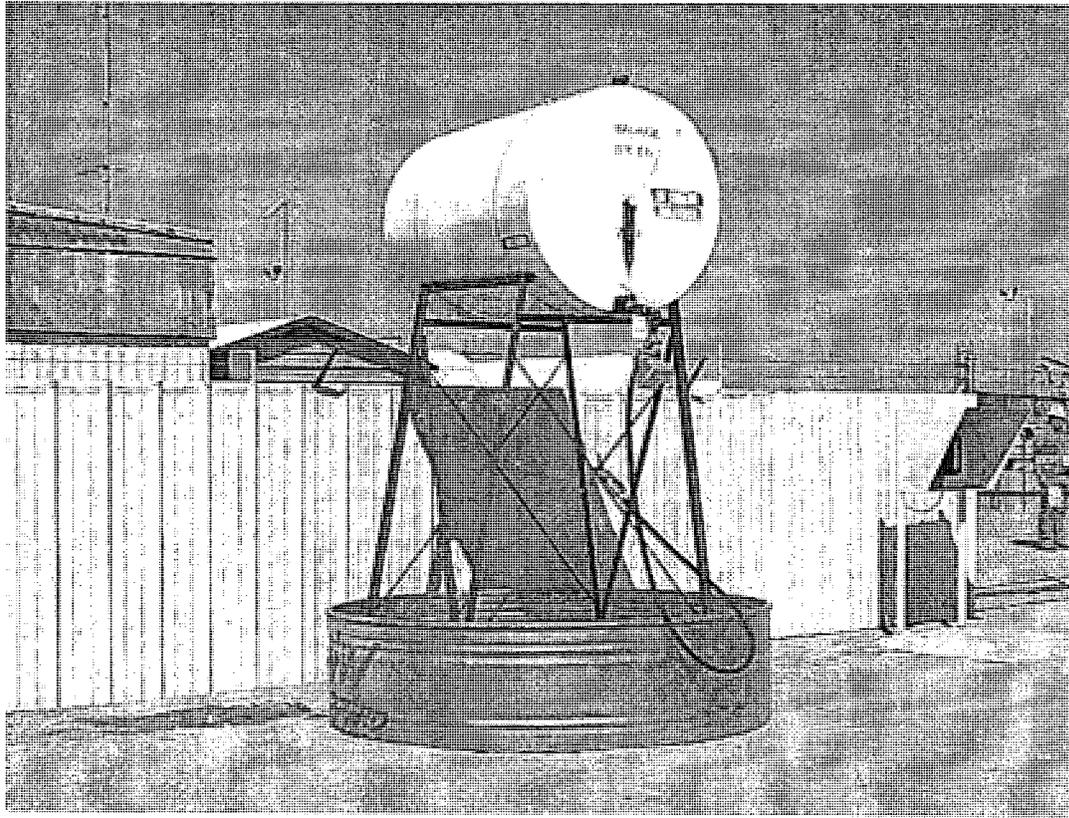
AGENCY/DUKE ENERGY CONTACTS AND NOTIFICATIONS	
National Response Center (800) 424-8802	Contact Person _____ ETA _____ Time _____
New Mexico Environment Department (505) 827-9329 (24-hour)	Contact Person _____ ETA _____ Time _____
New Mexico Oil Conservation Division (OCD) Environmental Bureau Chief (505) 827-7152 or (505) 827-7131 (24-hour)	Contact Person _____ ETA _____ Time _____
New Mexico Oil Conservation Division (OCD) District 2 Artesia, New Mexico (505) 748-1283	Contact Person _____ ETA _____ Time _____
State Emergency Response Commission (SERC) (505) 476-9620	Contact Person _____ ETA _____ Time _____
Local Emergency Planning Committee (LEPC) and Emergency Management Coordinator (EMC) (505) 887-9511	Contact Person _____ ETA _____ Time _____
Duke Energy Gas Control (24-hour Emergency Number) (888) 204-1781	Contact Person _____ ETA _____ Time _____

APPENDIX D
PROFESSIONAL ENGINEER RECOMMENDATIONS

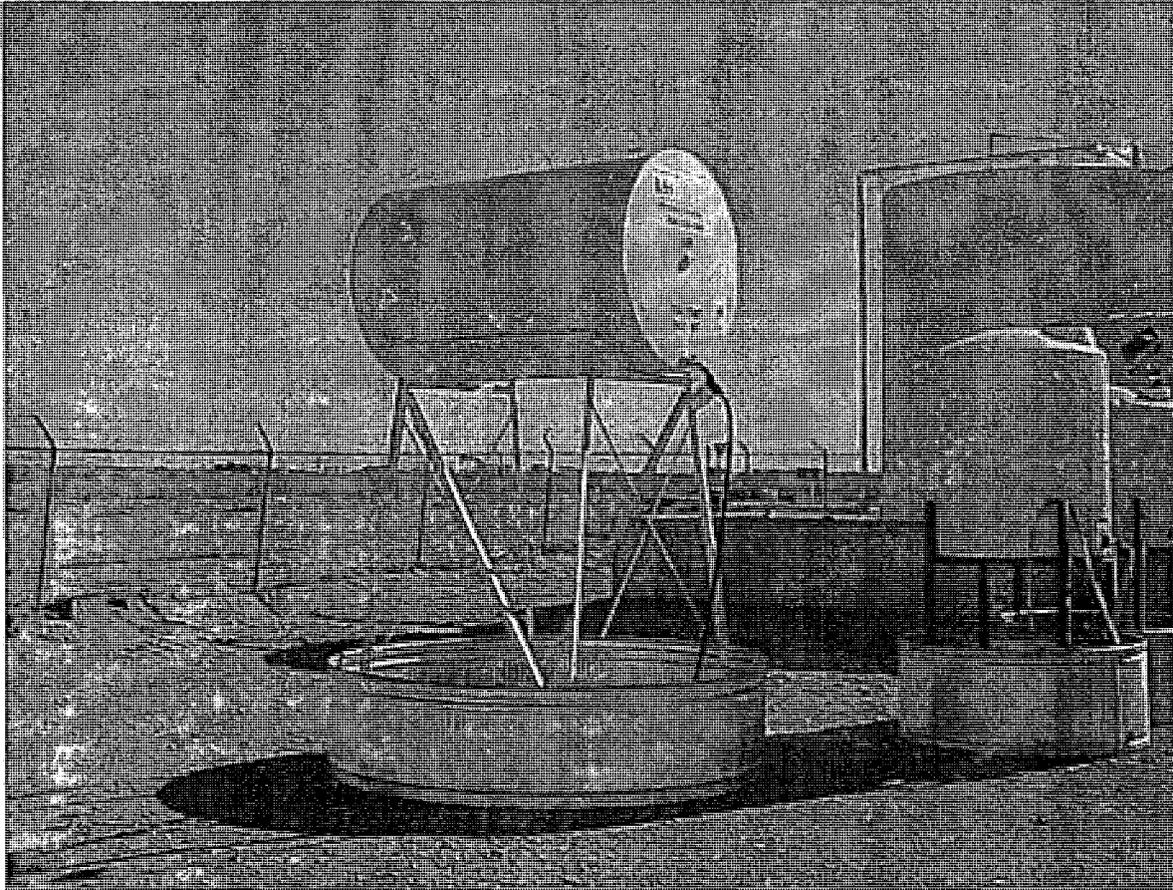
PROFESSIONAL ENGINEER RECOMMENDATIONS

Based on SECOR's June 4, 1999 site visit, the following action items are recommended to meet current SPCC compliance standards at the Carlsbad Gas Plant.

Action Item Description	Action Taken by Duke Energy Field Services, LLC and Date
Maintain spill control (sorberent materials, etc.) and equipment on site to contain and control limited oil spills.	Purchased organic absorbent Kengro-Kenaf (06/01/00).
Increase the capacity of Berm M to provide volume equal to 110% of the capacity of AST 19 (500 gallons).	Capacity of Berm M increased to 110% of tank volume (03/01/01).
Engineer fail-safes for the tanks to prevent spills, as practical. The fail-safes should either include high level sensors or a field record that demonstrates that the tanks are rarely filled to near capacity, thus demonstrating that high level sensors are not required. This record must be filed at the Carlsbad Gas Plant Office with other applicable records regarding this facility.	The tanks at the Carlsbad Gas Plant are strapped and gauged twice every 24 hour period and a log is maintained in the Control Room by the Operators (04/30/00).



AST 39



AST 19 Containment Structure

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of check No. [REDACTED] dated 11/19/01,
 or cash received on _____ in the amount of \$ 100.00
 from Duke Energy Field Services
 for Carlsbad Gas Plant
(Facility Name) GW-069
 Submitted by: [Signature] Date: 12/20/01
(DP No.)
 Submitted to ASD by: _____ Date: _____
 Received in ASD by: _____ Date: _____
 Filing Fee New Facility _____ Renewal
 Modification _____ Other _____
(Category)
 Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.
 Full Payment or Annual Increment _____

* THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER WITH VISIBLE FIBERS AND A TRUE WATERMARK ON THE REVERSE SIDE *

Duke Energy Field Services, LP Accounts Payable P.O. Box 5493 Denver, Colorado 80217	THE CHASE MANHATTAN BANK, N.A. SYRACUSE, NEW YORK	60-937/213							
	<table border="1"> <tr><th>VENDOR NO.</th></tr> <tr><td align="center">111615</td></tr> </table>	VENDOR NO.	111615	<table border="1"> <tr><th>CHECK DATE</th></tr> <tr><td align="center">11/19/01</td></tr> </table>	CHECK DATE	11/19/01	<table border="1"> <tr><th>CHECK NUMBER</th></tr> <tr><td align="center">[REDACTED]</td></tr> </table>	CHECK NUMBER	[REDACTED]
VENDOR NO.									
111615									
CHECK DATE									
11/19/01									
CHECK NUMBER									
[REDACTED]									
PAY ONLY		<table border="1"> <tr><th>CHECK AMOUNT</th></tr> <tr><td align="center">*****\$100.00</td></tr> </table>	CHECK AMOUNT	*****\$100.00					
CHECK AMOUNT									
*****\$100.00									
TO THE ORDER OF NMED- Water Quality Management Fund NM Oil Conservation District 1220 South St Francis Drive Santa Fe, NM 87504	NOT NEGOTIABLE AFTER 120 DAYS	 <u>[Signature]</u> AUTHORIZED SIGNATURE							
One hundred and 00/100 Dollars									

HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON COLORED BOX, COLOR WILL DISAPPEAR, THEN REAPPEAR

Duke Energy Field Services, LP
Accounts Payable
P.O. Box 5493
Denver, Colorado 80217

VENDOR NUMBER
111615
VENDOR NAME
NMED-

CHECK NUMBER
[REDACTED]
CHECK DATE
11/19/01

INVOICE NUMBER	INVOICE DATE	NET AMOUNT	DESCRIPTION
Nov 01	11/12/01	100.00	
			TOTAL PAID \$100.00

PLEASE DETACH AND RETAIN FOR YOUR RECORDS



Duke Energy Field Services
P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303/595-3331

December 11, 2001

RECEIVED

DEC 19 2001

Environmental Bureau
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

SUBJECT: Carlsbad Gas Plant
Discharge Plan No. GW-069
Eddy County, New Mexico

Dear Mr. Ford:

Duke Energy Field Services, LP (DEFS) submits the following:

- Discharge plan renewal application (original plus one copy) for the Carlsbad Plant (GW-069) located in SW/4 NE/4, T 23S, R 28E, Section 10 in Eddy County;
- Discharge plan (two copies); and
- Check in the amount of \$100.00 for the Discharge Plan Renewal Filing Fee.

If you have any questions regarding this discharge plan renewal, please call me at (303) 605-1717.

Sincerely,
Duke Energy Field Services, LP

Karin Char
Environmental Specialist

Enclosures

cc: NMOCD District 2 Office



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

October 29, 2001

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 0876

Ms. Karin Char
Duke Energy Field Services, LLC
370 Seventeenth Street, Suite 900
Denver, Colorado 80202

RE: Discharge Plan Renewal Notice for Duke Energy Field Services, LLC Facility

Dear Ms. Char:

The OCD is providing Duke Energy Field Services, LLC a six months notice that the following discharge plan which expires.

GW-069 expires 4/29/2002 – Carlsbad Gas Plant

WQCC 3106.F. If the holder of an approved discharge plan submits an application for discharge plan renewal at least 120 days before the discharge plan expires, and the discharger is not in violation of the approved discharge plan on the date of its expiration, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. A discharge plan continued under this provision remains fully effective and enforceable. An application for discharge plan renewal must include and adequately address all of the information necessary for evaluation of a new discharge plan. Previously submitted materials may be included by reference provided they are current, readily available to the secretary and sufficiently identified to be retrieved. [12-1-95]

The discharge plan renewal application for each of the above facilities is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee based upon the horsepower rating for gas processing facilities. The \$100.00 filing fees is are be submitted with the discharge plan renewal applications and are nonrefundable.

Ms. Karin Char
October 16, 2001
Page 2

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office. Please submit the original discharge plan renewal application and one copy to the OCD Santa Fe Office and one copy to the OCD Artesia District Office. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.** (Copies of the WQCC regulations and discharge plan application form and guidelines are enclosed to aid you in preparing the renewal application. A complete copy of the regulations is also available on OCD's website at www.emnrd.state.nm.us/ocd/).

If any of the above sited facilities no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the Duke Energy Field Services, LLC has any questions, please do not hesitate to contact Mr. W. Jack Ford at (505) 476-3489.

Sincerely,



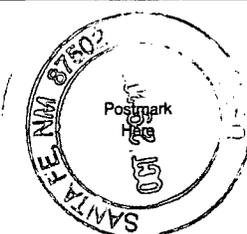
Roger C. Anderson
Oil Conservation Division

cc: OCD Artesia District Office

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
Article Sent To:	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Name (Please Print Clearly) (To be completed by mailer) <i>K. Char</i>	
Street, Apt. No.; or PO Box No. <i>Duke</i>	
City, State, ZIP+ 4 <i>GW-069</i>	

7099 3220 0000 5051 0876

PS Form 3800, July 1999 Seal Reverse for Instructions



Mr. Roger Anderson
May 10, 2001
Page 2

Fulbright & Jaworski L.L.P. is assisting Duke Energy Field Services, LP with various filings and agency notices that relate to the company's recent internal reorganization. Please feel free to call me at (713) 651-3760 if you have any questions.

Very truly yours,

Eddie Lewis

Edward C. Lewis

ECL/jnr



RECEIVED
JUN - 2 2000

P.O. Box 5493
Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
Direct: 303-595-3331
Fax: 303-389-1957

May 30, 2000

**CERTIFIED MAIL
RETURN RECEIPT Z 407 761 470**

Mr. Jack Ford
New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

RE: Request for Name/Plan Holder Change
NM OCD Discharge Plans

Dear Mr. Ford:

Based upon our conversation on May 10, 2000, it is my understanding that this letter suffices to transfer the seven discharge plans, referenced below, due to a change in plan holder status. The change in plan holder status is a result of a recent internal corporate restructuring and convergence, including a name change. The old company was known as Duke Energy Field Services, Inc., which has now been changed, and the new entity is Duke Energy Field Services, LLC. Please transfer the following discharge plans to above-referenced new entity, effective immediately:

- Burton Flats Gas Plant GW-127
- Carlsbad Gas Plant GW-069
- Carrasco Compressor Station GW-137
- CP-1 Compressor Station GW-139
- Dagger Draw Gas Plant GW-185
- Pecos Diamond Gas Plant GW-237
- Westall (North) Compressor Station GW-144

Duke Energy Field Services, LLC will continue to comply with the terms and conditions of the previously approved discharge plan for each of the above referenced facilities.

If you have any questions or need any additional information, please contact me at (303) 605-1717.

Sincerely,

Karin Char
Environmental Specialist

cc: Jack Braun Facility Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
Harley Temple Dagger Draw GP, Pecos Diamond GP, Westall (North) CS
Grey Hyde Region Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
Mel Driver Corp. Env. File 2.2.3.3: Burton Flats GP, Carlsbad GP, Carrasco CS, CP-1 CS,
Dagger Draw GP, Pecos Diamond GP, Westall (North) CS

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/5/98,
or cash received on _____ in the amount of \$ 833.75
from UP Resources (Union Pacific)
for Coalshod GW069
Submitted by: _____ Date: _____
Submitted to ASD by: R. Chudman Date: 3/12/98
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 X
2 of 2

THE FACE OF THIS CHECK IS PRINTED IN RED AND BLUE INK ON WHITE PAPER

UPR Union Pacific Resources Company
P. O. Box 7
Fort Worth, TX 76101

NationsBank of Georgia, N. A.
Atlanta, Dekalb County, Georgia

DATE
03/05/98

CHECK NO.
[redacted]

NET AMOUNT
*****833.75

PAY
EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS

OPERATING ACCOUNT 64-1278
NOT VALID AFTER 180 DAYS 611

TO THE ORDER OF
NMED-WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
2040 S PACHECO
SANTE FE, NM 87505

[Signature]
TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK - CAN BE VIEWED AT AN ANGLE

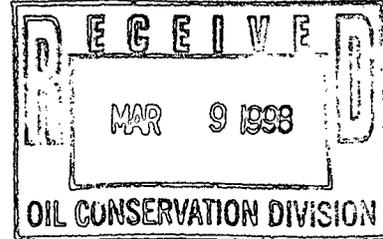
CHECK CLEARS POSITIVE PAY

 Union Pacific
Resources

March 5, 1998

CERTIFIED MAIL
P 965 692 695

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



ATTN: Mr. William J. LeMay
NMED - Water Quality Management

RE: Discharge Plan GW-069 Renewal
Carlsbad Gas Plant
Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed is a check in the amount of \$833.75 for the remaining half of the flat fee payment of \$1667.50 for gas processing plants. Based on our conversation of February 12, 1998 the flat fee was actually equal to one-half of the original flat fee of \$3,335.00, which is \$1,667.50. This should zero out the balance on this account.

If any questions arise concerning the Discharge Plan or the fee, please contact me at (817) 877-6764.

Sincerely,


Karen Singletary
Environmental Specialist
Environmental Services

Cc: Mr. Harley Temple, Carlsbad Gas Plant

KLS

Union Pacific Resources Company

P. O. Box 7
Fort Worth, TX 76101

NationsBank of Georgia, N. A.
Atlanta, Dekalb County, Georgia

DATE
03/05/98

CHECK NO. [REDACTED]

NET AMOUNT
*****833.75

PAY
EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS*****

OPERATING ACCOUNT 64-1278
NOT VALID AFTER 180 DAYS 611

TO THE ORDER OF
NMED-WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
2040 S PACHECO
SANTE FE, NM 87505

[Signature]
TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK CAN BE VIEWED AT AN ANGLE

SEND INQUIRIES TO P.O BOX 7
FORT WORTH, TX 76101

VENDOR NO. 515419

UNION PACIFIC RESOURCES COMPANY

CHECK NO. [REDACTED]

Any questions, please call UPR's Automated AP Inquiry System 1-800-370-9867

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
03-AP-3975 X7014 D BRO	CR515419C8 OKSHIRE		03/03/98	833.75	0.00	833.75
TOTALS				833.75	0.00	833.75

GW-069
[Signature]



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 6, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-897

Ms. Karen L. Singletary
Union Pacific Resources Company
Environmental Services
P.O. Box 7, MS 2807
Fort Worth , Texas 76101-0007

**RE: Discharge Plan GW-069 Renewal
Carlsbad Gas Plant
Eddy County, New Mexico**

Dear Ms. Singletary:

The ground water discharge plan GW-069, for the Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy 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 April 29, 1992, and the discharge plan renewal application dated July 22, 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 Union Pacific Resources Company 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. Karen L. Singletary
November 6, 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. Union Pacific Resources Company 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.

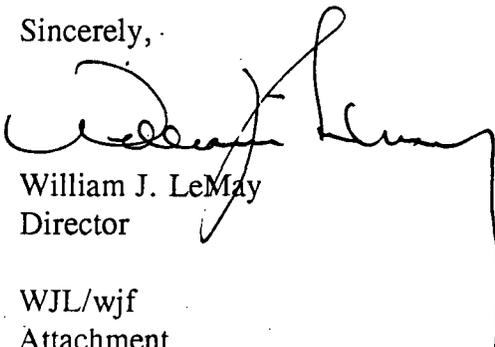
Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on April 29, 2002, and Union Pacific Resources Company should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge 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 Union Pacific Resources Company Carlsbad Gas Plant is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee equal to one-half of the original flat fee which is \$1,667.50 for gas processing plants. The OCD has received the filing fee but not the 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.

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/wjf
Attachment

xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN GW-069 RENEWAL
UNION PACIFIC RESOURCES COMPANY
CARLSBAD GAS PLANT
DISCHARGE PLAN APPROVAL CONDITIONS
(November 6, 1997)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received. 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. Union Pacific Resources Commitments: Union Pacific Resources Company will abide by all commitments submitted in the discharge plan application dated July 25, 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 Artesia 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. Certification: Union Pacific Resources Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Union Pacific Resources Company 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:

UNION PACIFIC RESOURCES COMPANY

by _____
Title

Z 357 869 897

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

Sent to <i>Karen Singletary</i>	
Street & Number	
Post Office, State, & ZIP Code <i>Box 7, M 52807 Fort Worth TX 76101</i>	
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



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 12, 1997

Z 357 869 931

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-931

Ms. Karen L. Singletary
Union Pacific Resources Company
Environmental Services
P.O. Box 7, MS 2807
Fort Worth, Texas 76101-0007

RE: Discharge Plan GW-069 Renewal Fees
Carlsbad Gas Plant
Eddy County, New Mexico

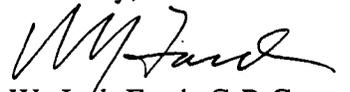
Dear Ms. Singletary:

The ground water discharge plan GW-069, for the Carlsbad Gas Plant located in the SW/4 NE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, was approved November 6, 1997.

Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee equal to one-half of the original flat fee of \$3,335.00 which is \$1,667.50 for gas processing plants. The OCD has received the filing fee. Pursuant to our telephone discussion of February 12, 1998 this is to confirm our understanding that an additional \$833.75 of the flat fee remains to be paid. The OCD received a flat fee payment of \$833.75 on November 24, 1997. The OCD wishes to apologize for the confusion inherent in the letter of approval, dated November 6, 1997. 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.

Sincerely,


W. Jack Ford, C.P.G.
Environmental Bureau
Oil Conservation Division

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

Sent to		<i>Karen Singletary</i>
Street & Number		<i>Un. Pac. Res.</i>
Post Office, State & ZIP Code		<i>Ft. Worth</i>
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		<i>GW-069</i>

PS Form 3800, April 1995

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 11/24/97,

or cash received on _____ in the amount of \$ 833.75

from Union Pacific

for Carlshad G. P. GW-069

Submitted by: _____ Date: _____

Submitted to ASD by: R. C. Anderson Date: 2/10/98

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal X
Modification _____ Other _____

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment X 1/2

THE FACE OF THIS CHECK IS PRINTED IN RED AND BLUE INK ON WHITE PAPER

UPR Union Pacific
Resources Company

801 Cherry Street
Fort Worth, Texas 76102

NationsBank of Georgia, N.A.
Atlanta, DeKalb County, Georgia

PAY

DATE
11/24/97

CHECK NO
[REDACTED]

NET AMOUNT
*****833.75

EIGHT HUNDRED THIRTY-THREE DOLLARS AND 75 CENTS *****

OPERATING ACCOUNT 64-1278
NOT VALID AFTER 180 DAYS 611

TO THE
ORDER
OF

NMED-WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
2040 S PACHECO
SANTE FE, NM 87505


TREASURER

THE BACK OF THIS DOCUMENT CONTAINS A FACSIMILE WATERMARK - CAN BE VIEWED AT AN ANGLE

CHECK
CLEARS
POSITIVE
PAY



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

July 29, 1997

ARTESIA DAILY PRESS
P. O. Box 190
Artesia, New Mexico 88211

RE: NOTICE OF PUBLICATION

ATTN: ADVERTISING MANAGER

Dear Sir/Madam:

Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.

Immediately upon completion of publication, please send the following to this office:

1. **Publisher's affidavit in duplicate.**
2. **Statement of cost (also in duplicate.)**
3. **CERTIFIED invoices for prompt payment.**

We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.

Please publish the notice no later than August 5, 1997.

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

Attachment

Z 765 962 230

Receipt for
Certified Mail
No insurance coverage provided
Do not use for international mail
(See Reverse)

Sent to	Artesia Daily Press	
Street	P.O. Drawer 170	
P.O. State and Zip Code	Artesia, NM 88210	
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		



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

July 29 _____, 1997

THE NEW MEXICAN
202 E. Marcy
Santa Fe, New Mexico 87501

RE: NOTICE OF PUBLICATION

PO #96-199-002997

ATTN: Betsy Perner

Dear Sir/Madam:

Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.

Immediately upon completion of publication, please send the following to this office:

- 1. Publisher's affidavit.**
- 2. Invoices for prompt payment.**

We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.

Please publish the notice on Friday, August 1, 1997.

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

Attachment

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, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

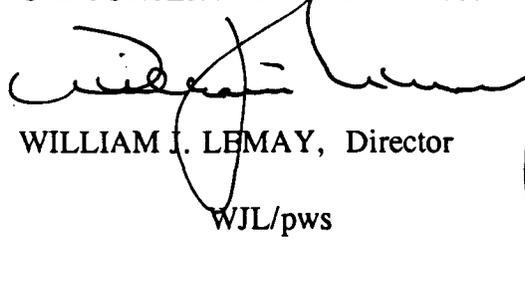
(GW-069) - Highlands Gathering and Processing Company, Mr. Harley Temple, (505)-745-2315, 260 Potash Mines Road, Loving, NM, 88256, has submitted a Discharge Plan Renewal Application for their Carlsbad Gas Plant located in the SW/4 NE/4, of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 31 feet with a total dissolved solids concentration of approximately 4100 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director
WJL/pws

SEAL



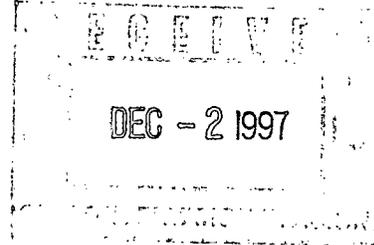
December 1, 1997

FEDERAL EXPRESS

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

ATTN: Mr. William J. LeMay
NMED - Water Quality Management

RE: Discharge Plan GW-069 Renewal
Carlsbad Gas Plant
Eddy County, New Mexico



Dear Mr. LeMay:

Enclosed is a copy of the conditions of approval, signed and dated, for the Carlsbad Gas Plant Discharge Plan GW-069 renewal. Also enclosed is a check in the amount of \$833.75 to cover the fee which is one-half of the original flat fee of \$1667.50 for gas processing plants. Due to a discrepancy between the letter and the discharge plan approval conditions concerning the fee amount, I spoke with Mr. Jack Ford on November 21, 1997 to confirm the amount for the fee. If any questions arise concerning the plan or the fee, please contact me at (817) 877-6764.

Sincerely,


Karen Singletary
Environmental Specialist
Environmental Services

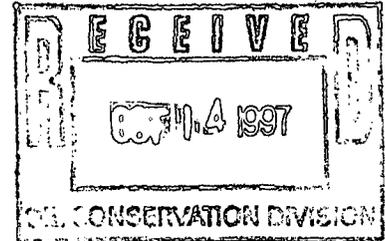
cc: Mr. Harley Temple, Carlsbad Gas Plant

UPR Union Pacific
Resources

October 8, 1997

CERTIFIED MAIL
P 965 692 230

Mr. William J. LeMay, Director
Oil Conservation Division
New Mexico Energy and Minerals Department
2040 South Pacheco Street
Santa Fe, New Mexico 87505



Re: New Mexico Discharge Plan GW-69.

Dear Mr. LeMay:

This letter is to inform you and the Oil Conservation Division (OCD), that ownership of the Carlsbad Gas Plant (GW-69) has transferred from Highlands Gathering and Processing Company to Union Pacific Highlands Gathering and Processing Company. The effective date of this transfer was August 20, 1997. This letter is to serve as official notification of the transfer of ownership and operator. The new contact person and responsible party for the affected facilities is:

Ms. Karen L. Singletary
Environmental Specialist
Union Pacific Resources Company
Environmental Services
P.O. Box 7, MS 2807
Fort Worth, Texas 76101-0007
(817) 877-6764 phone
(817) 877-6316 fax

If you have any questions concerning this transfer of ownership or require further information, please contact me at (817) 877-6764. Thank you for your assistance.

Sincerely,

Karen Singletary
Karen L. Singletary
Environmental Specialist-

xc: Roger Anderson, Oil Conservation Division, Santa Fe, NM
CERTIFIED MAIL - P 965 692 041
Mark Ashley, Oil Conservation Division, Santa Fe, NM
CERTIFIED MAIL - P 965 692 229
David Baker, Baker Environmental Consulting, Albuquerque, NM

Affidavit of Publication

No. 15951

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

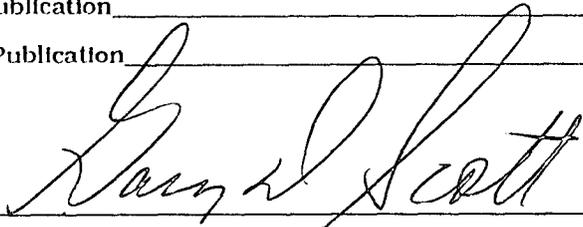
was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

First Publication August 5, 1997

Second Publication _____

Third Publication _____

Fourth Publication _____



Subscribed and sworn to before me this 14th day of August 19 97

Barbara Ann Boans
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

OK MA
8-20-97

Copy of Publication

to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 31 feet with a total dissolved solids concentration of approximately 4100 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
s-William J. LeMay
WILLIAM J. LEMAY,
Director

SEAL
Published in the Artesia Daily Press, Artesia, N.M. August 5, 1997.

Legal 15951

LEGAL NOTICE

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, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-069) - Highlands Gathering and Processing Company, Mr. Harley Temple, (505)-745-2315, 260 Potash Mines Road, Loving, NM, 88256, has submitted a Discharge Plan Renewal Application for their Carlsbad Gas Plant located in the SW/4 NE/4, of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely

The Santa Fe New Mexican

Since 1849 We Read You

NM OIL DIVISION
ATTN: SALLY MARTINEZ
2040 S. PACHECO
SANTA FE, NM 87505

AD NUMBER: 674298

ACCOUNT: 56689

LEGAL NO: 62125

P.O. #: 96-199-002997

167 LINES ONCE at \$ 66.80

Affidavits: 5.25

Tax: 4.50

Total: \$ 76.55

AFFIDAVIT OF PUBLICATION

NOTICE OF PUBLICATION

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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Any interested person may

obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July 1997.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
WILLIAM J. LEMAY,
Director
Legal #62125
Pub. August 1, 1997

STATE OF NEW MEXICO
COUNTY OF SANTA FE

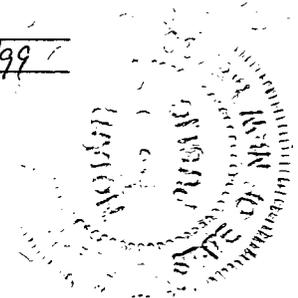
I, BETSY PERNER being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily news paper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 62125 a copy of which is hereto attached was published in said newspaper once each WEEK for ONE consecutive week(s) and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 1 day of AUGUST 1997 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/

Betsy Perner
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this
1 day of AUGUST A.D., 1997.

Notary Laura L. Harding
Commission Expires 11/23/99



OK ML
8-11-97

RECEIVED
AUG - 6 1997

NOTICE OF PUBLICATION

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

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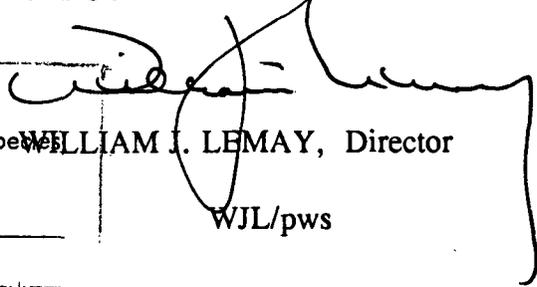
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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director
WJL/pws

NO EFFECT FINDING

The described action will have no effect on listed species, wetlands, or other important wildlife resources.

Date 8/4/97

Consultation # GW0CD-97-1

Approved by Charles B. O'Connell, Acting

U.S. FISH and WILDLIFE SERVICE
NEW MEXICO ECOLOGICAL SERVICES FIELD OFFICE
ALBUQUERQUE, NEW MEXICO

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASE

I hereby acknowledge receipt of check No. [redacted] dated 7/21/97

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

from Highlands

for Carlsbad GP GW-69

Submitted by: _____ Date: _____

Submitted to ASD by: R. Church Date: 7/31/97

Received in ASD by: _____ Date: _____

Filing Fee XR 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 _____

HIGHLANDS GATHERING AND PROCESSING COMPANY
CARLSBAD GAS PLANT
260 POTASH MINES RD.
CARLSBAD, NM 88220

DATE 7-21-97 23-2 1020 215

PAY TO THE ORDER OF NMED Water Quality Management \$ 50.00

Fifty dollars / no/100 DOLLARS

Colorado National Bank
P.O. Box 5188
Denver, CO 80217
FastLine 24-Hour Banking 303/585-8585

FOR [redacted] Debra Heath

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, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

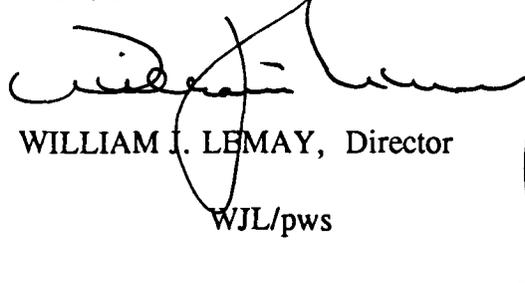
(GW-069) - Highlands Gathering and Processing Company, Mr. Harley Temple, (505)-745-2315, 260 Potash Mines Road, Loving, NM, 88256, has submitted a Discharge Plan Renewal Application for their Carlsbad Gas Plant located in the SW/4 NE/4, of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Any potential discharge at the facility will be stored in a closed top receptacle. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 31 feet with a total dissolved solids concentration of approximately 4100 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. 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 there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of July, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director
WJL/pws

SEAL

BAKER ENVIRONMENTAL CONSULTING

File copy.

P.O. Box 11189
Albuquerque, NM 87192-1189
Office: (505) 294-9943
Fax: (505) 294-9937

Hand-Delivered

July 24, 1997

Mr. William J. LeMay
Director
Oil Conservation Division
New Mexico Energy and Minerals Department
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Discharge Plan for the Carlsbad Gas Plant, New Mexico Discharge Plan GW-69.

Dear Mr. LeMay:

Please find attached two copies of Highlands Gathering and Processing Company's GW-69 renewal application and accompanying \$50.00 filing fee for the Carlsbad Gas Plant. I will be sending another copy of the application directly to the OCD field office in Artesia, NM.

I missed the proposed July 16, 1997 deadline in order to submit a more complete renewal application. I would like to thank Mr. Pat Sanchez of OCD - Santa Fe for providing information on OCD procedures that was very helpful in the completion of this renewal application.

I have tried to be as inclusive as possible with this renewal application. If you have any questions or require further information, please contact me at (505) 294-9943. Thank you for your assistance with this matter.

Sincerely,



David Baker
Consultant

RECEIVED

JUL 24 1997

Environmental Bureau
Oil Conservation Division

Attachments

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM
NM Oil Conservation Division, District office, Artesia, NM
Harley Temple, Highlands Gathering and Processing Company, Loving, NM

P.O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

NEW MEXICO
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Revised 12/1

Submit Original
Plus 1 Copy
to Santa
Fe
1 Copy to appropriate
District Office

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS
(Refer to the OCD Guidelines for assistance in completing the application)

RECEIVED

JUL 24 1997

New

Renewal

Modification
Environmental Bureau
Oil Conservation Division

1. Type: Gas Plant (processing of natural gas)
2. Operator: Highlands Gathering and Processing Company
Address: 260 Potash Mines Road, Loving, New Mexico 88256
Contact Person: Mr. Harley Temple Phone: (505) 745-2315
3. Location: SW/4 NE/4 Section 10 Township 23 South Range 28 East
(correction) 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: Harley Temple Title: Superintendent

Signature: *Harley Temple* Date: 7-22-97

3. **Location of the Discharge Plan Facility**

Facility is in Eddy County.

4. **Landowners**

Highlands Gathering and Processing Company
260 Potash Mines Road
Loving, New Mexico 88256
(505) 745-2315

5. **Facility Description**

See attached location map and facility diagram.

The Highlands Gathering and Processing Company Carlsbad Gas Plant extracts natural gas liquids from and compresses approximately 25.0 MMscfd of gathered natural gas. The natural gas enters the gas plant via low pressure and high pressure inlets. The low pressure line is compressed and merges with the high pressure inlet line. The natural gas then flows through the glycol dehydrator and then to the cryogenic and refrigeration process skids. The natural gas liquids are removed by the process skids, treated in the amine treatment unit for CO₂ removal and sent to sales via pipeline. The processed natural gas is compressed and sent to sales via pipeline.

6. **Materials Stored or Used at the Facility**

- A. Process specific chemicals - i.e. TEG, Amine, Lean Oil, etc.
Natural Gas, gas, pressurized, 25 MMSCF/day maximum.

Natural Gas Liquids, liquid, pressurized storage tanks, volume varies with maximum of 100 bbl, located north of process area.

Condensate, (Hydrocarbon Liquids), liquid, bermed condensate storage tank, volume varies with maximum of 400 bbl, located northeast of process area.

Unleaded Gasoline, liquid, unleaded gasoline storage tank, volume varies, located east of office outside of the plant.

Triethylene Glycol (TEG), liquid, small tank, volume varies, southeast corner of facility in bermed dehydrator area.

Water, liquid, bermed slop tank, volume varies with maximum of 400 bbl, located northeast of process area.

Methanol, liquid, storage tank, volume varies with maximum of 2,000 gal., next to office.

Amine, liquid, storage tank, volume varies, inside north fence line of facility.

B. through G.
Not Applicable

7. Sources and Quantities of Effluent and Waste Solids Generated at the Facility

A. For each source include types of major effluent (e.g. produced water, spent gas treating fluids, heat media, hydrocarbons, sewage, etc.) estimated quantities in barrels or gallons per month, and types and volumes of major additives (e.g. acids, biocides, detergents from steam cleaner, degreasers, corrosion inhibitors, etc.)

1. **Separator(s), Scrubbers(s) and Slug Catchers(s);**
Inlet Separator, inlet gas stream simulation (see Exhibit #2 in GW-69 file) indicates no hydrocarbon drop out under normal operating conditions. Water production expected to vary from 1 to 9 bbls/day depending on weather conditions and well-head equipment operation.
2. **Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling towers/fans;**
Sivills and QB Johnson TEG dehydrators, 1.0 MMBtu/hr glycol reboiler, 2 bbls/day of water; no TEG effluent.

Perry amine reboiler 1.75 MMBtu/hr, produces CO₂ to atmosphere; no amine effluent.
3. **Wash down/Steam out effluent from process storage equipment internals and externals;**
Not Applicable
4. **Solvent/degreaser use;(Describe)**
Not Applicable
5. **Spent acids or caustics; (Describe)**
Not Applicable
6. **Used engine coolants;(Describe)**
Engine cooling water. Each compressor engine contains approximately 80 gallons of a 50/50, antifreeze/water mixture. Normally there is no usage or makeup

required.

7. **Used lubrication and motor oils;**
Removed and properly disposed of by maintenance subcontractor, Brewer Oil Company.
8. **Used lube oil and process filters;**
Removed and properly disposed of by maintenance subcontractor, Waste Management.
9. **Solids and sludges from tanks (provide description of materials)**
None
10. **Painting wastes;**
Not Applicable
11. **Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);**
On-site domestic sewage system with septic tank and leach fields. No commingling with other wastes, domestic sewage only.
12. **Laboratory wastes;**
Not Applicable
13. **Other waste liquids; (Describe in detail)**
Leakage from equipment such as compressors, pumps, and control valves. Minimal volumes are produced.
14. **Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)**
Only collection drums on location. Domestic-type solid wastes are removed and properly disposed of. All other waste solids such as used filters from the amine and dehydrator units are collected in a dedicated dumpster and are removed by Waste Management and properly disposed of.
Any contaminated soils are remediated on location with biocells, Alpha West. Alpha West tests the cells quarterly for hazardous materials.

B. Quality Characteristics

Provide the following information for each above listed source where applicable:

1. **Provide concentration analysis for Total Dissolved Solids (TDS) and Major Cations/anions (e.g. F, Br, Ca K Mg, Na HCO₃, CO₃, Cl, SO₄ in mg/l), pH,**

and conductivity in umhos/cm.

After 360 feet of drilling no useable ground water was found. All location water is trucked in and stored in a water holding tank. (Please see discharge plan file GW-69 for drilling logs.)

2. **Provide hydrocarbon analysis for benzene, ethyl benzene, toluene, and meta-, ortho-, and Para-xylene (i.e. BTEX).**
Not Applicable
3. **Provide analyses for WQCC section 3103 standards not included within above analyses. Exceptions can be approved upon request for certain constituents if not used in processing or not expected to be present in the waste water effluent.**
An exception is requested because there is no on-site well water and no discharge to ground water.
4. **Discuss the presence or absence of toxic pollutants (WQCC 1101.TT) in each process where a discharge effluent may be generated. If present, provide volumes and concentrations. Estimates may be used pending Director evaluation of discharge plan submittal and proposed discharge methods.**
Toxic pollutants are either not present or are in bermed containment areas or are removed by maintenance subcontractors.
5. **Discuss sampling locations, methods, and procedures used to obtain values for #1, 2, and 3 above. Include information as to whether the sample was "grab" or "time-composite", and sample collection and preservation techniques, laboratory used for the analysis, etc. Sources for sampling and analytical techniques to be used are listed in WQCC 3107.B.**
Not Applicable (Please see discharge plan file GW-69 for drilling logs.)
6. **Discuss any variations that could produce higher or lower values than those shown by the sampling procedures outlined in #5 - i.e. flowrate variations, process upsets, etc. If major variations are expected or inherent with a particular process, provide ranges and the expected average.**
Not Applicable

C. Commingled Waste Streams.

Note: It is recommended that waste streams be segregated as much as possible- especially those wastes that are exempt from RCRA subtitle C regulations and those that are non-exempt. If hazardous wastes are on site they should never be commingled with exempt wastes or non-exempt non-hazardous wastes. For guidance in dealing with hazardous wastes contact the NMED Hazardous and Radioactive

Materials Bureau at (505) 827-1558.

There is no commingling of waste streams at this facility. Produced wastes are intentionally isolated to facilitate proper gathering and proper disposal. This facility has no intentional discharges as a part of operations.

1. **If produced and process fluids are commingled within the facility, and if individual rates, volumes and concentrations do not vary beyond a set range, and if process units are entirely self-contained to prevent intentional discharges and spills or inadvertent discharges (see B. 3, 4 previous page), then chemical characterization of commingled effluent or process streams may be sufficient to satisfy discharge plan requirements.**
Produced and process fluids are not commingled at this facility.
2. **If the discharger wishes to submit information on commingled streams in lieu of submittal of individual stream characteristics, adequate information should be provided to justify the request.**

8. Description of Current Liquid and Solid waste Collection/Storage/Disposal Procedures

A. Summary Information.

For each source listed in Part 7, provide summary information about on-site collection, storage and disposal systems. Indicate whether collection/storage/disposal location is tank or drums, floor drain or sump, lined or unlined pit, on-site injection well, leach field or off-site disposal.

Separator(s), Scrubbers(s) and Slug Catchers(s);

Inlet Separator, to bermed condensate and slop tank until off-site disposal. Free water removed from the inlet separator is expected to be of similar quality as found from the gas production zone with small amounts of condensates (see Exhibit #4 in GW-69 file). Condensate tank contents (drip gas) are transferred to Enron for sales, this is not a waste stream. There are no tanks bottoms. The water from the slop tank is transferred to Bird Creek Resources where it is disposed of by an EPA approved injection well.

Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling towers/fans;

Sivills and QB Johnson TEG dehydrator, removed water to bermed holding tank.

Used engine coolants;(Describe)

Engine cooling water. Off-site disposal by maintenance subcontractor if

necessary.

Used lubrication and motor oils;

Removed as necessary and properly disposed of off-site by maintenance subcontractor, Brewer Oil. Brewer Oil handles all motor oil and oil filters.

Used lube oil and process filters;

Removed as necessary and properly disposed of off-site by maintenance subcontractor, Waste Management.

Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);

On site domestic sewage system with septic tank and leach fields. No commingling with other wastes, domestic sewage only.

Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)

Leakage from unbermed equipment such as compressors pumps and control valves will be controlled by the use of drip pans, etc. Fluids from these leaks will be removed by maintenance subcontractors. Any contaminated soils are remediated on location with biocells from Alpha West. Off-site disposal when appropriate by maintenance subcontractors.

B. Collection and Storage Systems

1. **For collection and storage systems named in Part A, provide sufficient information to determine what water contaminants may be discharged to the surface and subsurface within the facility. Water and wastewater flow schematics may be used provided they have sufficient detail to show individual treatment units. Information desired includes whether tanks, piping, and pipelines are pressurized, above ground or buried. If fluids are drained to surface impoundments, oil skimmer pits, emergency pits, shop floor drains, sumps, etc. for further transfer and processing, provide size and indicated if these collection units are lined or unlined. If lined describe lining material (e.g. concrete, steel tank, synthetic liner, etc.).**

Please see GW-69 discharge plan file.

All liquid storage tanks are welded steel, above ground, and meet A.P.I. specifications. The steel tanks are also bermed for spill control.

Separator(s), Scrubbers(s) and Slug Catchers(s);

Inlet Separator, above ground, concrete bermed, steel tank, until off-site disposal.

Boilers, Waste Heat Recovery Units, cogeneration facilities, and cooling

towers/fans;

Sivills and QB Johnson TEG dehydrator, non-pressurized, above ground, removed water to bermed, steel holding tank.

Used engine coolants;(Describe)

Engine cooling water. Off-site disposal by maintenance subcontractor if necessary.

Used lubrication and motor oils;

Removed as necessary and properly disposed of by maintenance subcontractor.

Used lube oil and process filters;

Removed as necessary and properly disposed of by maintenance subcontractor.

Sewage (Indicate if other wastes are mixed with sewage; if no commingling occurs domestic sewage under jurisdiction of NMED);

On site domestic sewage system with septic tank and leach fields.

Other waste solids; (e.g. used drums, molecular sieve materials, charcoal filter media, etc.)

Off-site disposal when appropriate by maintenance subcontractor.

2. **Tankage and Chemical Storage Areas - Storage tanks for fluids other than fresh water must be bermed to contain a volume one-third more than the largest tank. If tanks are interconnected, the berm must be designed to contain a volume one-third more than the total volume of the interconnected tanks. All new tank installations must be placed on an impermeable type pad. Chemical and drum storage areas must be paved, curbed and drained such that spills or leaks from drums are contained on the pads or in lined sumps.**

All tanks are enclosed in concrete berm containment areas one-half more than the total tank volume. This facility does have empty drums in a drum storage area for the gathering and disposal of waste oil by Brewer Oil.

on pad?

3. **All facilities must demonstrate the integrity of buried piping. If the facility contains underground process or wastewater pipelines the age and specifications (i.e., wall thickness, fabrication material, etc.) of said pipeline should be submitted. A proposed hydrostatic test method and schedule for testing of piping must be included as part of the submittal. All lines must be tested to 3 pounds per square inch above the normal operating pressure in the line, and a duration time for the test will also be proposed for OCD approval. If hydrostatic tests have already been conducted, details of the program and the results should be submitted.**

80% of facility piping is above ground and inspected daily. The remaining 20% of facility piping is underground and has cathodic protection. This piping is for production of natural gas and natural gas liquids.

C. Existing Effluent and Solids Disposal.

1. On-Site Facilities

a. **Describe existing on-site facilities used for effluent or solids disposal of water, sludges, waste oils, solvents, etc., including surface impoundments, disposal pits, leach fields, floor drains, injection wells, and landfarms etc. (If effluents and solids are shipped off-site for recycling or disposal, see C.2. on pg. 11.) Provide technical data on the design elements of each disposal method:**

- (1) **Surface impoundments, None**
- (2) **Leach field, None, other than system for domestic sewage**
- (3) **Injection wells, None**
- (4) **Drying beds or other pits, None**
- (5) **Solids disposal, None**
- (6) **Landfarms, None**

b. **For leach fields, pits, and surface impoundments having single liners of any composition, clay liners or that are unlined and not proposed to be modified or closed as part of this discharge plan:**

- (1)-(3) **Not Applicable**

2. Off-Site Disposal

If wastewater, sludges, solids etc. are pumped or shipped off-site, indicate general composition (e.g. waste oils), method of shipment (e.g. pipeline, trucked), and final disposition (e.g. recycling plant, OCD permitted Class II disposal well, or domestic landfill, etc.). Include name, address, and location of receiving facility. If receiving facility is a sanitary or modified landfill show operator approval for disposal of the shipped wastes.

Wastewater - Bird Creek Resources

Waste engine oil - Brewer Oil, 114 E. Church St., Carlsbad, NM 88220

Filters, etc. - Waste Management, 2608 N. Lovington Hwy.

Hobbs, NM 88240

Waste Management provides two containers at the location. One for domestic-type wastes like trash and one for other wastes.

9. Proposed Modifications

- A. If collection and storage systems do not meet the criteria of Section 8 B. above, or if protection of ground water cannot be demonstrated pursuant to Section 8 C.1.b.(1) above, describe what modification of that particular method (including closure), or what new facility, is proposed to meet the requirements of the Regulations. Describe in detail the proposed changes. Provide the information requested in 8 B, and C.1.a and b. above for the proposed facility modifications and proposed time schedule for construction and completion. (Note: OCD has developed specific guidelines for lined surface impoundments, land farms, below grade tanks, and closure guidelines that are available on request.)

Not Applicable

- B. For ponds, pits, leach fields, etc. where protection of ground water cannot be demonstrated, describe the proposed closure of such units so that existing fluids are removed, and emplacement of additional fluids and runoff/run on of precipitation are prevented. (Note: OCD has closure guidelines that are available upon request.)

Not Applicable

10. Inspection, Maintenance and Reporting

- A. Describe proposed routine inspection procedures for surface impoundments and other disposal units having leak detection systems. Include frequency of inspection, how records are to be maintained and OCD notification in the event of a leak detection.

Not Applicable

- B. If ground water monitoring is used to detect leakage on failure of the surface impoundments, leach fields, or other approved disposal systems provide:

Not Applicable

1. The frequency of sampling, and constituents to be analyzed.

Not Applicable

2. The proposed periodic reporting of the results of the monitoring and sampling.

Not Applicable

3. The proposed actions and procedures (including OCD notification) to be undertaken by the discharger in the event of detecting leaks or failure of the discharge system.

Not Applicable

11. Spill/Leak Prevention and Reporting Procedures (Contingency Plans)

It is necessary to include in the discharge plan submittal a contingency plan that anticipates where any leaks or spills might occur. It must describe how the discharger proposes to guard against such accidents and detect them when they have occurred. The contingency plan also must describe the steps proposed to contain and remove the spilled substance or mitigate the damage caused by the discharge such that ground water is protected, or movement into surface waters is prevented. The discharger will be required to notify the OCD Director of significant leaks and spills, and this commitment and proposed notification threshold levels must be included in the contingency plan. In any case the local OCD District field office should be notified by telephone within 24 hours of a significant spill or release as defined in OCD Rule 116 and WQCC Section 1203.

NOTE: USE NMOCD RULE 116 AND WQCC Section 1203 for spill reporting

- A. **Describe proposed procedures addressing containment, cleanup and reporting in case of major and minor spills at the facility. Include information as to whether areas are curbed, paved and drained to sumps; final disposition of spill material; proposed schedule for OCD notification of spills; etc.**

The potential for major and minor spills at the facility is minimal. If a leak develops within a steel tank the tank berm will contain the spill until the material can be removed for disposal and the leak repaired.

If other equipment fails or leaks it will be shut down (if appropriate) and the leak will be contained and spilled materials properly removed. If a small amount of on-site soils are contaminated it will be remediated on-site. Larger spills or contaminated soils will be properly removed by an approved subcontractor using approved OCD guidelines.

- B. **Describe methods used to detect leaks and insure integrity of above and below ground tanks, and piping. Discuss frequency of inspection and procedures to be undertaken if significant leaks are detected.**

The system operator will visually inspect the facility and plant systems and gauge all storage tanks on his daily appointed rounds. All malfunctions, improper equipment operations and irregularities discovered will be immediately logged, reported and corrected.

- C. **If an injection well is used for on-site effluent disposal, describe the procedures to be followed to prevent unauthorized discharges to the surface or subsurface in the event the disposal well or disposal line is shut-in for work over or repairs (e.g. extra storage tanks, emergency pond, shipment off-site, etc.). Address actions to be taken in the event of disposal pipeline failure, extended disposal well downtime, etc.**

Not Applicable, produced water is transferred to Bird Creek Resources for disposal via their injection well.

how?

12. Site Characteristics

A. The following hydrologic/geologic information is required to be submitted with all discharge plan applications. Some information may be on file with OCD and can be provided to the applicant on request.

1. **Provide the name, description, and location of any bodies of water streams (indicate perennial or intermittent), or other water courses (arroyos, canals, drains, etc.); and ground water discharges sites (seeps, springs, marshes, swamps) within one mile of the outside perimeter of the facility. For water wells, locate wells within one-quarter mile of the outside perimeter of the facility and specify use of water (e.g. public supply, domestic, stock, etc.).** The Pecos River is the nearest body of water. This stream is approximately 3/4 mile east of the facility. There is an irrigation canal to the south of the facility within the one mile perimeter.

2. **Provide the depth to and total dissolved solids (TDS) concentration (in mg/l) of the ground water most likely to be affected by any discharge (planned or unplanned). Include the source of the information and how it was determined. Provide a recent water quality analysis of the ground water, if available, including the name of the analyzing laboratory and sample date.**

Estimated Depth to Groundwater approx. 31' GW Report #3 JB

Estimated Total Dissolved Solids approx 4100 GW Report #3 JB

3. **Provide the following information and attach or reference source information as available (e.g. driller's logs):**

Please see GW-69 discharge plan file for well drilling records obtained from the State Engineer's Office (Exhibit #9).

- a. **Soil type(s) (sand, clay, loam, caliche);**
- b. **Name of aquifer(s);**
- c. **Composition of aquifer material (e.g. alluvium, sandstone, basalt, etc.); and**

4. **Provide information on:**

a. **The flooding potential at the discharge site with respect to major precipitation and/or run-off events; and**

The facility is located in a shallow basin and inadvertent or accidental discharge of fluid would remain within the immediate area. No runoff would be possible into any of the surrounding streams.

b. **Flood protection measures (berms, channels, etc.), if applicable.**

The facility is located outside of the Pecos River flood plain. Local residents indicate that there has not been any local flooding in recent history.

B. **Additional Information**

Not Applicable at this time.

Provide any additional information necessary to demonstrate that approval of the discharge plan will not result in concentrations in excess of the standards of WQCC Section 3103 or the presence of any toxic pollutant (Section 1101.TT.) at any place of withdrawal of water for present or reasonably foreseeable future use. Depending on the method and location of discharge, detailed technical information on site hydrologic and geologic conditions may be required to be submitted for discharge plan evaluation. This material is most likely to be required for unlined surface impoundments and pits, and leach fields. Check with OCD before providing this information. However, if required it could include but not be limited to:

1. **Stratigraphic information including formation and member names, thickness, lithologies, lateral extent, etc.;**
2. **Generalized maps and cross-sections;**
3. **Potentiometric maps for aquifers potentially affected;**
4. **Porosity, hydraulic, conductivity, storativity and other hydrologic parameters of the aquifer;**
5. **Specific information on the water quality of the receiving aquifer; and**
6. **Information on expected alteration of contaminants due to sorption, precipitation or chemical reaction in the unsaturated zone, and expected reactions and/or dilution in the aquifer.**

Not Applicable

13. Other Compliance Information

Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. Examples include previous Division orders or letters authorizing operation of the facility or any surface impoundments at the location.

1. **Also include a brief statement committing to NMOCD Rule 116 and WQCC Section 1203 spill/leak reporting.**
The owner/operator of the Carlsbad Gas Plant agrees to abide by NMOCD Rule 116 and WQCC Section 1203 spill/leak reporting.
2. **A closure plan as described in WQCC Section 3107.A.11 "Monitoring, Reporting, and other Requirements." The "Closure Plan" shall include all of the information described in WQCC Section 3107.A.11 and can use OCD guidelines for accepted remediation techniques and unlined surface impoundment closure guidelines.**
If the Carlsbad Gas Plant is closed all equipment will be removed and the land of the former facility will be returned to its original state as described in WQCC Section 3107.A.11 and according to OCD guidelines.



BAKER ENVIRONMENTAL CONSULTING

HIGHLANDS GAS CORPORATION

EDDY COUNTY, NEW MEXICO
 CARRASCO BOOSTER STATION - GAS PLANT
 AREA MAP

JOB NUMBER:	FIG. NUMBER:	DATE:
		4/14/97
1" = 2 MILES		C:\ACAD\BAKEREN\AREAMAP

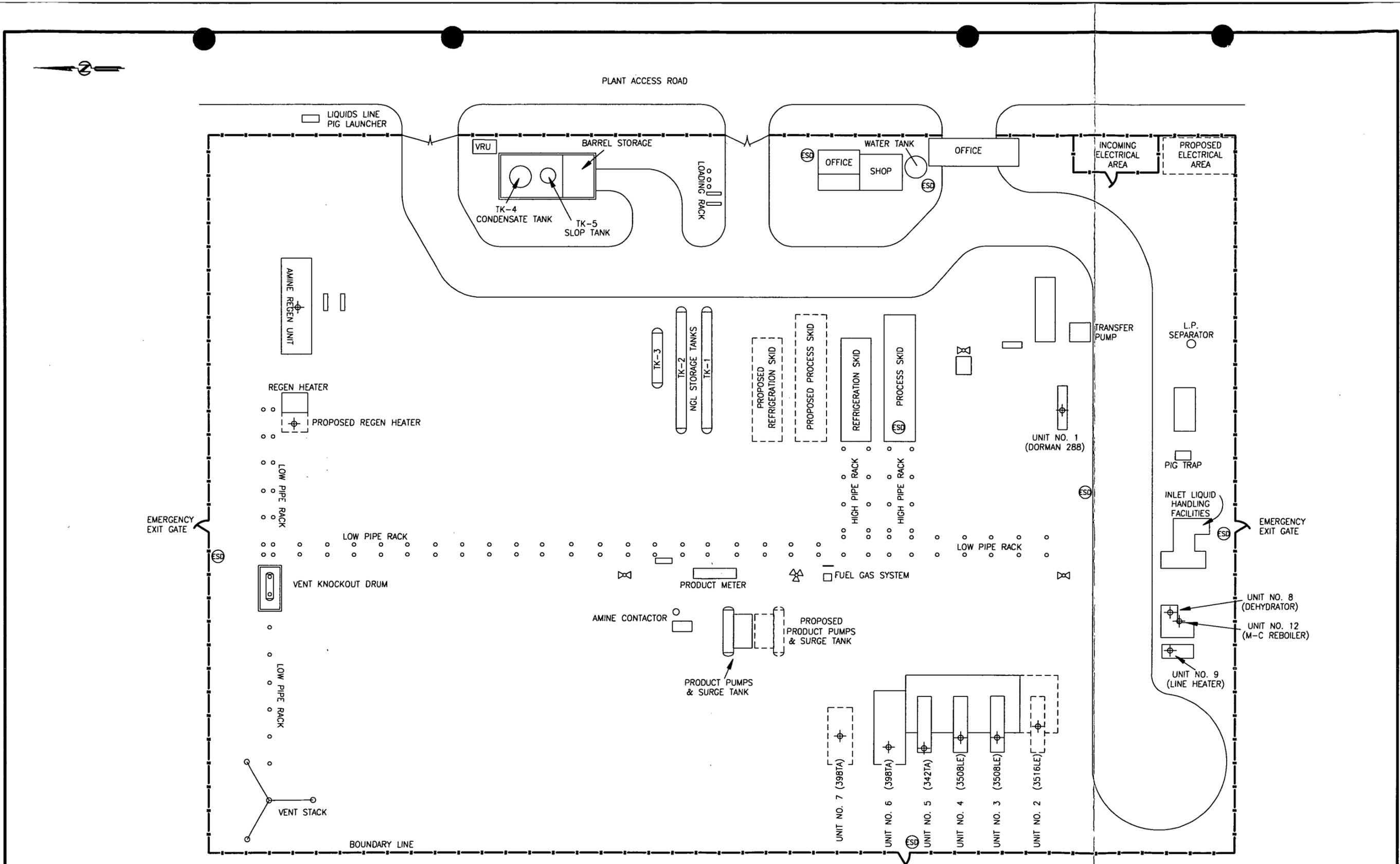


Figure II-2

SECTION 10
TOWNSHIP 23S
RANGE 28E

REFERENCE UTM:
586900 m E
3575900 m N
ZONE 13

LAT 32° 19' 8.4"
104° 4' 36.6"

BAKER ENVIRONMENTAL CONSULTING			HIGHLANDS GATHERING & PROCESSING COMPANY		
JOB NUMBER:			FIG. NUMBER:		
DATE: 4/12/97			1"=50'		
C:\ACAD\BAKERENV\PLANT-PP			GAS PLANT - PLOT PLAN		

HIGHLANDS GATHERING AND PROCESSING COMPANY

CARLSBAD GAS PLANT
260 POTASH MINES RD.
CARLSBAD, NM 88220

DATE 7-21-97

23-2-215
1020

PAY
TO THE
ORDER OF

NMED Water Quality Management

\$ 50.00

Fifty dollars / no/100

DOLLARS  Security feature included. Details on back.



Colorado National Bank
P.O. Box 5168
Denver, CO 80217
FastLine 24-Hour Banking 303/585-8585

FOR

Debra Heath

MP

RECEIVED

JUL 24 1997

Environmental Bureau
Oil Conservation Division



HIGHLANDS GATHERING AND PROCESSING COMPANY
A SUBSIDIARY OF HIGHLANDS GAS CORPORATION

CARLSBAD GAS PLANT
P.O. Box 248
Loving, NM 88256
(505) 745-2315
(505) 745-2390 FAX
(260 Potash Mines Road)

June 16, 1997

RECEIVED

JUN 20 1997

Mr. William J. LeMay
Director
Oil Conservation Division
New Mexico Energy and Minerals Department
2040 S. Pacheo Street
Santa Fe, New Mexico 87505

Environmental Bureau
Oil Conservation Division



Re: Discharge Plan for the Carlsbad Gas Plant, New Mexico Discharge Plan GW-69

Dear Mr. LeMay:

On Friday, June 13, 1997 our consultant Mr. David Baker, after a conversation with Mr. Pat Sanchez (OCD), discovered that our discharge plan (GW-69) for the Carlsbad Gas Plant had expired on April 29, 1997. The correct expiration was determined by Mr. Sanchez when he pulled the hard file for the facility.

This letter is to request an extension in order to submit a discharge plan under the current regulations with the required forms and information. I have directed David Baker of Baker Environmental Consulting to prepare the required discharge plant renewal while working closely with your office. I anticipate submitting the plan no later than July 16, 1997.

If you have any questions or require further information, please contact me at (505) 745-2315 or David Baker at (505) 294-9943. Thank you for your assistance with this matter.

Sincerely,

Harley Temple
Superintendent

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM
NM Oil Conservation Division, District office, Artesia, NM
Janet Peters, Highlands Gathering and Processing Company, Englewood, CO.
David Baker, Baker Environmental Consulting, Albuquerque, NM

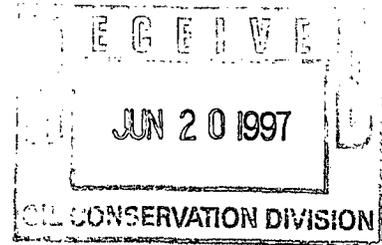


HIGHLANDS GATHERING AND PROCESSING COMPANY
A SUBSIDIARY OF HIGHLANDS GAS CORPORATION

CARLSBAD GAS PLANT
P.O. Box 248
Loving, NM 88256
(505) 745-2315
(505) 745-2390 FAX
(260 Potash Mines Road)

June 16, 1997

Mr. William J. LeMay
Director
Oil Conservation Division
New Mexico Energy and Minerals Department
2040 S. Pacheo Street
Santa Fe, New Mexico 87505



Re: Discharge Plan for the Carlsbad Gas Plant, New Mexico Discharge Plan GW-69

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Sincerely,

Harley Temple
Superintendent

xc: Pat Sanchez, Oil Conservation Division, Santa Fe, NM
NM Oil Conservation Division, District office, Artesia, NM
Janet Peters, Highlands Gathering and Processing Company, Englewood, CO.
David Baker, Baker Environmental Consulting, Albuquerque, NM

RECEIVED

JUN 20 1997

Environmental Bureau
Oil Conservation Division

Final payment for Carlsbad Plant Discharge Plan GW-69

\$667.00

(Contingental)

5 of 5

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 9/7/95,
or cash received on 9/25/95 in the amount of \$ 667.00
from Highlands Gathering
for Coolidge G.P. GW-69

Submitted by: _____ Date: _____
Submitted to ASD by: Rosanna A. Aude Date: 9/26/95
Received in ASD by: Angie Aude Date: 9/26/95

Filing Fee _____ New Facility Renewal _____
Modification _____ Other _____

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment
5 of 5

HIGHLANDS GATHERING AND PROCESSING COMPANY
8085 SOUTH CHESTER STREET, SUITE 114
ENGLEWOOD, COLORADO 80112

23-164/1021

NO. [redacted]

Colorado National Bank Aspen
420 East Main Street
Aspen, CO 81611 003341

DATE
SEP-07-95

PAY EXACTLY **667dols00cts**

AMOUNT
\$667.00

TO THE ORDER OF
New Mexico Oil Conservation Division
Environmental Bureau
2040 S. Pachero
Santa Fe, NM 87505

[Signature]
Debra M. Wilson
AUTHORIZED SIGNATURE



Highlands Gas Corporation

OIL CONSERVATION DIVISION
RECEIVED

'95 SEP 25 AM 8 52

Highland Place I
8085 S. Chester Street, Suite 114
Englewood, CO 80112
(303) 705-8600
(303) 705-8650 FAX

September 18, 1995

New Mexico Oil Conservation Division
Environmental Bureau
2040 S. Pacheco
Santa Fe, New Mexico 87505

RE: CARLSBAD AREA
WESTALL COMPRESSOR STATION
DISCHARGE PLANT GW-144

CARLSBAD PLANT
DISCHARGE PLAN GW-69

Gentlemen:

Enclosed please find:

- (1) Check #24341 in the amount of \$552.00 as final payment for the captioned Discharge Permit GW-144, and
- (2) Check #24340 in the amount of \$667.00 as final payment for the Carlsbad Plant Discharge Permit GW-69.

If you should have any questions, please contact me at (303) 705-8620.

Sincerely,



Donna J. Skinner
Engineering & Operations Technician

Enclosures

Chris

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/26/95 or cash received on 5/12/95 in the amount of \$ 667.00 from Highlands Gas Corp

for (Continental) Carlsbad G.P GW-69 (Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Roger A. Anderson Date: 5/12/95

Received in ASD by: _____ Date: _____

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

Organization Code 521.07 Applicable FY 95

To be deposited in the Water Quality Management Fund.

Full Payment ___ or Annual Increment X 4 of 5

HIGHLANDS GAS CORPORATION 5613 DTC PARKWAY, SUITE 850 ENGLEWOOD, CO 80111

COLORADO NATIONAL BANK ASPEN ASPEN, CO 81661 23-164/1021

4/26/95

PAY TO THE ORDER OF NMED - Water Quality Management *****667.00 \$

Six Hundred Sixty Seven and No/100----- DOLLARS

NMED-WATER QUALITY MANAGEMENT P.O. BOX 2088, STATE LAND OFFICE BLDG. SANTA FE, NM 87504

MEMO

[redacted]

[Signature]

1-800-423-8510

HIGHLANDS GAS CORPORATION

4/26/95



NMED-WATER QUANTITY MANAGEMENT

Inv No

Date

Amount

042195

4/21/95

667.00

\$667.00

OIL CONSERVATION DIVISION
RECEIVED

Highlands Gas Corporation

85 MAR 17 AM 8 52

Highland Place I
8085 S. Chester Street, Suite 114
Englewood, CO 80112
(303) 705-8600
(303) 705-8650 FAX

May 3, 1995

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

Gentlemen:

4 of 5

Enclosed is Highland Gas Corporation's 1995 fee for Discharge Plan GW-69, Carlsbad Gas Processing Plant, located in SE/4 NW/4 SE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico in the amount of \$667.00

Please note our address change for the Englewood office.

If there are any questions, please contact Donna Skinner at (303) 705-8620.

Sincerely,



Donna J. Skinner
Engr./Opns Tech

Enclosure: Check # 11754

Highlands Gas Corporation

OIL CONSERVATION DIVISION
RECEIVED

5613 DTC Parkway, Suite 850
Englewood CO 80111
303 850-1827
303 850-1136 FAX

'95 JAN 17 AM 8 52

January 9, 1994

Director
Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, NM 87505

Continental GP

RE: Discharge Plans GW-69, GW-137, GW-138, GW-139, GW-144
Carlsbad Plant, Eddy County, New Mexico

Director:

By letter to your office dated December 15, 1994, Highlands Gas Corporation notified the Division of our purchase of the Carlsbad Gas Gathering and Processing Facility (Sec.10-T23S-R28E, Eddy County). Per our recent telephone conversation with Mr. Roger Anderson in your office, please allow this letter to serve as our notification to the Division that Highlands Gas Corporation has received the above referenced Discharge Plans from Continental Natural Gas and will abide by the Discharge Plans Terms and Conditions.

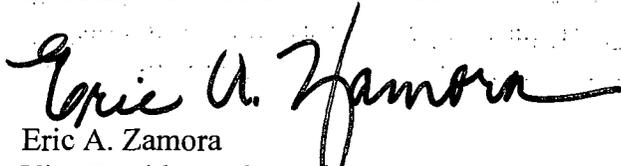
Highlands requests the Division to make the necessary changes to their records to recognize Highlands as the new operator of the Plant and Gathering Facilities and all appurtenances thereto.

All future notification should regarding the plant should be directed to Highlands at the above address.

Should you require any further information, filings or requirements from Highlands, please contact us at your convenience.

Sincerely,

HIGHLANDS GAS CORPORATION



Eric A. Zamora
Vice President - Operations

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



January 9, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-084

Ms. Linda Richards
Highlands Gas Corporation
5613 DTC Parkway, Suite 850
Englewood, Colorado 80111

**Re: Discharge Plan (GW-69)
Carlsbad Gas Plant
Eddy County, New Mexico**

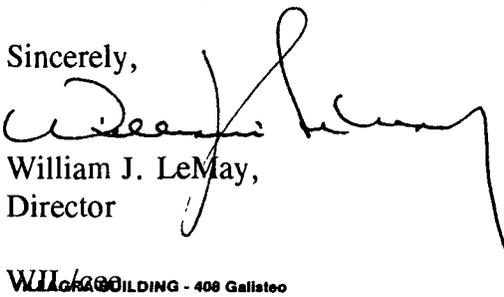
Dear Ms. Richards:

A review of the file for discharge plan GW-69, Carlsbad Gas Processing Plant, located in the SE/4 NW/4 SE/4 of Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, has revealed that the 1993 and 1994 incremental installments for payment of the April, 1992 discharge plan flat fee have not been submitted to the Oil Conservation Division (OCD). These fees, each in the amount of \$667.00, were due on April 29, 1993 and April 29, 1994, respectively. This is the second notice the OCD has sent.

In order to continue to be in compliance with Water Quality Control Commission (WQCC) Regulation 3-114 B.6, please remit the remaining balance in full to the OCD immediately. The remaining balance on the flat fee for the above referenced facility is twenty six hundred sixty-eight dollars (\$2668.00). All checks should be made payable to: NMED-WATER QUALITY MANAGEMENT and addressed to the OCD Santa Fe office.

If there are any questions on this matter, please contact Chris Eustice at (505) 827-7153.

Sincerely,


William J. LeMay,
Director

WILLCO BUILDING - 408 Gallateo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

Highlands Gas Corporation

RECEIVED
OIL CONSERVATION DIVISION
34 DECEMBER 1994 8 52
5613 DTC Parkway, Suite 850
Englewood CO 80111
303 850-1827
303 850-1136 FAX
*Call her and
let her know
our requirements
Plant*

December 15, 1994

*Copy: Tim
Roger
Ron*

Mr. Bill LeMay
Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, MN 87505

RE: Purchase of Carlsbad Gas Gathering and Processing Facility

Dear Mr. LeMay:

Per telephone conversations to your office, we have been advised of our requirement to notify the Oil Conservation Division of our recent purchase of the Carlsbad Gas Gathering and Processing Facility located in Eddy County, New Mexico.

Highlands Gas Corporation is a Denver, Colorado based gas gathering, processing and marketing company. Highlands completed the 100% purchased and assumed operations of the Carlsbad facility located in Section 10-T23S-R28E, Eddy County, New Mexico effective December 1, 1994 from Continental Natural Gas based in Tulsa, Oklahoma.

We will advise the producers behind our plant to file Form C-104, and Highlands will file Form C-111 per the instructions received from your office. Our new OGRID number as assigned to us is 139633.

Since the Carlsbad Plant is our first plant of operation in the State of New Mexico, please advise us of any further filings the State of New Mexico requires. I may be reached at (303)850-1813 or at the address above.

Thank you for your assistance in this matter.

Sincerely,

HIGHLANDS GAS CORPORATION



Linda Richards
Gas Control and Contracts Supervisor

50
3335

1 667 + 50 = 717
2 - 667

Installation
93' 2 of 5
94' 3 of 5

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5-25-94,
or cash received on 5/31/94 in the amount of \$ 1334⁰⁰
from Continental Natural Gas
for Carlsbad Gas Processing Plant GW-069

Submitted by: _____ Date: _____
Submitted to ASD by: Robert Myers Date: 5/31/94
Received in ASD by: Ange Alire Date: 5/31/94

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

Organization Code 521.07 Applicable FY 94

To be deposited in the Water Quality Management Fund.
Full Payment _____ or Annual Increment
2 years



CONTINENTAL NATURAL GAS, INC.
1400 Boston Building
1412 So. Boston, Suite 500
Tulsa, Oklahoma 74119

CHRISTIANIA BANK 1-392/260
NEW YORK BRANCH
630 Fifth Avenue
New York, New York 10111

CHECK NO.	CHECK DATE	VENDOR NO.
[redacted]	5-25-94	

CHECK AMOUNT
*****\$1,334.00*****

*****ONE THOUSAND THREE HUNDRED THIRTY-FOUR DOLLARS*****
*****AND 00/100*****

PAY
TO THE
ORDER OF

STATE OF NEW MEXICO
STATE LAND OFFICE BUILDING
P.O. BOX 2088
SANTA FE, NM 87504

Wiley
[Signature]





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

May 18, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. P-111-334-312

Mr. Wayne Chang
Continental Natural Gas
P.O. Box 21470
Tulsa, OK 74121

**RE: Discharge Plan Requirement GW-069
Carlsbad Gas Processing Plant
Eddy County, New Mexico**

Dear Mr. Chang,

A review of the file for discharge plan GW-069, Carlsbad Gas Processing Plant, located in the SE/4 NW/4 SE/4, Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, has revealed that the 1993 and 1994 incremental installments for payment of the April, 1992 discharge plan flat fee have not been submitted to the Oil Conservation Division (OCD). These fees, each in the amount of \$667.00, were due on April 29, 1993 and April 29, 1994, respectively.

In order to continue to be in compliance with Water Quality Control Commission (WQCC) Regulation 3-114 B.6, please remit these fees to the OCD as soon as possible. All checks should be made payable to: **NMED-WATER QUALITY MANAGEMENT** and addressed to the OCD Santa Fe office.

Future installment payments are due on April 29 of each year for the life of the current discharge plan (expiration April 29, 1997).

If there are any questions on this matter, please contact me at (505) 827-4080.

Sincerely,

Robert L. Myers II
Petroleum Engineer Specialist

RLM/rlm
XC: OCD Artesia Office



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

MEMORANDUM

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

ANITA LOCKWOOD
CABINET SECRETARY

TO: Roger Anderson, Environmental Bureau Chief
FROM: Bobby Myers, Petroleum Engineer Specialist
DATE: May 18, 1994
SUBJECT: Delinquent Discharge Plan Fee Payment

Below is a chronological list of discharge plan recipients who have failed to pay their discharge plan filing and/or plan fee.

<u>DP #</u>	<u>Company</u>	<u>Facility</u>	<u>Fee Owed</u>	<u>Date Due</u>
GW-099	Halliburton	Farmington SC	1380	12/30/92
BW-018	Unichem	Trucker #2 BW	690	2/11/93
GW-069	Continental	Carlsbad GP	667	4/29/93
GW-113	Transwestern	Eunice CS	740	6/22/93
GW-150	Llano	Pure Gold CS	690	11/22/93
GW-157	P & A	Farmington SC	1380	12/28/93
GW-115	Halliburton	Artesia SC	1380	1/13/94
GW-161	Associated NG	Rosa CS	690	4/ 7/94
GW-016	GPM	Eunice GP	1717.50	4/25/94
GW-137	Continental	Carrasco CS	276	4/28/94
GW-069	Continental	Carlsbad GP	667	4/29/94
GW-141	Parker&Parsley	Loving GP	<u>667</u>	5/ 6/94
		TOTAL OWED	10944.50	

Note that the last five have recently been due and probably are not really late. However, the Continental Carrasco compressor station fee is a incremental fee, so they had one year since last payment to prepare to submit it.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5/15/92,
or cash received on 5/19/92 in the amount of \$ 717.00
from Continental Natural Gas Co
for Cadashad Plant GW-69
Submitted by: Roger Anderson Date: 5/19/92
Submitted to ASD by: _____ Date: _____
Received in ASD by: Sherry Gonzalez Date: _____
Filing Fee _____ New Facility Renewal _____
Modification _____ Other _____
Organization Code 521.07 Applicable FY 80

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____



CONTINENTAL NATURAL GAS, INC.

1400 Boston Building
1412 So. Boston, Suite 700
Tulsa, Oklahoma 74119

Seven hundred seventeen dollars and 00/100

State of New Mexico - Energy, Minerals &
Natural Resources Department
P.O. Box 2088
Santa Fe, New Mexico 87504

CHRISTIANA BANK
NEW YORK BRANCH
630 Fifth Avenue
New York, New York 10111

1-392/200

CHECK NO.	CHECK DATE	VENDOR NO.
[redacted]	5-15-92	

CHECK AMOUNT

717.00

[Signature]

BY
ORDER OF

OIL CONSERVATION DIVISION
RECEIVED

CONTINENTAL NATURAL GAS, INC. '92 MAY 19 AM 8 51

May 15, 1992

Mr. William J. LeMay - Director
State of New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
State Land Office Building
P.O. Box 2088
Santa Fe, New Mexico 87504

Dear Mr. LeMay:

Enclosed is a check in the amount of \$717.00 for the first of five installments on the Discharge Plan Requirements and for the one time filing fee of \$50.

In the future if you would please invoice us for the remaining installments it would be greatly appreciated. If you have any further questions please feel free to contact me at (918) 582-4700.

Sincerely,

Cassandra Wynn

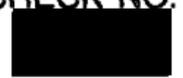
Cassandra Wynn
Secretary - Operations

\cw

CHECK NO.

VENDOR: State of New Mexico

CONTINENTAL NATURAL GAS, INC.



OUR REF. NO.	YOUR INV. NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN
--------------	---------------	--------------	----------------	-------------	----------------

\$50.00 filing fee & 1/5 of Payment of Discharge

\$717.00



Materials, environmental and geotechnical engineering, nondestructive, metallurgical and analytical services
1703 West Industrial Avenue • P.O. Box 2150 • Midland, Texas 79702

Report of tests on Water
Client Nicol & Associates
Delivered by Jack Barton

File No. 6605000
Report No. 77404
Report Date 4-7-92
Date Received 3-18-92

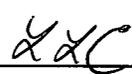
Identification Continental Natural Gas, So. Carlsbad Plant, Eddy County, NM,
Discharge Plan GW-69, Slop Tank (After Processing)
Sampled 3-18-92 by SwL/Field Services

**REPORT OF
TOTAL METALS**

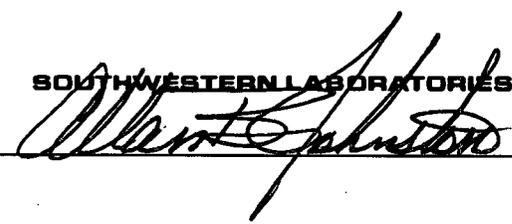
<u>Parameters</u>	<u>Results</u> mg/L	<u>Date</u> <u>Performed</u>	<u>Analyst</u>	<u>Test Method</u>
Arsenic	* 0.010	4-1-92	G. Bunch	SW846, 7061
Barium	0.84	3-31-92	G. Bunch	SW846, 7080
Cadmium	* 0.10	3-31-92	G. Bunch	SW846, 7130
Chromium	* 0.50	3-31-92	G. Bunch	SW846, 7190
Lead	0.62	3-31-92	G. Bunch	SW846, 7420
Mercury	* 0.050	3-30-92	G. Bunch	SW846, 7470
Selenium	* 0.10	4-1-92	G. Bunch	SW846, 7741
Silver	* 0.20	3-31-92	G. Bunch	SW846, 7760

*Denotes "less than"

Copies: Nicol & Associates, Attn: Russell Kilbourn
Attn: Continental Natural Gas, Attn: Harley Temple



Reviewed by

SOUTHWESTERN LABORATORIES


Mr. Roger Anderson
Page 2
April 22, 1992

If you have any questions, please advise.

Sincerely,

A handwritten signature in cursive script, appearing to read "Russell A. Kilbourn".

Russell A. Kilbourn, P.E.

lsr

enclosure

cc: Wayne Chang, Continental Natural Gas, Inc.
cngeddy\dschgw69.1tr

NICOL & ASSOCIATES

Engineering Consultants

331 Melrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

RECEIVED

APR 27 1992

OIL CONSERVATION DIV.
SANTA FE

April 22, 1992

Mr. Roger Anderson
State of New Mexico OCD
Energy Minerals and Natural Resources Dept.
P.O. Box 2088, State Land Office Bldg.
Santa Fe, NM 87504

RE: Discharge Plant GW-69
Carlsbad Plant
Eddy County, NM

Dear Mr. Anderson:

In response to your letter dated 3/27/92 and your visit to the referenced plant please be advised that corrective action has been initiated as indicated below:

1. The buried sump adjacent to the front gate and the dehydrator sump are being placed above the surface on a 4' x 4' concrete pad with 4" curbs.
2. The drums along the north fence line will be relocated on a 25' x 64' sealed concrete pad with 3' retaining walls. This pad is designed to hold 20 drums and the slop tanks.
3. The angle iron placed on the northern most compressor pad has been removed and no fluids are leaking.
4. The 300 bbl and 100 bbl tanks will be located on the 25' x 64' sealed concrete slab as indicated in Item 2 above. This containment will hold 4,800 cu.ft. (856 bbls) of fluid. This construction will prevent the rodent problems.
5. The plant surface area was checked for oil spills. Areas where spills were found were cleaned by removing the contaminated soil. The contaminated soil was then placed in steel drums and will be disposed of by a state licensed disposal company. It should be noted that some areas that appeared contaminated were moisture spots.

The work as noted above is in progress as of this date. I have enclosed a plant plot plan showing the proposed tank pad and general plant layout. In addition to the above please find attached a copy of the water test performed by Southwestern Laboratories on 3/18/92.

RECEIVED APR 1 1932

RECEIVED APR 1 2 1932

RECEIVED APR 1 6 1932

RECEIVED APR 1 1932



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

March 27, 1992



BRUCE KING
GOVERNOR

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

CERTIFIED MAIL
RETURN RECEIPT NO. P-690-155-049

Mr. Wayne Chang
Continental Natural Gas Company
P.O. Box 21470
Tulsa, Oklahoma 74121

Re: Discharge Plan GW-69
Carlsbad Plant
Eddy County, New Mexico

Dear Mr. Chang:

The Oil Conservation Division (OCD) has received your consultant's, Nicol & Associates, response dated March 13, 1992, to the OCD request for additional information dated June 5, 1991. The response answers the outstanding questions concerning the discharge plan application.

On March 17, 1992 the OCD visited the plant to conduct a site inspection. Arrival at the site was after normal working hours and consequently there were no company representatives present. The OCD representatives did not enter the facility but did walk the perimeter of the facility remaining outside the facility fence. The following comments are based on the observations from this visit.

1. It is OCD's policy that all sumps or below grade facilities be equipped with secondary containment and leak detection. The buried sump adjacent to the front gate and the dehydrator sump did not appear to have leak detection. Please provide a method to ensure the integrity of these sumps.
2. It is OCD's that all drums be stored on a pad and curb type containment. The drums along the North fence line were not on a pad.
3. The angle iron placed on the northern most compressor pad appeared to allow oil to leak off the pad. Please provide a plan and schedule to correct these leaks.

Mr. Wayne Chang
 March 27, 1992
 Page -2-

4. A number of the berms had rodent holes in and possibly through them. These could significantly weaken the berms and nullify their ability to contain fluids.
5. There were numerous areas of oil spillage to the ground that were evident from observation outside the fence line. Please submit clean-up procedures to promptly mitigate past and future spills of contaminants.

On January 16, 1991, after receiving a Notice of Intent to Discharge from Continental Natural Gas, you were notified of the requirement to file a discharge plan application. Pursuant to Water Quality Control Commission Regulation 3-106.B. the Director of the Oil Conservation Division may approve a request to discharge for a period not to exceed 120 days. Your facility has been discharging without an approved discharge plan and without authorization of the Director. Prompt response to the above comments will allow review of your application to continue and shorten the time required for your facility to come into compliance with the State's rules and regulations.

If you have any questions please contact me at (505) 827-5812.

Sincerely:



Roger C. Anderson
 Environmental Engineer

cc: Mike Williams
 Chris Eustice

SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Mr. Wayne Chang Continental Natural Gas Co P.O. Box 21470 TULSA OK 74121		4a. Article Number P 690-155-049	
		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
5. Signature (Addressee)		7. Date of Delivery	
6. Signature (Agent)		8. Addressee's Address (Only if requested and fee is paid)	

Handwritten notes: Mike Williams 3/27/92

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

March 12, 1992

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

Ms. Pennie Little
Continental Natural Gas, Inc.
P. O. Box 21470
Tulsa, OK 74121

Dear Ms. Little:

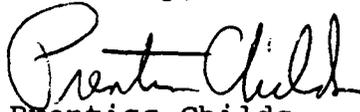
Enclosed are copies of Division Forms C-111 and C-112. They are to be filed monthly for your Carlsbad plant as specified in Division Rules 1111 and 1112. Follow the filing instructions included on the forms.

I have also enclosed samples of both forms as submitted by operators. If you have any questions about how to complete the forms, please consult District II Supervisor Mike Williams in Artesia. Please complete forms for all the months the plant has been in operation.

Roger Anderson, Acting Chief of the Division's Environmental Bureau, plans to contact you regarding the status of your Discharge Plan.

Thank you very much.

Sincerely,


Prentiss Childs
Bureau Chief
Administration

PC:ma
Enclosures

cc: Mike Williams, Supervisor
District II

Jerry Sexton, Supervisor
District I

✓ Roger Anderson, Acting Chief
Environmental Bureau

NICOL & ASSOCIATES

Engineering Consultants

331 Melrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

OIL CONSERVATION DIVISION
RECEIVED

'92 MAR 17 AM 8 26

March 13, 1992

Mr. Roger Anderson
State of New Mexico, OCD
Energy Minerals and Natural Resources Dept.
P.O. Box 2088, State Land Office Bldg.
Santa Fe, NM 87504

RE: Discharge Plan GW-69
CNG, Carlsbad Plant

Dear Mr. Anderson:

In response to your letter dated 6/5/91 and our phone conversation this date concerning the reference Plant Discharge Plan, please find the additional information you requested below:

- Item 1. Section II.B. Effluent Quality Characteristics
Southwestern Lab has been retained to perform tests on plant effluent for cations/anions, heavy metals and purgable organics. The results will be forwarded to your office within 45 days.
- Item 2. Section II. C. 2. Inlet Scrubber Water Storage
All water storage tanks are above grade.
- Item 3. Section II. D. Spill/Leak Prevention
Continental Natural Gas plant personnel will notify the Oil Conservation Division, Hobbs, NM office at 505-393-6161 in case of any spills.
- Item 4. Berming of Tanks
All plant tanks are berm large enough to contain more than one third more than the volume of the tanks.

If you need additional information or have further questions please advise.

Sincerely,



Russell A. Kilbourn, P.E.

lsr

enclosure

cc: Wayne Chang, Continental Natural Gas, Inc.
cngeddy\dsfchg.pln

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

March 12, 1992

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

Mr. Jim McPhee
Senior Operations Analyst
Liquid Energy Corporation
P. O. Box 4000
The Woodlands, TX 77387-4000

Dear Mr. McPhee:

As we discussed, I am enclosing copies of Division Forms C-111 and C-112. They are to be filed monthly for your Dagger Draw and Pecos Diamond plants as specified in Division Rules 1111 and 1112. Follow the filing instructions included on the forms.

I have also enclosed samples of both forms as submitted by operators. If you have any questions about how to complete the forms, please consult District II Supervisor Mike Williams in Artesia. Please complete forms for all the months the plants have been in operation.

Roger Anderson, Acting Chief of the Division's Environmental Bureau, has talked to Gary Lewis about Discharge Plans for the plants.

Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Prentiss Childs".

Prentiss Childs
Bureau Chief
Administration

PC:ma
Enclosures

cc: Mike Williams, Supervisor
District II

Jerry Sexton, Supervisor
District I

✓ Roger Anderson, Acting Chief
Environmental Bureau



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

June 5, 1991

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

CERTIFIED MAIL
RETURN RECEIPT NO. P-327-278-150

Mr. Russell A. Kilbourn
Nicol & Associates
331 Melrose Drive
Suite 121
Richardson, Texas 75080

RE: Discharge Plan GW-69
Continental Natural Gas Company
Eddy County, New Mexico

Dear Mr. Kilbourn:

The Oil Conservation Division (OCD) has received the discharge plan application, dated January 16, 1991 for the above referenced proposed facility. The following comments and requests for additional information or commitments are based on review of your application.

1. **Section II.B. Effluent Quality Characteristics:**
After plant startup, a sample of the plant effluent will be obtained and analyzed for major cations/anions, heavy metals and purgable organics.
2. Section II.C.2 states inlet scrubber water will be stored in an open tank. Is this tank above grade or below grade? It is an OCD requirement that all below grade vessels (tanks, sumps, etc.) will be equipped with leak detection. If this tank or any other vessel at the facility is constructed with any portion below the ground surface submit the construction diagrams that clearly show the leak detection system.
3. **Section II.D. Spill/Leak Prevention:**
All spill notification will be to the OCD Hobbs District Office. Spill notification criteria will be pursuant to Water Quality Control Commission Regulation 1-203.
4. **Berming of Tanks:**
The bermed areas for all vessels that contain fluids other than fresh water shall be large enough to hold one-third more than the volume of the largest vessel of one-third larger than the total volume of all interconnected vessels contained within the berm.

Mr. Russell A. Kilbourn
June 5, 1991
Page -2-

If you have any questions, please do not hesitate to call me at (505) 827-5884.

Sincerely,

A handwritten signature in cursive script that reads "Roger C. Anderson".

Roger C. Anderson
Environmental Engineer

RCA/sl

cc: OCD Hobbs Office

NICOL & ASSOCIATES

Engineering Consultants

331 Melrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

OIL CONSERVATION DIVISION
RECEIVED

'91 APR 8 AM 8 46

March 27, 1991

Mr. Roger Anderson
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RE: Discharge Plan
Continental Natural Gas, Inc.
Eddy County Plant

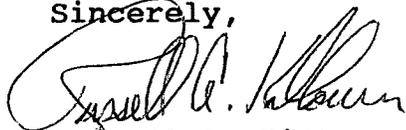
Dear Mr. Anderson:

Please be advised that Continental Natural Gas, Inc. has moved the proposed plant location originally indicated in our Discharge Plan in Section 15, T23S, R28W, Eddy County, NM approximately NE one quarter of a mile to Section 10. The new location is:

SE/4 NW/4/SE/4 Section 10,
Township 23S, Range 28E
Eddy County, NM
Latitude 32° 18' 58"
Longitude 104° 03' 32"

I have enclosed a new Exhibit 1 for your records. Please advise if you have any questions or need further information.

Sincerely,

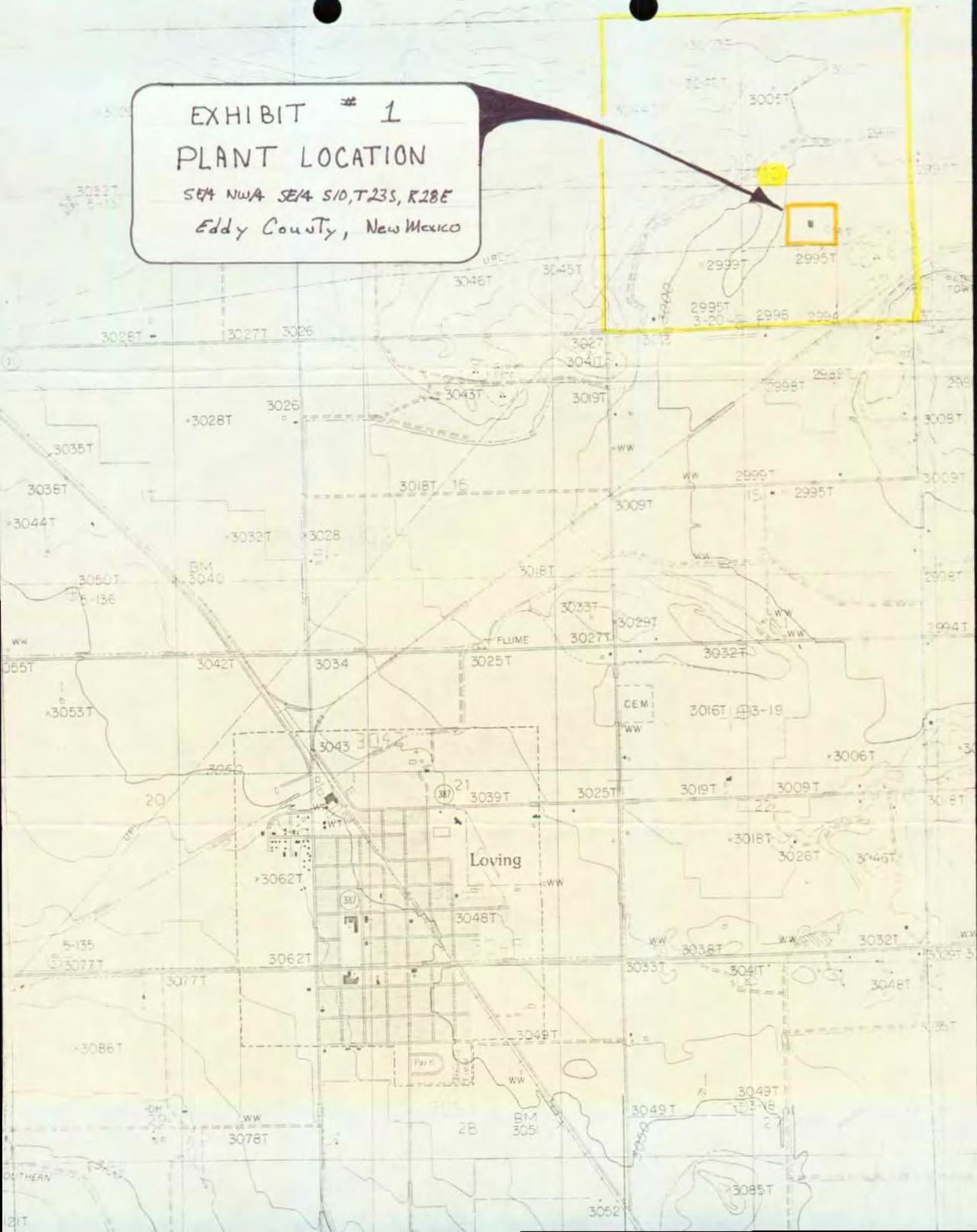


Russell A. Kilbourn, P.E.

lsr
enclosure

EXHIBIT # 1
PLANT LOCATION

5/4 NWA SE/4 S10, T23S, R28E
Eddy County, New Mexico



Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that he is **Adv. Director** of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Notice Of Publication

and numbered _____ in the

_____ Court of Lea County, New Mexico, was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, once each week on the same day of the week, for one (1)

consecutive weeks, beginning with the issue of

May 1, 1991

and ending with the issue of

May 1, 1991

And that the cost of publishing said notice is the sum of \$48.65

which sum has been (Paid) ~~(Advanced)~~ as Court Costs

Joyce Clemens
Subscribed and sworn to before me this 7th

day of May, 1991

Mrs. Jean Sevier
Notary Public, Lea County, New Mexico

My Commission Expires Sept. 28, 1994

LEGAL NOTICE 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, the following discharge plan renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P. O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc. Terry Spencer, P. O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-4) - Wasserhund Incorporated, J. E. Hasseloff, President, P. O. Box 249, Lovington, New Mexico, 88260, has submitted a renewal application for the previously approved discharge plan application for their insitu extraction brine well facility. The brine station is located in the SW/4, SW/4, Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2000 feet and brine is extracted with an average Total Dissolved Solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of approximately 120 feet and has a total dissolved solids content of about 500 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-1) - Conoco, Inc. Jerry W. Hoover, Regulatory Coordinator, 10 Deata Drive West, Midland, Texas 79705-4514, has submitted a discharge plan modification application for the previously approved discharge plan application for its Warren McKee brine extraction located in the SW/4, NW/4, Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. The proposed modification is that the Warren McKee Brine Well No. 1, which has been temporarily abandoned for the past year, be returned to active status. Currently, the Warren McKee Brine Well No. 2 is the only active well and is supplying all of the brine used in the Warren McKee Waterflood. The proposed modification allows for the two wells to be operated either alternately or simultaneously in order to optimize brine production and minimize shut down time of the waterflood. Groundwater most likely to be affected by any accidental discharge to the surface is at a depth of 70 to 145 feet with a total dissolved solids concentration of 1150 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest. If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing. GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of April, 1991. To be published on or before May 1, 1991.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
WILLIAM J. LEMAY, Director

SEAL
Published in the Lovington Leader May 1, 1991.

Affidavit of Publication

No. 13521

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 days consecutive weeks on the same day as follows:

First Publication May 1, 1991

Second Publication _____

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this 6th day of May 19 91

Barbara Ann Beans
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

LEGAL NOTICE

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, the following discharge plan

Copy of Publication

renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-4) - Wasserhund Incorporated, J.E. Hasseloff, President, P.O. Box 249, Lovington, New Mexico, 88260, has submitted a renewal application for the previously approved discharge plan application for their insitu extraction brine well facility. The brine station is located in the SW/4, SW/4, Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2000 feet and brine is extracted with an average Total Dissolved Solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at

a depth of approximately 120 feet and has a total dissolved solids content of about 500 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-1) - Conoco, Inc., Jerry W. Hoover, Regulatory Coordinator, 10 Desta Drive West, Midland, Texas 79705-4514, has submitted a discharge plan modification application for the previously approved discharge plan application for its Warren McKee brine extraction located in the SW/4, NW/4, Section 2, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. The proposed modification is that the Warren McKee Brine Well No. 1, which has been temporarily abandoned for the past year, be returned to active status. Currently, the Warren McKee Brine Well No. 2 is the only active well and is supplying all of the brine used in the Warren McKee Waterflood. The proposed modification allows for the two wells to be operated either alternately or simultaneously in order to optimize brine production and minimize shut down time of the waterflood. Groundwater most likely to be affected by any accidental discharge to the surface is at a depth of 70 to 145 feet with a total dissolved solids concentration of 4150 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any

S P P 1

**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, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-89) Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has amended the previously advertised discharge plan application for its proposed Eddy County Gas Processing Plant. The amendment changes the location from the NW/4 NE/4, Section 15, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico to the NW/4 SE/4 Section 10, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by any spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

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**STATE OF NEW MEXICO
County of Bernalillo**

ss

Thomas J. Smithson being duly sworn declares and says that he is National Advertising manager of the **Albuquerque Journal**, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, a copy of which is hereto attached, was published in said paper in the regular daily edition,

for.....¹.....times, the first publication being on the.....².....day
of.....^{May}....., 1991, and the subsequent consecutive
publications on....., 1991.

Thomas J. Smithson
Sworn and subscribed to before me, a Notary Public in
and for the County of Bernalillo and State of New
Mexico, this²..... day of.....^{May}....., 1991.

PRICE.....^{\$391.69}.....

Statement to come at end of month.

ACCOUNT NUMBER.....^{C 81184}.....

BERNALILLO COUNTY
Bernadette Ortiz
12-18-93

CLA-22-A (R-12/91)

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, the following discharge plan renewal, modification and amendment applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P. O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

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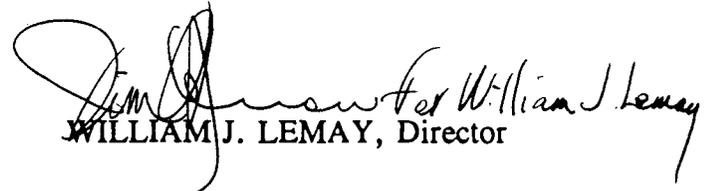
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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of April, 1991. To be published on or before May 1, 1991.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director

S E A L

Affidavit of Publication

No. 13446

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of

the state of New Mexico for 1 days consecutive weeks on the same day as follows:

First Publication March 12, 1991

Second Publication _____

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this 19th day of March 19 91

Barbara Ann Deans

Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

LEGAL NOTICE

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, the following discharge plan applications and renewal applications have been submitted to the Di-

rector of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-69) - Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has submitted a discharge plan application for its proposed Eddy County Gas Processing Plant located in the NW/4 NE/4, Section 15, Township 23 South, Range 28 West, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by a spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above

address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 4th day of March, 1991. To be published on or before March 15, 1991.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
s-William J. LeMay
WILLIAM J. LEMAY
Director

SEAL
Published in the Artesia Daily Press, Artesia, N.M. March 12, 1991.

Legal 13446

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, the following discharge plan applications and renewal applications have been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 872-5800:

(GW-89) - Continental Natural Gas, Inc., Terry Spencer, P.O. Box 21470, Tulsa, Oklahoma 74121, has submitted a discharge plan application for its proposed Eddy County Gas Processing Plant located in the NW/4 NE/4, Section 15, Township 23 South, Range 28 West, NMPM, Eddy County, New Mexico. Approximately 460 gallons per day of process wastewater will be collected and stored in above ground steel tanks prior to disposal in an OCD permitted offsite commercial disposal facility. The total dissolved solids concentration of the wastewater will not be known until the plant begins operation. Groundwater most likely to be affected by a spill, leak or other accidental discharge to the surface is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 5000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 4th day of March, 1991.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
WILLIAM J. LEMAY, Director
Journal: March 15, 1991.

STATE OF NEW MEXICO
County of Bernalillo

ss

OIL CONSERVATION DIVISION
RECEIVED

MAR 19 AM 9-05

Thomas J. Smithson being duly sworn declares and says that he is National Advertising manager of the Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, a copy of which is hereto attached, was published in said paper in the regular daily edition,

for.....1.....times, the first publication being on the.....15.....day
of.....Mar....., 1991, and the subsequent consecutive
publications on....., 1991.

NOTARIAL SEAL

Bernadette

Sworn and subscribed to before me, a Notary Public in
and for the County of Bernalillo and State of New
Mexico, this15..... day of.....Mar....., 1991.

NEW MEXICO
AND FILED WITH SECRETARY OF STATE
MISSION STATION 12/18/93

PRICE \$23.98

Statement to come at end of month.

CLA-22-A (R-12/91)

ACCOUNT NUMBER C 80932

NICOL & ASSOCIATES

Engineering Consultants

331 Melrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

February 7, 1991

Roger Anderson
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

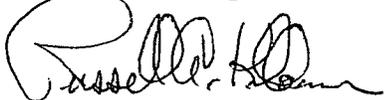
RE: Discharge Plan
Continental Natural Gas, Inc.
Eddy County Plant

Dear Mr. Anderson:

Please find enclosed three (3) copies of Continental Natural Gas, Inc. Discharge Plan for your review and approval.

If you need additional information or have any questions please advise.

Yours truly,



Russell A. Kilbourn
Engineer

lsr
enclosure
cc: Wayne Chang

RECEIVED
R.A. KILBOURN
OIL CONSERVATION DIVISION
'91 FEB 12 AM 8 37

CONTINENTAL NATURAL GAS, INC.
DISCHARGE PLAN

I. GENERAL INFORMATION

A. LEGALLY RESPONSIBLE PARTY

Continental Natural Gas, Inc.
1412 Boston Building, Suite 500
P.O. Box 21470
Tulsa, OK 74121

Terry Spencer 918-582-4700

B. LOCAL REPRESENTATIVE

Harley Temple
209 West Blodgett
Carlsbad, NM 88220

Phone: 505-885-9119

C. LOCATION OF DISCHARGE

New Facility Title: Eddy County Plant
Approximately 2 miles Northeast of Loving, NM
NW/4, NE/4 Section 15, T23S, R28W Eddy County, NM
Latitude 32° 18' 00" North
Longitude 104° 3' 00" West
Map: See Exhibit 1

D. TYPE OF OPERATION

The proposed facilities will consist of two (2) Skid mounted refrigeration plants having a total design capacity of 16,000 MCFD. Associated with the plants will be two (2) 160,000 BTU/hr. glycol dehydrator units, three (3) engine driven compressors, two (2) 30,000 gallon product storage tanks, one (1) 210 bbl slop tank and one (1) dehydrator drain tank.

II. PLANT PROCESSES

A. SOURCES AND QUANTITIES OF EFFLUENT

1. Inlet Separator - Inlet stream gas simulation (see Exhibit 2) indicates no hydrocarbon drop out under normal operating conditions. Water production expected to be from one (1) to nine (9) bbls/day depending on weather conditions and well-head equipment operation.
2. Dehydrator/Reboilers - Inlet gas after being compressed is dehydrated through two (2) triethelene glycol dehydrators removing an estimated two (2) bbls/day of water.
3. Engine Cooling Water - Each of the three compressors contain approximately 80 gallons of a 50% antifreeze 50% water mixture for cooling. Normally there is no usage or makeup required.

'91 FEB 12 AM 8 37

REGISTRATION DIVISION

4. Waste Engine Oils - Each of the three compressors and engine sumps contain approximately 30 gallons of oil. Engine oils are changed approximately every 1000 hours of operation producing an average of six (6) gallons of waste oils per day.

B. QUALITY CHARACTERISTICS

1. None of the produced fluids are commingled with the plant.
2. Individual rates, volumes and concentrations should not vary.
3. All process units will be self contained to prevent unintentional discharges and spills.

C. TRANSFER AND STORAGE OF PROCESS FLUIDS AND EFFLUENT

1. Waste water flow schematic is shown on Exhibit #3.
2. Free water removed from the inlet separator is expected to be of similar quality as found from the gas production zone with small amounts of condensates (see Exhibit #4). Water cooked off of dehydrators are expected to be of similar quality as above with traces of glycol. This water will be stored in a open tank.

All liquid storage tanks are welded steel and meet A.P.I. specifications. Tanks will be constructed above ground level. The slop tank will be equipped with vacuum/pressure release hatches to prevent rupture of the tank from sudden gas surges or collapsing of the tank due to a vacuum while removing liquids.

An earthen dike enclosure will be used as a secondary containment basin for the content of each tank. All water, separator dump lines, and water lines will be unlined, new steel material.

Leakage from undiked equipment such as compressors, pumps and control valves will be controlled by the use of drip pans, sumps, etc. Fluids from such leaks will be removed by vacuum trucks.

D. SPILL/LEAK PREVENTION

The system operator will visually inspect the plant systems and gage all storage tanks on his appointed rounds daily. All malfunctions, improper equipment operations and irregularities discovered will be immediately logged, reported and corrected.

Emergency phone numbers of appropriate district personnel, contractors and state and federal agencies shall be maintained as part of this plan. See Exhibit #5.

E. EFFLUENT DISPOSAL

Waste water, rain water from sumps and/or containment dikes, and waste engine oil will be disposed of by a commercial, state approved, disposal company. Listed below are the names and addresses of companies we anticipate using:

Waste Water: Rowland Trucking Co.
418 South Grimes
Hobbs, NM 88240
505-885-2053
See Exhibit #6

Waste Water: B & E, INC.
South Y Box 756
Carlsbad, NM
505-885-6663
See Exhibit #7

Waste Engine Oil: Industrial Service Corporation
P.O. Box 2812
2112E 48th Street
Lubbock, TX 79408
See Exhibit #8

F. HYDROLOGIC FEATURES

1. The Pecos River is the nearest body of water. This stream is approximately 3/4 mile east of the proposed plant site. There is an irrigation canal to the south of the site within the one mile perimeter.
2. The proposed site is located in a shallow basin and any inadvertent or accidental discharge of fluid would remain within the immediate area. No runoff would be possible into any of the surrounding streams.

G. GEOLOGIC DESCRIPTION OF FORMATIONS

1. The attached well drilling records obtained from the state engineers office (see Exhibit 9) include the location and drilling logs showing the soil types and formations of nearby domestic water wells.

H. FLOOD PROTECTION

1. The proposed site is located outside of the Pecos River flood plain. Local residents indicate that there has been no local flooding.

cng\discharge.pln

DISCHARGE PERMIT

COMPANY NAME Continental Natural Gas, Inc.

CERTIFICATION:

I, TERRY K. SPENCER, hereby certify that the information and data submitted in this application are completely true and as accurate as possible, to the best of my personal knowledge and professional expertise and experience.

Signed this 16th day of January, 19 91, upon my oath or affirmation, before a notary of the State of Oklahoma.

Terry K. Spencer
SIGNATURE

1/16/91
DATE

TERRY K. SPENCER
PRINTED NAME

Subscribed and sworn to before me on this 16th day of January, 19 91.

My authorization as a Notary of the State of Oklahoma expires on the 15th day of May, 19 91.

Susan L. Case
NOTARY'S SIGNATURE

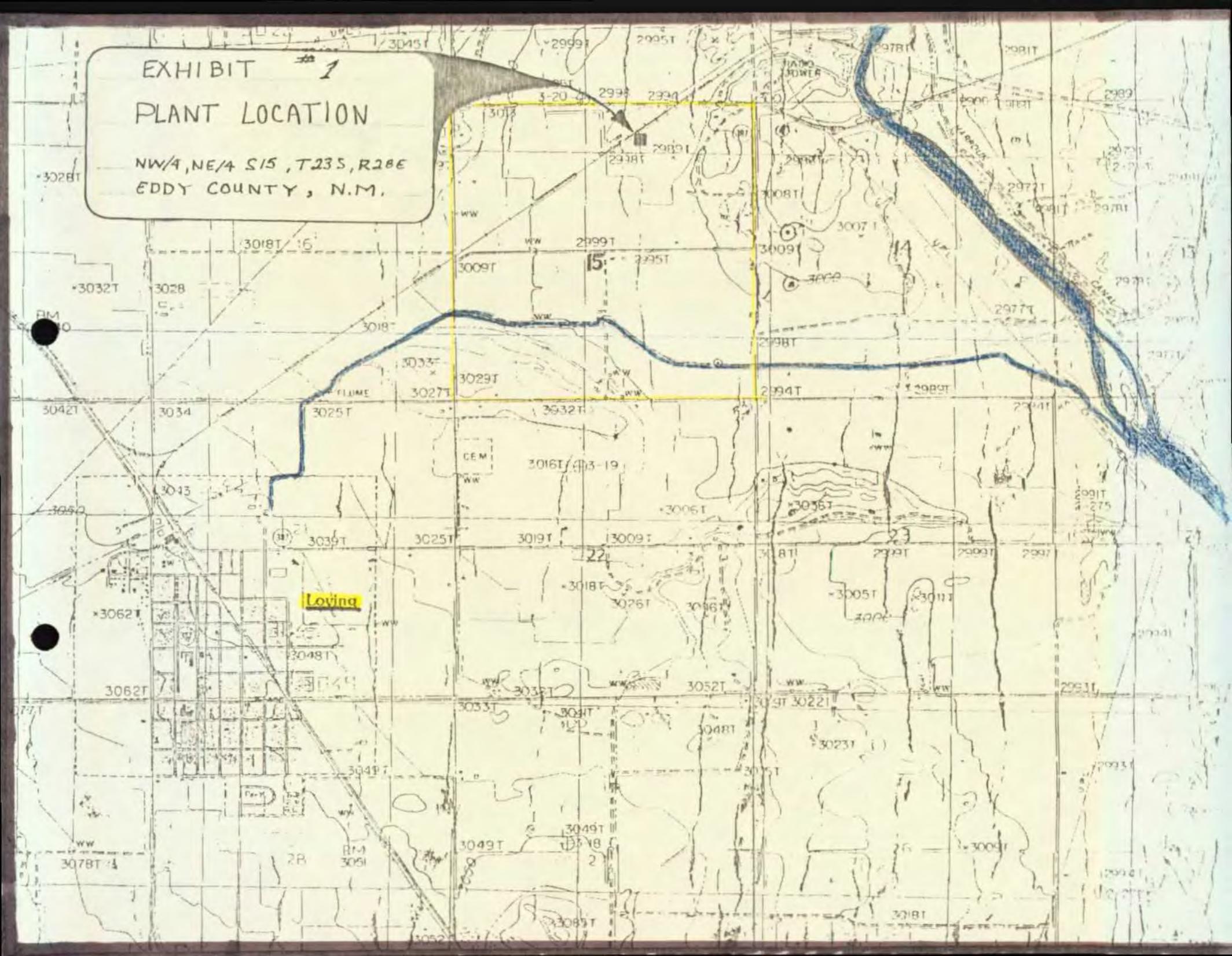
1/16/91
DATE

SUSAN L. CASE
NOTARY'S PRINTED NAME

EXHIBIT # 1

PLANT LOCATION

NW/4, NE/4 S15, T23S, R28E
EDDY COUNTY, N.M.



 VAPOR: OUTLET 2 7.998 MMSCFD

	MOLE/HF	MOLE %	% OF PLANT FEED
METHANE	549.80	73.984	100.00
ETHANE	111.30	12.670	100.00
PROPANE	54.600	6.2166	100.00
I-BUTANE	5.3000	.60344	100.00
N-BUTANE	12.600	1.4346	100.00
I-PENTANE	2.4000	.27326	100.00
N-PENTANE	2.5000	.28464	100.00
N-HEXANE	1.1000	.12524	100.00
N-HEPTANE	1.1000	.12524	100.00
NITROGEN	36.400	4.1444	100.00
CARBON DIOXIDE	1.2000	.13663	100.00
TOTAL FOR STREAM	878.30	100.00	100.00
FLOW BY VOLUME	7.9986	MMSCFD	
TEMPERATURE	60.000	DEG F	
PRESSURE	264.00	PSIA	
MOLECULAR WEIGHT	21.462		
GROSS HEATING VALUE	1229.2	BTU/SCF	

 BRIEF v1.02 - (c) 1984, 1985 by UnderWare, Inc. Line: 195 Col: 1 # 9:41 am

No liquid drop-out under normal conditions.

EXHIBIT 2
 Gas/Liquid Separator

STREAM NUMBER	S TOTAL
	#MOL/HR
METHANE	.000
ETHANE	.001
PROPANE	.005
I-BUTANE	.002
N-BUTANE	.011
I-PENTANE	.010
N-PENTANE	.017
N-HEXANE	.043
N-HEPTANE	.186
NITROGEN	.000
CARBON DIOXIDE	.000

TEMPERATURE DEG F	100.0
PRESSURE PSIA	15.0
PERCENTAGE LIQUID(A)	100.0
PERCENTAGE LIQUID(B)	.0
MOLECULAR WEIGHT	91.7

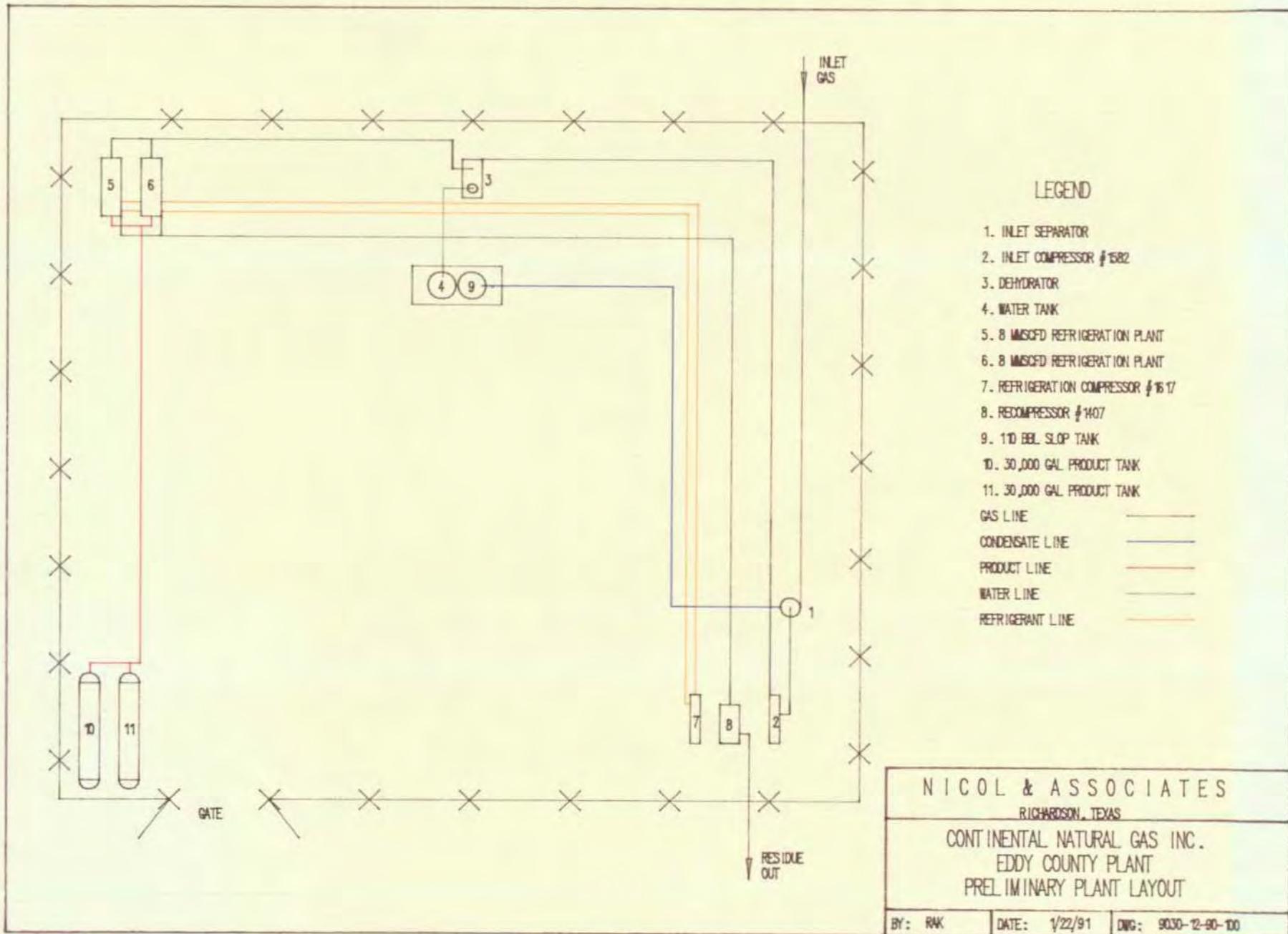
ENTHALPY MBTU / HR	-.2
FLOW LB PER HOUR	25.3
FLOW LBMOLE PER HOUR	.3
FLOW FT ³ PER HOUR	.6
FLOW MMSCFD	.0000
FLOW GPM	.0773
FLOW STD(60 DEG) GPM	.0753

DENSITY LB PER FT ³	40.8718	5.46 #/gal.
VISCOSITY CENTIPOISE	.2852	
TC BTU/(HR DEG F FT)	.0745	
CP BTU / (LB DEG F)	.5603	

ENTHALPY BTU PER LB	-8.8
---------------------	------

FROM BLOCK	F4.0
TO BLOCK	OUTLET

Hydrocarbon composition expected if drop-out occurs.



LEGEND

- 1. INLET SEPARATOR
- 2. INLET COMPRESSOR #1582
- 3. DEHYDRATOR
- 4. WATER TANK
- 5. 8 MMSCFD REFRIGERATION PLANT
- 6. 8 MMSCFD REFRIGERATION PLANT
- 7. REFRIGERATION COMPRESSOR #1617
- 8. RECOMPRESSOR #1407
- 9. 110 BBL SLOP TANK
- 10. 30,000 GAL PRODUCT TANK
- 11. 30,000 GAL PRODUCT TANK
- GAS LINE —————
- CONDENSATE LINE —————
- PRODUCT LINE —————
- WATER LINE —————
- REFRIGERANT LINE —————

NICOL & ASSOCIATES		
RICHARDSON, TEXAS		
CONTINENTAL NATURAL GAS INC.		
EDDY COUNTY PLANT		
PRELIMINARY PLANT LAYOUT		
BY: RAK	DATE: 1/22/91	DWG: 9030-12-90-100

HALLIBURTON SERVICES
ARTESIA DISTRICT

LABORATORY REPORT

No. W551, W552, & W553-90

TO Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Date September 26, 1990

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or otherwise used without the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services.

Submitted by _____ Date Rec. September 25, 1990

Well No. Loving AIB #1 Depth _____ Formation _____
Field 16-23-28 County _____ Source _____

Resistivity	<u>0.060</u>	<u>0.060</u>	<u>0.063</u>
Specific Gravity ..	<u>1.1306</u>	<u>1.1286</u>	<u>1.1077</u>
pH	<u>7.5</u>	<u>7.5</u>	<u>7.6</u>
Calcium	<u>15,588</u>	<u>16,125</u>	<u>14,513</u>
Magnesium	<u>3,983</u>	<u>3,265</u>	<u>2,286</u>
Chlorides	<u>116,000</u>	<u>114,000</u>	<u>94,000</u>
Sulfates	<u>Medium</u>	<u>Medium</u>	<u>Medium</u>
Bicarbonates	<u>1,068</u>	<u>915</u>	<u>1,281</u>
Soluble Iron	<u>100</u>	<u>250</u>	<u>250</u>

EXHIBIT 4
Formation Water Analysis

A. Jacobson
Respectfully submitted

Analyst: Eric Jacobson - Field Engineer

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof.

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

MIDLAND DIVISION
ALBUQUERQUE, NEW MEXICO 88210

LABORATORY WATER ANALYSIS

No. W421-84

To Cimarron Energy

Date August 22, 1984

P. O. Box 1525

Carlsbad, NM 88220

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by Bill Baker

Date Rec. August 22, 1984

Well No. Watts Fed. #1 Depth 5737' to 5747' Formation Delaware

County Eddy Field Wildcat Source Swab

Sec. 31, T 23-S, R 28-E

Resistivity	.07 @ 68°	
Specific Gravity	1.140 @ 60°	
pH	6.8	
Calcium (Ca)	15,300	*MPL
Magnesium (Mg)	1,800	
Chlorides (Cl)	131,000	
Sulfates (SO ₄)	Light	
Bicarbonates (HCO ₃)	300	
Soluble Iron (Fe)	Light	
KCL	0%	

Remarks:

*Milligrams per liter

Warren Lane

Respectfully submitted,

Analyst: Warren Lane - Field Engineer

HALLIBURTON COMPANY

cc:

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be in fact or omission, resulting from such report or its use.

EXHIBIT 5

Telephone Numbers

CONTINENTAL NATURAL GAS, INC.
EDDY COUNTY PLANT

EMERGENCY PHONE NUMBERS

Harley Temple	505-885-9119
Wayne Chang	918-560-4966
Continental, Tulsa Office	918-582-4700

STATE AND FEDERAL AUTHORITIES

New Mexico State Oil Conservation Division	505-827-5812
U.S. Environmental Protection Agency	214-749-3971
National Response Center	800-424-8802

CONTRACTORS

Ferguson Construction Co.	505-397-1418
B & H Construction Co.	505-394-2588
C.P. Construction	505-392-5608

TRUCKS

Halliburton Services	800-227-2942
Rowland Trucking Co.	505-885-2053
B & E Inc.	505-885-6663
Industrial Service Corp.	806-749-6219

cng\eddyplnt.nos 2.91

EXHIBIT 6

Water Trucking Company



STATE CORPORATION COMMISSION OF NEW MEXICO
Certificate of Public Convenience and Necessity

CERTIFICATE NO. 950-1

A Certificate of Public Convenience and Necessity is hereby granted:

UNICHEM INTERNATIONAL, INC., d/b/a ROWLAND TRUCKING COMPANY
418 South Grimes
Hobbs, New Mexico 88240

To operate a Common Motor Carrier Freight Service over the route and by the schedules heretofore by this Commission, or which may hereafter be approved by this Commission, said route being as follows:

INTRASTATE: Transportation of oil and water between points and places in Eddy, Chaves and Lea Counties. Transportation of all liquids, in bulk, in tank trucks, used in, or in connection with, the discovery, development, production, refining, manufacture, processing, and storage of natural gas and petroleum, and their products and by-products, provided that all hauls of refined petroleum products be restricted to movements to oil well locations and the resultant salvage thereof from oil well locations, with points of origin or destination in each instance being within the named counties of New Mexico, only, with no diversion of shipment in transit to storage, over irregular routes under non-scheduled service.

This Certificate to remain in effect from and after date hereof, subject to applicable provisions of the New Mexico Motor Carrier Act, and Rules, Regulations and Requirements prescribed thereunder. Pursuant to the Commission's Final Order dated June 29, 1987.

DONE, this 9th day of JANUARY, 1989.

NEW MEXICO STATE CORPORATION COMMISSION

ERIC P. SERNA, Chairman

JEROME D. BLOCK, Commissioner

LOUIS E. G.

TRANSPORTS - KILL TRUCKS - HOT OILERS
FRESH AND BRINE WATER SALES - FRAC TANKS
VACUUM TRUCKS - G.O.P.'S

ROWLAND TRUCKING CO.

ED HESSELSCHWERDT
HOME 885-0252 - CARLSEAD
MOBIL 885 1801 - 1024

ATTEST:

RICHARD I. HARRIS CHIEF CLERK

EXHIBIT 7

Water Trucking Company

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

THE HEARING
CONSERVATION
PURPOSE OF

P-C'D

EC1 8105

CASE NO. 7612
Order No. R-7031

APPLICATION OF B & E, INC. FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

COPY

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 23, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of July, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, B & E, Inc., has certain rights to dispose of salt water in a brine lake known as Laguna Cuatro and is in the process of acquiring rights to also dispose of salt water in a brine lake known as Laguna Tres, both in Eddy County, New Mexico.

(3) That the applicant proposes to install and operate a commercial facility for the disposal of salt water into the Southeast end of Laguna Tres in Section 12, Township 23 South, Range 29 East and/or into the Northeast side of Laguna Cuatro in Section 6, Township 23 South, Range 30 East, both in Eddy County, New Mexico.

(4) That Order (3) of Division Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other

Case No. 7612
Order No. R-7031

place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(5) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(6) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(7) That the applicant seeks an exception to the provisions of the aforesaid Order (3) of Division Order No. R-3221, as amended, to permit the commercial disposal of produced salt water into either or both of the aforesaid lakes at the sites described above.

(8) That the applicant proposes to install and operate an effective system for the removal of oily and solid waste material from the waters to be disposed of, said system being equipped to monitor the discharge stream and to automatically shut the facility down should water quality deteriorate below an accepted average level of 15 parts insoluble oils per million parts of water.

(9) That said facilities should be capable of handling up to 14,400 barrels of water per day at each of the proposed sites, but 7,500 barrels per day is a reasonable limit to place on each facility at this time.

(10) That the discharge of 7,500 barrels of salt water per day into either or both of the proposed salt lakes will not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(11) That the surface area of each of the aforesaid salt lakes is sufficient to permit the evaporation of at least 7500 barrels of salt water per day, and the disposal of that amount of water into each of said lakes will not adversely affect the existing hydrologic systems in said lakes.

(12) That the commercial disposal of salt water into Laguna Tres and/or Laguna Cuatro in the amounts, and manner described above will not impair correlative rights nor cause waste, and should be approved, provided however, that the Division Director should be authorized to suspend disposal operations by the applicant into either or both of said lakes if applicant fails to prevent oil or other deleterious wastes from escaping to the lakes in harmful quantities.

IT IS THEREFORE ORDERED:

(1) That the applicant, B & E, Inc., is hereby authorized to install and operate a commercial salt water treating and disposal facility at the southeast end of Laguna Tres in Section 12, Township 23 South, Range 29 East, NMPM, and/or at the northeast side of Laguna Cuatro in Section 6, Township 23 South, Range 30 East, NMPM, both in Eddy County, New Mexico, said systems being limited to the disposal of a maximum of 7,500 barrels of salt water per day at each site.

(2) That the operator shall install and maintain in good operating condition a salt water treating facility at each site utilized for salt water disposal, said treating facility being designed and operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

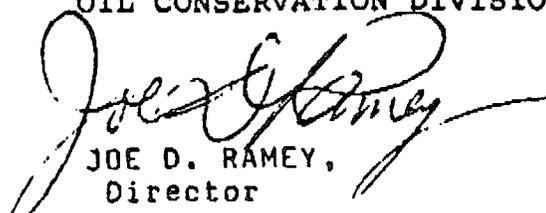
(3) That each of the aforesaid salt water treating facilities shall be so equipped as to monitor the salt water disposal stream and automatically shut the facility down if disposal water quality should deteriorate to an unacceptable level.

(4) That the Division Director shall have authority to suspend operations at the facilities herein authorized upon failure of the applicant to prevent oil or other deleterious substances from entering Laguna Tres and/or Laguna Cuatro in harmful quantities.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

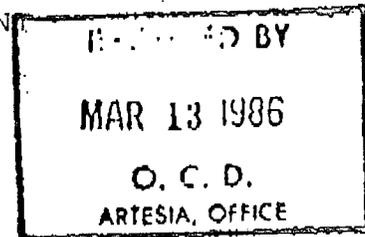
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8800
Order No. R-7031-A

APPLICATION OF B & E, INC. FOR
AN AMENDMENT TO DIVISION ORDER
NO. R-7031, EDDY COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 9, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 11th day of March, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, B & E, Inc., seeks authority to increase the maximum allowable discharge of produced water into Laguna Cuatro to 15,000 barrels per day at their commercial salt water disposal facility located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.
- (3) The applicant further seeks authority to dispose of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products, into three unlined pits located at said disposal site.
- (4) By Division Order No. R-7031, issued in Case No. 7612, and dated July 21, 1982, the applicant was given authority to construct and operate a salt water treating and disposal facility on the northeast side of a brine lake known as Laguna Cuatro located as described in Finding No. (2) above.

(5) Finding No. (9) of said Division Order No. R-7031 stated that the facility should be capable of handling up to 14,400 barrels of water per day but that 7,500 barrels of water per day was a reasonable limit to place on the facility at that time.

(6) The maximum allowable discharge of 7,500 barrels of water per day was placed on the facility in order to assure that there would not be any detrimental effects to the existing hydrologic system in said lake.

(7) A hydrologic study was conducted on the Laguna Cuatro site by Geohydrology Associates, Inc. in 1985 to determine the hydrologic impact of increasing the discharge of salt water to 15,000 barrels per day into said lake.

(8) The results of this study indicated that the evaporation rates in Laguna Cuatro are at least adequate to dispose of the additional volume of salt water and that there will not be any detrimental effects to the existing hydrologic system in said lake due to such increased volume.

(9) The discharge of 15,000 barrels of salt water per day into Laguna Cuatro should not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(10) The applicant proposes to construct three unlined surface pits to be located in the vicinity of their salt water disposal facility for the purpose of disposing of drill cuttings and drilling fluids.

(11) Based on the hydrologic evidence presented at the hearing and in Division Case No. 7612, the use of unlined pits at this location to dispose of drill cuttings, drilling fluids, and other related solids should not create a hazard to any fresh water in the area for which a present or reasonably foreseeable beneficial use is or will be made.

(12) At the time of the hearing the applicant stated that the maximum fill level in all of the above mentioned pits is to be limited to a plane two feet below the crest of the dikes surrounding the pits.

(13) Said facility should have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the property.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, B & E, Inc., is hereby authorized to increase their discharge to 15,000 barrels per day into

... Jan. 21, 91 2:32 P.05
Laguna Cuatro at their salt water disposal site, located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, provided that the facility is operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

(2) The applicant is further authorized to construct and operate three unlined pits at said disposal site for the purpose of disposing of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products.

PROVIDED HOWEVER THAT, the sizes and locations of said unlined pits shall be in accordance with the engineering data presented at the time of the hearing and marked as B & E, Inc. Exhibit No. "A".

PROVIDED FURTHER THAT, the facility shall have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the facility.

PROVIDED FURTHER THAT, the maximum fill level in each of the above said pits shall be limited to a plane two feet below the crest of the dikes surrounding the pits.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

[Handwritten Signature]
R. L. STAMETS
Director

B & E, INC.

-3-

Case No. 8800

Order No. R-7031-A

IT IS THEREFORE ORDERED THAT:

(1) The applicant, B & E, Inc., is hereby authorized to increase their discharge to 15,000 barrels per day into Laguna Cuatro at their salt water disposal site, located in Section 6, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, provided that the facility is operated in such a manner as to reduce insoluble oils from the disposal discharge stream to an average concentration of less than 15 parts per million.

(2) The applicant is further authorized to construct and operate three unlined pits at said disposal site for the purpose of disposing of drill cuttings, drilling fluids, and other related solids obtained in conjunction with the drilling and production of oil and gas, and limited to non-petroleum products.

PROVIDED HOWEVER THAT, the sizes and locations of said unlined pits shall be in accordance with the engineering data presented at the time of the hearing and marked as B & E, Inc. Exhibit No. "A".

PROVIDED FURTHER THAT, the facility shall have adequate fencing, gates, and cattle guards installed and maintained to preclude livestock and unauthorized persons from entering the facility.

PROVIDED FURTHER THAT, the maximum fill level in each of the above said pits shall be limited to a plane two feet below the crest of the dikes surrounding the pits.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
Director

S E A L
Ed/

RECEIVED JAN 25 1991

INDUSTRIAL SERVICE CORPORATION
P.O. BOX 2812
2112 E. 48TH STREET
LUBBOCK, TEXAS 79408
(806) 747-6219

January 23, 1991

Nicol & Associates
331 Melrose Dr. Suite 121
Richardson, Texas 75080

Mr. Russell Kilbourn

Industrial Service Corp. is a used motor oil processor.

Our process consist of using heat and filters to remove the water and sludge from the used oil.

Our finished product is classified as a heavy industrial boiler fuel.

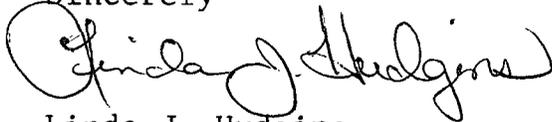
We do not accept any hazardous products or any used oil containing hazardous products.

The processed oil is sold as a # 5 burner fuel and exported to various destinations.

Our E.P.A. # is TXT 49001-2598. Our Transporter I.D. # and our Facility # is 37343.

If you have any questions, please call or write to me.

Sincerely



Linda J. Hudgins
Office Manager

EXHIBIT 8

Waste Oil Trucking Company

WELL RECORD

EXHIBIT 9
Well Logs

to be executed in triplicate, preferably typewritten, and submitted to the engineer. All sections, except Section 5, shall be answered as completely and accurately as possible. This form is to be filled out when a well is drilled, repaired or deepened. When this form is used as a plugging record, Section 5 must be completed.

Owner of well Messrs. T. R. Caviness and E. C. Paine
and Number P. O. Box 1718

City Carlsbad State New Mexico

Well was drilled under Permit No. 501A and is located in the
SW₁/₄ SW₁/₄ SW₁/₄ of Section 15 Twp. 23S Rge. 28E

(B) Drilling Contractor Howard Hemler License No. WD-24

Street and Number Old Cavern Road

City Carlsbad State New Mexico

Drilling was commenced 10 August 19 65

Drilling was completed 27 August 19 65

(Plat of 640 acres)

Elevation at top of casing in feet above sea level _____ Total depth of well 190 feet

State whether well is shallow or artesian Shallow Depth to water upon completion 50 feet

Section 2 PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	60	65	5 ft.	Gravel and conglomerate
2				
3				
4				
5				

Section 3 RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
16 in.	41	1b Welded	0	130'	130	None	60	70
							100	110

Section 4 RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				
		NONE	NONE	NONE	NONE

Section 5 PLUGGING RECORD

Name of Plugging Contractor _____ License No. _____

Street and Number _____ City _____ State _____

Tons of Clay used _____ Tons of Roughage used _____ Type of roughage _____

Plugging method used _____ Date Plugged _____ 19 _____

Plugging approved by: _____ Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	

Basin Supervisor

FOR USE OF STATE ENGINEER ONLY

Date Received _____

98 16 HV E I NVC 9961

File No. C-501-A Use Jrr Location No. 23.28.15.433

FIELD ENGINEER LOG

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1

(A) Owner of well DANIEL H. MAGBY

Street and Number ROUTE 1, BOX 17

City LOVING State NEW MEXICO

Well was drilled under Permit No. C269 and is located in the

SE 1/4 SE 1/4 NE 1/4 of Section 15 Twp. 23 S Rge. 28E

(B) Drilling Contractor R. H. FREEK License No. WD 212

Street and Number VAN DAWSON COURTS, NORTH Y

City CARLSBAD State NEW MEXICO

Drilling was commenced MARCH 1, 1958

Drilling was completed MARCH 30, 1958

(Plat of 640 acres)

Elevation at top of casing in feet above sea level Total depth of well 240

State whether well is shallow or artesian SHALLOW Depth to water upon completion 35

Section 2

PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	40	65	25	RED ROCK FORMATION WATER
2	200	205	5	BLUE SHALE WATER
3				20 GAL. NO SALT WATER
4				
5				

Section 3

RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
6	24	WELDED		85	85	SHOE		
		HOLE DRY		85	200	SALT WATER	20 G. HR.	
				200	205	BLUE SHALE	SALT WATER	

Section 4

RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				
		6		2	FILL HOLE WITH HEAVY MUD TO 125 WITH ROCKS CEMENTING 100 THEN PULL PIPE

Section 5

PLUGGING RECORD

Name of Plugging Contractor License No.

Street and Number City State

Tons of Clay used Tons of Roughage used Type of roughage

Plugging method used Date Plugged 19

Plugging approved by:

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	

Basin Supervisor

FOR USE OF STATE ENGINEER ONLY

APR 8 1958

OFFICE OF GROUND WATERS ROSWELL, NEW MEXICO

Date Received

File No. C-269

Use Location No. 23 28 15 244

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1

(A) Owner of well Daniel Magby
 Street and Number Rt 1 Box 17
 City Carleton State W. Va.
 Well was drilled under Permit No. C-269 and is located in the
SE 1/4 SE 1/4 NE 1/4 of Section 15 Twp. 23 S. Rge. 18 E.
 (B) Drilling Contractor Sam Smith License No. WD 108
 Street and Number 306 E Rose
 City Carleton State W. Va.
 Drilling was commenced 1966
 Drilling was completed 1966

(Plat of 640 acres)

Elevation at top of casing in feet above sea level _____ Total depth of well 150
 State whether well is shallow or artesian Shallow Depth to water upon completion 50

Section 2

PRINCIPAL WATER-BEARING STRATA

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	<u>60</u>	<u>65</u>	<u>5</u>	<u>GFA001</u>
2				
3				
4				
5				

Section 3

RECORD OF CASING

Dia in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
<u>7 1/2</u>								

Section 4

RECORD OF MUDDING AND CEMENTING

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				

Section 5

PLUGGING RECORD

Name of Plugging Contractor _____ License No. _____
 Street and Number _____ City _____ State _____
 Tons of Clay used _____ Tons of Roughage used _____ Type of roughage _____
 Plugging method used _____ Date Plugged _____ 19 _____
 Plugging approved by: _____

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	

Basin Supervisor

FOR USE OF STATE ENGINEER ONLY
 Date Received APR 21 AM 8:27 1967

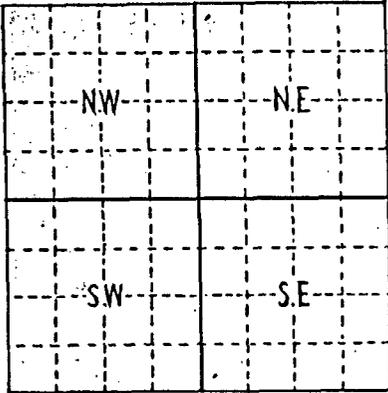
File No. C-269 Use Err. Location No. 23.28.15.244

WELL RECORD

File No. C-128
C-379(?)

INSTRUCTIONS: This form should be typewritten, and filed in the office of the State Engineer, (P.O. Box 1079) Santa Fe, New Mexico, unless the well is situated in the Roswell Artesian Basin, in which case it should be filed in the office of the Artesian Well Supervisor, Roswell, New Mexico. Section 5 should be answered only if an old artesian well has been plugged. All other sections should be answered in full in every case, regardless of whether the well drilled is shallow or artesian in character. This report must be subscribed and sworn to before a Notary Public.

Sec. 1



(Plat of 640 acres)
Locate Well Accurately

Owner of well VLARIO URQUIDEZ
 Street and Number Rt. 1 Box 16
 Post Office Loving, ~~Carlsbad~~, New Mexico
 Well was drilled under Permit No. C-128 and
 is located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ So. 2 $\frac{1}{4}$ of Section SE, except
 West $\frac{1}{2}$ of NE, SW, SE
 Township _____, Range _____
 Drilling Contractor Sam S. Smith (R.D. 109)
 Street and Number 306 E. Rose St.
 Post Office Carlsbad, New Mexico

Drilling was commenced December 24, 1954 Drilling was completed January 10, 1953 19

Elevation at top of casing in feet above sea level _____

State whether well is shallow or artesian shallow

Total depth of well 149' 7" feet.

Sec. 2 PRINCIPAL WATER-BEARING STRATA

No. 1, from 25' to 120', Thickness in feet _____, Formation conglomerate rock
 No. 2, from _____ to _____, Thickness in feet _____, Formation _____
 No. 3, from _____ to _____, Thickness in feet _____, Formation _____
 No. 4, from _____ to _____, Thickness in feet _____, Formation _____
 No. 5, from _____ to _____, Thickness in feet _____, Formation _____

Sec. 3 RECORD OF CASING

DIAMETER IN INCHES	POUNDS PER FOOT	THREADS PER INCH	NAME OF MANUFACTURER	FEET OF CASING	TYPE OF SHOE	PERFORATED		PURPOSE
						FROM	TO	
Run 149' 7" of	14" pipe					36' 7"	130' 1"	
Set 26	6" of 18" top casing							

Sec. 4 RECORD OF MUDDING AND CEMENTING

DIAMETER OF HOLE IN INGHES	NUMBER OF SACKS OF CEMENT	METHODS USED	SPECIFIC GRAVITY OF MUD	TONS OF CLAY USED

Sec. 5 PLUGGING RECORD OF OLD WELL

Well is located in the $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$ of Section _____, Township _____
 Range _____ Name of plugging contractor _____
 Street and Number _____ Post Office _____
 Tons of clay used _____ Tons of roughage used _____ Type of roughage _____
 _____ Was plugging approved by Artesian Well Supervisor _____

Cement plugs were placed as follows:

No. 1 was placed at _____ feet Number of sacks of cement used _____
 No. 2 was placed at _____ feet Number of sacks of cement used _____
 No. 3 was placed at _____ feet Number of sacks of cement used _____
 No. 4 was placed at _____ feet Number of sacks of cement used _____
 No. 5 was placed at _____ feet Number of sacks of cement used _____

(OVER)

VLARIO URQUIDEZ

23-28-15-244

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1

#2	017	CBA-1-54	
#13	017	IKK-420-A	

(A) Owner of well Beuford Yarbro
 Street and Number _____
 City Carlsbad State New Mexico
 Well was drilled under Permit No. C-501 and is located in the
NW 1/4 NE 1/4 SW 1/4 of Section 15 Twp. 23 S Rge. 28 E
 (B) Drilling Contractor J. F. Kimmell License No. WD 153
 Street and Number _____
 City Carlsbad State New Mexico
 Drilling was commenced Jan. 12 19 54
 Drilling was completed Feb. 10 19 54

(Plat of 640 acres)

Elevation at top of casing in feet above sea level _____ Total depth of well 160 feet
 State whether well is shallow or artesian shallow Depth to water upon completion 20 feet

Section 2 **PRINCIPAL WATER-BEARING STRATA**

No.	Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation
	From	To		
1	50	69	19	Sand
2	75	92	17	Sand and Gravel
3	138	148	10	Sand
4				
5				

Section 3 **RECORD OF CASING**

Dia. in.	Pounds ft.	Threads in	Depth		Feet	Type Shoe	Perforations	
			Top	Bottom			From	To
16			Surface		116'6"			

Section 4 **RECORD OF MUDDING AND CEMENTING**

Depth in Feet		Diameter Hole in in.	Tons Clay	No. Sacks of Cement	Methods Used
From	To				

Section 5 **PLUGGING RECORD**

Name of Plugging Contractor _____ License No. _____
 Street and Number _____ City _____ State _____
 Tons of Clay used _____ Tons of Roughage used _____ Type of roughage _____
 Plugging method used _____ Date Plugged _____ 19 _____
 Plugging approved by: _____

Cement Plugs were placed as follows:

No.	Depth of Plug		No. of Sacks Used
	From	To	
			FILED
			Oct. 13, 1954
			Office
			Ground Water Supervisor
			Roswell, New Mexico

Basin Supervisor _____

FOR USE OF STATE ENGINEER ONLY

Date Received _____

File No. 2nd C-501 Use _____ Location No. 23.28.15.3211



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

January 16, 1991

CERTIFIED MAIL
RETURN RECEIPT NO. P-327-278-041

Mr. Terry Spencer, Vice President
Continental Natural Gas, Inc.
P. O. Box 21470
Tulsa, Oklahoma 74121

RE: Discharge Plan Requirement
Proposed Gas Processing Plant
NW/4 NE/4 Section 15,
Township 23 South, Range 28 East
Eddy County, New Mexico

Dear Mr. Spencer:

Under the provisions of Water Quality Control Commission (WQCC) Regulations, you are hereby notified that the filing of a discharge plan is required for the above referenced new facility.

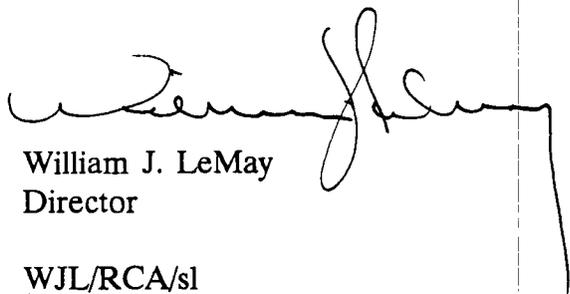
This notification of discharge plan requirement is pursuant to Sections 3-104 and 3-106.B. of the WQCC Regulations. The discharge plan, defined in Section 1.101.P. of the WQCC Regulations, should cover all discharges of effluent or leachate at the plant site or adjacent to the plant site. Included in the application should be plans for controlling spills and accidental discharges at the facility (including detection of leaks in buried underground tanks and/or piping).

A copy of the regulations is enclosed for your convenience. Also enclosed is a copy of an OCD guide to the preparation discharge plans for gas processing plants. The guidelines are presently being revised to include berming of tanks, curbing and paving of process areas susceptible to leaks or spills and the disposition of any solid wastes. Three copies of each discharge plan application should be submitted.

Mr. Terry Spencer
January 16, 1991
Page -2-

If there are any questions on this matter, please feel free to call David Boyer at 827-5812, or Roger Anderson at 827-5884 as they have the assigned responsibility for review of all discharge plans.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. LeMay". The signature is written in black ink and is positioned above the typed name and title.

William J. LeMay
Director

WJL/RCA/sl

Enclosure

cc: OCD Hobbs Office
R.A. Kilbourne, Nical & Associates (w/enclosure)

NICOL & ASSOCIATES
Engineering Consultants

331 Melrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

TELEFAX COVER PAGE

OUR FAX NO. (214) 437-5443 DATE: 1/11/91
NUMBER OF PAGES (INCLUDING COVER SHEET): 5
TO: Ms. Roger Anderson
COMPANY: New Mexico Water Quality Control Commission
YOUR FAX NO: ~~214-437-5443~~ 505-827-5141
FROM: Russell Kilbourne
SUBJECT: Notice of intent to discharge - Commercial Natural

Per my phone conversation please find attach
copy of letter we discussed

Russell

IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL (214) 437-9136 AS SOON AS POSSIBLE.

NICOL & ASSOCIATES
Engineering Consultants

331 Metrose Drive, Suite 121
Richardson, Texas 75080
(214) 437-9136

January 4, 1990

Mr. Roger Anderson
New Mexico Water Quality Control Commission
P.O. Box 968
Santa Fe, NM 87504-0968

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

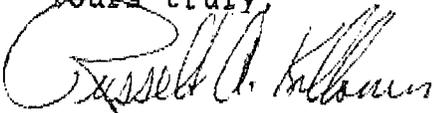
In accordance with WQCC 82-1 Part 1-201, Nicol & Associates (Engineering Consultants) in behalf of our client: Continental Natural Gas Inc. hereby submits a notice of intent to discharge:

1. Name: Continental Natural Gas, Inc.
2. Address: 1400 Boston Building
1412 S. Boston, Suite 500
P.O. Box 21470
Tulsa, OK 74121
3. Location of Discharge:
Five (5) acre tract located approximately 660' FNL, 1980' FEL Section 15, Township 23 South, Range 28 East, Eddy County, New Mexico (See attached map)
4. Contaminate Concentrations:
Discharge from inlet scrubber and dehydrator will contain mostly water, with traces of glycol and hydrocarbons. Discharge will be contained in covered holding tank and disposed of by a state approved disposal company. Tests will be conducted upon plant start-up and a chemical analysis will be provided at that time. Compressor and engine oil will also be disposed of using a commercially approved disposal company.
5. Quantity of Discharge:
Free water condensed in the pipeline gathering system and/or from the occasional inoperative well head equipment will be removed by the inlet scrubber. We estimate a volume of approximately 1/2 barrel/M³CF of gas (8 bbls/day). In addition the dehydrator will produce seven pounds of water/M³CF of gas or less than one bbl/day, for a total of 9 bbls/day.

Mr. Roger Anderson
Page 2
January 4, 1990

I have enclosed a map of the proposed plant location along with a brief description of the existing and proposed facilities. If you have any questions or need additional information please feel free to contact me at (214) 437-9136.

Yours truly,



Russell A. Kilbourn

lsr
Enclosure
cc: Terry K. Spencer

Continental Natural Gas, Inc.'s (CNG) Carlsbad Gathering System, proposed gas processing plant and low pressure flash gas system located in Sections 14, 15 and 16, T23S, R28E, Eddy County, New Mexico.

Existing Facilities at Carlsbad

- Approximately 18,000' of 2" steel pipeline and metering facilities connecting 14 wells to El Paso Natural Gas Company.
- 1-Dorman 302 HP/Ariel single stage compressor. The unit is located at the El Paso sales interconnect and compresses the system gas from 250 psig to 550 psig. Inlet volume will average 3,000 to 4,000 MCFD. The existing EPNG station is in the NW/4, Sec. 14, T23S, R28E, Eddy County, New Mexico.

Proposed Facilities at Carlsbad

- Gas processing facilities (Location, NE/4 Sec. 15, T23S, R28E, Eddy County, New Mexico)
 - CNG proposes to initially install 1 - Q.B. Johnson manufactured skid mounted refrigeration plant. The plant will have a design capacity of 8,000 MCFD at 700 psig. The installation of the plant is scheduled to begin February 1, 1991. The associated facilities will consist of:
 - 1 - Dehy w/160,000 BTU/hr. Glycol Regen
 - 1 - 30,000 gal. NGL storage tank with product pump
 - 1 - 300 HP refrigerant cycle/overhead vapors recompressor
 - 1 - The existing 302 HP Dorman Field gas compressor will be relocated to the plant site.

Approximately 45 days following the installation of the initial plant, CNG anticipates the installation of a second plant similar to the one above. Additional compression and dehydration will be required.

- Low Pressure Flash Gas System

CNG proposes to install approximately 14,000' of 3" poly and two (2) field compressors to gather 500 MCFD of low pressure flash gas. Flash Gas Station #1 will require a 50 HP unit to compress 200 MCFD at 0 psig suction and 250 psig discharge. Flash Gas Station #2 will require a 75 HP unit to compress 300 MCFD at 0 psig suction and 250 psig discharge. By mid 1991, horsepower requirements for the Flash Gas System should nearly double as new wells are developed.

- Proposed 6" Discharge Line to Transwestern

CNG proposes to install approximately 5,000' of 6" steel discharge pipeline to interconnect the proposed Carlsbad Plant to Transwestern (Sec. 16-23S-28E).

1090
3-NE Loving
TD 4395

LOVING N, 79

2665
Yales
(Gulf)
1-AIB Loving
TD 12,901

1
ddy 'GR'

T
23
S

Belco
1 Riggs, et al
TD 7200 21

Belco
1 Kimbley

LOVING S, 84

22677
Amoco
1-Brantley

26264
Amoco
1-Jasso
TD 6300
30

R28E

2011
Oryx
1-Pardue

PROPOSED PLANT
LOCATION

Proposed 6" discharge line
26447
Bird Crk
1-Chaves

Amoco
1-Nymeyer

26443
Bennett
1-Kiddo

26320
Bird Crk
1-Cavness
Payne
TD 6246

Cities Serv
1-A Yarbro

PROPOSED
FLASH GAS
Comp.

26448
Bird Crk
2-Payne

CULEBRA BLUFFS S, 79

22451
Amoco
1-Ingalls
TD 13,187

QUEEN 1
22

26294

26285
TD 6305
3-25-90 1-A

26295

Amoco
1-Donaldson

26346

22931

26368
TD 6350

CNG'S CARLSBAD GATHERING SYSTEM AND PROPOSED PROCESSING PLANT

- Existing Steel High Pressure System
- - - Producer Owned Pipeline
- - - Proposed Low Pressure Flash Gas System
- ▬ Proposed Discharge Pipeline
- ▨ Proposed Processing Plant
- ◻ Proposed Flash Gas Compressor

Scale: 1" = 1,500'

TKS 12/26/90

26277

26341

26330
TD 6187

26239

26347

18

TELEPHONE
2

TELEPHONE 1

PROPOSED
FLASH GAS
COMP.

TD 6420

CARRASCO 14-1

26350
TD 6330

TD 6300
EXISTING
EPNG STA.

TRACHTA
2

CNG
Compressor

TD 6202

TD 6151

TD 6250

26351
RB

4-Carrasco

26349
TD 6310

RGA
3

26331
PRODUCER LINE RGA

26182
TD 6252

REID
1

Continental Natural Gas, Inc.'s (CNG) Carlsbad Gathering System, proposed gas processing plant and low pressure flash gas system located in Sections 14, 15 and 16, T23S, R28E, Eddy County, New Mexico.

Existing Facilities at Carlsbad

- ° Approximately 18,000' of 2" steel pipeline and metering facilities connecting 14 wells to El Paso Natural Gas Company.
- ° 1-Dorman 302 HP/Ariel single stage compressor. The unit is located at the El Paso sales interconnect and compresses the system gas from 250 psig to 550 psig. Inlet volume will average 3,000 to 4,000 MCFD. The existing EPNG station is in the NW/4, Sec. 14, T23S, R28E, Eddy County, New Mexico.

Proposed Facilities at Carlsbad

- ° Gas processing facilities (Location, NE/4 Sec. 15, T23S, R28E, Eddy County, New Mexico)

CNG proposes to initially install 1 - Q.B. Johnson manufactured skid mounted refrigeration plant. The plant will have a design capacity of 8,000 MCFD at 700 psig. The installation of the plant is scheduled to begin February 1, 1991. The associated facilities will consist of:

- 1 - Dehy w/160,000 BTU/hr. Glycol Regen
- 1 - 30,000 gal. NGL storage tank with product pump
- 1 - 300 HP refrigerant cycle/overhead vapors recompressor
- 1 - The existing 302 HP Dorman Field gas compressor will be relocated to the plant site.

Approximately 45 days following the installation of the initial plant, CNG anticipates the installation of a second plant similar to the one above. Additional compression and dehydration will be required.

- ° Low Pressure Flash Gas System

CNG proposes to install approximately 14,000' of 3" poly and two (2) field compressors to gather 500 MCFD of low pressure flash gas. Flash Gas Station #1 will require a 50 HP unit to compress 200 MCFD at 0 psig suction and 250 psig discharge. Flash Gas Station #2 will require a 75 HP unit to compress 300 MCFD at 0 psig suction and 250 psig discharge. By mid 1991, horsepower requirements for the Flash Gas System should nearly double as new wells are developed.

- ° Proposed 6" Discharge Line to Transwestern

CNG proposes to install approximately 5,000' of 6" steel discharge pipeline to interconnect the proposed Carlsbad Plant to Transwestern (Sec. 16-23S-28E).

Pogo
3-NE Loving
TD 4395

Oryx
1-Pardue

2-Amoco
7-Amoco

LOVING N, 79/16

22889
Yates
(Gulf)
1-AIB Loving
TD 12,901

TRANSVERSE
PIPELINE

ddy 'GR'

T
23
S

PROPOSED 6" DISCHARGE LINE
26447
Bird Crk
1-Chaves

PROPOSED PLANT
LOCATION

SIEBERT 1

Amoco
1-Nymeyer

26443
Bennett
1-Kiddo

26321
Bird Crk
1-Cavness
Payle
TD 6286

Cities Serv
1-A Yarbro

PROPOSED FLASH GAS COMP.

26448
Bird Crk
2-Payne

26277
26341
26330
TD 6187

26239

26347
14

TELEDYNE 2
26121
TD 6420

TELEDYNE 1

26350
TD 6330

PROPOSED FLASH GAS COMP.
26329

CARRASCO 14-1
26293
TD 6300
EXISTING EPNG STA.

TRACHTA 2
26328
TD 6202

26151
TD 6250

26351
RB

4-Carrasco

TRACHTA 1

RGA 1

26349
TD 6310

26182
TD 6252

RGA 3
26331
REDUCER LINE

RGA 2

REID 1

CULEBRA BLUFFS S, 79

Belco
1 Riggs, et al
TD 7200

21

Belco
1-Kimbley

22451
Amoco
1-Ingalls
TD 13,187

22
QUEEN 1

26294

26295

26346

22931
23

26285
TD 6305
3-25-90 1-A

Amoco
1-Donaldson

26368
TD 6350

LOVING S, 84

22677
Amoco
1-Brantley

26264
Amoco
1-Jasso
TD 6300
1-31-90

CNG'S CARLSBAD GATHERING SYSTEM
AND PROPOSED PROCESSING PLANT

- Existing Steel High Pressure System
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- - - - Proposed Discharge Pipeline
- ▨ Proposed Processing Plant
- ▭ Proposed Flash Gas Compressor

Scale: 1" = 1,500'

TKS 12/26/90

R28E

OIL CONDENSATE DIVISION
RECEIVED

NICOL & ASSOCIATES

Engineering Consultants

CON DIVISION

331 Melrose Drive, Suite 1215D
Richardson, Texas 75080
(214) 437-9136

'91 JAN 15 AM 9 21

JAN 15 AM 9 21

RECEIVED

JAN 11 1991

SURFACE WATER
QUALITY BUREAU

January 4, 1990

Mr. Roger Anderson
New Mexico Water Quality Control Commission
P.O. Box 968
Santa Fe, NM 87504-0968

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

In accordance with WQCC 82-1 Part 1-201, Nicol & Associates (Engineering Consultants) in behalf of our client: Continental Natural Gas Inc. hereby submits a notice of intent to discharge:

1. Name: Continental Natural Gas, Inc.
2. Address: 1400 Boston Building
1412 S. Boston, Suite 500
P.O. Box 21470
Tulsa, OK 74121
3. Location of Discharge:
Five (5) acre tract located approximately 660' FNL, 1980' FEL Section 15, Township 23 South, Range 28 East, Eddy County, New Mexico (See attached map)
4. Contaminate Concentrations:
Discharge from inlet scrubber and dehydrator will contain mostly water, with traces of glycol and hydrocarbons. Discharge will be contained in covered holding tank and disposed of by a state approved disposal company. Tests will be conducted upon plant start-up and a chemical analysis will be provided at that time. Compressor and engine oil will also be disposed of using a commercially approved disposal company.
5. Quantity of Discharge:
Free water condensed in the pipeline gathering system and/or from the occasional inoperative well head equipment will be removed by the inlet scrubber. We estimate a volume of approximately 1/2 barrel/M³CF of gas (8 bbls/day). In addition the dehydrator will produce seven pounds of water/M³CF of gas or less than one bbl/day, for a total of 9 bbls/day.

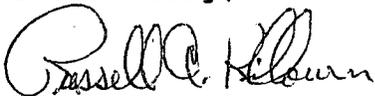
Mr. Roger Anderson

Page 2

January 4, 1990

I have enclosed a map of the proposed plant location along with a brief description of the existing and proposed facilities. If you have any questions or need additional information please feel free to contact me at (214) 437-9136.

Yours truly,



Russell A. Kilbourn

lsr

Enclosure

cc: Terry K. Spencer