

GW - 143

**PERMITS,
RENEWALS,
& MODS
Application**



RECEIVED
2008 AUG 27 PM 3 28

August 25, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 22 1006 308 0)

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

Subject: Cal-Mon Compressor Station
Certification Signature and Permit Fee for Discharge Permit Renewal GW-143

Dear Mr. Price:

Enclosed is a signed copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal for the Cal-Mon Compressor Station and a check in the amount of \$1,700.00 for the permit fee.

If you have any questions concerning this permit renewal, please contact Diane Kocis at (303) 605-2176. All correspondence regarding the renewal should be directed to her at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,
DCP Midstream, LP

Kenneth Winn
Supervisor of Operations

Enclosures



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



RECEIVED

AUG 05 2008

DCP Midstream
Environment Health & Safety

August 1, 2008

Ms. Elisabeth Klein
Principal Environmental Specialist
370 17th Street, Suite 2500
Denver, CO 80202

Re: Discharge Permit Renewal
DCP Midstream LP. (GW-143)
Cal-Mon Compressor Station
SE/4 NW/4 Section 35, Township 23 South, Range 31 East, NMPM,
Eddy County, New Mexico

Dear Ms. Klein:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **DCP Midstream, L.P.**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

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

Sincerely,



Wayne Price
Environmental Bureau Chief

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.**
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on May 14, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any

waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

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

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

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

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

20. Additional Site Specific Conditions: N/A

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

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new

owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

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

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

DCP Midstream, LP
Company Name-print name above

Kenneth Winn
Company Representative- print name

Elisabeth Klein
Company Representative- Signature

Title EDWICE FIELD SUPERVISOR

Date: 8-27-2008

CURRENT-ARGUS

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

RECEIVED

ADVERTISING INVOICE/STATEMENT

DETACH THIS STUB AND RETURN WITH PAYMENT PAYABLE TO 12 18
Carlsbad Current-Argus

NM OIL & CONSERVATION, ENERGY,
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

ACCOUNT NO.	INVOICE NO.
730593	0003888604
DUE DATE	AMOUNT DUE
07/24/08	434.02
BILLING PERIOD	THROUGH
06/01/08	06/30/08
AMOUNT PAID	

RETAIN THIS PORTION FOR YOUR RECORDS

DATE	EDT	CLASS	DESCRIPTION	COL	DEPTH	TMS RUN	TOTAL SIZE	RATE	AMOUNT
601			PREVIOUS BALANCE						.00
622	ONL	0114	1001011969/NOTICE OF PUBLI	3	89.00	3	801.00		230.20
622	CRC	0152	1001016019/JUNE 2/730593	1	295.00	1	295.00		175.20
622		0114	NM TAX						28.62
<p>WE KNOW YOU HAVE CHOICES - THANK YOU FOR YOUR BUSINESS !</p>									

Handwritten:
FJS
ok to pay
187.13

CURRENT	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	OVER 120 DAYS	TOTAL DUE
434.02	.00	.00	.00	.00	434.02

TYPE	CONTRACT QUANTITY	EXPIRATION DATE	CURRENT USAGE	TOTAL USED	QUANTITY REMAINING	SALES PERSON
						0421

*E: 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 imputation 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. FINANCE will be made if the ending balance is paid in full within the ensuing month.

For your records:

COUNT NO.	NAME	INVOICE NUMBER	AMOUNT PAID
0593	NM OIL & CONSERVATION, ENERGY,	0003888604	
Isbad Current-Argus		DUE DATE	
For Billing Inquiries Call: (505) 887-5501		07/24/08	

ADVERTISING INVOICE/STATEMENT

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor 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:

June 22

2008

That the cost of publication is \$ 187.13 that
Payment Thereof has been made and will be
assessed as court costs.

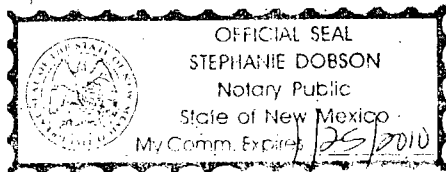
Subscribed and sworn to before me this

23 day of June, 2008

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

DGP Midstream, LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202 (303-605-1778), has submitted renewal applications for the previously approved discharge permits listed below.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Section 23, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. It is located 13.9 mi. east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 turns west and continue 2.9 mi. to road on right and turn north and drive 2 miles to the facility access road on the right; turn east and drive 0.6 miles into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 220 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-143) The Calmon Compressor Station is located in the SE/4 NW/4 of Section 30, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, east of the intersection of Potash Mines Road and Hwy. 128 on Hwy. 128 about 16 miles turn left (north) 0.5 miles and turn left (west) into the facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,000 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

prication is administered and has prepared a draft permit. The NMOC 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 a facility-specific mailing list for future notices, may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOC website <http://www.emrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOC at the address given above. Prior to ruling on any proposed discharge permit or 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 NMOC hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

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

Para obtener más información sobre esta

solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerales y Recursos Naturales y el Nuevo México), Oil Conservation Division (Div. de Conservación del Petróleo), 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, Teléfono: (505) 476-3441

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of June, 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

Mark Fesmire,
Director

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor 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:

June 22 2008

That the cost of publication is \$187.13 that Payment Thereof has been made and will be assessed as court costs.

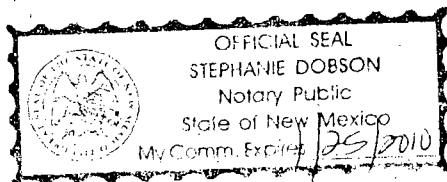
Subscribed and sworn to before me this

23 day of June, 2008

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



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:

DCP Midstream, LP, Elisabeth Klein, Environmental Specialist, 370 17th Street, Suite 2500, Denver, Colorado 80202 (303-605-1778), has submitted renewal applications for the previously approved discharge permits listed below.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Section 23, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. It is located 13.9 mi. east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 to where CR-238 turns west and continue 2.9 mi. to road on right and turn north and drive 2 miles to the facility access road on the right; turn east and drive 0.6 miles into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 220 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in

order to protect fresh water.

(GW-143) The Cal-Mon Compressor Station is located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, east of the intersection of Potash Mines Road and Hwy. 128 on Hwy. 128 about 16 miles; turn left (north) 0.5 miles and turn left (west) into the facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,000 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta

solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Dep'to. Del Energía, Minerías y Recursos Naturales) Nuevo México, Oil Conservation Division (Div. de Conservación del Petróleo) 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. Contacto: Dorothy Phillips, 505-476-3461

GIVEN Under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of June, 2008.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

SEAL

Mark Fesmire, Director

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

RECEIVED

ADVERTISING INVOICE/STATEMENT

DETACH THIS STUB AND RETURN WITH PAYMENT PAYABLE TO 12 18
 Carlsbad Current-Argus

NM OIL & CONSERVATION, ENERGY,
 1220 S SAINT FRANCIS DR
 SANTA FE NM 87505-4000

ACCOUNT NO.	INVOICE NO.
730593	0003888604
DUE DATE	AMOUNT DUE
07/24/08	434.02
BILLING PERIOD	THROUGH
06/01/08	06/30/08
AMOUNT PAID	

RETAIN THIS PORTION FOR YOUR RECORDS

DATE	EDT	CLASS	DESCRIPTION	COL	DEPTH	TMS RUN	TOTAL SIZE	RATE	AMOUNT
601			PREVIOUS BALANCE						.00
622	ONL	0114	1001011969/NOTICE OF PUBLI	3	89.00	3	801.00		230.20
622	CRC	0152	1001016019/JUNE 2/730593	1	295.00	1	295.00		175.20
622		0114	NM TAX						28.62
<p>WE KNOW YOU HAVE CHOICES - THANK YOU FOR YOUR BUSINESS !</p>									

FS
ok to pay
187.13

CURRENT	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	OVER 120 DAYS	TOTAL DUE
434.02	.00	.00	.00	.00	434.02

TYPE	CONTRACT	QUANTITY	EXPIRATION DATE	CURRENT USAGE	TOTAL USED	QUANTITY REMAINING	SALES PERSON
							0421

*E: 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 liquidation 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. FINANCE will be made if the ending balance is paid in full within the ensuing month.

For your records:

COUNT NO.	NAME	INVOICE NUMBER	AMOUNT PAID
0593	NM OIL & CONSERVATION, ENERGY,	0003888604	
Isbad Current-Argus		DUE DATE	
For Billing Inquiries Call: (505) 887-5501		07/24/08	

ADVERTISING INVOICE/STATEMENT

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor 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:

July 10

2008

That the cost of publication is \$ 244.30 that Payment Thereof has been made and will be assessed as court costs.

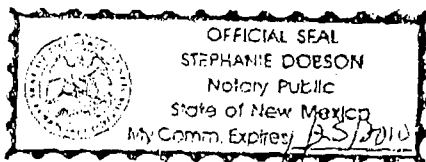
[Signature]
Subscribed and sworn to before me this

11th day of *July*, 2008

[Signature]

My commission Expires on *1/25/2010*

Notary Public



DCP Midstream, LP, 370 17th Street, Suite 2500, Denver, Colorado 80202 has submitted a discharge plan renewal application (GW-143) for its Cal-Mon Compressor Station located in the SE/4 NW/4 Section 35, Township 23 South, Range 31 East, NMMPM, Eddy County, New Mexico, to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, Telephone (505) 476-3440. It is located east of the intersection of Potash Mines Road and Hwy 128 on Hwy 128 about 16 miles, turn left (north) 0.5 miles and turn left (west) into the facility. DCP MIDSTREAM, LP does not propose to discharge effluent or waste solids on site; all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conservation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 200 feet with a total dissolved solids concentration of approximately 3,500 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, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facility-specific mailing list for persons who wish to receive future notices.

DCP Midstream, 370 17th Street, Suite 2500, Denver, Colorado 80202 se han sometido una aplicación de la renovación del plan de la descarga (GW-143) para su Estación de Compresor de Cal-M, situó en el SE/4 NW/4 Sección 35, Municipio 23 al sur, la Rana 31 al este, NMMPM, Eddy Condado, Nuevo México, a la Conservación del Petróleo División, 1220 S. del sur, Francis Conduco, Santa Fe, Nuevo México, 87505, el Teléfono (505) 476-3440. Es situado al este del cruce del Camino de Minas de Potasa y Autopista 128 en la Autopista 128 acerca de 16 millas, la vuelta dejó (al norte) 0.5 millas y la vuelta dejaron (al oeste) en la facilidad. DCP Midstream no propone descargar efluente ni los sólidos del desecho en el sitio; todo efluente y los sólidos del desecho engendrados en la facilidad son quitados de la facilidad para de la disposición del sitio de acuerdo con Conservación aplicable del Petróleo de Nuevo México División, del Departamento del Ambiente de Nuevo México, y de las regulaciones de EPA. Molió agua más probable de ser afectada en un acontecimiento de una descarga accidental en la superficie está en una profundidad de aproximadamente 200 pies con un suma la concentración disuelta de sólidos de aproximadamente 3,500 mg/l. Las direcciones del plan de la descarga cómo manejar, las filtraciones, y otras descargas accidentales a la superficie serán manejados. Alguna persona interesada puede obtener información adicional, se somete los comentarios, y petición para ser colocada en una dirección de envío facilidad-específico para recibir futuras notas a la Conservación del Petróleo División en la dirección o el número de teléfono dados arriba. La Conservación del Petróleo División aceptará que los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creará una lista de envío facilidad-específico para personas que desea recibir futuras notas.

Chavez, Carl J, EMNRD

From: Lang, Ruth M [RMLang@dcpmidstream.com]
Sent: Friday, August 01, 2008 2:00 PM
To: Chavez, Carl J, EMNRD; Klein, Elisabeth Anne
Cc: Price, Wayne, EMNRD; Klein, Elisabeth Anne; Kocis, Diane E
Subject: Public Notice Affidavits - GW-142, GW-143, GW-296
Attachments: GW142_GW143__GW296 News Affidavits.pdf

Mr. Carl Chavez:

Good afternoon. Attached please find scanned affidavits for discharge permit renewals for the following compressor stations:

- 1 GW-142 (Sand Dunes)
- 1 GW-143 (Cal-Mon)
- 1 GW-296 (Cedar Canyon)

The newspaper faxed us copies of these affidavits and then we scanned them. I hope they are sufficiently legible. This should complete your request from this morning as I sent GW-145 and GW-128 earlier today. Please let me know if you need anything else.

Ruth M. Lang, P.G.

DCP Midstream, LP

Manager of Water Waste and Remediation
EHS - Environmental Protection Department
303-605-1713 office
303-619-4995 cell
303-605-1957 fax

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Friday, August 01, 2008 9:00 AM
To: Klein, Elisabeth Anne
Cc: Price, Wayne, EMNRD; Lang, Ruth M
Subject: RE: DCP Midstream LP. Closure of Facilities

Ms. Ruth Lang, et. al:

I am in the process of finalizing discharge permits today for DCP Midstream, LP. (DCP) GWs #128, 142, 143, 145 and 296; however, I do not see proof of affidavits with public notice from DCP. Could you please check your files and fax/send them to me electronically today? 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/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Klein, Elisabeth Anne [mailto:EAKlein@dcpmidstream.com]
Sent: Monday, July 14, 2008 3:14 PM

To: Chavez, Carl J, EMNRD

Cc: Price, Wayne, EMNRD; Lowe, Leonard, EMNRD; Lang, Ruth M

Subject: Re: DCP Midstream LP. Closure of Facilities

I just received your phone messages from last week. I apologize for not returning the calls I was in an area with no coverage.

I forwarded your email to Ruth Lang 3036051713. I have taken a new position at the company and no longer cover this area so Ruth will be your new contact person.

Thanks
Liz Klein

----- Original Message -----

From: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>

To: Klein, Elisabeth Anne

Cc: Price, Wayne, EMNRD <wayne.price@state.nm.us>; Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>

Sent: Fri Jul 11 10:56:07 2008

Subject: DCP Midstream LP. Closure of Facilities

Elisabeth:

The OCD requests to visit the discharge permit facilities listed below that DCP Midstream, LP. has are inactive or expressed an interest in closing. The OCD would like to schedule a date for the facility visits in August of 2008. The OCD would prefer to meet with a company representative and then visit the facilities.

GW-24 Avalon Gas Plant

OCD Status: Rambo CS. (formerly Avalon Gas Plant) (GW-24): The permit expired on 9/18/2005 and is listed as inactive.

According to your letter the OCD received the pit closure reports and analytical results required by the OCD's April 7, 2004 approval letter and were provided in your letter. The OCD requests to know the status of operations at the facility? Does DCP Midstream, LP wish to close the facility? If so, the OCD needs a closure plan. The OCD requires inactive facilities to submit a closure plan, unless it plans to continue operations, which will require a discharge plan renewal.

DCP Status: Avalon Gas Plant (Rambo Compressor) (GW-24) - DCP MIDSTREAM LP previously renewed the permit for this facility. An approval letter, dated April 7, 2004, from the OCD was received by the company.

DCP MIDSTREAM LP was required, as a condition of the approval, to submit pit closure reports and analytical results. The report and results were submitted to the OCD on April 23, 2004.

8/1/2008

GW-42 Indian Hills Gas Plant (last permit 6/18/1997 Stage 1)

OCD Status: Indian Hills Gas Plant (GW-42): OCO records indicate that the facility is inactive. The OCD requests the status of the facility and if it is inactive, we request a closure plan. The GOD will be conducting an inspection of this facility.

DCP Status: Indian Hills Gas Plant (GW-42) - This facility was dismantled and only a meter facility and pig launcher exist on the site. A copy of the company's notification, dated December 10, 2001, to the OCD regarding the status of this site and OCD's receipt of this letter is in Attachment 5.

GW-44 Hobbs Booster Station (OCD has processed the DP 3/7/2008 Stage 4, but DCP appears to want to close it instead?)

OCD Status: Hobbs Booster Station (GW -44): OCD records indicate that the facility is active with an expiration date of 12/27/2007. A \$100 filing fee was received and determined to be administratively complete and OCO will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. The facility is closed and only remediation activities are ongoing at present.

DCP Status:

Discharge Plan GW-044: Summary of First Quarter 2008 Groundwater
Monitoring Results and Additional Site Characterization Activities at the
Hobbs Booster Station: Hobbs, New Mexico
Units C and D Section 4, T 19 S, R 38 E, NMPM

GW-288 Pardue Compressor Station (OCD has process the DP 3/7/2008 Stage 4, but DCP appears to want to close it instead?)

OCD Status: Pardue CS. (GW-288): OCD records indicate that the facility is active with an expiration date of 11/24/2007. A \$100 filing fee was received and determined to be administratively complete and OCD will issue public notice, a

8/1/2008

draft discharge plan, and administratively complete letter on its website tomorrow. DCP Midstream, LP is in the process of completing a closure plan and will submit it prior to completion of closure.

DCP Status: Pardue CS. (GW-288): OCD records indicate that the facility is active with an expiration date of 11/24/2007.

A \$100 filing fee was received and determined to be administratively complete and OCD will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. DCP Midstream, LP is in the process of completing a closure plan and will submit it prior to completion of closure.

Please contact me. 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/index.htm>

(Pollution Prevention Guidance is under "Publications")

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

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

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure

8/1/2008

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



August 1, 2008

Ms. Elisabeth Klein
Principal Environmental Specialist
370 17th Street, Suite 2500
Denver, CO 80202

Re: Discharge Permit Renewal
DCP Midstream LP. (GW-143)
Cal-Mon Compressor Station
SE/4 NW/4 Section 35, Township 23 South, Range 31 East, NMPM,
Eddy County, New Mexico

Dear Ms. Klein:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **DCP Midstream, L.P.**, (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

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

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

Sincerely,

A handwritten signature in dark ink, appearing to be "W. Price", is written over a horizontal line.

Wayne Price
Environmental Bureau Chief

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.**
2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on May 14, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
5. **Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any

waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry-wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

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

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

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

An unauthorized discharge is a violation of this permit.

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

20. Additional Site Specific Conditions: N/A

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

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new

owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

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

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

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title_____

Date:_____

THE SANTA FE
NEW MEXICAN
Founded 1849

NM EMNRD OIL CONSERV
1220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00259406 ACCOUNT: 00002212
LEGAL NO: 85555 P.O. #: 52100-00000075
373 LINES 1 TIME(S) 324.80
AFFIDAVIT: 7.00
TAX: 26.34
TOTAL: 358.14

*OK to pay
C. O. Chavez
7/1/08*

**NOTICE OF
PUBLICATION**

STATE OF NEW MEXICO
CO. ENERGY, MINERALS
AND NATURAL RE-
SOURCE DEPART-
MENT
OIL CONSERVATION
DIVISION

Notice is hereby given
that pursuant to New
Mexico Water Quality
Control Commission
Regulations
(20.6.2.3106 NMAC),
the following dis-
charge permit appli-
cation(s) has been
submitted to the Di-
rector of the New
Mexico Oil Conserva-
tion Division
("NMOCD"), 1220 S.
Saint Francis Drive,
Santa Fe, New Mexico
87505, Telephone
(505) 476-3440:

DCP Midstream, LP,
Elisabeth Klein, Envi-
ronmental Specialist,
370 17th Street, Suite
2500, Denver, Colo-
rado 80202
(303-605-1778), has
submitted renewal
applications for the
previously approved
discharge permits
listed below.

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, L. Paquin, 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 # 85555 a copy of which is hereto attached was published in said newspaper 1 day(s) between 06/26/2008 and 06/26/2008 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 26th day of June, 2008 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

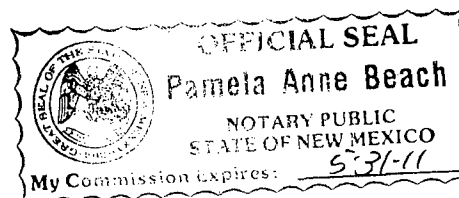
/S/ L. Paquin
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 26th day of June, 2008

Notary Pamela Anne Beach

Commission Expires: May 31, 2011

RECEIVED
2008 JUN 30 PM 2 15



Hat Mesa Compressor Station is located in the SW/4 SE/4 of Section 4, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico, approximately 1.6 miles east of the intersection of Hwy. 62 and Hwy. 176 on Hwy. 176; turn right or south on dirt road 2.2 miles; turn right or west into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Section 23, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. It is located 13.9 mi. east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 to where CR-238 turns west and continue 2.9 mi. to road on right and turn north and drive 2 miles to the facility access road on the right; turn east and drive 0.6 miles into facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 220 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-143) The Cal-Mon Compressor Station, is located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New

(north) 0.5 miles and turn left (west) into the facility. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 200 feet, with a total dissolved solids concentration of approximately 3,500 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-145) The Zia Gas Plant & Booster Station is located in the NE/4 NE/4 of Section 19, and SE/4 SE/4 of Section 18, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. Approximately 5,900 gallons per month of process wastewater will be collected, and stored in above ground steel tanks prior to disposal at an OCD approved offsite commercial disposal facility. Current operations at the facility are limited to gas processing and compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 280 feet, with a total dissolved solids concentration of approximately 2,400 mg/l. The discharge plan addresses remediation of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Current operations at the facility are limited to compression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concentration of approximately 1,000 mg/l.

and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

Para obtener más información sobre esta solicitud en español, please contact the

Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of June 2008.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
S.E.A.L.
Mark Fesmire,
Director
Legal No. 85555
Pub. June 26, 2008



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 19, 2008

Ms. Elisabeth Klein
Principal Environmental Specialist
370 17th Street, Suite 2500
Denver, CO 80202

Re: Discharge Plan Renewal Permit GW-143
DCP Midstream, L.P.
Cal-Mon Compressor Station
Eddy County, New Mexico

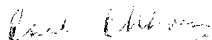
Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream, L.P.'s request and initial fee, dated February 27, 2008, to renew GW-143 for the DCP Midstream, L.P. **Cal-Mon Compressor Station** located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 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 Chavez
Environmental Engineer

CC/cc

xc: OCD District Office





March 24, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 22 1005913 9)

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

Subject: Cal-Mon Compressor Station
Discharge Permit Renewal (GW-143)
Eddy County, New Mexico

Dear Mr. Price:

Enclosed are the original and one copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal application for the Cal-Mon Compressor Station. Also enclosed is a check in the amount of \$100 for the discharge plan renewal application filing fee.

Once the OCD determines the renewal to be administratively complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Carlsbad Current Argus for the Cal-Mon Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus. Additionally, DCP MIDSTREAM will provide the owner of the property, the U.S. Department of Interior Bureau of Land Management (BLM), notice via certified mail.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The Cal-Mon Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-143.

Please be advised that DCP MIDSTREAM's submittal of the renewal application and application filing fee does not waive DCP MIDSTREAM's objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DCP MIDSTREAM's position or the renewal application, please contact me at (303) 605-1778. Please send all correspondence regarding this renewal to me at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,

DCP Midstream, LP

A handwritten signature in black ink, appearing to read "Elisabeth Klein", written over the printed name.

Elisabeth Klein
Principal Environmental Specialist

Enclosures

cc: NMOCD District 2 Office (UPS Next Day Air Tracking No. 1Z F46 915 22 1005 914 8)
1301 W. Grand Avenue
Artesia, NM 88210

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: Cal-Mon Compressor Station (GW-143)

2. Operator: DCP Midstream, LP

Address: See attached discharge plan

Contact Person: Tony Lee - Asset Manager

Phone: 505-397-5520

3. Location: SE /4 NW /4 Section 35 Township 23South Range 31 East

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
See attached discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
See attached discharge plan.
6. Attach a description of all materials stored or used at the facility.
See attached 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 attached discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
See attached discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
See attached discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
See attached discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
See attached discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
See attached 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 attached 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: Tony R Lee

Date: 2-27-08

E-mail Address: TRLee@dcpmidstream.com

Cal-Mon Compressor Station
SE ¼ NW ¼ Section 35, T23S, R31E

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-143) for the Cal-Mon Compressor Station as previously approved NMOCD on January 20, 2004. 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, 20.6.2.3106.C NMAC.

1 Type of Operation

The Cal-Mon Compressor Station compresses natural gas. The facility does not intend or have any discharges that may move directly or indirectly into groundwater.

2 Operator / Legally Responsible Party

Operator

DCP Midstream, LP (formerly 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

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

3 Location Facility

SE ¼ NW¼ Section 35, Township 23 South, Range 31 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

4 Landowner

Bureau of Land Management
620 East Green Street
Carlsbad, NM 88220

5 Facility Description

The facility provides separation of liquid hydrocarbons from the natural gas stream and compression for the Eunice Gathering System.

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
Produced Water/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Methanol	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage – (equipment wash down water and stormwater)	Aboveground storage tank within secondary containment.

7 Sources and Quantities of Effluent and Waste Solids

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. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater.

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 to the Eunice Heater Treater.

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 to the Eunice Heater Treater.

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. Lubrication and motor oils are not discharged on site so that they may move directly or indirectly into groundwater.

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. Solids and sludges are not discharged on site so that they may move directly or indirectly into groundwater.

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

Sewage is not generated at the facility.

Lab Wastes

Lab wastes are not generated at the facility.

Other Liquids and Solid Wastes

There are no other liquids or solid wastes generated at the facility.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage

All liquid and solid waste are collected and stored in containers for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

On-site Disposal

There is no on-site disposal at the facility. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

Off-site Disposal

All liquid and solid wastes are disposed off site in accordance with applicable NMOCD, NMED, and EPA regulations.

The following table provides information regarding wastes collected and stored for off site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Slop Oil	Aboveground storage tank within secondary containment	~ 150 bbls per month	Off-site recycling	Eunice Treater
Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 10 bbls per month	Off-site recycling	Eunice Treater
Used Oil Filters	Aboveground storage tank within secondary containment	~ 10 per year	Off-site recycling	Thermofluids
Used Oil	Aboveground storage tank within secondary containment	~ 800 gal per year	Off-site recycling	Thermofluids

9 Proposed Modifications

No modifications are proposed at the facility.

10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed monthly to ensure proper collection, storage, and off site disposal of all wastes generated at the facility.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

DCP Midstream 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

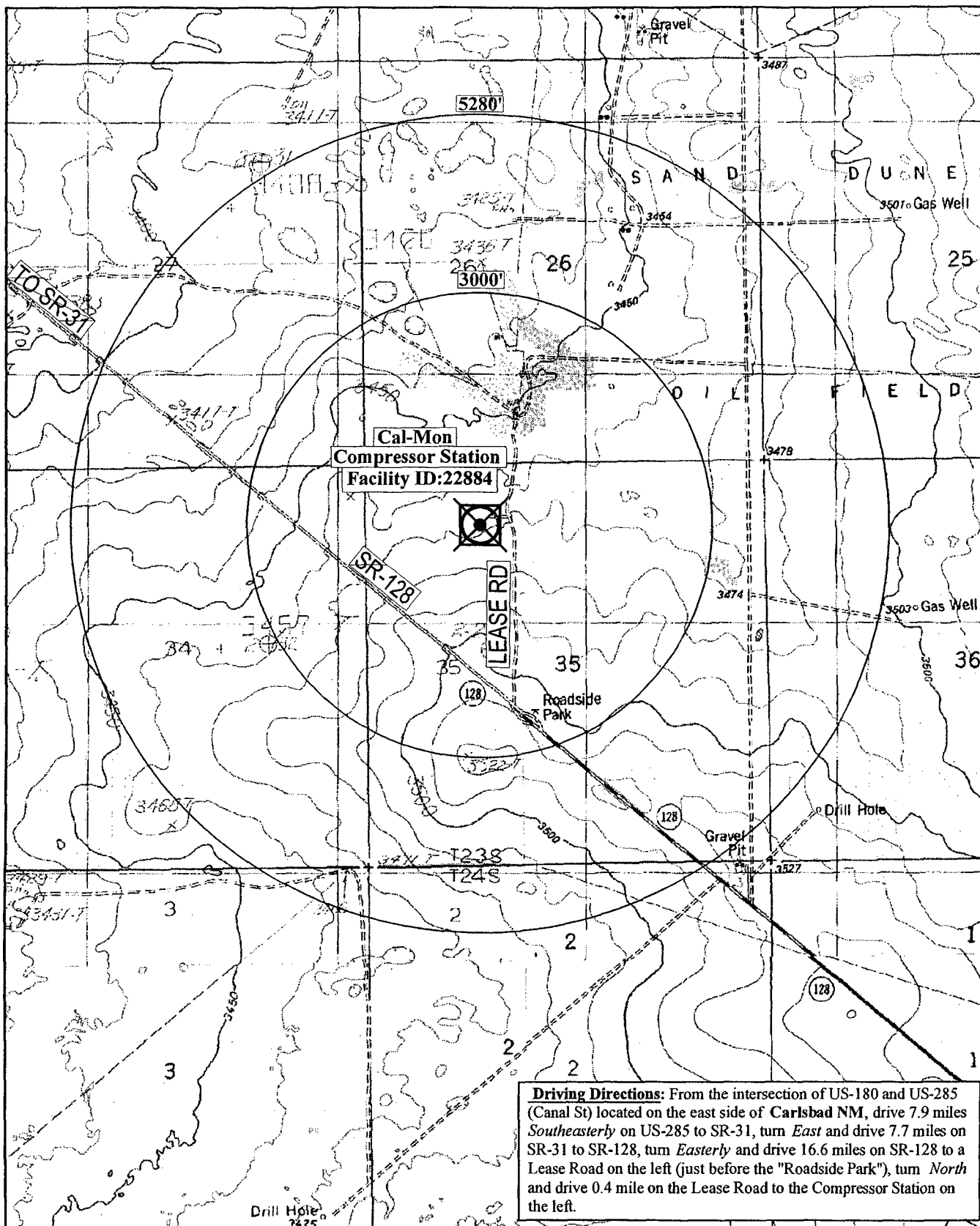
No changes are proposed.

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 – Cal-Mon Compressor Station.



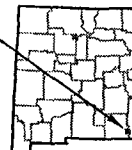
dcp
Midstream.

Cal-Mon Compressor Station

Eddy County, New Mexico
Zone 13 UTMH 617548m UTMV 3570585m
Lat. 32° 15' 57" Long. 103° 45' 07"

PHOTO VERIFIED

VICINITY



NEW MEXICO

32103C7 Los Medanos

Source: USGS 1:24,000 scale

Drawn by: JRE

Revised by:

Date 7-28-05

ENVIRONMENTAL
AFFAIRS DEPARTMENT

FIGURE 2. Facility Plot Plan – Cal-Mon Compressor Station.



RECEIVED

2008 MAR 27 PM 1 03

March 24, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 22 1005913 9)

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

Subject: Cal-Mon Compressor Station
Discharge Permit Renewal (GW-143)
Eddy County, New Mexico

Dear Mr. Price:

Enclosed are the original and one copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal application for the Cal-Mon Compressor Station. Also enclosed is a check in the amount of \$100 for the discharge plan renewal application filing fee.

Once the OCD determines the renewal to be administratively complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Carlsbad Current Argus for the Cal-Mon Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus. Additionally, DCP MIDSTREAM will provide the owner of the property, the U.S. Department of Interior Bureau of Land Management (BLM), notice via certified mail.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The Cal-Mon Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-143.

Please be advised that DCP MIDSTREAM's submittal of the renewal application and application filing fee does not waive DCP MIDSTREAM's objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DCP MIDSTREAM's position or the renewal application, please contact me at (303) 605-1778. Please send all correspondence regarding this renewal to me at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,

DCP Midstream, LP

Elisabeth Klein
Principal Environmental Specialist

Enclosures

cc: NMOCD District 2 Office (UPS Next Day Air Tracking No. 1Z F46 915 22 1005 914 8)
1301 W. Grand Avenue
Artesia, NM 88210



RECEIVED

2008 MAR 27 PM 1 03

March 24, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 22 1005913 9)

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

Subject: Cal-Mon Compressor Station
Discharge Permit Renewal (GW-143)
Eddy County, New Mexico

Dear Mr. Price:

Enclosed are the original and one copy of DCP Midstream, LP's ("DCP MIDSTREAM") discharge permit renewal application for the Cal-Mon Compressor Station. Also enclosed is a check in the amount of \$100 for the discharge plan renewal application filing fee.

Once the OCD determines the renewal to be administratively complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Carlsbad Current Argus for the Cal-Mon Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus. Additionally, DCP MIDSTREAM will provide the owner of the property, the U.S. Department of Interior Bureau of Land Management (BLM), notice via certified mail.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The Cal-Mon Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-143.

Please be advised that DCP MIDSTREAM's submittal of the renewal application and application filing fee does not waive DCP MIDSTREAM's objection to the OCD's position regarding applicability of the WQCC regulations.

If you have any questions concerning DCP MIDSTREAM's position or the renewal application, please contact me at (303) 605-1778. Please send all correspondence regarding this renewal to me at 370 17th Street, Suite 2500, Denver, CO 80202.

Sincerely,

DCP Midstream, LP

Elisabeth Klein
Principal Environmental Specialist

Enclosures

cc: NMOCD District 2 Office (UPS Next Day Air Tracking No. 1Z F46 915 22 1005 914 8)
1301 W. Grand Avenue
Artesia, NM 88210

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: Cal-Mon Compressor Station (GW-143)
2. Operator: DCP Midstream, LP
Address: See attached discharge plan
Contact Person: Tony Lee - Asset Manager Phone: 505-397-5520
3. Location: SE /4 NW /4 Section 35 Township 23South Range 31 East
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
See attached discharge plan.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
See attached discharge plan.
6. Attach a description of all materials stored or used at the facility.
See attached 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 attached discharge plan.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
See attached discharge plan.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
See attached discharge plan.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
See attached discharge plan.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
See attached discharge plan.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
See attached 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 attached 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: Tony R Lee

Date: 2-27-08

E-mail Address: TRLee@dcpmidstream.com

Cal-Mon Compressor Station
SE ¼ NW ¼ Section 35, T23S, R31E

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-143) for the Cal-Mon Compressor Station as previously approved NMOCD on January 20, 2004. 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, 20.6.2.3106.C NMAC.

1 Type of Operation

The Cal-Mon Compressor Station compresses natural gas. The facility does not intend or have any discharges that may move directly or indirectly into groundwater.

2 Operator / Legally Responsible Party

Operator

DCP Midstream, LP (formerly 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

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

3 Location Facility

SE ¼ NW¼ Section 35, Township 23 South, Range 31 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

4 Landowner

Bureau of Land Management
620 East Green Street
Carlsbad, NM 88220

5 Facility Description

The facility provides separation of liquid hydrocarbons from the natural gas stream and compression for the Eunice Gathering System.

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
Produced Water/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Methanol	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage – (equipment wash down water and stormwater)	Aboveground storage tank within secondary containment.

7 Sources and Quantities of Effluent and Waste Solids

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. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater.

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 to the Eunice Heater Treater.

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 to the Eunice Heater Treater.

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. Lubrication and motor oils are not discharged on site so that they may move directly or indirectly into groundwater.

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. Solids and sludges are not discharged on site so that they may move directly or indirectly into groundwater.

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

Sewage is not generated at the facility.

Lab Wastes

Lab wastes are not generated at the facility.

Other Liquids and Solid Wastes

There are no other liquids or solid wastes generated at the facility.

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage

All liquid and solid waste are collected and stored in containers for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

On-site Disposal

There is no on-site disposal at the facility. None of the containment structures at the facility are equipped with valves. Rainwater collected inside containment structures is lost through evaporation or pumped out by a contractor for off site disposal in accordance with applicable NMOCD, NMED, and EPA regulations.

Off-site Disposal

All liquid and solid wastes are disposed off site in accordance with applicable NMOCD, NMED, and EPA regulations.

The following table provides information regarding wastes collected and stored for off site disposal and/or recycling.

Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
Slop Oil	Aboveground storage tank within secondary containment	~ 150 bbls per month	Off-site recycling	Eunice Treater
Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 10 bbls per month	Off-site recycling	Eunice Treater
Used Oil Filters	Aboveground storage tank within secondary containment	~ 10 per year	Off-site recycling	Thermofluids
Used Oil	Aboveground storage tank within secondary containment	~ 800 gal per year	Off-site recycling	Thermofluids

9 Proposed Modifications

No modifications are proposed at the facility.

10 Inspection, Maintenance, and Reporting

Routine inspections and maintenance are performed monthly to ensure proper collection, storage, and off site disposal of all wastes generated at the facility.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

DCP Midstream 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

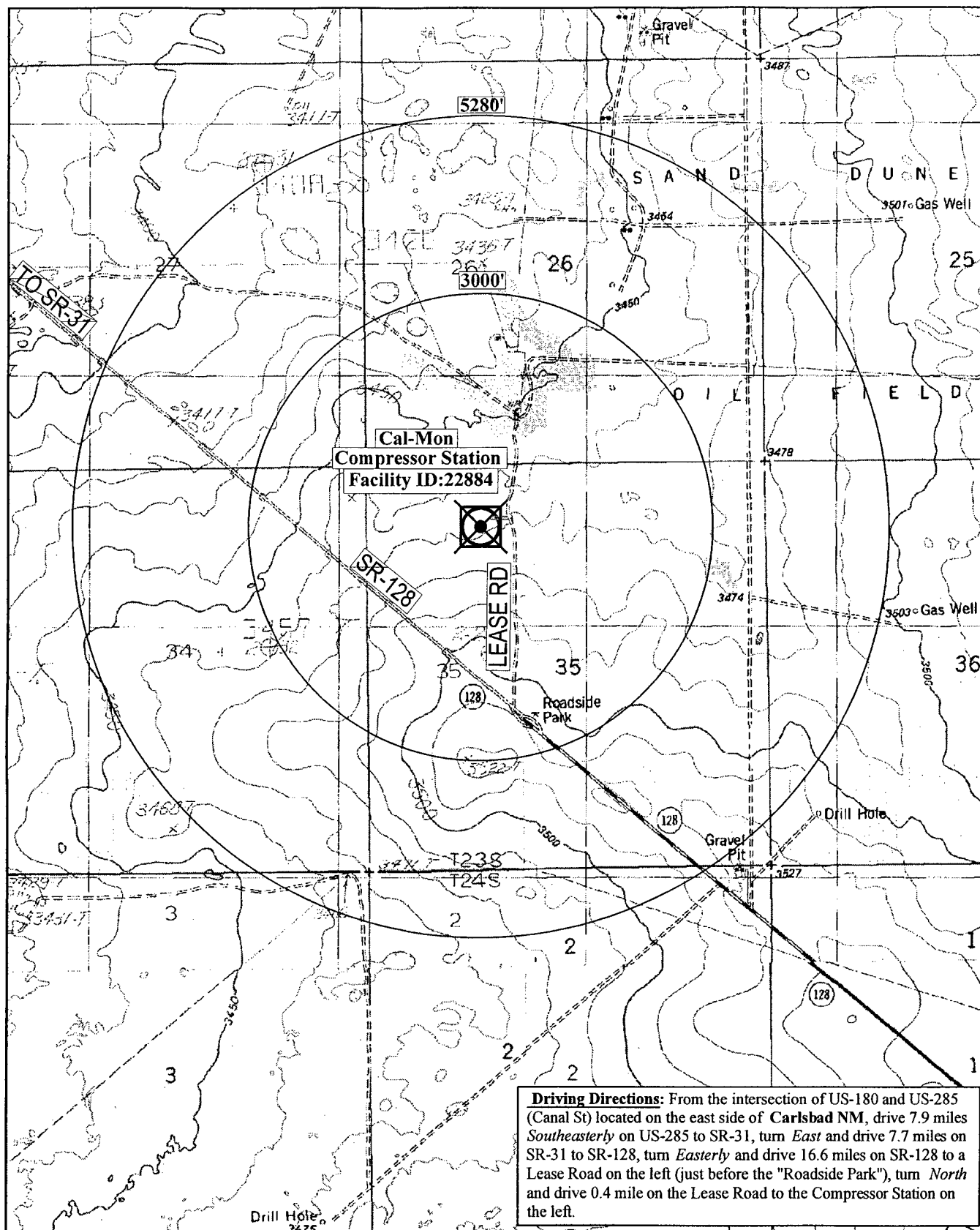
No changes are proposed.

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 – Cal-Mon Compressor Station.

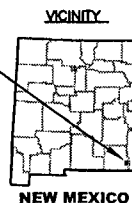


dcp
Midstream

Cal-Mon Compressor Station

Eddy County, New Mexico
Zone 13 UTMH 617548m UTMV 3570585m
Lat. 32° 15' 57" Long. 103° 45' 07"

PHOTO VERIFIED



32103C7 Los Medanos
Source: USGS 1:24,000 scale
Drawn by: JRE
Revised by:
Date 7-28-05
ENVIRONMENTAL
AFFAIRS DEPARTMENT

FIGURE 2. Facility Plot Plan -- Cal-Mon Compressor Station.



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.

PLOT PLAN

CAL-MON COMPRESSOR STATION EUNICE GATHERING SYSTEM

**Eddy County
NEW MEXICO**

DWC. NO. \data\EhsDrawings\Mapping\NewMexico\Eunice\Cal-Mon_Plot

dcp
Midstream[®]

[illegible]

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, February 19, 2008 2:47 PM
To: 'Klein, Elisabeth A'
Cc: Price, Wayne, EMNRD
Subject: Permit Expiration Notification

Dear Ms. Klein:

Re: DCP Midstream LP GWs# 128, 142, 143, 144, 145 and 296

Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permits will expire on 11/20/07 (GW-128: Duke Paige CS), 5/14/08 (GW-143: Duke Cal-Mon CS), 5/17/08 (GW-142: Duke Sand Dunes CS), 7/6/08 (GW-145: Duke Zia Gas Plant & Zia Booster Station), 7/15/08 (GW-296: Duke Cedar Canyon CS), and 8/19/08 (GW-144: Duke North (Westall) CS)** and applications for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***

If today's date exceeds your discharge permit expiration date, please submit your application for renewal with \$100 filing fee to me within 30 days of the date of this message. Otherwise, please submit your renewal application within 120 days of your expiration date for the above referenced discharge permits.

Please contact me if you have questions.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

2/19/2008



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 20, 2004

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 3929 9833

Ms Joyce Miley
Conoco-Phillips
P.O. Box 2197, HU3036
Houston, TX 77252

Re: Renewal of Discharge Permit GW-143
Cal-Mon Compressor Station

Dear Ms. Miley:

The groundwater discharge permit GW-143 for the ConocoPhillips, Cal-Mon Compressor Station, located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 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 working days of receipt of this letter.**

The original discharge plan was approved on May 14, 1993. The discharge permit renewal application dated April 10, 2003, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge permit is renewed pursuant to Section 3109.C. Please note Section 3109.G., which provides for possible future amendment of the permit. Please be advised that approval of this permit does not relieve ConocoPhillips of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve ConocoPhillips of its responsibility to comply with any other governmental authority's rules and regulations.

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

Please note that Section 3104. of the regulations requires that "when a permit has been approved, discharges must be consistent with the terms and conditions of the permit." Pursuant to Section 3107.C., ConocoPhillips is required to notify the Director of any facility expansion, production increase, or process modification that would result in any

Ms Joyce Miley
January 20, 2004
Page 2

change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire May 14, 2008** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit application for the ConocoPhillips , Cal-Mon Compressor Station, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge permit will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$1700.00 for gas compressor stations greater than 1000 hp. The OCD has not received the \$1700.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge permit approval or in five equal installments over the expected duration of the discharge permit. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge permit approval and subsequent installments due on this date of each calendar year.

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

If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief
RCA/lwp
Attachment-1
Xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-143 APPROVAL
ConocoPhillips , Cal-Mon Compressor Station
DISCHARGE PERMIT APPROVAL CONDITIONS
January 20, 2004

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$ 1700.00 for gas compressor stations greater than 1000 hp. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: ConocoPhillips will abide by all commitments submitted in the discharge permit renewal application dated April 10, 2003 including attachments and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks, sumps and pits must be tested annually, except systems that have secondary containment with leak detection. These systems with leak detection shall have a monthly inspection of the leak detection to determine if the primary containment is leaking. Results of tests and inspections shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Any system found to be leaking shall be reported pursuant to Item # 12. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD District Office.

13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

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

14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections. As a result of OCD's inspection conducted on June 12, 2003 Conoco-Phillips shall address the following action items and submit a report to OCD by March 15, 2004 confirming corrective actions taken:

The condensate tank needs proper containment and an investigation and remediation of the soils under the tank shall be performed.

15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
16. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
17. 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 permit 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.

18. **Certification: ConocoPhillips** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **ConocoPhillips** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **ConocoPhillips**

Marshall Honeyman
Company Representative- print name

Marshall Honeyman Date 03/01/04
Company Representative- Sign

Title Operations Manager

Honeyman, Marshall C.

From: Clay Smith [clay.smith@flatrockenergy.net]
Sent: Monday, March 01, 2004 7:30 AM
To: Honeyman, Marshall C.; Miley, Joyce M.; Driver, Jeffery W.; Elliott, Phillip A.
Subject: FW: RE: ConocoPhillips Discharge Permits (GW-296 and GW-143) conditio n change request

FYI - Please print and attach to the Calmon Compressor Station recently issued OCD Discharge Permit.

Thanks,

Clay Smith, P.E.
Flatrock Engineering and Environmental
phone 210-494-6777
fax 210-494-6762
cell 210-452-2046

-----Original Message-----

From: Price, Wayne [mailto:WPrice@state.nm.us]
Sent: Friday, February 27, 2004 4:46 PM
To: 'clay.smith@flatrockenergy.net'; Price, Wayne
Subject: RE: RE: ConocoPhillips Discharge Permits (GW-296 and GW-143)
conditio n change request

Clay: This document serves as OCD approval that condition # 14 has been resolved. I have filed this documentation with the discharge permit. I do not want to open the permit back up.

-----Original Message-----

From: clay.smith@flatrockenergy.net
[mailto:clay.smith@flatrockenergy.net]
Sent: Wednesday, February 18, 2004 12:59 PM
To: WPrice@state.nm.us
Subject: RE: RE: ConocoPhillips Discharge Permits (GW-296 and GW-143)
conditio n change request

Wayne,
Can you approve Condition 14 below (see the last paragraph)?

Thanks,
Clay Smith

>----- Original Message -----

>From: "Price, Wayne" <WPrice@state.nm.us>
>To: "'clay.smith@flatrockenergy.net'"
><clay.smith@flatrockenergy.net>
>Sent: Wed, 18 Feb 2004 10:47:26
>
>I do not have the authority to change condition
>#16. Your request to change
>condition #11 is herby approved!
>

>-----Original Message-----

>From: Clay Smith
>[mailto:clay.smith@flatrockenergy.net]
>Sent: Wednesday, February 18, 2004 9:48 AM
>To: Wayne Price
>Cc: Joyce Miley ; Honeyman, Marshall C.; Driver,
>Jeffery W.
>Subject: ConocoPhillips Discharge Permits (GW-296
>and GW-143) condition
>change request

>
 >
 >
 >Wayne,
 >
 >Thank you for your consideration regarding the OCD
 >discharge Plan conditions
 >for the Cedar Canyon Compressor Station GW-296 and
 >the Cal-Mon Compressor
 >Station GW-143. As we discussed this morning,
 >ConocoPhillips hereby requests
 >the following changes to the recently issued
 >discharge plans. These changes
 >will allow for consistency with the other
 >ConocoPhillips operated
 >facilities.
 >
 >
 >
 >Cedar Canyon Compressor Station GW-296
 >
 >* Condition 11 Housekeeping (first sentence)
 >is currently worded "All
 >systems designed for spill collection/prevention,
 >and leak detection will be
 >inspected daily to ensure proper operation and to
 >prevent over topping or
 >system failure." Please approve the wording change
 >to read "All systems
 >designed for spill collection/prevention, and leak
 >detection will be
 >inspected monthly to ensure proper operation and to
 >prevent over topping or
 >system failure."
 >
 >* Condition 16 Transfer of Discharge Permit
 >(second sentence) is
 >currently worded "A written commitment to comply
 >with the terms and
 >conditions of the previously approved discharge
 >permit must be submitted by
 >the purchaser and approved by the OCD prior to
 >transfer." Please approve
 >the wording change to read "A written commitment to
 >comply with the terms
 >and conditions of the previously approved discharge
 >permit must be submitted
 >by the purchaser and approved by the OCD within two
 >weeks after transfer to
 >the purchaser."
 >
 >
 >
 >Cal-Mon Compressor Station GW-143
 >
 >
 >
 >* Condition 11 Housekeeping (first sentence)
 >is currently worded "All
 >systems designed for spill collection/prevention,
 >and leak detection will be
 >inspected daily to ensure proper operation and to
 >prevent over topping or
 >system failure." Please approve the wording change
 >to read "All systems
 >designed for spill collection/prevention, and leak
 >detection will be

>inspected monthly to ensure proper operation and to
>prevent over topping or
>system failure."

>
>* Condition 16 Transfer of Discharge Permit
>(second sentence) is
>currently worded "A written commitment to comply
>with the terms and
>conditions of the previously approved discharge
>permit must be submitted by
>the purchaser and approved by the OCD prior to
>transfer." Please approve
>the wording change to read "A written commitment to
>comply with the terms
>and conditions of the previously approved discharge
>permit must be submitted
>by the purchaser and approved by the OCD within two
>weeks after transfer to
>the purchaser."

>
>* Condition 14 OCD Inspections (second
>paragraph) is worded "The
>condensate tank needs proper containment and an
>investigation and
>remediation of the soils under the tank shall be
>performed." ConocoPhillips
>has received OCD approval to close the C-141
>report for remediation for the
>condensate tanks on 11/17/03. Therefore,
>ConocoPhillips requests that this
>condition be removed from the permit.

>
>
>
>Please let me know if you have any questions or
>comments.

>
>
>
>Thanks,

>
>
>
>Clay Smith, P.E.

>
>Flatrock Engineering and Environmental

>
>phone 210-494-6777

>
>fax 210-494-6762

>
>cell 210-452-2046
>

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the MessageLabs Email Security System.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 20, 2004

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 3929 9833

3929 9840 506 GW-296

Ms Joyce Miley
Conoco-Phillips
P.O. Box 2197, HU3036
Houston, TX 77252

Re: Renewal of Discharge Permit GW-143
Cal-Mon Compressor Station

Dear Ms. Miley:

The groundwater discharge permit GW-143 for the ConocoPhillips, Cal-Mon Compressor Station, located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 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 working days of receipt of this letter.**

The original discharge plan was approved on May 14, 1993. The discharge permit renewal application dated April 10, 2003, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge permit is renewed pursuant to Section 3109.C. Please note Section 3109.G., which provides for possible future amendment of the permit. Please be advised that approval of this permit does not relieve ConocoPhillips of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve ConocoPhillips of its responsibility to comply with any other governmental authority's rules and regulations.

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

Please note that Section 3104. of the regulations requires that "when a permit has been approved, discharges must be consistent with the terms and conditions of the permit." Pursuant to Section 3107.C., ConocoPhillips is required to notify the Director of any facility expansion, production increase, or process modification that would result in any

Ms Joyce Miley

January 20, 2004

Page 2

change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire May 14, 2008** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit application for the ConocoPhillips , Cal-Mon Compressor Station, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge permit will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$1700.00 for gas compressor stations greater than 1000 hp. The OCD has not received the \$1700.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge permit approval or in five equal installments over the expected duration of the discharge permit. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge permit approval and subsequent installments due on this date of each calendar year.

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

If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief
RCA/lwp
Attachment-1
Xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-143 APPROVAL
ConocoPhillips , Cal-Mon Compressor Station
DISCHARGE PERMIT APPROVAL CONDITIONS
January 20, 2004

1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$ 1700.00 for gas compressor stations greater than 1000 hp. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: ConocoPhillips will abide by all commitments submitted in the discharge permit renewal application dated April 10, 2003 including attachments and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks, sumps and pits must be tested annually, except systems that have secondary containment with leak detection. These systems with leak detection shall have a monthly inspection of the leak detection to determine if the primary containment is leaking. Results of tests and inspections shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Any system found to be leaking shall be reported pursuant to Item # 12. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD District Office.

13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge permit, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections. As a result of OCD's inspection conducted on June 12, 2003 Conoco-Phillips shall address the following action items and submit a report to OCD by March 15, 2004 confirming corrective actions taken:

The condensate tank needs proper containment and an investigation and remediation of the soils under the tank shall be performed.
15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
16. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
17. 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 permit 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.

18. **Certification:** **ConocoPhillips** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **ConocoPhillips** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **ConocoPhillips**

Company Representative- print name

Company Representative- Sign

Date

Title

Price, Wayne

From: Price, Wayne
Sent: Tuesday, February 05, 2002 12:08 PM
To: 'Bishop, Mark A.'
Subject: RE: Non-exempt waste disposal for Conoco CG&P

OCD hereby approves of your request and will place a copy of this approval in each Discharge Plan.

-----Original Message-----

From: Bishop, Mark A. [mailto:Mark.A.Bishop@conoco.com]
Sent: Tuesday, February 05, 2002 11:24 AM
To: WPrice@state.nm.us
Subject: Non-exempt waste disposal for Conoco CG&P facilities

Mr. Price,

A reevaluation of preferred non-exempt waste handling facilities has been completed for southeast New Mexico and a team of Conoco personnel has chosen Sundance waste handling facility at Eunice, NM to be our primary non-exempt waste handling facility. Controlled recovery Inc. will be the secondary facility. We would like to amend the following OCD Groundwater discharge permits to include the Sundance facility for disposal of non-exempt fluids. Thank you for your consideration of our request

Maljamar Gas Plant	GW-020
Maljamar Area Blanket OCD permit	
Antelope Ridge Gas Plant	GW-162
Hobbs Gas Plant	GW-175
Apex compressor Station	GW-163
Bootleg Compressor Station	GW-176
Bright /Yates Compressor Station	GW-160
Cedar Canyon Compressor Station	GW-296
Cal-Mon Compressor Station	GW-143
NE Carlsbad Compressor Station	GW-280
Cotton Draw Compressor Station	GW-311
Hat Mesa Compressor Station	GW-316
Lee Compressor Station	GW-227
Pardue Compressor Station	GW-288
Pure Gold Compressor Station	GW-150
Malaga Compressor Station	GW-167

Mark Bishop
 Environmental Specialist
 Conoco Inc. CG&P
 SE New Mexico Operating Unit
 505-391-1956

2/6/2002

Price, Wayne

From: Price, Wayne
Sent: Thursday, August 30, 2001 4:18 PM
To: 'mark.a.bishop@usa.conoco.com'
Cc: Williams, Chris
Subject: Conoco inspection frequency for GW-143,150,162,163,167,175,227, and 316

Dear Mr. Bishop:

The OCD is in receipt of Conoco's letters dated 04/06/2001 requesting a change in inspection frequency for the above captioned facilities.
Your request is hereby approved.

Please be advised that NMOCD approval of this request does not relieve Conoco Inc. of responsibility should their closure activities pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Conoco Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Tracking:

Recipient
'mark.a.bishop@usa.conoco.com'
Williams, Chris

Delivery

Delivered: 8/30/01 4:18 PM

ATTACHMENT TO THE DISCHARGE PLAN GW-143
LG&E NATURAL GATHERING AND PROCESSING
CALMON COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(January 19, 1999)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has not been received by the OCD. The \$690.00 required flat fee has been received by the OCD.
2. LG&E Natural Gathering and Processing Commitments: LG&E Natural Gathering and Processing will abide by all commitments submitted in the discharge plan renewal application dated November 2, 1998 and these conditions for renewal.
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 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 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.

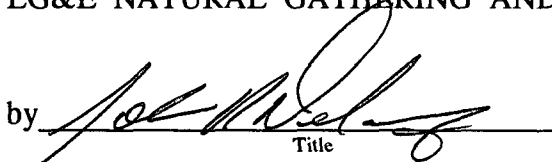
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual 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 a minimum of 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: 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. All 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. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. 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 weekly 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 Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the Calmon Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Calmon Compressor Station 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: LG&E Natural Gathering and Processing, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. LG&E Natural Gathering and Processing 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:

LG&E NATURAL GATHERING AND PROCESSING

by


Title
GENERAL MANAGER



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 19, 1999

CERTIFIED MAIL

RETURN RECEIPT NO. Z-357-870-050

Mr. John R. Delaney
LG&E Natural Gathering and Processing
921 West Sanger
Hobbs, New Mexico 88240

**RE: Discharge Plan Renewal GW-143
LG&E Natural Gathering and Processing
Calmon Compressor Station
Eddy County, New Mexico**

Dear Mr. Delaney:

The ground water discharge plan renewal GW-143 for the LG&E Natural Gathering and Processing Aztec CDP Compressor Station located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the renewal application dated November 2, 1998 and the attached conditions of approval. 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 renewal application 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 LG&E Natural Gathering and Processing 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.

Mr. John R. Delaney
GW- 143 Calmon Compressor Station
January 19, 1999
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., LG&E Natural Gathering and Processing 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 **May 14, 2003**, and LG&E Natural Gathering and Processing 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 LG&E Natural Gathering and Processing Calmon Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a renewal discharge plan application will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$690.00 for compressor station facilities with horsepower rating greater than 3000 horsepower. The OCD has not received the filing fee. The flat fee has been received by the OCD.

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
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf
Attachment

xc: OCD Aztec Office

PS Form 3800, April 1995	
US Postal Service Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	John Delaney
Street & Number	LG&E Natural
Post Office, State, & ZIP Code	Stebbs
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	GW-143

ATTACHMENT TO THE DISCHARGE PLAN GW-143
LG&E NATURAL GATHERING AND PROCESSING
CALMON COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(January 19, 1999)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has not been received by the OCD. The \$690.00 required flat fee has been received by the OCD.
2. LG&E Natural Gathering and Processing Commitments: LG&E Natural Gathering and Processing will abide by all commitments submitted in the discharge plan renewal application dated November 2, 1998 and these conditions for renewal.
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 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 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 a minimum of 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: 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. All 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. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. 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 weekly 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 Aztec District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the Calmon Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Calmon Compressor Station 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: LG&E Natural Gathering and Processing, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. LG&E Natural Gathering and Processing 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:

LG&E NATURAL GATHERING AND PROCESSING

by _____
Title

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 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

CALMON COMPRESSOR STATION

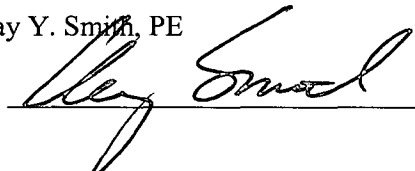
1. Type: Natural Gas Compressor Station
2. Operator: Raptor Gas Transmission LLC, operated by ConocoPhillips Midstream Operations

Address: 921 West Sanger Hobbs, New Mexico 88240

Contact Person: Mark Bishop Phone: (505)391-1956
3. Location: SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.
* Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
Bureau of Land Management
620 East Green Street
Carlsbad, NM 88220
(505) 234-5972
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: Clay Y. Smith, PE

Title: Environmental Consultant

Signature: 

Date: 4-10-03

Discharge Plan GW-143 Calmon Compressor Station

1. TYPE OF OPERATION

The Calmon Compressor Station is a field natural gas compression facility. Natural gas comes in from the field via steel pipeline. The natural gas goes through an inlet separator that removes free liquids from the stream. The natural gas stream is then compressed. From the compressor, the gas stream is dehydrated to remove entrained water and then discharged through the pipeline. Total site rated horsepower is 1232.

2. OPERATOR LEGALLY RESPONSIBLE PARTY & LOCAL REPRESENTATIVE

- a. Raptor Gas Transmission LLC, operated by ConocoPhillips Midstream Operations
- b. Environmental Contact
Joyce Miley
Environmental Consultant
ConocoPhillips, Midstream Operations
P.O. Box 2197 – Ponca 2014
Houston, Texas 77252-2197
(281) 293-4498
- c. Site Contact
Mark Bishop
Environmental Specialist
ConocoPhillips, Midstream Operations
921 West Sanger
Hobbs, New Mexico 88240
(505) 676-2401

3. LOCATION OF DISCHARGE FACILITY DESCRIPTION

The facility is located in the SE/4 NW/4 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. A facility site plan and location map has been included in Appendix A.

4. LANDOWNERS

Bureau of Land Management
620 East Green Street
Carlsbad, NM 88220
(505) 234-5972

5. **FACILITY DESCRIPTION**

The compressor station consists of one skid-mounted, engine-driven gas compressor; an inlet separator; a dehydration unit; liquid handling tanks; measurement equipment; and pipeline valves and appurtenances. Natural gas comes in from the field via existing steel pipeline. The natural gas goes through an inlet separator that removes free liquids from the stream. The natural gas stream is then compressed. From the compressor, the gas stream is dehydrated to remove entrained water and then discharged through the existing steel pipeline.

A site plan and facility map is located in Appendix A.

6. **MATERIALS STORED OR USED at the FACILITY**

Materials	Composition	Inventory	Location	Storage
Compressor Lube Oil	Liquid	1-500 gallons	Yard	Steel Tank
Triethylene Glycol	Liquid	1-500 gallons	Yard	Steel Tank
Natural Gas Condensate	Liquid	2-210 bbl	Yard	Steel Tank
Produced Water	Liquid	1-210 bbl	Yard	Fiberglass Tank
Used Lube Oil/	Liquid	1-100 bbl	Yard	Steel Tank
Oily Waste Water	Liquid	1-100 bbl	Yard	Steel Tank
Methanol	Liquid	2-500 gallon	Yard	Steel Tank
Engine Coolant	Liquid	1-425 gal	Yard	Fiberglass Tank

7. **SOURCES and QUANTITIES of EFFLUENT and WASTE SOLIDS GENERATED at the FACILITY**

Major Effluent	Estimated Quantity	Major Additives	Source
Produced water	147 bbls per month	Condensed water from dehy still vent	Separator, Scrubbers, Dehydration Still Vent Condenser
Nonexempt fluid	10 bbls per month	Rain water, wash water, used lube oil	Ecology collection system from compressor skid and

		drips, triethylene glycol drips, antifreeze drips	Glycol dehydration skid
Used filters	10 per month	Lube oil, triethylene glycol	Compressor Engine, Dehydrator
Used lube oil	800 gallons per year	None	Compressor Engine

Effluent Description

The facility is not a disposal site for waste effluents. The purpose of this site is to compress and dehydrate natural gas. There will be produced water and hydrocarbon condensate separated from the natural gas stream. The produced water will be stored in a 210 bbl. Tank. This material will be hauled from location for disposal to a permitted UIC Class II disposal well. The hydrocarbon condensate will be sold to a refinery as a product. The used engine lubricants, and engine coolants will be handled by a recycler and reused or disposed of properly. The storage tank levels will be monitored by an operator on a periodic basis. The operator will monitor tank levels and request a truck to haul liquid when necessary. By carefully monitoring liquid levels in the tank, overflows are prevented. However, the tank area is bermed in the event of a leak, spill, or overflow.

Sewage

There is no sewage discharge at this facility.

8. DESCRIPTION OF CURRENT LIQUID AND SOLID WASTE COLLECTION / STORAGE / DISPOSAL PROCEDURES

Liquid / Solid Wastes	Storage	Disposal
Produced water	100 bbl tank in yard	Trucked offsite to a UIC permitted class II disposal well
Nonexempt fluid	100 bbl tank in yard	Trucked offsite to OCD permitted nonexempt disposal facility (currently Sundance Services Inc.)
Used filters	Collected at ConocoPhillips Master Station. Drained for 24 hours minimum	Waste hauler trucks offsite to Lea County Landfill
Used lube oil	100 bbl non exempt fluids tank in yard	Recycled (currently via US Filters in Odessa, TX)

Drum Storage

All drums are stored on pad and curb type containment

Berms

All tanks that contain materials other than freshwater are bermed to contain one and one-third the capacity of the largest tank within the berm or one and one-third the total capacity of all interconnected tanks.

Above Ground Tanks

All above ground tanks are on impermeable pad and curb type containment.

Pads

All compressor pads have adequate containment to prevent contaminants from running onto the ground surface.

Labeling

All tanks, drums and containers are clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill or ignite.

9. PROPOSED MODIFICATIONS

Modifications are underway to rebuild dike and install impermeable liner inside containment area under and around condensate and wastewater tanks

10. INSPECTION, MAINTENANCE, and REPORTING

General Facility

A documented facility inspection is performed by the ConocoPhillips personnel on a monthly basis. Also, ConocoPhillips personnel go to the facility at least twice per week and perform a visual inspection.

Sump Inspections

There are no sumps at this facility.

Pressure Testing

All underground piping is tested to demonstrate mechanical integrity every five years.

11. SPILL / LEAK PREVENTION & REPORTING (CONTINGENCY PLANS)

This facility will have an operator which will check the operations of the facility on a periodic basis. The operator will report the functioning of the compressor, and a log will be kept of the units. If the operator should locate a problem with any of the equipment then it will be reported to the supervisor. Each operator is equipped with mobile communications that is monitored 24 hours a day.

In the event of a "reportable spill", the operator would notify his supervisor immediately of the occurrence. The supervisor would in turn notify his immediate supervisor, and the company contingency plan would be implemented.

The compressor unit and dehydration unit will have an "environmental" skid, which will not allow precipitation which has contacted this unit to runoff onto the ground. The unit skid will be piped into a "blow casing" which will transfer all fluids to a 100 bbl. above ground storage tank. ConocoPhillips personnel will contact the applicable regulatory agency in accordance with OCD Rule 116 and WQCC 1203. All systems designed for spill collection/prevention are inspected to ensure proper operation and to prevent overtopping or system failure. Spills of any materials will be cleaned up in a timely manner using environmentally sound methods.

12. SITE CHARACTERISTICS – Cal-Mon Compressor Station

Hydrologic/Geologic Information

Within one mile of the Cal-Mon Compressor Station (Station) there are no bodies of water, streams, other watercourses, and no groundwater discharge sites (marshes, springs, seeps, etc.). There is one water well approximately one mile south of the Station. Information on this well was obtained from New Mexico Office of the State Engineer website, Well Reports and Downloads (Website). A topographical map has been included in the Appendix.

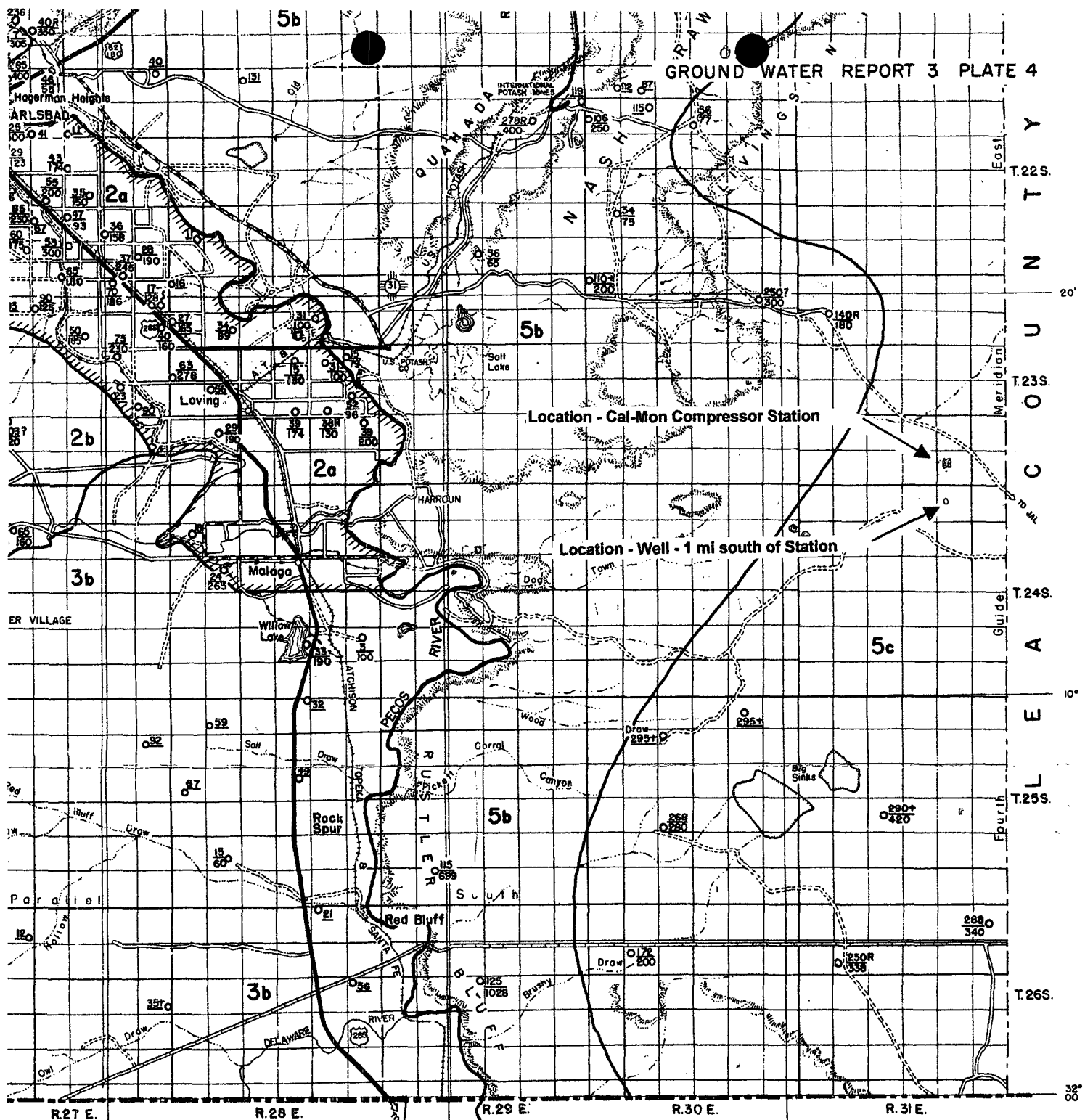
A well log (Attachment 1 in the Appendix) from the Website documents water in from this well to be 160 to 212' below the surface. The source of the water is shown to be from the Dockum group of the Triassic. (See Ground Water Report 3, Plate 4 in the Appendix). Plate 4 documents that wells within this area classifies the water as for "stock and domestic supplies available at depths less than 300' in Triassic redbeds; quality generally fair but locally impotable".

There are no chemical analyses of water from wells within ten miles of the Station. However, chemical analyses were made of 21 samples of water from wells taking all or part of their water from the Triassic redbeds. The hardness as calcium carbonate ranged from 201 to 3590 parts per million, with 14 reporting greater than 1000 parts. The chloride content ranged from 17 to 785 parts per million, with 10 reporting greater than 200 parts. Probably about one-half of the wells in the Triassic redbeds produce water that is considered usable for domestic purposes.

The general movement of the ground water in this area is to the southwest. The primary source of groundwater is from sandstone beds in the Triassic Dockum group. The Dockum group consists of the Santa Rosa sandstone, overlaid by redbeds possibly of the Chinle formation, consisting of thick series of red shales and thin embedded sandstones. The Chinle is overlaid at the surface by a thin mantle of dune sand in the area of the Station.

Flood Protection

The area of New Mexico in which the Station is located is classified as semi-arid to arid. The annual precipitation is 12-13". The surrounding topography, annual precipitation history and Conoco's 39 years experience as an operator show no significant flood potential at this site.



AREA 5. EAST OF PECOS RIVER:

DEEVES CO

LOVING COUNTY

S

WATER

- Stock and domestic supplies available at depths less than 200 feet in Chalk Bluff formation or Whitehorse group; locally impotable.
- Stock water generally obtainable at depths less than 250 feet in Rustler formation; generally impotable and locally unfit for livestock.
- Stock and domestic supplies available at depths less than 300 feet in Triassic redbeds; quality generally fair but locally impotable.
- Potable water obtainable from sand and gravel or from underlying redbeds at a depth of about 300 feet.

Note: Most well depths are reported. Depths to water are measured except those followed by the letter R which are reported. Measurements made 1947 to 1950.

ATTACHMENT 1

WELL / SURFACE DATA REPORT 04/08/2003

(quarters are 1=NW 2=NE 3=SW 4=SE)																			
(acre ft per annum)										(quarters are biggest to smallest)									
DB File	Nbr	Use	Diversion	Owner	Well Number	Source	Tw	Rng	Sec	q	q	Zone	X	Y	UTM are in Meters		Start	Finish	Depth
																			Depth (in feet)
																			Well Water
C 00225	A	IRR	8.4	GREGORY ROCKHOUSE RANCH	C 02405	Shallow	24S	31E	02	1	4	3	13	617635	3568327	09/29/1994	09/30/1994	275	160
C 02020		STK	3	BUREAU OF LAND MANAGEMENT	C 02020	24S	31E	28	4	4			13	615408	3561154				
C 02021		STK	3	BUREAU OF LAND MANAGEMENT	C 02021	24S	31E	28	2	1			13	614992	3562356				
C 02440		PRO	3	SONAT EXPLORATION	C 02440	24S	31E	10	3	2			13	616150	3566396	03/20/1995	03/21/1995	350	
C 02452		PRO	3	TEXACO EXPL. & PRODUCTION INC	C 02452	24S	31E	02	1	4			13	617736	3568428				
C 02460		PRO	3	SONAT EXPLORATION	C 02460	Shallow	24S	31E	02	3			13	617543	3567820	08/25/1995	08/25/1995	320	212
C 02464		PRO	3	COMMISSIONER OF PUBLIC LANDS	C 02464	Shallow	24S	31E	02	1	4	3	13	617635	3568327	08/24/1995	08/24/1995	320	205
C 02661		MON	0	SANDIA NATIONAL LABORATORIES	C 02661	24S	31E	04	1	3	3		13	614015	3568283	08/28/1979	08/28/1979	708	
C 02783		MON	0	U.S. DEPT. OF ENERGY - WIPP	C 02783	24S	31E	04	1	3	3		13	614015	3568283	12/31/1979	12/31/1979	708	
C 02784		STK	3	U.S. DEPT. OF ENERGY - WIPP	C 02784	24S	31E	04	1	3	3		13	614015	3568283	12/31/1979	12/31/1979	816	
C 02785		MON	0	U.S. DEPT. OF ENERGY - WIPP	C 02785	24S	31E	04	1	3	3		13	614015	3568283	12/31/1979	12/31/1979	692	
C 02901		PUB	3	B & H MAINTENANCE & CONST.	C 02405	Shallow	24S	31E	02	1	4	3	13	617635	3568327	09/29/1994	09/30/1994	275	160
C 02958		STK	3	RICHARDSON CATTLE COMPANY	C 02958	24S	31E	04	4	3	3		13	614827	3567488				
C 02959		STK	3	RICHARDSON CATTLE COMPANY	C 02959	24S	31E	33	2	3	1		13	614914	3560443				

Record Count: 14

New Mexico Office of the State Engineer
Well Reports and Downloads

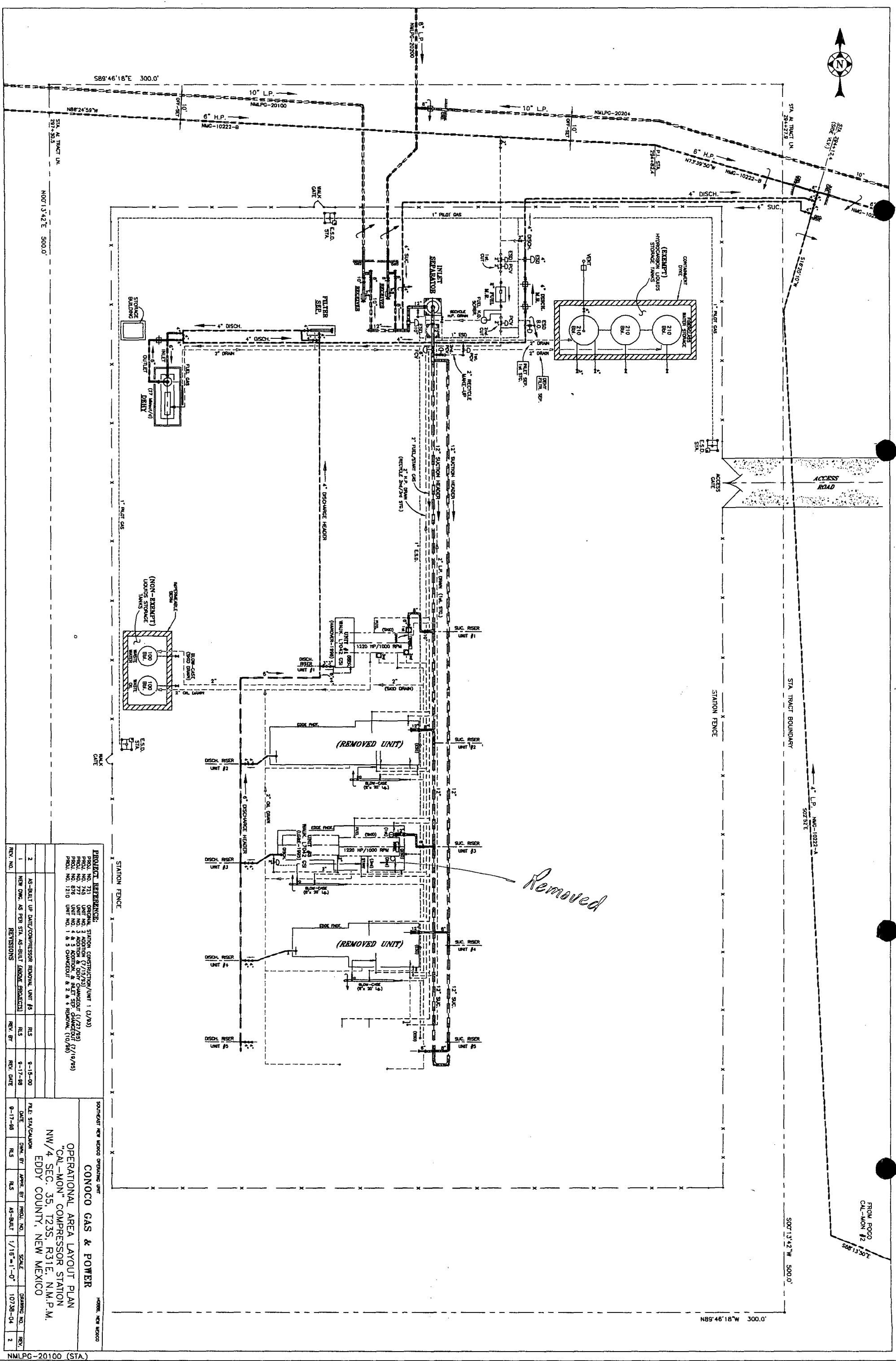
Township: 24S		Range: 31E		Sections: _____	
NAD27 X: _____		Y: _____		Zone: _____	
County: ED		Basin: _____		Search Radius: _____	
Number: _____		Suffix: _____			
Owner Name: (First) _____		(Last) _____		<input type="radio"/> Non-Domestic <input type="radio"/> Domestic <input checked="" type="radio"/> All	
Well / Surface Data Report		Avg Depth to Water Report		Water Column Report	
Clear Form		WATERS Menu		Help	

AVERAGE DEPTH OF WATER REPORT 04/08/2003

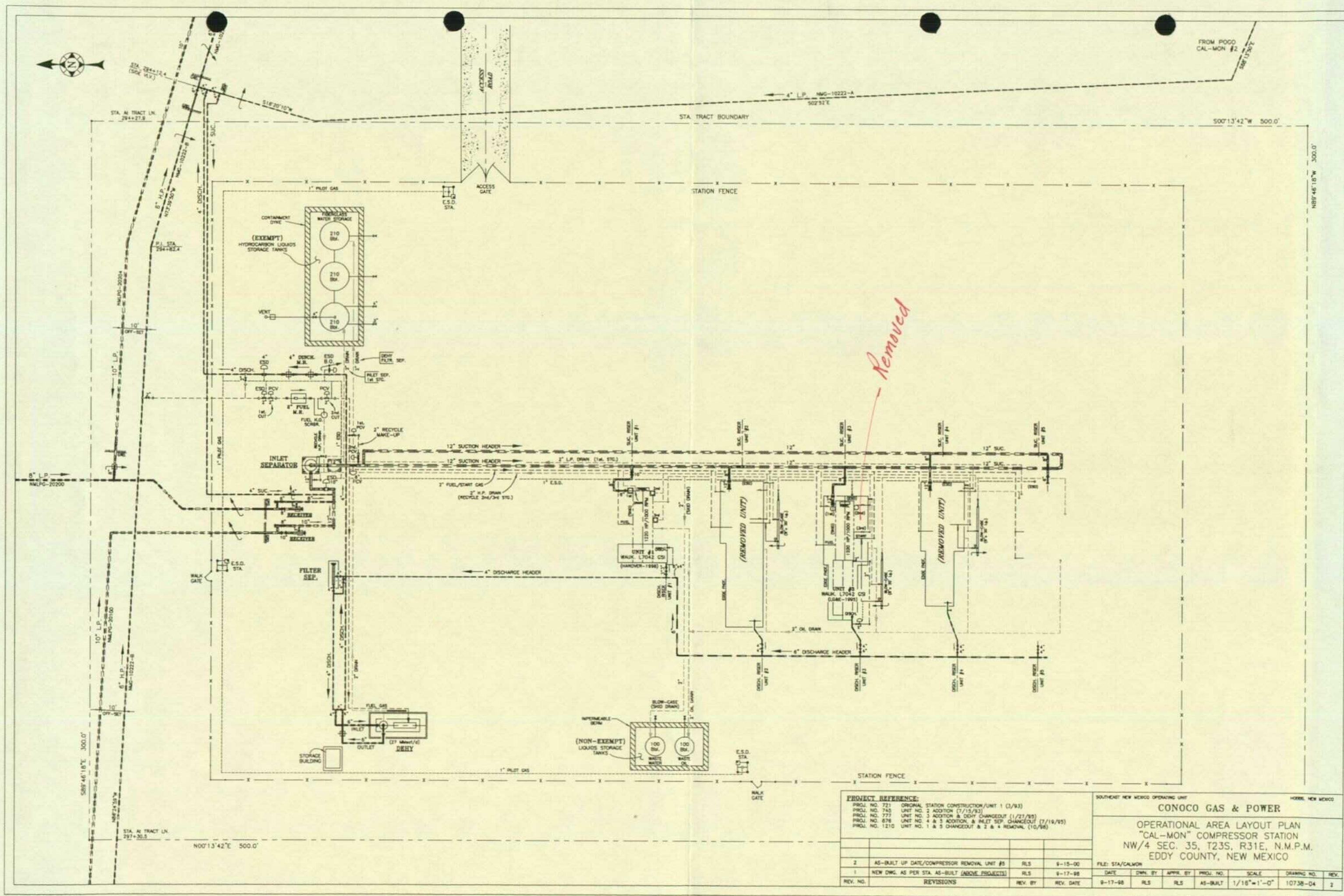
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
C	24S	31E	02				3	160	212	192

Record Count: 3

APPENDIX A – Facility Site Plan and Location Maps
Calmon Compressor Station



NMLPG-20100 (STA.)



PROJECT REFERENCE:
 PROJ. NO. 721 ORIGINAL STATION CONSTRUCTION/UNIT 1 (3/93)
 PROJ. NO. 745 UNIT NO. 2 ADDITION (7/15/93)
 PROJ. NO. 777 UNIT NO. 3 ADDITION & ODEY CHANGEOUT (1/21/95)
 PROJ. NO. 876 UNIT NO. 4 & 5 ADDITION & INLET SEP. CHANGEOUT (7/16/95)
 PROJ. NO. 1210 UNIT NO. 1 & 5 CHANGEOUT & 2 & 4 REMOVAL (10/98)

SOUTHEAST NEW MEXICO OPERATING UNIT					
CONOCO GAS & POWER					
OPERATIONAL AREA LAYOUT PLAN					
"CAL-MON" COMPRESSOR STATION					
NW/4 SEC. 35, T23S, R31E, N.M.P.M.					
EDDY COUNTY, NEW MEXICO					
FILE: STA/CALMON	DATE	DWN. BY	APPR. BY	PROJ. NO.	SCALE
9-17-98	RLS	RLS	AS-BUILT	1/16"=1'-0"	10738-04

REV. NO.	REVISIONS	REV. BY	REV. DATE
2	AS-BUILT UP DATE/COMPRESSOR REMOVAL UNIT #5	RLS	9-15-00
1	NEW DWG. AS PER STA. AS-BUILT (ABOVE PROJECTS)	RLS	9-17-98

NMLPG-20100 (STA.)

APPENDIX B –Blanket Discharge Permit Documentation and Conditions
Calmon Compressor Station

Larissa Forreth
Engineer
Environmental Services

Natural Gas & Gas Products

Conoco Inc.
606 N. Dairy Ashford
P.O. Box 2197-HU 3013
Houston, TX 77252
(281) 293-3149

Certified Mail No. P 365 861 182
Return Receipt Requested

June 11, 1998

Roger Anderson
Oil Conservation Division
New Mexico Energy, Minerals, and Natural Resources Department
2040 South Pacheco St.
Santa Fe, NM 87505

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

This letter is a Notice of Intent to Discharge pursuant to Water Quality Control Commission Regulation 20 NMAC 6.2.1201, on behalf of Conoco Inc.

Conoco operates a number of compressors at various compressor stations within Eddy and Lea Counties, New Mexico. These stations boost gas to Conoco's Maljamar gas processing plant in Maljamar, New Mexico. Conoco has installed 8 compressors of varying sizes—most of them being less than 1,000 hp—at 7 compressor stations. In addition, Conoco will be adding two compressors before the startup of another compressor station, West Turkey Track, in July 1998. I am attaching a list of compressor station locations along with a list of compressors and their sizes. Additional compressors may be added in the future.

Initially, Conoco operates all of the compressors. The sizes and locations of the compressors will change over the next few years, as the reservoir dynamics become better understood.

The compressor installations are similar in design and operation. A typical compressor station consists of a two-phase separator and a skid-mounted in-line compressor with a suction scrubber. From two to five 500 bbl tanks are also installed at most stations to receive produced water. The compressor skids are equipped with catch basins to retain spilled liquids, wash water and rainwater runoff. The liquids from the separator and scrubber are piped via below-grade pipes to the tanks. All tanks are installed inside berms of 1 1/3 tank volume and on gravel bases so that leaks and spills can be visually detected.

Service liquids and wastes are handled as follows

Service Liquids

Fresh lubricating oil, fresh engine coolant, and wash water are trucked to the stations as needed by the compressor operators. Small reservoirs of makeup compressor lubricating oil may be installed at some stations.

Non-Exempt, Non-Hazardous Wastes

Waste lubricating oil and engine coolant, waste wash water, and small quantities of solid waste are trucked from the stations by the compressor operators for disposal.

Exempt Wastes

Produced water is trucked or piped, as appropriate, to Conoco's injection wells for disposal.

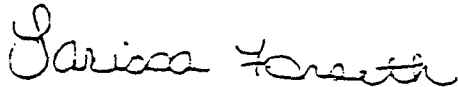
Ordinarily, no hazardous waste is generated at the sites.

Conoco expects the compressor operators to clean up their spills as they occur. Any spills will be reported pursuant to OCD Rule 116. Conoco intends that there be no discharge from the compressor stations to the surface or to groundwater.

As you can see, the sites clearly have minimal environmental impact, and Conoco follows industry recognized best management practices. Please advise Conoco as to additional steps they should take, if any.

Thank you for your assistance.

Sincerely,



Larissa Forseth

cc: ENVE 214-2-21
Jeff Hall, San Angelo

Compressor Station Locations

Compressor Station	Location
Caviness Ranch (a.k.a. Ajax)	Township 18 South, Range 33 East, Section 10, approx. 30 miles west of Hobbs, N.M., Lea County
Anderson Ranch	Township 16 South, Range 32 East, Section 11, approx. 6 miles north of Maljamar, N.M., Lea County
Cedar Lake	Township 18 South, Range 31 East, Section 12, approx. 35 miles west of Hobbs, N.M., Eddy County
Kennitz	Township 17 South, Range 32 East, Section 14, approx. 5 miles southwest of Maljamar, N.M., Lea County
Lusk	Township 18 South, Range 31 East, Section 16, approx. 8 miles southwest of Maljamar, N.M., Eddy County
Skelly	Township 17 South, Range 31 East, Section 15, approx. 3 miles west of Maljamar, N.M., Eddy County
Turkey Track	Township 18 South, Range 31 East, Section 17, approx. 10 miles southwest of Maljamar, N.M., Lea County
West Turkey Track	Township 19 South, Range 30 East, Section 6, approx. 12 miles southeast of Loco Hills, N.M., Eddy Co.

Compressors

Compressor Station	Compressor(s)	Size (hp)
Caviness Ranch (a.k.a. Ajax)	White 8G825 w/cc	800
Anderson Ranch	White 6G825	600
Cedar Lake	Waukesha L7042 w/cc	900
Kemnitz	Waukesha L7042GSI	1195
	White 8GTLA	1072
Lusk	Clark HRA-6	660
Skelly	Clark HRA-6	660
Turkey Track	Waukesha L7042GSIU	1195
West Turkey Track	Caterpillar G399 TA LCR	730
	Caterpillar G399 TA LCR	730



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

215-55-1
OIL CONSERVATION DIVISION
2340 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 16, 1998

Certified Mail

Return Receipt No. Z-357-869-973

Ms. Larissa Forseth
Conoco, Inc.
P.O. Box 2197 - HU 3038
Houston, Texas 77252

Dear Ms Forseth:

The Oil Conservation Division (OCD) has received and reviewed the Conoco, Inc. (Conoco) June 11, 1998 Notice of Intent (NOI) to Discharge for the listed compressor stations in Eddy and Lea Counties, New Mexico. Based on the information provided in NOI, formal Discharge Plans will not be required at this time if the following conditions are followed at each facility:


1. Discharges: There will be NO discharges onto or below the ground surface.
2. 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.
3. Process Areas: All process and maintenance areas must be either paved and curbed or have some type of spill collection device incorporated into the design.
4. Above Ground Tanks: All existing above ground tanks that 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.

5. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that become gases at atmospheric temperature and pressure.
6. Labeling: All tanks, drums and containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
7. 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. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.
8. 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. Operators 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 so that an OCD representative may witness the testing.
9. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
10. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
11. Waste Disposal: All wastes shall be disposed of at an OCD approved disposal site. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous by characteristic may be disposed of at an OCD approved facility upon proper characterization pursuant to 40 CFR Part 261.

Ms. Larissa Forseth
June 16, 1993
Page -3-

All facilities identified in your request will be periodically inspected by an OCD representative to assure compliance. Failure to comply with the above conditions at a facility may result in the requirement to submit a Discharge Plan Application.

If you have any questions, please contact me at (505) 827-7152.



Roger C. Anderson
Environmental Bureau Chief

cc: OCD Aztec District Office