GW - 167

GENERAL CORRESPONDENCE

YEAR(S): 2007-1994

THE SANTA FE
NEW MEXICAN
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RECEIVED
APR 30 2007
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

NM EMNRD OIL CONSERV
ATTN: Carl Chavez
1220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00211726 ACCOUNT: 00002212
LEGAL NO: 80841 P.O. #: 52100-3956
859 LINES 1 TIME(S) 481.04
AFFIDAVIT: 6.00
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TOTAL: 524.18

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, R. Lara, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 80841 a copy of which is hereto attached was published in said newspaper 1 day(s) between 04/26/2007 and 04/26/2007 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 April, 2007 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ R. Lara
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 26th day of April, 2007

Notary Laura E. Harding

Commission Expires: 11/23/07

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-162) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Antelope Ridge Gas Plant located in the SW/4, SE/4 of Section 15, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. The plant is located approximately 21.6 miles west on CR-21 from SR-207 to a "lease road" and then south about 2 miles. Natural gas products, waste oil and water are stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 400 feet below the ground surface, with a total dissolved solids concentration of 55 mg/L. The discharge plan addresses how oilfield products and wastes 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-167) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their P & P Malaga Compressor Station located in the SW/4, NE/4 of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. The compressor station is located approximately 500 yards northeast on CR-738 from Onsurez Road to an access road. Approximately 12 barrels per day of wastewater will be stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 30 feet below the ground surface, with a total dissolved solids concentration of 300 mg/L. The discharge plan addresses how oilfield products and wastes 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-176) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Bootleg Compressor Station located in the NW/4, SE/4 of Section 28, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. The compressor station is located approximately 6.4 miles southeast on SR-176 from US-180 to an access road and 9.4 miles due south. Approximately 39 barrels per day of wastewater will be stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 244 feet below the ground surface, with a total dissolved solids concentration of 1,973 mg/L. The discharge plan addresses how oilfield products and wastes 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-177) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Maljamar Compressor Station located in the NE/4, SE/4 of Section 20, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico. The compressor station is located approximately 1.3 miles northwest on CR-125 from Dog Lake Road to an access road and 1.3 miles northeast. The facility is in the process of being closed and any wastewater will be stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 25 to 175 feet below the ground surface, with a total dissolved solids concentration of 1,100 mg/L. The discharge plan addresses how oilfield products and wastes 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-178) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Wonton Compressor Station located in the NE/4, SE/4 of Section 10, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. The compressor station is located approximately 1.25 miles east of SR-18. Any wastewater will be stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 to 200 feet below the ground surface, with a total dissolved solids concentration of 1,100 mg/L. The discharge plan addresses how oilfield products and wastes 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-280) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Northeast Carlsbad Compressor Station located in the SE/4, NE/4 of Section 6, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico. The compressor station is located approximately 2.5 miles north-northwest on CR-243 from US-180. Natural gas products, waste oil and water are stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 13 to 30 feet below the ground surface, with a total dissolved solids concentration of 3,110 mg/L. The discharge plan addresses how oilfield products and wastes 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-311) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Cotton Draw Compressor Station located in the NE/4, NW/4 of Section 18, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. The compressor station is located approximately 6.3 miles

south on CR-1 from SR-128. Approximately 30 barrels per day of wastewater is stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 400 feet below the ground surface, with a total dissolved solids concentration from 1,000 to 1,700 mg/L. The discharge plan addresses how oilfield products and wastes 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-316) DCP Midstream LP. Elisabeth Klein, Principal Environmental Specialist, 370 17th Street, Suite 2500 Denver, Colorado 80202, has submitted a renewal application for the previously approved discharge plan for their Paige Hat Mesa Compressor Station located in the SW/4, NE/4 of Section 11, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. The compressor station is located approximately 1.75 miles south of the SR-176 and US-180 intersection. Approximately 6 barrels per day of wastewater is stored in above ground tanks prior to being transported off-site to OCD approved facilities. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 175 feet below the ground surface, with a total dissolved solids concentration of 1,000 mg/L. The discharge plan addresses how oilfield products and wastes will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

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

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 20th day of April 2007.

STATE OF
NEW MEXICO
OIL CONSERVATION
DIVISION

SEAL

Mark Fesmire,
Director

Legal #80841
Pub. Apr. 26, 2007

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

April 20, 2007

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

Re: Discharge Plan Renewal Permit (GW-167)
DCP Midstream, LP
P & P Malaga Compressor Station
Eddy County, New Mexico

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream LP's request and initial fee, dated February 26, 2007, to renew GW-167 for the P & P Malaga Compressor Station located in the SW/4 NE/4 of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

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

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

Sincerely,

Carl J. Chávez
Environmental Engineer

CJC/cjc

xc: OCD District II Office, Artesia

Chavez, Carl J, EMNRD

To: Chavez, Carl J, EMNRD

Cc: Price, Wayne, EMNRD

Subject: Duke Energy Field Services- Note to File

On January 5, 2007, Wayne Price and Carl Chavez of the Oil Conservation Division (OCD) contacted Ruth Lang of Duke Energy Field Service at (303) 605-1713 and left a phone message regarding the large number of expired facilities (see attachment) where the discharge plan was not renewed within 120 or in advance of their expiration. Wayne Price referred to Ms. Lang's December 21, 2006 e-mail message regarding "Duke Energy Field Services Expired Discharge Plan Facilities."

Mr. Price informed Ms. Lang that all discharge plan renewal applications need to be submitted to the OCD for review by March 1, 2007. In addition, she was informed that the OCD will be issuing an Notice of Violation for neglecting to renew its discharge plan permits with the OCD.

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: CarlJChavez@state.nm.us
Website: http//www.emnrd.state.nm.us/ocd/
(Pollution Prevention Guidance is under "Publications")

Permit ID	Facility	Company	Status	Expired	Contact	phone	e-mail	Comments
150	Pure Gold "28" CS	Duke	A	11/22/03	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
162	Antelope Ridge Gas Plant	Duke	A	3/23/04	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
167	Malaga CS	Duke	A	7/25/04	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
311	Cotton Draw CS	Duke	A	1/6/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
316	Hat Mesa CS	Duke	A	1/6/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
176	Boot Leg CS	Duke	A	1/20/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
227	Lee CS	Duke	I	12/28/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Submitted correspondence to Ben Stone during meeting in Sept. 2006
168	Feagen Booster Station	Duke	I	12/27/04	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Closed 2/1/05
177	Maljamar CS	Duke	A	3/21/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
178	Wonton CS	Duke	A	3/21/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
24	Avalon Gas Plant	Duke	A	9/18/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
163	Apex CS	Duke	A	4/29/04	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
175	Hobbs Gas Process Plant	Duke	A	1/9/05	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
16	Eunice Gas Plant	Duke	A	4/25/09	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Request 120 day extension to 4/1/07
139	CP-1 CS	Duke	A	3/23/04	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Closed 10/15/03
42	Indian Hills Gas Plant	Duke	I	4/6/2002	Lisabeth Klein	303-605-1778	eaklein@duke-energy.com	Dismantled

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/8/04,

or cash received on _____ in the amount of $ 100 -

from Flatrock Engr.

for Malaga C.S. GW-167

(Facility Name) (OP No.)

Submitted by: _____ Date: 3-9-04

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility ___ Renewal ✓

Modification ___ Other _____

(specify)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

FLATROCK ENGINEERING AND ENVIRONMENTAL, LTD.
15600 SAN PEDRO 100
SAN ANTONIO, TX 78232-3738
210-494-6777

THE FROST NATIONAL BANK
MISSOURI CITY, TX 77459
30-9/1140

[redacted]

3/8/2004

PAY TO THE ORDER OF New Mexico OCD $ **100.00

One Hundred and 00/100********** DOLLARS

New Mexico Oil Conservation Division
1120 South St. Francis Drive
Sante Fe, NM 87505

MEMO [redacted]

P. Scott Martin MP

ENGINEERING & ENVIRONMENTAL, LTD.

New Mexico OCD	OCD Renewal P&E Malaga	3/8/2004	100.00

Frost Bank Operating 100.00

Flatrock Energy
PARTNERS

15600 San Pedro, Suite 100
San Antonio, Texas 78232
P: 210.494.6777
F: 210.494.6762

3/6/2004
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Renewal Application for Discharge Plan GW-167
P&P Malaga Compressor Station
Eddy County, New Mexico

Dear Sir or Madam:

Flatrock Energy Partners on behalf of Raptor Gas Transmission LLC and ConocoPhillips Midstream Operations (ConocoPhillips) hereby submits the attached documentation and application for renewal of Discharge Plan GW-167. This submittal includes the application filing fee of $100.

In order to maintain consistency with other facilities in this area, ConocoPhillips requests that this discharge plan be rolled in with the attached discharge permit issued on June 16, 1998 (see appendix B for discharge permit documentation and conditions). This discharge permit provides coverage for other facilities in the area that are operated by ConocoPhillips.

Please contact me at 210 494 6777 or Joyce Miley at 281-293-4498 if you have questions or require additional information.

Sincerely,

Clay Y. Smith, PE

cc: Jeff Driver – Hobbs, NM
Joyce Miley – Houston, TX
OCD Discharge Permit files – Hobbs, NM

OCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

Discharge Plan GW-167
P&P Malaga Compressor Station

1. TYPE OF OPERATION

The P&P Malaga 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 330.

2. OPERATOR LEGALLY RESPONSIBLE PARTY & LOCAL REPRESENTATIVE

a. Raptor Gas Transmission LLC, operated by ConocoPhillips Midstream Operations (ConocoPhillips)

b. Environmental Contact
Joyce Miley
Environmental Manager
ConocoPhillips Midstream Operations
P.O. Box 2197 – Humber 3036
Houston, Texas 77252-2197
(281) 293-4498

c. Site Contact
Phil Elliott
Pipeline Foreman
ConocoPhillips, Midstream Operations
921 West Sanger
Hobbs, New Mexico 88240
(505) 391-1949

3. LOCATION OF DISCHARGE FACILITY DESCRIPTION

The facility is located in the NE/4 SW/4 of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. A facility site plan and location map has been included in Appendix A.

4. LANDOWNERS

Owned by various members of the Roxie L. Williams Family, the names and addresses of which, are shown in the Appendix.

5. FACILITY DESCRIPTION

The compressor station consists of a skid-mounted, engine-driven gas compressor; an inlet separator; a dehydration unit; and liquid handling tanks. 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	1-210 bbl	Yard	Steel Tank
Produced Water	Liquid	1-100 bbl	Yard	Steel Tank
Used Lube Oil/Waste Water	Liquid	1-100 gal	Yard	Steel sump
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	10 bbls per month	Condensed water from dehy still vent	Separator, Scrubbers, Dehydration Still Vent Condenser
Nonexempt fluid	16 bbls per month	Rain water, wash water, used lube oil, triethylene glycol/ antifreeze drips	Ecology collection system from compressor skid and Glycol dehydration skid
Used filters	15 elements per month	Lube oil, triethylene glycol	Compressor Engine, Dehydrator
Used lube	mixed in	None	Compressor Engine

oil	nonexempt		

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 100 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 recycled and 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 and constructed with an impermeable liner 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 (Key Energy, Inc).
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	Controlled Recovery, Inc. trucks offsite to Lea County Landfill
Used lube oil	100 bbl non exempt fluids tank in yard	Recycled, U.S. Filter

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

No modifications are planned at this time.

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

All sumps at this facility are cleaned and visually inspected annually.

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.

Fluids will be collected inside pressure vessels. These vessels will be ASME stamped, approved, pressure vessels. Therefore, no precipitation can be collected in them, or commingled with produced fluids.

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

Hydrologic/Geologic Information

The Black River is approximately 4000 feet south/southeast of the P&P Malaga Compressor Station (Station). A review of published literature shows there are five (5) water wells within approximately one mile of the Station. Information for these wells was obtained from the New Mexico Office of the State Engineer, Well Reports and Downloads (Report 1). Topographical maps (2), the second of which includes the location and water depth for the 5 wells, are included in the Appendix.

The well logs (Attachment 1 in the Appendix) from Report 1 document water from these wells to be between 25 and 55 feet below the surface. Figure 6 (from Ground Water Report 3, Geology and Ground-Water Resources of Eddy County, New Mexico by the NM Bureau of Mines and Mineral Resources, 1952 (Report 2) in the Appendix) documents water at elevation 2980 feet or approximately 30 below the surface in the area of the Station (surface elevation 3010 feet).

The source of the water is shown to be alluvium of the Quaternary age (See Plate 4 from Report 2 in the Appendix). Plate 4 documents that water from wells within this area is suitable for irrigation, but is generally impotable.

Chemical analysis of the water from a well within 2.5 miles north of the Station were obtained from Report 2. The well which receives water from the alluvium of Quaternary age has documented 5,140 ppm TDS, 1,470 ppm chloride at 38.5 foot

depth with a yield of 1,200 gpm in 1947. See Table 3 from the Report in the Appendix for chemical analysis of the well.

The general movement of the ground water in this area is generally east to southeast toward the Pecos River. The primary aquifer is from the alluvium of the Quaternary age with ground water available at depths of less than 200'. The alluvium consists of clay, silt, sand, gravel, caliche, and conglomerate, and the component materials are distributed both horizontally and vertically. Underlying the alluvium is gypsum, redbeds, and limestone from the Rustler and Castile formations of the Permian age. Part of the ground water reaching the alluvium may pass through the Rustler and Castile formations before reaching the alluvium.

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 ConocoPhillips's 39 years experience as an operator show no significant flood potential at this site.

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 FACILITES AND CRUDE OIL PUMP STATIONS

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New X Renewal ☐ Modification

P&P MALAGA COMPRESSOR STATION

1. Type: Natural Gas Compressor Station

2. Operator: Raptor Gas Transmission LLC, operated by ConocoPhillips Midstream Operations (ConocoPhillips)

   Address: 921 West Sanger Hobbs, New Mexico 88240

   Contact Person: Phil Elliott Phone: (505)391-1949

3. Location: Section 3 Township 24S Range 28 E, Eddy County
   * 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. CERTIFICATIONI 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: 3-6-04

WELL / SURFACE DATA REPORT 10/17/2003

(quarters are 1=NW 2=NE 3=SW 4=SE)

DB File Nbr	Use	(acre ft per annum) Diversion	Owner	Well Number	Source	(quarters are biggest to smallest) Tws	Rng	Sec	q	q	q	X	Y	UTM are in Meters) Zone	UTM_Zone	Easting	Northing	Start Date	Finish Date	Depth Well	Depth (in feet) Water
C 00511	EXP	0	RICHARDSON & BASS	C 00511		24S	28E	02	0	0	0				13	588756	3568006				
C 00555	DOM	0	C.F. BEEMAN	C 00555		24S	28E	11	3	2	4				13	588672	3566098				
C 00570	IRR	0	VASQUEZ FRANK Z	C 00570		24S	28E	10	1	5	5										
C 00573	IRR	260.1	GUADALUPE & YSABEL O. VASQUEZ	C 00573	Shallow	24S	28E	04	4	2	2				13	586233	3567891	03/15/1957	03/15/1957	250	35
C 00574	IRR	174.45	ANDRES DUARTE	C 00574	Shallow	24S	28E	11	4	4	2				13	589499	3565881	08/12/1954	08/12/1954	200	20
C 00736	IRR	0	VASQUEZ FRANK Z	C 00736		24S	28E	10	1	1					13	586535	3566997				
C 00752	DOM	0	ALBERT DUARTE	C 00752		24S	28E	11	1	2	4				13	588665	3566900			100	
C 00764	IRR	117.9	MIKE M. VASQUEZ	C 00764	Shallow	24S	28E	10	3	1	3				13	586445	3566094	05/15/1957	05/25/1957	118	25
C 00764 A	IRR	20.4	EVELYN KAY WALKER FAULK	C 00764	Shallow	24S	28E	10	3	1	3				13	586445	3566094	05/15/1957	05/25/1957	118	25
C 00802	IRR	0	DUARTE ALBERTO	C 00802		24S	28E	11	2	3	3				13	588879	3566494				
C 00890	DOM	3	M.G. CLEAVELAND	C 00890		24S	28E	10	4	3	3				13	587257	3565699			50	
C 00948	DOM	3	FRANK Z. VASQUEZ	C 00948		24S	28E	10							13	587154	3566397				
C 00962	STK	3	H.F. WALKER	C 00962	Shallow	24S	28E	10	3	3					13	586551	3565794	10/07/1960	10/08/1960	63	9
C 01082	IRR	240	DAMON U. BOND	C 01082	Shallow	24S	28E	11	2	3	3				13	588879	3566494	11/30/1964	11/30/1964	120	
C 01237	DOM	3	S.F. WILLIAMS	C 01237	Shallow	24S	28E	10	2	1	1				13	587243	3567100	10/10/1964	10/15/1964	123	
C 01290	IRR	0	MCCARTY O J	C 01290		24S	28E	04	2	1					13	585734	3568585				
C 01442	DOM	3	FRANK WILLIAMS	C 01442	Shallow	24S	28E	10	2	1					13	587344	3567001	10/10/1970	10/17/1970	100	
C 01930	DOM	0	OSCAR F. VASQUEZ	C 01930		24S	28E	11	4	3					13	588988	3565790			200	
C 02186	PRO	3	GRACE DRILLING CO.	C 02186	Shallow	24S	28E	02	2						13	589175	3568407	02/04/1990	02/04/1990	100	55
C 02306	DOM	3	DUNBAR RUSS	C 02306	Shallow	24S	28E	04	2	3					13	585734	3568186	08/20/1992	09/27/1993	75	25

Record Count: 20

WELL / SURFACE DATA REPORT 10/17/2003

(quarters are 1=NW 2=NE 3=SW 4=SE)

DB File Nbr	Use	(acre ft per annum) Diversion	Owner	Well Number	Source	(quarters are biggest to smallest) Tws	Rng	Sec	q	q	q	X	Y	UTM are in Meters) Zone	UTM_Zone	Easting	Northing	Start Date	Finish Date	Depth Well	Depth (in feet) Water
C 00318	DOM	0	CAVENDER & RICHARDSON	C 00318		23S	28E	34	4	4	2				13	587857	3569100			150	
C 00319	IRR	0	YARBO ARVIL RAY	C 00319		23S	28E	33	2	3	1				13	585628	3569886				
C 00477	IRR	0	WILLIAMS S F	C 00477		23S	28E	35	3	8											
C 00481	DOM	0	J.B. MOORE	C 00481	Shallow	23S	28E	33	1	2	3				13	585222	3570080	06/24/1953	06/30/1953	225	190
C 00677	DOM	3	S.F. WILLIAMS	C 00677	Shallow	23S	28E	35	3	4	4				13	588671	3568907	07/14/1953	08/06/1953	250	30
C 01232	STK	3	E.C. & CAVUBESSM T.R. PAINE	C 01232		23S	28E	34	1	3	2				13	586636	3569896				
C 01240	STK	3	E.C.& CAVINESS, T.R. PAINE	C 01240	Shallow	23S	28E	34	3	1					13	586539	3569394	10/01/1964	10/15/1964	125	25
C 01306	EXP	0	T.R. CAVINESS	C 01306		23S	28E	33	2	3	1				13	585628	3569886				
C 02469	DOM	3	BARRERA FELIPE	C 02469		23S	28E	33	2						13	585930	3569988				

Record Count: 9

New Mexico Office of the State Engineer
Well Reports and Downloads

Township: 24S Range: 28E Sections: 2,4,9,10,11

NAD27 X: Y: Zone: Search Radius:

County: ED Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic ◉ All

Well / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | WATERS Menu | Help

AVERAGE DEPTH OF WATER REPORT 10/17/2003

							(Depth Water in Feet)		
	Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
→	C	24S	28E	02				1	55	55	55
→	C	24S	28E	04				2	25	35	30
	C	24S	28E	10				2	9	25	17
	C	24S	28E	11				1	20	20	20

Record Count: 6

New Mexico Office of the State Engineer
Well Reports and Downloads

Township: 23S Range: 28E Sections: 33,34,35

NAD27 X: Y: Zone: Search Radius:

County: ED Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic ◉ All

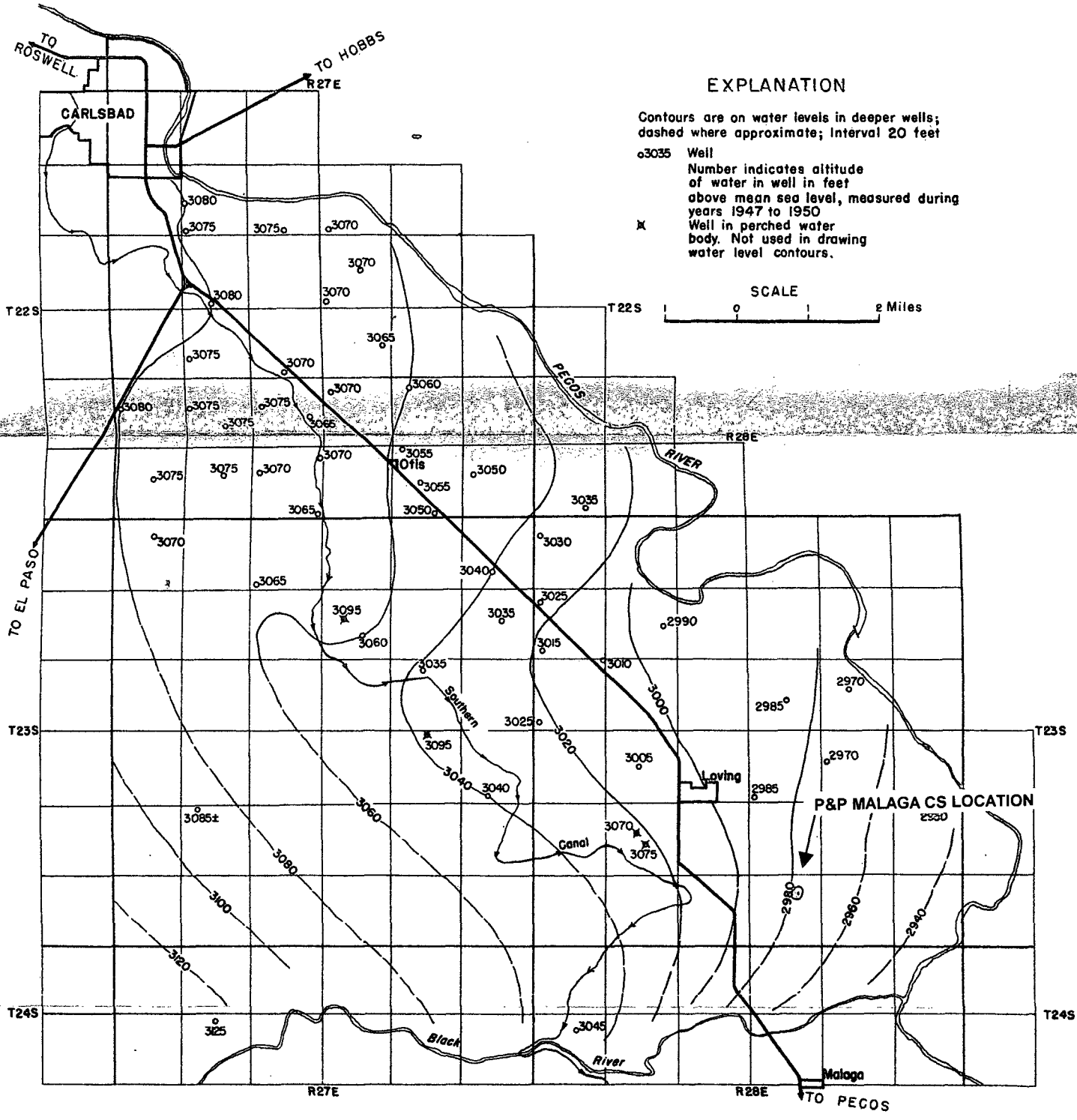
Well / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | WATERS Menu | Help

AVERAGE DEPTH OF WATER REPORT 10/17/2003

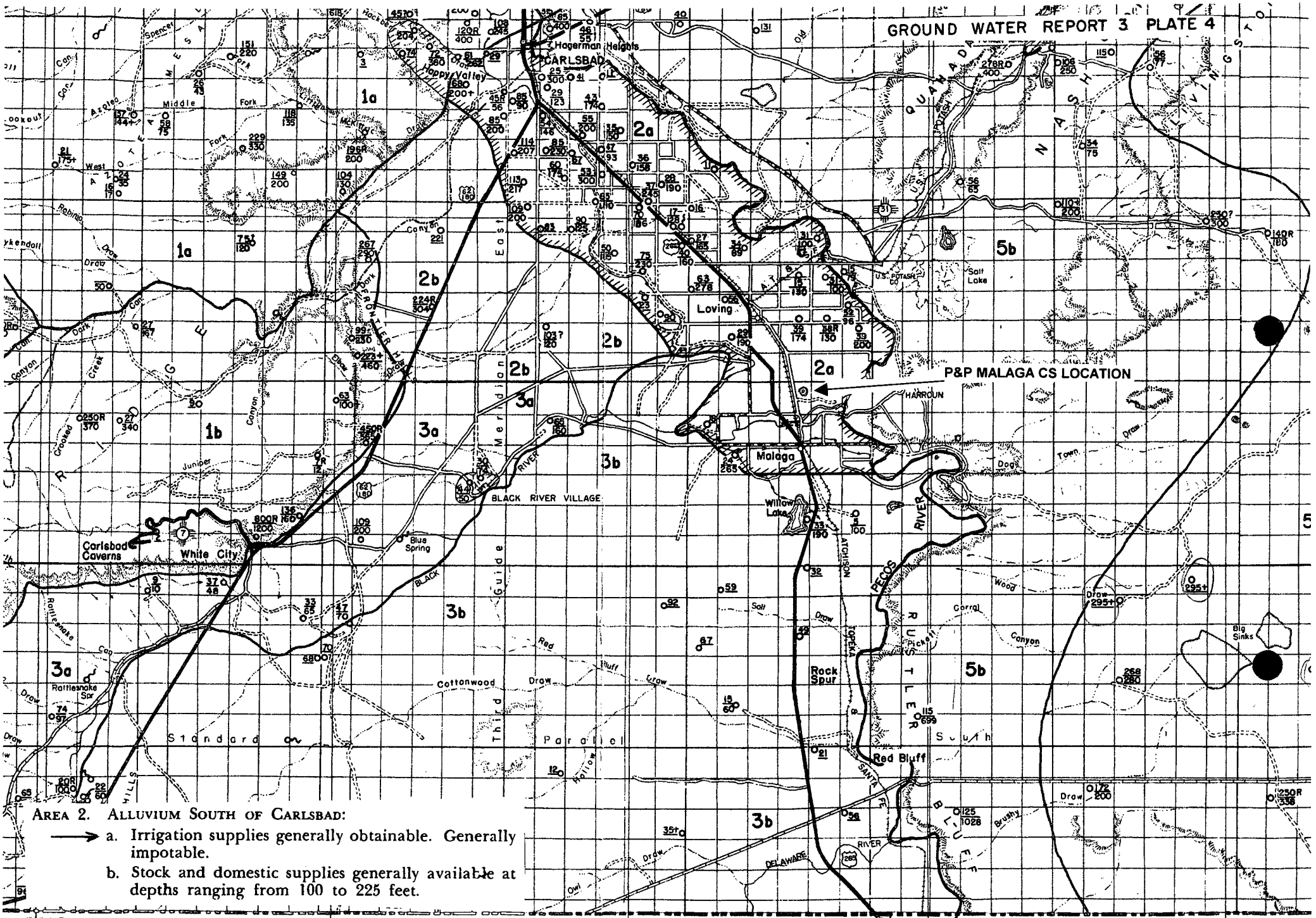
								(Depth Water in Feet)		
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
C	23S	28E	33				1	190	190	190
C	23S	28E	34				1	25	25	25
C	23S	28E	35				1	30	30	30

Record Count: 3



ALTITUDE OF WATER LEVELS IN WELLS IN ALLUVIUM SOUTH OF CARLSBAD, EDDY COUNTY, N. MEX.

Fig. 6



AREA 2. ALLUVIUM SOUTH OF CARLSBAD:

→ a. Irrigation supplies generally obtainable. Generally impotable.

b. Stock and domestic supplies generally available at depths ranging from 100 to 225 feet.

EDDY COUNTY REEVES CO. LOVING C

TABLE 3. CHEMICAL ANALYSES OF WATER FROM WELLS IN EDDY COUNTY, NEW MEXICO.—(Cont.)

LOCATION NUMBERS CORRESPOND TO THOSE IN TABLE 1

Analyses by U. S. Geological Survey (Parts per million)

LOCATION NUMBER	DATE OF COLLECTION	SPECIFIC CONDUCTANCE (MICROMHOS AT 25° C.)	SILICA (SiO_2)	CALCIUM (Ca)	MAGNESIUM (Mg)	SODIUM AND POTASSIUM (Na+K)	BICARBONATE (HCO_3)	SULFATE (SO_4)	CHLORIDE (Cl)	FLUORIDE (F)	NITRATE (NO_3)	DISSOLVED SOLIDS	TOTAL HARDNESS AS $CaCO_3$	PERCENT SODIUM
22.29.33.240	12-48	2,580	–	230	118	168	272	602	406	–	2.2	1,660	1,060	–
22.30.6.344	5-20-49	29,600	–	1,020	395	5,950	149	2,880	9,920	–	–	20,200	4,170	76
10.310	4-30-50	2,360	38	640	21	2.5	150	1,470	8	.9	27	2,280	1,680	–
30.240	do.	3,490	42	580	222	84	182	2,150	123	2.4	22	3,290	2,360	–
23.22.24.222	3-12-48	989	–	121	52	23	272	272	36	–	10	648	516	–
36.113	3-17-48	553	–	67	33	5.5	320	38	4.5	–	8.0	314	302	–
23.23.16.133	3- 8-48	483	–	48	24	21	223	41	22	–	11	277	218	–
23.27.6.213	4-11-49	1,700	–	180	84	74	203	502	172	–	29	1,140	794	17
14.124	9-26-46	1,820	–	261	57	79	228	555	195	–	22	1,280	886	16
23.28.7.113	4-11-49	5,860	–	–	–	–	235	–	1,010	–	–	–	–	–
20.144	12-16-46	7,770	–	780	208	897	246	2,140	1,620	–	19	5,780	2,780	41
22.433	4-11-49	7,030	–	770	177	720	220	1,860	1,470	–	81	5,140	2,650	37
24.134	do.	5,280	–	–	–	–	212	–	985	–	–	–	–	–
23.30.2.440	4-30-50	4,780	31	604	146	437	114	2,150	510	1.8	2.4	3,940	2,110	–
21.122	12-48	5,080	–	624	168	473	160	2,160	620	–	27	4,150	2,250	–
23.31.7.220	do.	4,090	–	554	199	201	266	1,560	410	–	271	3,330	2,200	–
24.25.5.442	5- 1-49	893	–	–	–	–	417	–	24	–	–	–	–	–
24.28.25.123	2-10-48	36,500	–	1,140	461	8,970	86	3,780	6,670	–	–	16,000	4,740	–
25.21.10.223	5- 2-48	709	–	39	24	102	457	26	10	.4	2.5	429	196	–
25.28.3.222	12- 6-48	2,480	–	636	55	10	187	1,550	11	–	19	2,360	1,810	–
18.324	do.	2,810	–	404	211	55	262	1,640	46	–	8.8	2,490	1,880	–
25.29.32.211	5- 1-49	26,900	–	1,100	326	4,920	101	1,450	9,360	–	–	17,200	4,080	72
25.30.2.000	do.	843	–	86	31	47	175	177	78	–	6.8	512	342	28
9.100	do.	2,680	–	536	102	59	89	1,710	22	–	.9	2,470	1,760	7
21.330	do.	1,990	–	182	46	220	160	339	360	–	6.8	1,180	518	48
25.31.21.000	12-48	1,940	–	205	67	161	137	337	106	–	5.5	1,450	787	–

TABLE 3. CHEMICAL ANALYSES OF WATER FROM WELLS IN EDDY COUNTY, NEW MEXICO.—(Cont.)

LOCATION NUMBERS CORRESPOND TO THOSE IN TABLE 1

Analyses by U. S. Geological Survey (Parts per million)

LOCATION NUMBER	DATE OF COLLECTION	SPECIFIC CONDUCTANCE (MICROMHOS AT 25° C.)	SILICA (SiO_2)	CALCIUM (Ca)	MAGNESIUM (Mg)	SODIUM AND POTASSIUM (Na+K)	BICARBONATE (HCO_3)	SULFATE (SO_4)	CHLORIDE (Cl)	FLUORIDE (F)	NITRATE (NO_3)	DISSOLVED SOLIDS	TOTAL HARDNESS AS $CaCO_3$	PERCENT SODIUM
26.24.9.331	1-26-48	1,520	–	232	83	14	296	647	14	–	18	1,150	920	–
11.314	1-22-48	2,540	–	638	53	5.8	215	1,560	11	–	8.7	2,380	1,810	–
28.413	1-28-48	653	–	84	36	8.7	252	134	8.0	–	10	400	358	–
26.25.17.240	11-25-49	2,540	24	624	57	8.7	165	1,570	21	–	14	2,400	1,790	1
26.28.2.112	12- 6-48	6,390	–	612	250	695	189	2,510	915	–	9.1	5,080	2,560	–
13.110	12-48	1,820	–	428	27	8.5	179	982	10	–	18	1,560	1,180	–
26.30.8.110	do.	1,110	–	81	32	109	200	199	141	–	1.7	662	334	–
26.31.1.000	5- 1-49	3,810	–	410	121	366	109	1,500	470	–	2.1	2,920	1,520	34
8.310	12-48	613	–	51	18	58	188	185	17	–	11	383	201	–

THE ROXIE L. WILLIAMS FAMILY
October 1, 2001

Those listed immediately below each have a 13.3333% interest in the Trust and the Family Properties.

Margaret L. Fate
11104 Desert Classic Lane N.E.
Albuquerque, N.M. 87111

Cella B. Milavec
119 Tierra del Sol Lp-5
Belen, N.M. 87002

Linville D. Williams
2236 E. Fairfield
Mesa, Ariz. 85213

Those listed immediately below each have a 10% interest in the Trust and the Family Properties.

Martha G. Stribling
520 Ranchitos Rd. NW
Albuquerque, N.M. 87114

Lawrence P. Williams (deceased)
Doris Williams (wife)
P.O. Box 1021
Princeton, Tx. 75407

Stephen F. Williams
Rt. 2 Box 270
Hartville, Mo. 65667

Glen B. Williams
c/o James W. Williams
7985 Highway 38
Mountain Grove, Mo. 65711

James W. Williams
7985 Highway 38
Mountain Grove, Mo. 65711

Those listed below each have a 2% interest in the Trust and the Family Properties.

Linda Harris
33801 South Sea Drive
Denham Springs, La. 70726

Lanora Allomong
14-644 State Rte. 8
Montpelier, Ohio 43543

Belinda Raines
13260 W. 42nd St.
Odessa, Tx. 79764

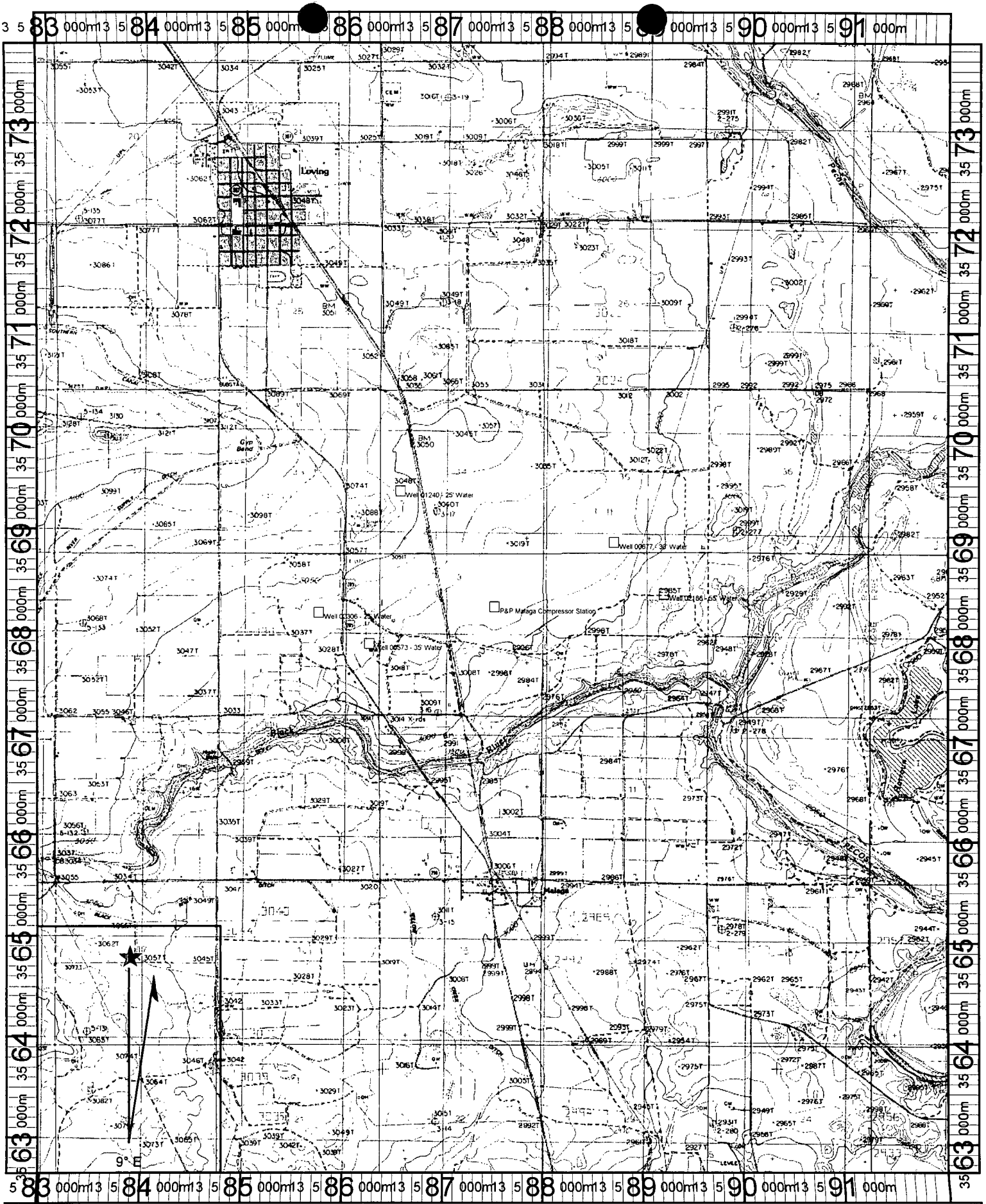
James C. Williams
743 N. Oak
Kermit, Tx. 79745

Terry Williams
C/O Lanora Allomong
14-644 State Rte. 8
Montpelier, Ohio 43543

These are the surface owners at the compressor site lease

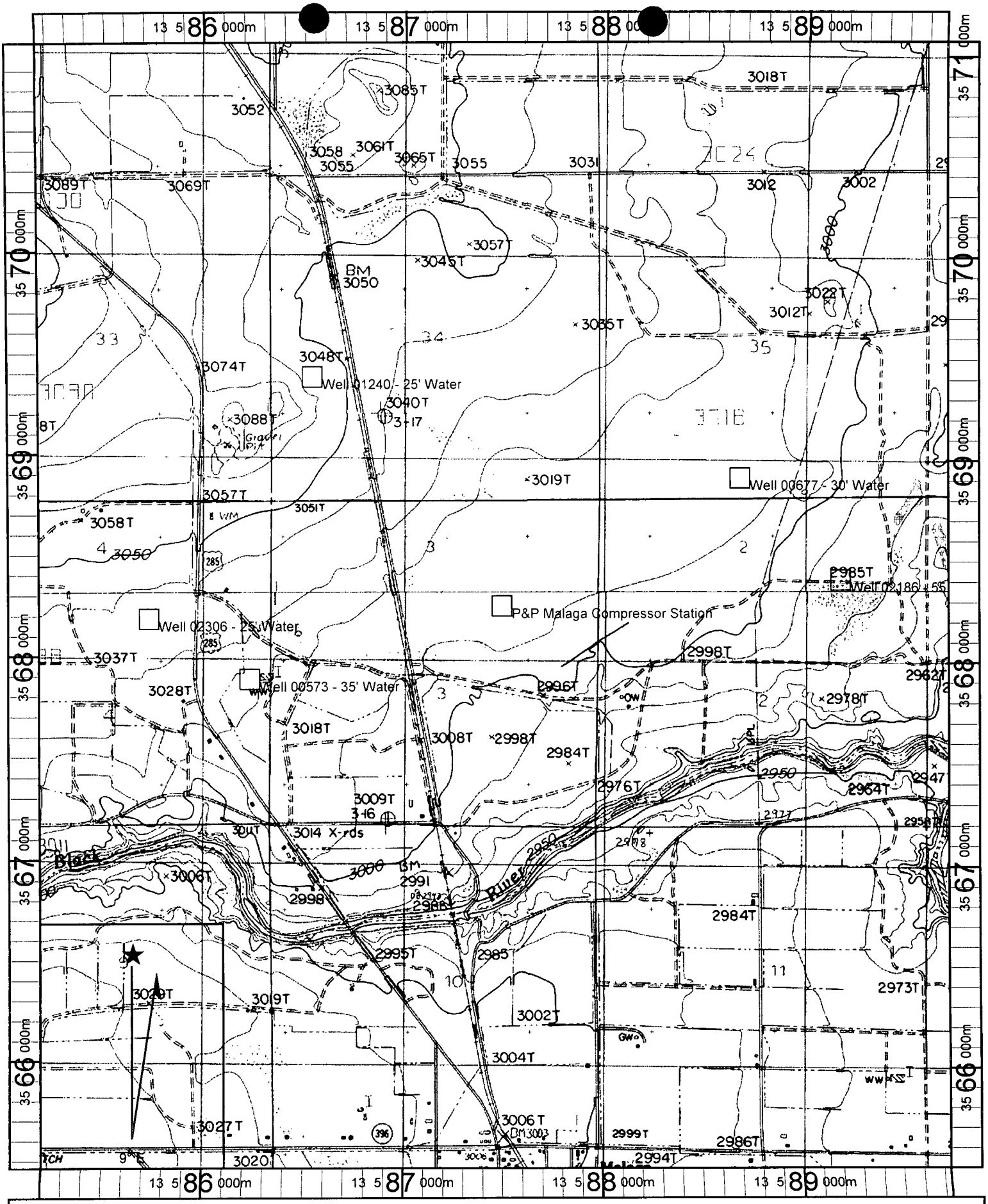
APPENDIX A – Facility Site Plan and Location Maps

P&P Malaga Compressor Station



Name: MALAGA
Date: 10/17/2003
Scale: 1 inch equals 4000 feet

Location: 13 587455 E 3568261 N
Caption: Location - PP Malaga Compressor Station



Name: MALAGA
Date: 10/17/2003
Scale: 1 inch equals 2000 feet

Location: 13 587440 E 3568268 N
Caption: PP Malaga CS Location relative to Five (5) Area Water Wells

APPENDIX B –Discharge Permit Documentation and Conditions

P&P Malaga Compressor Station

Larissa Forseth
Engineer
Environmental Services

Natural Gas & Gas Products

Conoco Inc.
600 N. Dairy Ashford
P.O. Box 2197-HU 3038
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

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
Kemnitz	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

215-5-1

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 16, 1998

Certified Mail
Return Receipt No. Z-357-869-978

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.

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

xc: OCD Aztec District Office

Mark Bishop
Environmental Specialist
SH&E Services
Natural Gas & Gas Products

OIL CONSERVATION DIV.
01 APR 16 PM 3:21

Conoco Inc.
P.O. Box 90
Maljamar NM 88264
Phone 505-676-3519
Cell (281) 380-0018
E-mail mark.a.bishop@usa.conoco.com

04/06/2001

Return Receipt Requested
Certified Mail No.
7099 3220 0001 4997 4138

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

Re: Discharge Plan GW – 167, P&P Low Pressure Compressor Station
Storm Water Runoff Plan

Dear Mr. Price:

Please find the attached Precipitation/Storm water Runoff Control Plan as required in the above referenced OCD Groundwater Discharge Permit.

Conoco, Inc. also requests that the inspection frequency required in Discharge Plan Approval Condition 12 (Housekeeping) be changed to monthly. This will allow us to maintain consistency with other facility Discharge Plans.

If you have any questions or require more information please contact me at 505-676-3519.

Sincerely,

Mark Bishop

Mark Bishop

CC:
Joyce Miley
File: Env xxxxx

Conoco, Inc.
P&P Low Pressure Compressor Station,
Discharge Plan GW – 167, Approval Condition 15
Storm Water Runoff Control Plan

The P&P Low Pressure Compressor Station will minimize precipitation/storm water runoff at the facility through exposure minimization practices. These practices lessen the potential for storm water to come in contact with process and waste streams. Precipitation that comes in contact with process equipment is contained in bermed or containment areas and allowed to evaporate. The facility process and waste stream containment structures are maintained to minimize erosion and prevent surface accumulations. Storage tanks are inspected periodically to monitor fluid levels.

A storm water plan at this facility is not a requirement of the EPA (40 CFR 122.26(b)(14). This regulation specifies that oil and gas operations that discharge contaminated storm water at any time between November 16, 1987 and October 1, 1992, and that are currently not authorized by an NPDES permit, must apply for a permit. Operators of oil and gas exploration, production, processing, or treatment operations or transmission facilities, that are not required to submit a permit application as of October1, 1992 in accordance with 40 CFR 122.26(c)(1)(iii), but that after October1, 1992 have a discharge of a reportable quantity of oil or a hazardous substance (in a storm water discharge) for which notification is required pursuant to either 40 CFR 110.6, 117.21, or 302.6, must apply for a permit.

Since Conoco, Inc. has not had a discharge at this facility of a reportable quantity of oil or a hazardous substance (in a storm water discharge) for which notification is required pursuant to either 40 CFR 110.6, 117.21, or 302.6, a storm water discharge permit is not required for the P&P Low Pressure Compressor Station.

Joyce M. Miley
Environmental Consultant
Engineering and Compliance
Natural Gas & Gas Products Department

Conoco Inc.
600 N. Dairy Ashford Rd.
P.O. Box 2197, HU3036
Houston, TX 77252
Telephone: (281) 293-4498
Facsimile: (281) 293-1214

November 30, 2000

Certified Mail No. 7099 3220 0003 1150 1803
Return Receipt Requested

Mr. Roger Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Change of Ownership
Conoco Inc., Natural Gas & Gas Products Department

Dear Mr. Anderson:

Effective December 1, 2000, Conoco Inc., Natural Gas & Gas Products Department (NG&GP) assumed ownership of LG&E Natural Gathering & Processing LLC,: and LG&E Natural Pipeline LLC (LG&E). These LG&E entities, in turn, own certain natural gas facilities in SE New Mexico. These facilities and their OCD Groundwater Discharge numbers are listed in the table below.

Facility Name	OCD Groundwater Discharge Permit
Antelope Ridge Gas Plant	GW-162
Hobbs Gas Plant	GW-175
Apex Compressor Station	GW-163
Bootleg (aka. NBR) 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 (aka. Lea and/or Fagan/Gillespie) Compressor Station	GW-227
Pardue Farms Compressor Station	GW-288
Pure Gold 28 Compressor Station	GW-150
Parker & Parsley (aka. Malaga) Compressor Station	GW-167

Several of these locations have conditions in their permits that require the new owner to supply a written commitment to comply with the terms and conditions of the previously approved discharge plans. LG&E has informed Conoco that all above locations are in compliance with the discharge plans. Conoco has copies of all of the approval letters and LG&E signed conditions of approval for these locations. We agree to continue to operate the locations in conformance with the groundwater permits, the approval conditions and the OCD regulations.

In addition, pursuant to certain requirements of the transaction in which Conoco acquired the entities, the names of certain entities have been changed to the following: Raptor Natural Gathering & Processing LLC and Raptor Natural Pipeline LLC (in each case replacing LG&E with Raptor).

Conoco Inc. requests that all future correspondence concerning these facilities be forwarded to me at the address above. If you have any questions or require additional information, please do not hesitate to contact Mr. Mark Bishop at (505) 623-5659 or myself at (281) 293-4498.

Sincerely,

Joyce M. Miley

cc.:

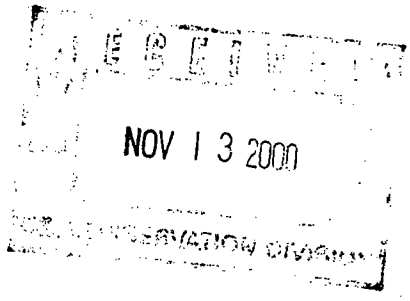
Ms. Patricia Merrill
LG&E Energy Corp.
220 West Main Street
PO Box 32030
Louisville, KY 40232-2030

Certified Mail No. 7099 3220 0003 1150 1797
Return Receipt Requested

LG&E **POWER INC.**

LG&E Natural Gathering & Processing LLC
921 W. Sanger
Hobbs, New Mexico 88240
(505) 393-2153
(505) 393-0381 FAX

November 9, 2000



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

Dear Mr. Price

I am enclosing a copy of the drain and sump system tests for the Bootleg and the Malaga Compressor stations. I am not sure if you have received a copy of these earlier this year or not, so I am sending you these copies to make sure you have them.

If you need any further information please let me know.

Sincerely

Ed Sloman
Supervisor
Operations Support

To: Marc Bergen
From: Dave Chambless
Subj: Drain Test
Location Parker Parsley Malaga Comp. Sta.

P&P
MALASA - GW-167

A test was conducted on the compressor station , dump line drain system today. All drain lines were blocked, and pressure was applied to the drain system, and then shut off. The test was conducted for a period lasting one hour. The system maintained the applied pressure for one hour, and showed no signs of any pressure loss.

Test start 9:15 A.M.
Applied pressure 50 lbs.
Test end 10:15 A.M.
End pressure 50 lbs.

Dave

Ed,

For our files!

Marc

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

May 3, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051-6014

Ed Sloman
L G & E Natural Gathering & Processing Company
921 West Sanger
Hobbs, New Mexico 88240

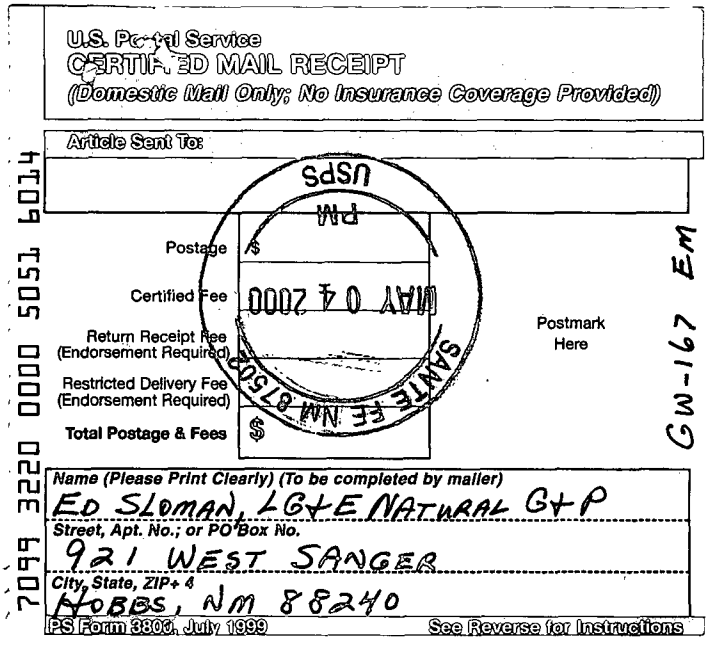
RE: Discharge Plan Renewal GW-167
L G & E Natural Gathering & Processing Company
Low Pressure Compressor Station
Eddy County, New Mexico

Dear Mr. Sloman

The ground water discharge plan renewal application GW-167 for the L G & E Natural Gathering & Processing Company Low Pressure Compressor Station located in the SW/4 NE/4 of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe office within 10 working days of receipt of this letter.**

The original discharge plan application was submitted on May 17, 1994 and approved July 25, 1994. The discharge plan renewal application letter, dated March 10, 2000, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals. The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G, which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve L G & E Natural Gathering & Processing Company of liability should operations result in pollution of surface water, ground water or the environment.

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



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

Article Sent To:

USPS PM MAY 04 2000 SANTE FE NM 87502

Postage $
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $

Postmark Here

7099 3220 0000 5051 6014

GW-167 EM

Name (Please Print Clearly) (To be completed by mailer)
ED SLOMAN, LG+E NATURAL G+P

Street, Apt. No.; or PO Box No.
921 WEST SANGER

City, State, ZIP+4
HOBBS, NM 88240

PS Form 3800, July 1999 See Reverse for Instructions

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, L G & E Natural Gathering & Processing Company is required to notify the Director of any facility expansion, production increase or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4, this renewal plan is for a period of five years. This renewal will expire on **July 25, 2004**, and L G & E Natural Gathering & Processing Company should submit an application in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.

The discharge plan renewal application for the L G & E Natural Gathering & Processing Company Low Pressure Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of $50.00. There is a renewal flat fee assessed for gas compressor station facilities with horsepower rating less than 1000 horsepower equal to one-half of the original flat fee or $0. The OCD has received the filing fee.

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/eem
Attachment

Xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-167
L G & E NATURAL GATHERING & PROCESSING COMPANY
LOW PRESSURE COMPRESSOR STATION
DISCHARGE PLAN APPROVAL CONDITIONS
May 3, 2000

1. Payment of Discharge Plan Fees: The $50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for natural gas compressor stations with horsepower rating less than 1000 horsepower. The renewal flat fee required for this facility is $$0 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.

2. Commitments: L G & E Natural Gathering & Processing Company will abide by all commitments submitted in the discharge plan renewal application letter dated March 13, 2000 and these conditions for approval.

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

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 no later than June 30, 2000 and every year from tested date thereafter. Permittees 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. The test results will be submitted to OCD by July 31, 2000.

10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than June 30, 2000 and every five (5) years thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by July 31, 2000.

11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

12. Housekeeping: All systems designed for spill collection/prevention will be inspected 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 Artesia District Office.

14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Storm Water Plan: The facility will have an approved storm water run-off plan by July 31, 2000

16. Closure: The OCD will be notified when operations of the Low Pressure Compressor Station are discontinued for a period in excess of six months. Prior to closure of the Low Pressure Compressor Station, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

17. Conditions accepted by: L G & E Natural Gathering & Processing Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. L G & E Natural Gathering & Processing Company further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

L G & E Natural Gathering & Processing Company

Print Name: _____

Signature: _____

Title: _____

Date: _____

Affidavit of Publication

NO. 16913

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn,says: That he is the **Publisher** of The

Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press,a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 consecutive weeks/days on the same

day as follows:

First Publication April 5 2000

Second Publication

Third Publication

Fourth Publication

Subscribed and sworn to before me this

5th day of April 2000

Barbara Ann Roans

Notary Public, Eddy County, New Mexico

My Commission expires September 23, 2003

Copy of Publication:

LEGAL NOTICE

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan applications has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-167) - LG&E Natural Gathering and Processing Co., J.R. Delaney, Operations Manager, 921 W. Sanger, Hobbs, New Mexico, 88240, has submitted a renewal application for the previously approved discharge plan for their Low Pressure Gathering Compressor Station located in the SW 4, NE/4 Quarter of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 12 barrells per day of waste water will be stored in above ground steel tanks prior to disposal at an OCD approved off-site disposal facility. Groundwater most likely to be affected in the event of an accidental discharge is at a depth of approximately 30 feet with a total dissolved solids concentration of 300 mg/L. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of March, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION
DIVISION
s-Lori Wrotenbery
LORI WROTENBERY, Director
SEAL

Published in the Artesia Daily Press, Artesia, N.M. April 5, 2000.
Legal 16913

The Santa Fe New Mexican

Since 1849. We Read You.

APR - 6 2000

OIL CONSERVATION DIVISION

NM OIL CONSERVATION DIVISION
ATTN: DONNA DOMINGUEZ
2040 S. PACHECO ST.
SANTA FE, NM 87505

AD NUMBER: 141182 ACCOUNT: 56689
LEGAL NO: 67155 P.O.#: 00199000278
179 LINES 1 time(s) at $ 78.91
AFFIDAVITS: 5.25
TAX: 5.26
TOTAL: 89.42

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, B Bruns 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 #67155 a copy of which is hereto attached was published in said newspaper 1 day(s) between 04/05/2000 and 04/05/2000 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 5 day of April, 2000 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ Betty Bruns
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 4 day of April A.D., 2000

Notary Candace R. Dunton

Commission Expires 11/16/2003

NOTICE OF PUBLICATION

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

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of March, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
LORI WROTENBERY, Director

Legal #67155
Pub. April 5, 2000

Approved
Wayne

NOTICE OF PUBLICATION

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of March, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

for LORI WROTENBERY, Director

SEAL

LG&E ENERGY MARKETING℠

March 10, 2000

LG&E Natural Gathering & Processing Co.
921 West Sanger
Hobbs, New Mexico 88240
505-393-2153
505-393-0381 FAX

Mr. Roger C. Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Anderson,

Please find attached to this cover letter our Discharge Plan renewal application for our Parker & Parsley (Low-Pressure) Compressor Station. Discharge Plan number GW-167. Additionally attached is a check for fifty dollars ($50.00) for application fee.

There have been no changes in this station since the original Discharge Plan, GW-167, was submitted. The station still has the same compressor operating in the same manner as the original plan indicates.

If you have any questions concerning this Discharge Plan renewal please feel free to call me at your convenience.

Sincerely

Ed Sloman
Supervisor
Operations Support

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR NATURAL GAS PROCESSING PLANTS, OIL REFINERIES AND GAS COMPRESSOR STATIONS

(Refer to OCD Guidelines for assistance in completing the application.)

I. TYPE: Compressor Station (Renewal GW-167)

II. OPERATOR: LG&E Natural

ADDRESS: 921 West Sanger, Hobbs, New Mexico 88240

CONTACT PERSON: Ed Sloman PHONE: 505-393-2153

III. LOCATION: SW/4 NE/4 Section 3 Township 245 Range 28E
Submit large scale topographic map showing exact location.

IV. NO CHANGES Attach the name and address of the landowner(s) of the disposal facility site.

V. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

VI. Attach a description of sources, quantities and quality of effluent and waste solids.

VII. Attach a description of current liquid and solid waste transfer and storage procedures.

VIII. Attach a description of current liquid and solid waste disposal procedures.

IX. Attach a routine inspection and maintenance plan to ensure permit compliance.

X. Attach a contingency plan for reporting and clean-up of spills or releases.

XI. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact fresh water. Depth to and quality of ground water must be included.

XII. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

XIII. CERTIFICATION

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: John R. Delaney Title: General Manager

Signature: [signature] Date: 3-13-20

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/13/00,

or cash received on _____ in the amount of $ 50.00

from Llano Inc.

for Low Pressure C.S. GW-167
(Facility Name) (OP No.)

Submitted by: UU Fund Date: 3-17-00

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility ___ Renewal ___

Modification ___ Other _____
(specify)

Organization Code 521.07 Applicable FY 2000

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment ___

[redacted]

LLANO, INC.
BOX 1320
HOBBS, NEW MEXICO 88240

SUNWEST BANK OF HOBBS, N.A.
HOBBS, NEW MEXICO 88240

95-321
1122

CHECK DATE	CHECK N
03-13-00	[redacted]

THE SUM OF 50 DOLLARS 00 CTS

PAY TO THE ORDER OF

Water Qaulity Management Fund
State of New Mexico
OCD

CHECK AMOUNT
$ 50.00**********

LLANO, INC. - GENERAL ACCOUNT

VOID AFTER 90 DAYS

[redacted]

LLANO, INC.

[redacted]

INVOICE NO.	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT	NET AMOUNT
		Renewal of Discharge Plan Parker & Parsley Low Pressure GW-167			
CHECK NUMBER		TOTALS >			50.00

Price, Wayne

From: Price, Wayne
Sent: Friday, February 25, 2000 3:06 PM
To: 'ed.sloman@lgeenergy.com'
Subject: Discharge Plans

Dear Ed:

We received the fees& Info for GW-150,175 & 176 Thanks!

After reviewing the files our records reflect that the following Discharge Plan sites have expired!

Antelope Ridge Gas Plant GW-162 filing fee $50 + Renewal fee $1667.50
Apex Compressor St. GW-163 filing fee $50 + Renewal fee $ 690.00
Low Press Gathering GW-167 filing fee $50 + Renewal fee $ 0.00

Please submit the discharge plan application plus fees by March 10, 2000.

Price, Wayne

From: System Administrator[SMTP:postmaster@lgeenergy.com]
Sent: Friday, February 25, 2000 3:11 PM
To: Price, Wayne
Subject: Delivered: Discharge Plans

Discharge Plans

<<Discharge Plans>> Your message

To: 'ed.sloman@lgeenergy.com'
Subject: Discharge Plans
Sent: Fri, 25 Feb 2000 17:06:18 -0500

was delivered to the following recipient(s):

Sloman, Ed on Fri, 25 Feb 2000 17:10:58 -0500
MSEXCH:MSExchangeMTA:HOBBS:HONMMONTFS1

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 25, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-870-070

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

RE: Discharge Plan GW-167 Renewal
Low Pressure Gathering Compressor Station
Eddy County, New Mexico

Dear Mr. Delaney:

On July 25, 1994, the groundwater discharge plan, GW-167, for the LG&E Natural Gathering and Processing (Llano, Inc.) Low Pressure Gathering Compressor Station located in the SW/4 NE/4 of Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, was approved by the Director of the New Mexico Oil Conservation Division (OCD). This discharge plan was required and submitted pursuant to Water Quality Control Commission (WQCC) regulations and was approved for a period of five years. **The approval will expire on July 25, 1999.**

If the facility continues to have potential or actual effluent or leachate discharges and wishes to continue operation, the discharge plan must be renewed. **Pursuant to Section 3106.F., if an application for renewal is submitted at least 120 days before the discharge plan expires, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved.** The OCD is reviewing discharge plan submittals and renewals carefully and the review time can extend for several weeks to months. Please indicate whether LG&E Natural Gathering and Processing has made or intends to make, any changes in the system, and if so, please include these modifications in the application for renewal.

The discharge plan renewal application for the **Low Pressure Gathering Compressor Station** is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of $50.00 plus a flat fee equal to one-half of the original flat fee for compressor station facilities. The $50.00 filing fee is to be submitted with the discharge plan renewal application and is nonrefundable.

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

If the Low Pressure Gathering Compressor Station no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the LG&E Natural Gathering and Processing Company has any questions, please do not hesitate to contact me at (505) 827-7152.

Sincerely,

Roger C. Anderson
Chief, Environmental Bureau
Oil Conservation Division

RCA/wjf

enclosed: Discharge Plan Application form

cc: OCD Hobbs District Office

Z 357 870 070

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

Sent to J. R. Delaney	
Street & Number LG&E	
Post Office, State, & ZIP Code Hobbs	
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-167	

PS Form 3800, April 1995

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

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

July 25, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-238

Mr. J.R. Delaney
Llano Inc.
921 W. Sanger
Hobbs, New Mexico 88240

Re: Discharge Plan (GW-167)
Low Pressure Gathering Compressor Station
Eddy County, New Mexico

Dear Mr. Delaney:

The groundwater discharge plan GW-167 for the Llano Inc. Low Pressure Gathering Compressor Station located in the SW/4 NE/4 Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated May 17, 1994 and supplemental information dated July 6, 1994.

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

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

Please note that section 3-104 of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.C. you are required to notify the Director of any facility expansion, production increase,or process modification that would result in any change in the discharge of water quality or volume.

ATTACHMENT TO THE DISCHARGE PLAN GW-167 APPROVAL
LLANO INC.
LOW PRESSURE GATHERING COMPRESSOR STATION
DISCHARGE PLAN CONDITIONS
(JULY 25, 1994)

1. Drum Storage: All drums will be stored on pad and curb type containment.

2. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their designs.

3. Berms: All tanks that contain materials other than freshwater will be bermed to contain one and one-third (1-1/3) the capacity of the largest tank within the berm or one and one-third (1-1/3) the total capacity of all interconnected tanks.

4. Pressure testing: All discharge plan facilities are required to pressure test all underground piping at the time of discharge plan renewal. All new underground piping shall be designed and installed to allow for isolation and pressure testing at 3 psi above normal operating pressure.

5. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.

6. OCD Inspection: Additional requirements may be placed on the facility based upon results from OCD inspections.

Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire July 25, 1999 and you should submit an application for renewal in ample time before that date.

The discharge plan application for the Llano Inc. Low Pressure Gathering Compressor Station is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus a flat rate fee. There is no flat rate fee for compressor stations less than 1000 horsepower.

The OCD has received your $50 filing fee.

On behalf of the staff of the Oil Conservation Division, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

William J. LeMay
Director

WJL/cee
Attachment

xc: Wayne Price

LLANO

OIL CONSERVATION DIVISION
RECEIVED

'94 JUL 19 AM 8 50

July 6, 1994

Mr. Chris Eustice
Environmental Geologist
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Dear Mr. Eustice:

In response to your letter dated June 20, 1994, concerning Discharge Plan (GW-167) for our Parker and Parsley, Low Pressure Gathering Compressor Station, the following additional information is submitted.

1) LLano Inc. does not anticipate any damages to the wildlife resources listed in the USFW letter, as a result of operating this compressor station. In the unlikely event that any of the listed wildlife resources are damaged, LLano Inc. would notify the OCD, and the USFW. LLano Inc. will work with both agencies in cooperation of such an unlikely event.

2) The waste oil storage tank will be a skid mounted, above ground tank. This tank will have a "spill tray" placed under it to prevent any inadvertent drips, or spills from contacting the ground.

Sincerely,

Ed Sloman
Supervisor,
Operations Support

Approved:

John R. Delaney
General Manager

LLANO, INC.
A SUBSIDIARY OF HADSON ENERGY PRODUCTS & SERVICES, INC.
921 W. Sanger / Hobbs, New Mexico 88240
Telephone (505) 393-2153 / FAX (505) 393-0381

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 5-17-94,
or cash received on 5/31/94 in the amount of $ 50.00
from Llano, Inc.
for "Low Pressure Gathering" Compressor Station GW-167
(Facility Name) (DP No.)
Submitted by: _____ Date: _____
Submitted to ASD by: Robert Myers Date: 5/31/94
Received in ASD by: Angie Allire Date: 5/31/94
Filing Fee X New Facility ___ Renewal ___
Modification ___ Other _____
(specify)
Organization Code 521.07 Applicable FY 94

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

LLANO, INC.
BOX 1320
HOBBS, NEW MEXICO 88240

SUNWEST BANK OF HOBBS, N.A.
HOBBS, NEW MEXICO 88240
[redacted]
95-321
1122

CHECK DATE	CHECK
05/17/94	[redacted]

THE SUM OF FIFTY DOLLARS AND 00 CTS

PAY TO THE ORDER OF

OIL CONSERVATION DIVISION
P O BOX 2088
SANTA FE, NEW MEXICO 87501

CHECK AMOUNT
$50.00

LLANO, INC. - GENERAL ACCOUNT

VOID AFTER 90 DAYS

[redacted]

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY; MINERALS
AND NATURAL
RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-167) - Llano Inc., J.R. Delaney, Operations Manager, 921 W. Sanger, Hobbs, New Mexico, 88240, has submitted a discharge plan application for their Low Pressure Gathering Compressor Station located in the SW/4 Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 12 barrells per day of produced water with a total dissolved solids concentration of approximately 10000 mg/l will be collected and stored in an above ground closed to steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected in the event of an accidental discharge is at a depth of approximately 300 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of May, 1994.

STATE OF NEW MEXIVO
OIL CONSERVATION DIVISION
s/WILLIAM J. LEMAY, Director

Journal: June 2, 1994.

STATE OF NEW MEXICO
County of Bernalillo ss

Bill Tafoya being duly sworn declares and says that he is Classified Advertising manager of **The Albuquerque Journal**, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court costs; that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 1 times, the first publication being on the 2 day of June, 1994, and the subsequent consecutive publications on _____, 1994

Bill Tafoya

OFFICIAL SEAL
Megan Millage
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 5/20/98

Sworn and subscribed to before me, a notary Public in and for the County of Bernalillo and State of New Mexico, this 2 day of June 1994.

PRICE $32.00

Statement to come at end of month.

CLA-22-A (R-1/93) ACCOUNT NUMBER C80932

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

June 20, 1994

CERTIFIED MAIL
RETURN RECEIPT NO.P-176-012-229

Mr. John R. Delaney
Llano Inc.
921 W. Sanger
Hobbs, New Mexico 88240

RE: Discharge Plan Submittal
Llano Inc.
(GW-167) Low Pressure Gathering Compressor Station
Eddy County, New Mexico

Dear Mr. Delaney:

The New Mexico Oil Conservation Division (OCD) has received and is in the process of reviewing the discharge plan application dated June 17, 1994 for the above-referenced facility.

The following comments and requests for additional information are based upon OCD's review of the application.

1. The United States Department of Interior, Fish and Wildlife Service (USFW) responded to public notification of your application with the attached letter to the OCD. Please Submit a plan for non-disturbance regarding the effects of the discharge plan on the wildlife resources listed in the USFW letter.

5. A description of the waste oil storage tank did not clearly describe if this tank is above-grade or below-grade and if it has containment. Please provide a description of this tank and the proposed method of containment (bermed or secondary containment).

Submission of the above information will allow review of your application to continue.

If you have any questions contact me at (505) 827-5824.

Sincerely,

Chris Eustice
Environmental Geologist

xc: OCD Artesia Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Ecological Services
Suite D, 3530 Pan American Highway, NE
Albuquerque, New Mexico 87107

June 7, 1994

DP #94028

Mr. William J. Lemay
Director, State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Dear Mr. Lemay:

This responds to the notice of publication received by the U.S. Fish and Wildlife Service (Service) on May 24, 1994, regarding the Oil Conservation Division (OCD) discharge permit GW-167 effects on fish, and wildlife resources in New Mexico.

> GW-167 Llano, Inc., Hobbs, NM has submitted a discharge plan application for their Low Pressure Gathering Compressor Station located in the SW/4 NE/4, section 3, T. 24 S., R. 28 E., Eddy County, New Mexico. Approximately 12 barrels per day of produced water will be collected and stored in an above ground closed top steel tank prior to transport to an OCD approved offsite disposal facility.

The compressor station will be located approximately 1/2 to 1 mile north of the Black River near its confluence with the Pecos River. Species of concern to the Service are as listed:

Pecos gambusia	Endangered
gypsum wild buckwheat	Threatened
Pecos pupfish	Category 1 candidate
blue sucker	Category 2 candidate
swift fox	Category 2 candidate
Texas horned lizard	Category 2 candidate

Therefore, the above ground steel tanks capacities should be able to contain all the water produced during periods of inclement weather when it is not possible to drain the tank on a regular schedule. The tanks should also exhibit strong corrosion resistance to those fluids the tank will store. The tanks should be exposed entirely to visually detect leaks. If leaks are detected surface soil monitoring and runoff prevention measures should be implemented. It is also recommended the tanks be bermed in case of an accidental spill.

If you have any questions concerning our comments, please contact Mary Orms at (505) 883-7877.

Sincerely,

Jennifer Fowler-Propst
State Supervisor

Enclosure

cc: (w/o enc)
Director, New Mexico Department of Game and Fish, Santa Fe, New Mexico
Regional Administrator, U.S. Environmental Protection Agency, Dallas, Texas

Species List
Low Pressure Gathering Compressor Station
Eddy County, New Mexico
June 7, 1994

Endangered

Pecos gambusia (Gambusia nobilis) - This species is found in the Bitter Lake National Wildlife Refuge in Chaves County, New Mexico.

Authority: Mr. Jim Johnson, U. S. Fish and Wildlife Service, P.O. Box 1306, Albuquerque, New Mexico 87103-1306, (505) 766-3972.

Threatened

Gypsum wild buckwheat (Eriogonum gypsophilum) - This species is presently restricted to gypsum soils between Carlsbad Caverns National Park and the Pecos River and in the Seven River Hills in Eddy County.

Authorities: Richard Spellenburg, New Mexico State University, Las Cruces, New Mexico 88003-0001, (505) 646-3732, and Jess Juen, U.S. Bureau of Land Management, P.O. Box 1778, Carlsbad, New Mexico 88220, (505) 887-6544.

Category 1 Candidate

Pecos pupfish (Cyprinodon pecosensis) - This species is found in the Pecos River and closely associated waters of the floodplain from Bitter Lake National Wildlife Refuge south into Texas. This species occurs in many habitats, but is most abundant in highly saline waters.

Authority: Dr. David Propst, New Mexico Department of Game and Fish, P.O. Box 25112, Santa Fe, New Mexico 87504, (505) 827-9901.

Category 2 Candidates

Blue sucker (Cycleptus elongatus) - Inhibits deep river channels, pools with moderate currents, reservoirs and deep lakes. Preferred habitat are run-riffles in large rivers.

Authority: Mr. Gerald Burton, U.S. Fish and Wildlife Service, New Mexico Ecological Services Office, 3530 Pan American Highway, NE., Suite D, Albuquerque, New Mexico 87107, (505) 883-7877.

Swift fox (Vulpes velox) - prefers open desert and plains. Usually found in short-grass prairie with loose sandy soil.

Authority: John Hubbard, New Mexico Department of Game and Fish, P.O. Box 25112, Santa Fe, New Mexico 87504, (505) 827-9925.

Texas horned lizard (Phrynosoma cornutum) - This species has dark stripes which radiate from the eye region on each side of its face and two rows of pointed fringe scales on each side of the body. The lizard inhabits arid and semiarid open country with sparse plant growth--bunch grass, cactus, juniper, acacia, and mesquite. The substrate may be of sand, loam, hardpan, or rock. Some loose soil is usually present in which these lizards bury themselves. They also seek shelter under shrubs, in burrows of other animals, or among rocks.

Authority: Charlie Painter, New Mexico Department of Game and Fish, P.O. Box 25112, Santa Fe, New Mexico 87504, (505) 827-9901.

Affidavit of Publication

No. 14710

STATE OF NEW MEXICO,

County of Eddy:

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

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

First Publication May 27, 1994

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 8th day of June 19 94

Barbara Ann Bang
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1996

Copy of Publication

File

LEGAL NOTICE

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES

DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, State Land Office Building, P.O. Box 2088, Santa Fe, New Mexico 87504-2088, Telephone (505) 827-5800:

(GW-167) - Llano Inc., J.R. Delaney, Operations Manager, 921 W. Sanger, Hobbs, New Mexico, 88240, has submitted a discharge plan application for their Low Pressure Gathering Compressor Station located in the SW/4 NE/4 Section 3, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Approximately 12 barrells per day of produced water with a total dissolved solids concentration of approximately 10000 mg/l will be collected and stored in an above ground closed top steel tank prior to transport to an OCD approved offsite disposal facility. Groundwater most likely to be affected in the event of an aaccidental discharge is at a depth of approximately 30 feet with a total dissolved solids concentration of approximately 300 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Divison at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plaan or its modification, the Director of the Oil Conservation Division shall allow at least thrity (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of May, 1994.

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

SEAL

Published in the Artesia Daily Press, Artesia, N.M. May 27, 1994.

Legal 14710

NOTICE OF PUBLICATION

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

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 19th day of May, 1994.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

WILLIAM J. LEMAY, Director

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87501

RECEIVED
MAY 19 1994
OIL CONSERVATION DIV.
SANTA FE

DISCHARGE PLAN APPLICATION FOR NATURAL GAS PROCESSING PLANTS, OIL REFINERIES AND GAS COMPRESSOR STATIONS

(Refer to OCD Guidelines for assistance in completing the application.)

I. TYPE: COMPRESSOR STATION

II. OPERATOR: LLANO INC.

ADDRESS: 921 W. SANGER, HOBBS, NEW MEXICO, 88240

CONTACT PERSON: JOHN R. DELANEY PHONE: 393-2153

III. LOCATION: SW /4 NE /4 Section 3 Township 24S Range 28E
Submit large scale topographic map showing exact location.

IV. Attach the name and address of the landowner(s) of the disposal facility site.

V. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and ta on the facility.

VI. Attach a description of sources, quantities and quality of effluent and waste solids.

VII. Attach a description of current liquid and solid waste transfer and storage procedures.

VIII. Attach a description of current liquid and solid waste disposal procedures.

IX. Attach a routine inspection and maintenance plan to ensure permit compliance.

X. Attach a contingency plan for reporting and clean-up of spills or releases.

XI. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will n adversely impact fresh water. Depth to and quality of ground water must be included.

XII. Attach such other information as is necessary to demonstrate compliance with any other OC rules, regulations and/or orders.

XIII. CERTIFICATION

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: JOHN R. DELANEY Title: GENERAL MANAGER

Signature: Date: MAY, 17, 1994

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Offic

I.

The major purpose of this facility is to compress natural gas.

This compressor station will be a "Low Pressure Gathering " compressor station. We will take gas from low pressure, boost the pressure, and move the gas to another part of our system. To accomplish this goal we will be using a 540 H.P., two stage, gas compressor.

At this facility we will have a scrubber in front of the compressor. This will remove the free liquids from the stream of natural gas before it is compressed. All liquids which are recovered from this facility will be contained by a 210 Bbl. tank which will be emptied into trucks as often as necessary, and transported to either market, or to a licensed disposal, which ever is applicable.

II.

The Owner/Operator of the facility will be:
LLano Inc. (505) 393-2153
921 W. Sanger
Hobbs, New Mexico 88240

Mr. J. R. Delaney (505) 393-2153
Manager; Operations
921 W. Sanger
Hobbs, New Mexico 88240

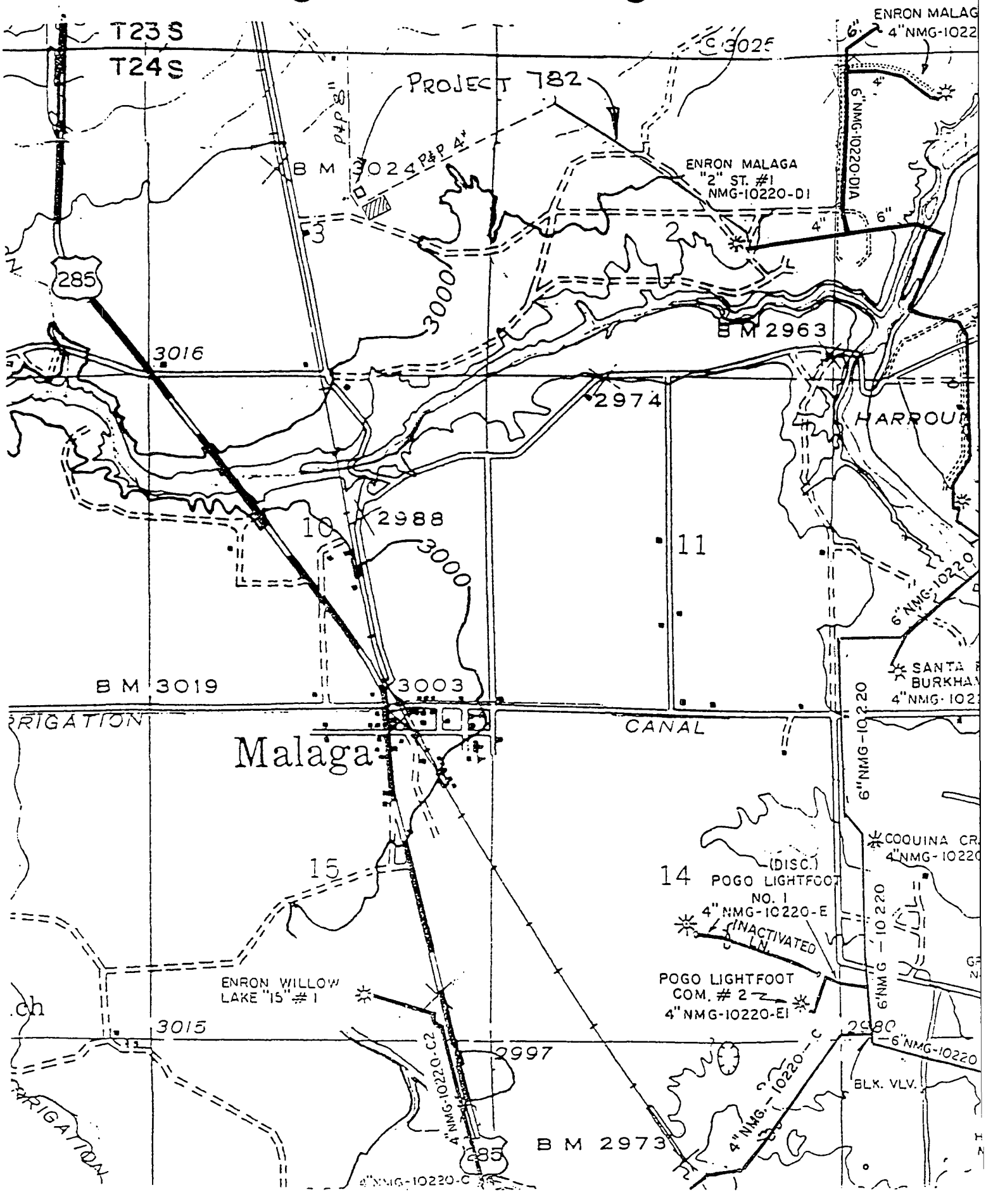
The Compressor unit, will belong to the below listed company. They will provide the compressors, and full maintenance on the unit.

Tidewater Compression Service, Inc.
4430 Brittmoore Road
Houston, Texas 77240
713-466-4103
Carlsbad, N. Mex. Office
Ray Trout (Service Rep. Maintaining Compressor)
887-3249

III.

Location: SW/4, of NE/4, Section 3, Township 24 S, Range 28 E, NMPM, EDDY County, New Mexico:

Attached please find a copy of the topographic map showing the location of the compressor station, along with a copy of the plan view of the single unit station.


T23S
T24S
PROJECT 782
C 3025
ENRON MALAG
4"NMG-1022
6"NMG-10220-D1A
ENRON MALAGA
"2" ST. #1
NMG-10220-D1
BM 3024 P&P A'
285
3016
3000
BM 2963
2974
HARROU
2988
10
11
3003
BM 3019
IRRIGATION
CANAL
Malaga
6"NMG-10220
SANTA F
BURKHA
4"NMG-102
COQUINA CR.
4"NMG-10220
(DISC.)
14
POGO LIGHTFOOT
NO. 1
4"NMG-10220-E
(INACTIVATED
15
ENRON WILLOW
LAKE "15" #1
POGO LIGHTFOOT
COM. # 2
4"NMG-10220-E1
3015
2997
2980
6"NMG-10220
BLK. VLV.
4"NMG-10220-C2
4"NMG-10220-C
BM 2973
285
6"NMG-10220-C

IV.

The land owner of the facility site is:

MARTHA G. STRIBLING etal
1931 SAN MATEO N.E.
ALBQ., NEW MEXICO 87110

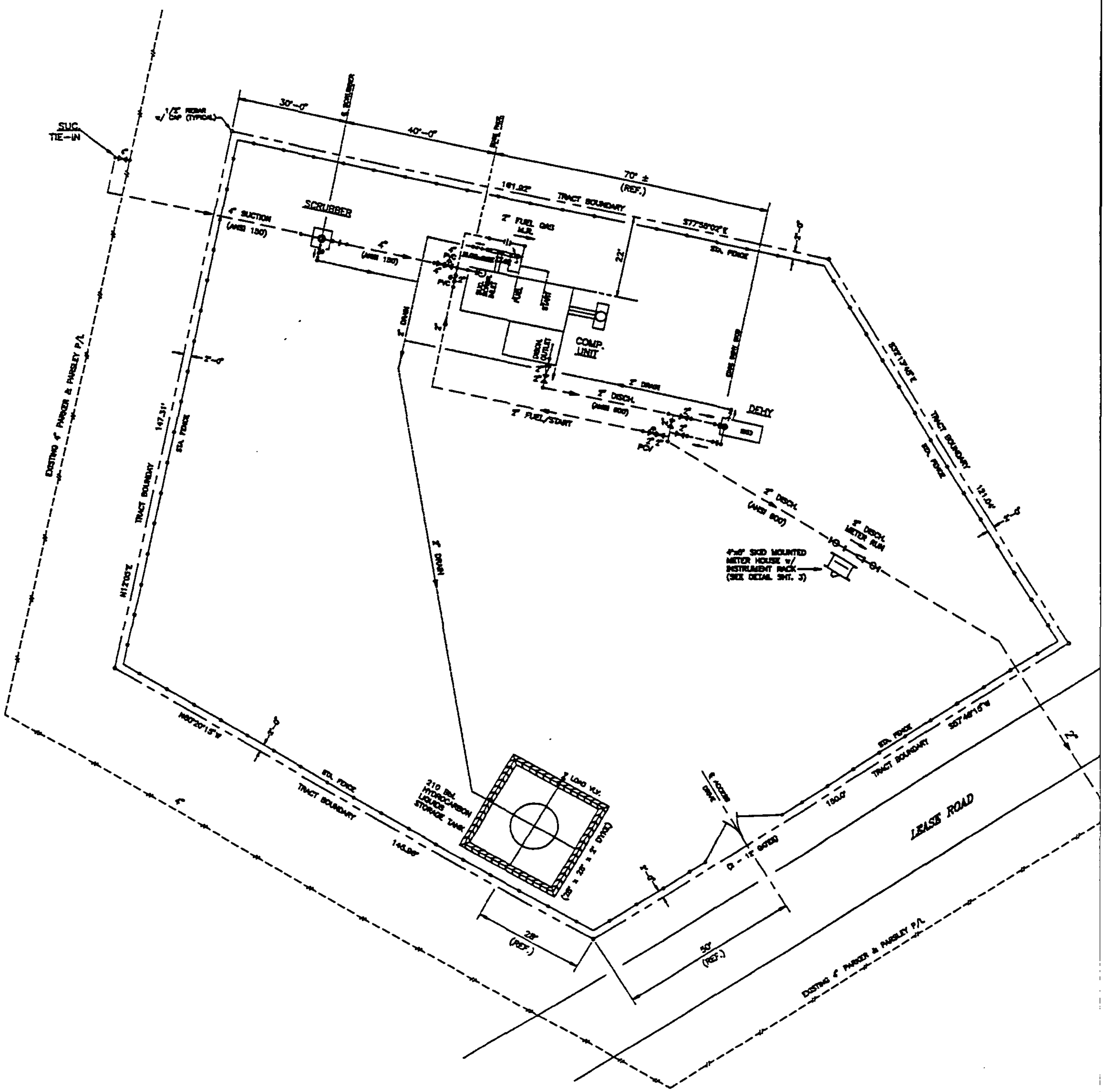
OPERATED "Run" BY:

STERLING WILLIAMS
ADDRESS UNKNOWN
Lives 2 - 3 Miles Easot of Loving, N.M
At corner of County Roads 714, and 738.
Eddy County New Mexico
(505) 745 - 3326

V. Facility Description

The proposed compressor station will consist of a skid - mounted, engine-driven gas compressor, an inlet separator, and a 210 barrel tank. (See attached diagram of the facility.)

Natural gas will enter the compressor station from the west through a pipeline. The gas will be a commingled stream from various wells in the area. The gas will go through an inlet separator, before going into the compressors. After compression the gas will flow to the east through an existing LLano pipeline.



SUC.
TIE-IN
30'-0"
40'-0"
70' ±
(REF.)
TRACT BOUNDARY
SCRUBBER
4" SUCTION
(ANSI 150)
2" FUEL GAS
COMP.
UNIT
DEHY
2" DISCH.
2" FUEL/START
2" DRAIN
147.31'
STD. FENCE
131.04'
146.96'
150.0'
28'
(REF.)
50'
(REF.)
LEASE ROAD
EXISTING 4" PARKER & PARSLEY P/L
210 Bbl.
HYDROCARBON
LIQUIDS
STORAGE TANK
4'x8' SKID MOUNTED
METER HOUSE w/
INSTRUMENT RACK
(SEE DETAIL SHT. 3)

VI. Sources, Quantities, & Quality of Effluent & Waste Solids

1) ENGINE COOLING WATER - The engine driving the compressor contains approximately 220 gallons of a 50% antifreeze, 50% water mixture for cooling purposes. This is a closed loop system and normally requires no make-up.

2) SEPARATORS - The inlet separator, and scrubber (located on the compressor skid) remove an estimated 0 to 12 BBL/day of water and an estimated 0 to 40 BBL/day of hydrocarbon liquids depending upon ambient conditions, and other factors involved in the transmission of natural gas.

3) WASTE LUBRICATION OILS - The compressors contains approximately 25 gallons of lubricating oil and the engine contains approximately 28 gallons of lubrication oil. The lubrication oil is a standard 30 or 40 weight oil and replaced approximately every 5000 hours of run time, or as required by oil analysis.

The waste water and hydrocarbon liquids will be commingled within the facility. Individual rates, volumes and concentrations should not vary beyond the ranges identified above. All process units will be self-contained to prevent unintentional or inadvertent discharges and spills.

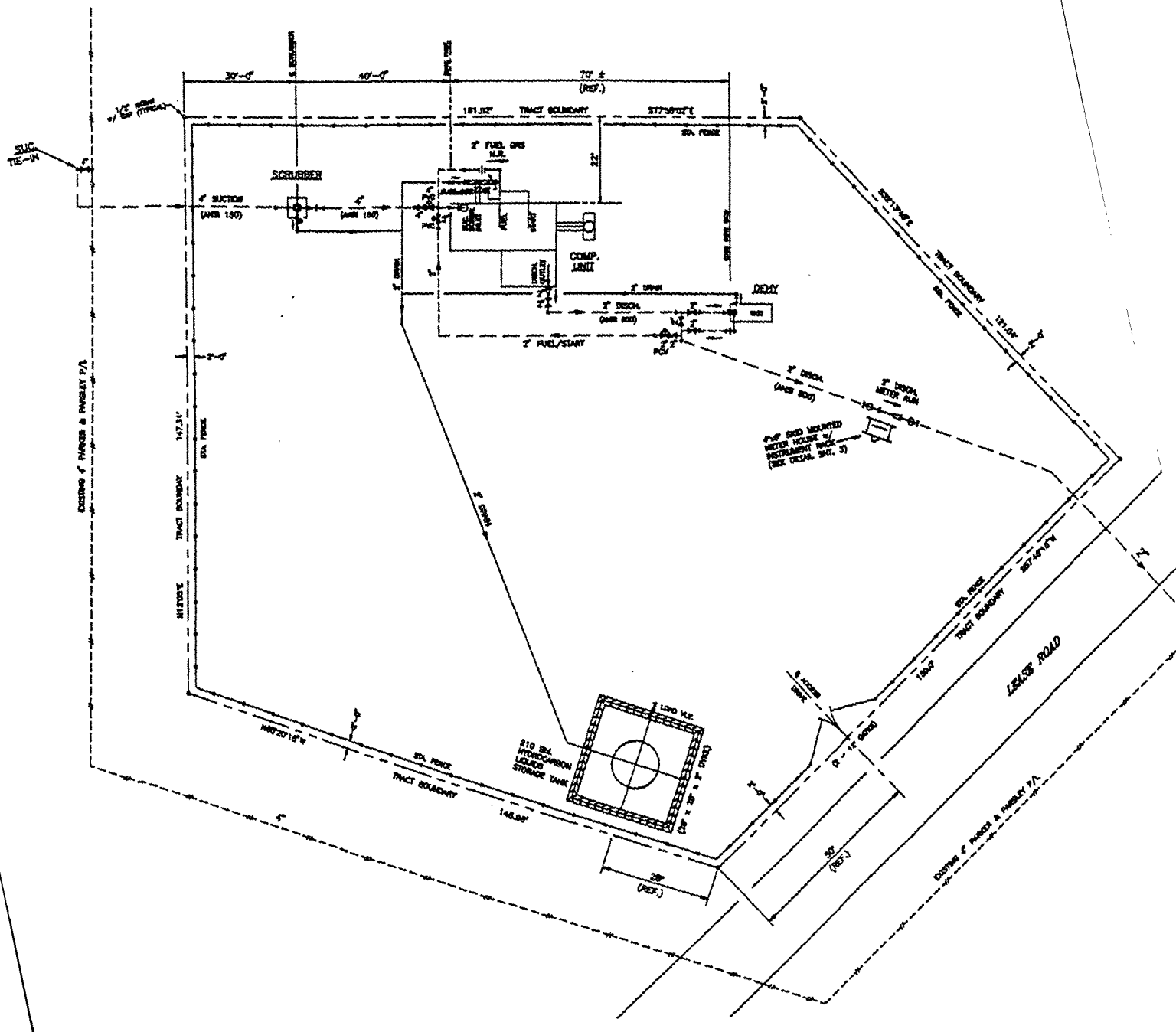
VII. TRANSFER & STORAGE OF PROCESS FLUIDS & EFFLUENTS

Waste water and hydrocarbon liquids are collected in the inlet separator, the compressor scrubber, and the blowcase. The waste water and hydrocarbon liquids are commingled and piped to a closed storage tank. (See attached facility schematic).

The inlet separator, and compressor scrubber, are each pressurized. The closed storage tank will be maintained and checked on a daily bases.

The closed storage tank is a standard API 210 Barrel tank. The tank will be constructed above ground level with an earthen dike enclosure to provide secondary containment equal to one-third greater than the tank capacity.

Waste lubrication oil and foundation drains are piped to above ground pipe blowcases. The blowcases will be pressured as required to send the waste lubrication oil to a closed storage tank for that purpose.


SCRUBBER
COMP. UNIT
DEHY
LEASE ROAD
TRACT BOUNDARY
EXISTING 4" PARKER & PARSLEY P/L

VIII.

This is not a disposal site for EFFLUENT Liquid.

As previously stated, the purpose of this site is to compress natural gas. There will be some produced water, and condensate which will be recovered from the natural gas. These liquids will be stored in a 210 Bbl. tank, and will be hauled from location. The produced water will be disposed of by a trucking company, either Rowland Trucking, or AA Oilfield Service. Both of these companies have approved disposal wells which they use, and charge us for the disposal of the produced water.

The condensate will be sold to a refinery. The refinery of choice will be elected by price, and they will pick up the condensate from the storage tank and transport it to their facility.

The used engine lubricants, and engine coolants will be handled by Tidewater Compressor Service. The Compressor will be a rental unit, and the owner will preform all maintenance required on this unit. This is inclusive of disposing of any and all used filters etc., which are generated from this compressor.

The storage tank will be monitored by our operators on a daily bases. Our operators will be reporting to their supervisor by mobile communications if this tank should need any further attention. Our supervisors have the means to order a truck to haul liquid at the time our operator's report to him. With this type of check, and safety check, there should be no ground water contamination to contend with.

Simply stated, if the liquid is contained in the tank, then it cannot contaminate the ground, or ground water.

IX.

This facility will have an operator which will check the operations of the facility on daily bases. The operator will report the functioning of the compressor, and a log will be kept of the units. If the operator should locate any problem in any of the equipment, what-so-ever, he will report the problem to his supervisor. Each operator is equipped with mobile communications, which 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 our emergency report and operating plan would be implemented.

Fluids will be collected inside pressure vessels. These vessels will be ASME stamped, approved, pressure vessels. Therefore, no precipitation can be collected in them, or commingled with produced fluids.

The compressor units 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 210 Bbl. above ground storage tank. As previously stated the contents of this tank will be hauled by truck as often as necessary to assure proper levels are maintained.

X.

Our contingency plan for cleaning up spills, and reporting same is not complicated. We have a supervisor on call who is available on 24 hours a day. There are administrative support supervisors available when ever needed.

If a spill should occur, the supervisor on duty would start the field operations of the clean-up, by first stopping the source of the spill, and containing all fluids that he possibly can. The on duty supervisor would notify the support people of the situation. The OCD would be notified pursuant to rule 116, and a contractor would be dispatched at that time to start clean up. The land owner would be notified, and all measures would be taken to protect his live-stock, as well as any wild animals.

All clean up would be carried out in an approved manner, and all necessary waste would be dealt with accordingly.

XI. SITE CHARACTERISTICS

A. There have been no water wells located with in one mile of the location of this compressor station. Therefore no laboratory analysis of water from wells has been submitted.

This is not a disposal site. So we would not adversely effect any water, ground, or other environmental state with the disposal of waste.

(ALSO SEE SECTION 5)