

GW - 191

**GENERAL
CORRESPONDENCE**

YEAR(S):

2006 - 1994



August 30, 2006

Mr. Wayne Price
New Mexico Oil Conversation Division
1220 So. St. Francis Drive
Santa Fe, New Mexico, 87505

Re: **Former Hobbs Gas Plant – GW-191**
2006 Semi-Annual Groundwater Monitoring Report and
Site Closure Request
Lea County, New Mexico

Dear Mr. Price:

Enclosed please find the 2006 Semi-Annual Groundwater Monitoring Report and Request for Site Closure Request for the above referenced facility.

This site is currently on a Semi-Annual sampling and annual reporting schedule. However, the results from the May 2006 sampling event indicate that all constituents of concern have been under their respective WQCC cleanup guidelines for four (4) consecutive semi-annual events (8 consecutive quarters).

All monitor wells have been below detection limits for BTEX constituents since November of 2004, therefore we are requesting for no further action with respect to groundwater monitoring at this facility.

If you have any questions or require additional information, please contact me at (713) 369-9193.

Sincerely,
KINDER MORGAN, INC.


John M. Greer
Manager, Environmental Remediation

JOHN GREER @
KINDERMORGAN.COM

cc: New Mexico OCD – Hobbs
Barry Andrews – Excel Energy

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Wednesday, September 27, 2006 4:45 PM
To: 'john_greer@kindermorgan.com'
Cc: Johnson, Larry, EMNRD
Subject: Hobbs Gas Plant GW-191

OCD is in receipt of the semi-annual groundwater monitoring report and site closure request dated August 30, 2006. OCD hereby approves of your request. Please submit a final report with photo documentation with your request to terminate the discharge plan within 60 days.

9/27/2006

Price, Wayne

From: Price, Wayne
Sent: Tuesday, June 22, 2004 10:58 AM
To: John Greer (E-mail)
Cc: Sheeley, Paul; Johnson, Larry
Subject: Former Hobs Gas Plant-GW-191

OCD is in receipt of the December 23, 2003 Delineation Work Plan and hereby approves of the plan. Please submit your field activity report by September 17, 2004.

Sincerely:

Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us



December 23, 2003

Mr. Wayne Price
New Mexico Oil Conversation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505


Re: Former Hobbs Gas Plant – GW-191
Work Plan for Delineation
Lea County, New Mexico

Dear Mr. Price:

Enclosed please find the Delineation Work Plan which you requested for the referenced project. We are researching the property ownership and will hope to secure off-site access in early 2004

If you have any questions or require additional information, please contact me at (713) 369-9193.

Sincerely,
KINDER MORGAN, INC.



John M. Greer
Manager, Environmental Remediation

cc: Donna Williams – New Mexico OCD – Hobbs
Barry Andrews – Xcel Energy
John Daniels - TRC



December 22, 2003

Mr. John Greer
Manager, Environmental Remediation
Kinder Morgan, Inc.
One Allen Center, Suite #1000
Houston, TX 77002

**Re: Contaminant Plume Delineation Work Plan
Former Hobbs Gas Plant (Lea County), New Mexico
TRC Environmental Corporation Project #40299**

Dear Mr. Greer:

TRC Environmental Corporation ("TRC") is pleased to provide Kinder Morgan ("KM") with this Work Plan to delineate the groundwater contaminant plume of hydrocarbons and to re-complete monitor well MW-6 at the above-referenced location. These activities were requested (via e-mail) by the New Mexico Oil Conservation Division (OCD) on October 23, 2003. Ten monitor wells (eight on-site and two off-site) have been installed and periodically gauged and sampled since 1996. Monitor wells MW-1 through MW-6, MW-8, and MW-9 are on-site, while monitor wells MW-7 and MW-10 are located off-site on the adjacent Excel Energy Cunningham Power Station property. These monitor wells range in depth from 60 feet to 70 feet below grade.

BACKGROUND AND OBJECTIVE

The former gas plant, which is now closed and partially dismantled, has confirmed groundwater impacts due to condensate. TRC personnel observed a sheen at monitor well MW-7 during a scheduled sampling event in August 2003. Similarly, a low concentration of toluene (0.0012 mg/L) was detected at monitor well MW-10. Both facts are a first for these monitor wells. Natural water levels have continued to drop on average about 6.0 feet since October 1996. Since October 2001, monitor well MW-6 (62.7 feet deep) has been dry. Prior to this date, monitor well MW-6 has exhibited benzene concentrations above the state guideline level of 0.01 mg/L.

The objective of this Work Plan is to satisfy the OCD's requests; therefore, TRC will drill, install, develop, purge, and sample two additional monitor wells (MW-11 and MW-12). These monitor wells will be installed downgradient (to the southeast) of existing monitor wells MW-7 and MW-10 (see Figure 1). Data will be evaluated to determine whether the lateral limit of dissolved-phase hydrocarbons has been defined. If the lateral limit has not been clearly defined by the installation of monitor wells MW-11 and MW-12, then additional monitor wells will likely be installed and sampled at a greater lateral distance.

TRC will also complete a deeper well adjacent to monitor well MW-6. The three proposed monitor wells will be completed to approximately 80 feet below grade due to the drop of natural water levels in the site area.

This Work Plan is a concise statement of the field drilling, sampling, laboratory analysis, QA/QC, well surveying, and schedule.

MONITOR WELL DRILLING AND DEVELOPMENT

Each monitor well location will be advanced by air rotary drilling techniques to a depth of approximately 80 feet below grade. Cuttings from the air rotary drilling will be collected, described, and field screened with a photo-ionization detector (PID). One soil sample each from monitor well MW-11 and MW-12 will be retained for laboratory analysis. The sample depth will be determined by the TRC geologist and PID readings. After the boring has been advanced through the water-bearing unit, the PVC casing and the slotted well screen will be lowered into the boring. Flush threaded, four-inch-diameter, Schedule 40 PVC casing will be utilized. The screen length is anticipated to be 20 feet and the well will be completed using blank casing extending up about two feet above the ground surface. The borehole annulus will be gravel packed with sand to about five feet above the top of the screen. Bentonite pellets will be added and allowed to swell to produce a seal of at least three feet in thickness. A fluid mixture of cement will be pumped through a tremie pipe into the well annulus from the top of the bentonite seal to the ground surface. The cuttings will be temporarily contained in metal 55-gallon drums. Following installation, each monitor well will be developed until the pH, conductivity, and temperature stabilizes. The extracted water will be containerized.

SAMPLING AND LABORATORY PARAMETERS

After the monitor wells have been developed and allowed to equilibrate with the groundwater for at least 24 hours, a sampling event will be conducted. The purging and sampling will be conducted in accordance with the USEPA guidelines (EPA/540/S-95/504) for low-flow. Water quality parameters (e.g., pH, specific conductance, turbidity, temperature, dissolved oxygen, and oxidation reduction potential) will be measured using an in-line flow-through cell. Purging will continue until these parameters have stabilized. An alternate purging and sampling method will be hand bailing. This technique will be used if an insufficient water column is present in the monitor wells.

Sample containers will be sealed, labeled, and placed on ice in a cooler to maintain a temperature of four degrees Centigrade. A standard chain-of-custody form will be completed and accompany the samples to Trace Analysis, Inc. of Lubbock, Texas. The groundwater samples will be analyzed for: 1) benzene, toluene, ethylbenzene, and xylenes (total) [BTEX] by USEPA Method 8021B; and 2) chlorides by USEPA Method 300.0. The soil samples will be analyzed for BTEX.

QUALITY ASSURANCE/QUALITY CONTROL (QA/QC)

QA/QC measures will be undertaken so that the work performed will be of proper quality to accomplish project objectives. This includes the collection and analysis of a trip blank, method blanks, and laboratory control spikes.

WELL SURVEYING

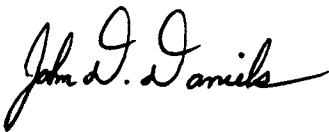
A registered State of New Mexico surveyor will complete surveying of monitor wells MW-6 (new), MW-11, and MW-12. The top of casing elevations will be tied to the existing monitor well network. The purpose of measuring the monitor wells is to calculate the hydraulic gradient (direction of groundwater flow). TRC personnel will measure and record static groundwater levels in the new wells after development. Similarly, groundwater levels will also be measured in monitor wells MW-1 through MW-10. From these measurements, the hydraulic gradient can be updated and established for the site area.

SCHEDULE & REPORTING

Implementation of the Work Plan will begin after approval has been received from the OCD and upon receiving off-site access from the property owner. It is assumed that the Work Plan will be implemented during the first quarter of 2004. A field activity report will be submitted upon completion and receipt of the laboratory analytical results.

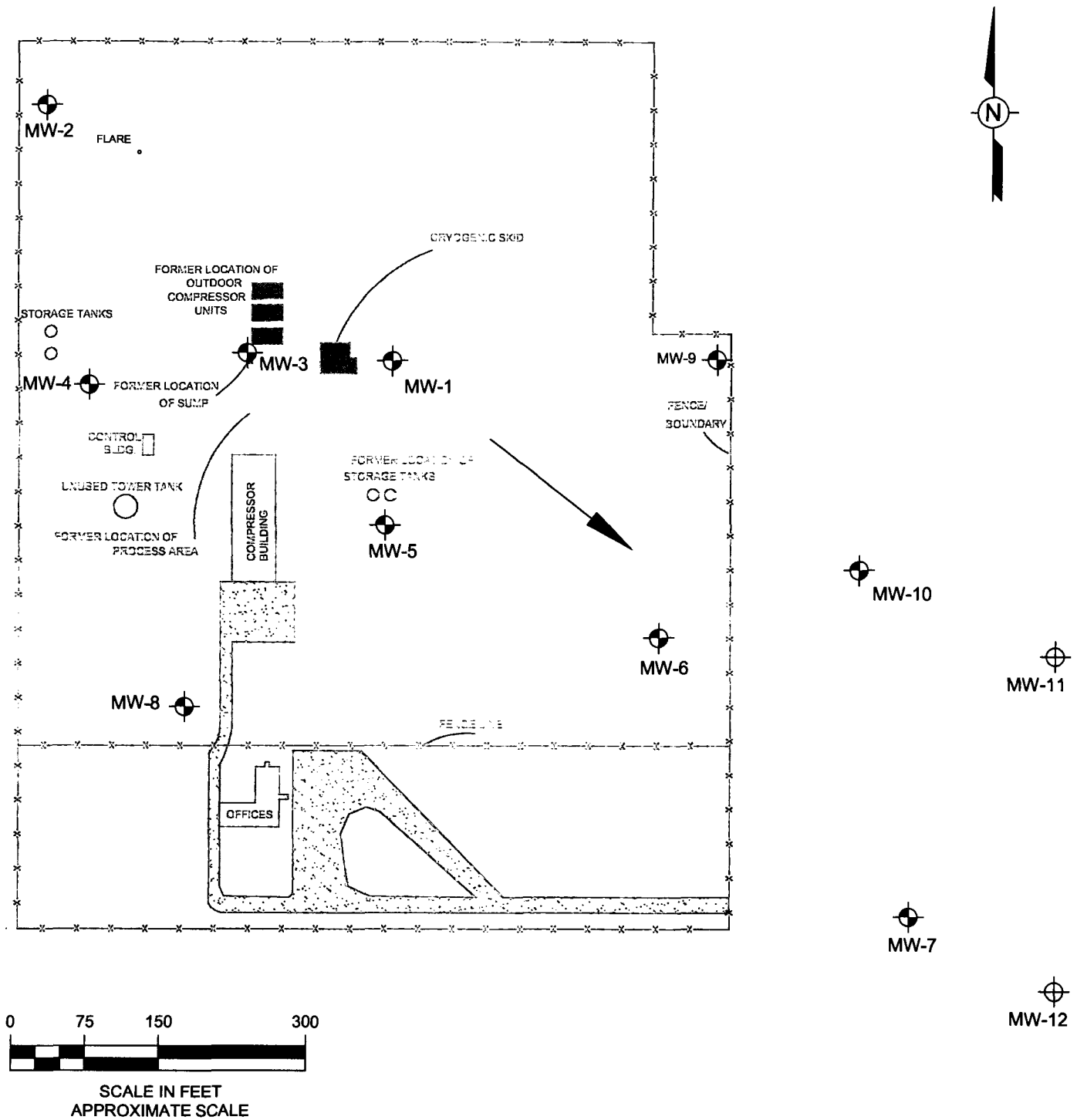
TRC looks forward to assisting KM and OCD on this project. Please call me at 713.821.6004 if you have any questions.

Respectfully submitted,
TRC ENVIRONMENTAL CORPORATION



John D. Daniels, P.G.
Senior Project Manager

cc: Project File



LEGEND

- EXISTING MONITOR WELL LOCATION
- PROPOSED DELINEATION WELL
- GROUNDWATER GRADIENT (AUG - 2003)

SITE MAP AND PROPOSED MONITOR WELL LOCATIONS

KINDER MORGAN

FORMER HOBBS GAS PLANT
LEE COUNTY, NEW MEXICO

PROJECT NO.: 40299

DATE: 12/03

TRC
Environmental Corporation
Customer-Focused Solutions

2313 W. SAM HOUSTON PARKWAY N.
STE. 107
HOUSTON, TEXAS 77043
713-821-7000

FIGURE

1

Price, Wayne

From: Price, Wayne
Sent: Thursday, October 23, 2003 11:27 AM
To: 'john_greer@kindermorgan.com'
Subject: Former Hobbs Gas Plant GW-191

Contacts: John Greer

Dear Mr. Greer:

The OCD is in receipt of the 2002 Annual Groundwater Monitoring Report and has determined that additional delineation of the contamination plume is require including re-completing MW-6. Please submit a plan for OCD approval by December 15, 2003.

Sincerely:

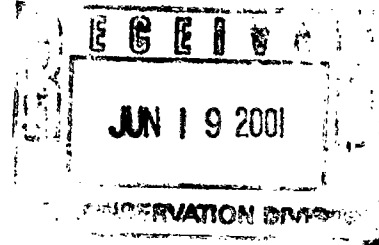
Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us



VIA FED EX - 825569970827

June 18, 2001

Mr. Wayne Price
New Mexico Oil Conversation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



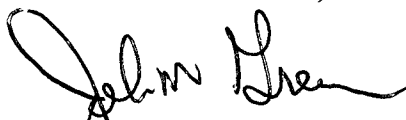
Re: Former Hobbs Gas Plant – GW-191
Discharge Plan Renewal
Lea County, New Mexico

Dear Mr. Price:

Enclosed please find check number 84774 in the amount of two thousand six hundred dollars (\$2,600.00) for the Discharge Plan GW-191 Fee.

If you have any questions or require additional information, please contact me at (713) 369-9193.

Sincerely,
KINDER MORGAN, INC.



John M. Greer
Environmental Coordinator

cc: Ms. Donna Williams – New Mexico OCD – Hobbs
Mr. Lou Saldano – Transwestern Pipeline Company
Mr. Shane Estep – Eco-logical Environmental Services Inc.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. dated 6/12/01
or cash received on in the amount of \$ 2600⁰⁰
from KINDER MORGAN
for HOBBS GAS PLANT GW-191
Submitted by: WAYNE PRICE (Facility Name) Date: 6/22/01 (DP No.)
Submitted to ASD by: [Signature] Date: "
Received in ASD by: Date:
Filing Fee New Facility Renewal ✓
Modification Other
Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

KINDER MORGAN

Wachovia Bank, N.A.
Greenville, South Carolina
In Cooperation with & Payable
If Desired at Wells Fargo Bank, N.A.
4759-624067

67-1
532

NO.

DATE 06/12/01

PAY Two Thousand Six Hundred and NO/100 Dollars

PAY THIS AMOUNT

*****2600.00

TO THE
ORDER
OF

NEW MEXICO WATER QUALITY MANAGEMENT FUND

C/O NM OIL CONSERVATION DIVISION
1220 SOUTH ST FRANCIS DRIVE
SANTA FE NM 87505

KINDER MORGAN INC. & AFFILIATES
ACCOUNTS PAYABLE

C Paul [Signature]
AUTHORIZED SIGNATURE

publication

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2002

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 applica-
tions has been submitted
to the Director of the Oil
Conservation Division,
1220 S. Saint Francis
Drive, Santa Fe, New
Mexico 87505, Telephone
(505) 476-3440:

(GW-199) - Champion
Technologies, Inc.,
Ralph Corry,
Environmental
Specialist, P.O. Box
450499, Houston, Texas
77245-0499, has submit-
ted a discharge plan
application for renewal
of their previously
approved discharge
plan for the Hobbs oil-
field chemical distribu-
tion site located in the
NE/4 SE/4, Section 15,
Township 19 South,
Range 38 East, NMPM,
Lea County, New
Mexico. Ground water
most likely to be affect-

ed in the event of an
accidental discharge is
at a depth of approxi-
mately 44 feet with a
total dissolved solids
concentration of
approximately 1,036
mg/l. The discharge plan
consists of a waste
management plan, soil
and groundwater reme-
diation, sampling and
monitoring program to
be conducted until the
groundwater meets
standards as contained
in 20 NMAC 6.2.3103 of
the New Mexico Water
Quality Control
Commission (WQCC)
Regulations.

(GW-004) - Dynegy
Midstream Services, LP,
Cal Wrangham, ES&H
Adviser, 6 Desta Drive,
Suite 3300, Midland,
Texas 79705, has sub-
mitted an application for
renewal of their previ-
ously approved dis-
charge plan for the for-
mer Texaco Eunice-
North Gas Plant located
in the SE/4 of Section
28, Township 21 South,
Range 37 East, NMPM,
Lea County, New
Mexico. The gas plant
has been converted to a
natural gas compressor
station with a combined
horsepower rating of
18,000 HP. The dis-
charge plan consists of
a gas plant decommis-

sioning plan, a waste
management plan, soil
and groundwater reme-
diation, sampling and
monitoring program to
be conducted until the
groundwater meets
standards as contained
in 20 NMAC 6.2.3103 of
the New Mexico Water
Quality Control
Commission (WQCC)
Regulations.

(GW-003) - Dynegy
Midstream Services, LP,
Cal Wrangham, ES&H
Adviser, 6 Desta Drive,
Suite 3300, Midland,
Texas 79705, has sub-
mitted an application for
renewal of their previ-
ously approved dis-
charge plan for the for-
mer Texaco Eunice-
South Gas Plant located
in the SW/4 of Section
27, Township 22 South,
Range 37 East, NMPM,
Lea County, New
Mexico. The gas plant
has been converted to a
natural gas compressor
station with a combined
horsepower rating of
18,000 HP. The dis-
charge plan consists of
a gas plant decommis-

sioning plan, a waste
management plan, soil
and groundwater reme-
diation, sampling and
monitoring program to
be conducted until the
groundwater meets
standards as contained
in 20 NMAC 6.2.3103 of
the New Mexico Water
Quality Control
Commission (WQCC)
Regulations.

(GW-191) - Kinder-
Morgan Inc., John
Greer, Environmental
Coordinator, One Allen
Center 500 Dallas Street
Suite 1000, Houston,
Texas 77002, has sub-
mitted an application for
renewal of their previ-
ously approved dis-
charge plan for the for-
mer Hobbs Gas Plant
located in the SE/4 of
Section 28, Township 18
South, Range 36 East,
NMPM, Lea County, New
Mexico. The discharge
plan consists of a
groundwater remedia-
tion, sampling and mon-
itoring program to be
conducted until the
groundwater meets
standards as contained
in 20 NMAC 6.2.3103 of
the New Mexico Water
Quality Control
Commission (WQCC)
Regulations.

(GW-230) - T&C Tank
Rental and Anchor
Services, Mark Spolton,
P.O. Box 1197, Denver
City, Texas 79323, has
submitted an applica-
tion for renewal of their
previously approved
discharge plan for the
oil field service facility

located in the NE/4 NE/4
of Section 30, Township
18 South, Range 38
East, NMPM, Lea
County, New Mexico.
All wastes generated
will be stored in closed
top above ground stor-
age tanks prior to off-
site disposal or recy-
cling at an OCD
approved site. Ground
water most likely to be
affected in the event of
an accidental discharge
is at a depth of approxi-
mately 55 feet with a
total dissolved solids
concentration between
300 mg/l and 700 mg/l.
The discharge plan
addresses how spills,
leaks, and other acci-
dental discharges to the
surface will be man-
aged.

Any interested person
may obtain further infor-
mation from the Oil
Conservation Division and
may submit written com-
ments to the Director of
the Oil Conservation
Division at the address
given above. The dis-
charge 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 pro-
posed 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 inter-
ested 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 informa-
tion submitted at the hear-
ing.

GIVEN under the Seal of
New Mexico Oil
Conservation
Commission at Santa Fe,
New Mexico, on this 8th
day of February 2001.

STATE OF
NEW MEXICO
OIL CONSERVATION
DIVISION
S/LORI WROTENBERY,
Director
SEAL
Published in the Lovington
Daily Leader February 11,
2001.

Amund 2/26/01
[Signature]

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, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-199) - Champion Technologies, Inc., Ralph Corry, Environmental Specialist, P.O. Box 450499, Houston, Texas 77245-0499, has submitted a discharge plan application for renewal of their previously approved discharge plan for the Hobbs oilfield chemical distribution site located in the NE/4 SE/4, Section 15, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 44 feet with a total dissolved solids concentration of approximately 1,036 mg/l. The discharge plan consists of a waste management plan, soil and groundwater remediation, sampling and monitoring program to be conducted until the groundwater meets standards as contained in 20 NMAC 6.2.3103 of the New Mexico Water Quality Control Commission (WQCC) Regulations.

(GW-004) - Dynege Midstream Services, LP, Cal Wrangham, ES&H Adviser, 6 Desta Drive, Suite 3300, Midland, Texas 79705, has submitted an application for renewal of their previously approved discharge plan for the former Texaco Eunice-North Gas Plant located in the SE/4 of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. The gas plant has been converted to a natural gas compressor station with a combined horsepower rating of 18,000 HP. The discharge plan consists of a gas plant decommissioning plan, a

waste management plan, soil and groundwater remediation, sampling and monitoring program to be conducted until the groundwater meets standards as contained in 20 NMAC 6.2.3103 of the New Mexico Water Quality Control Commission (WQCC) Regulations.

(GW-003) - Dynege Midstream Services, LP, Cal Wrangham, ES&H Adviser, 6 Desta Drive, Suite 3300, Midland, Texas 79705, has submitted an application for renewal of their previously approved discharge plan for the former Texaco Eunice-South Gas Plant located in the SW/4 of Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The gas plant has been converted to a natural gas compressor station with a combined horsepower rating of 18,000 HP. The discharge plan consists of a gas plant decommissioning plan, a waste management plan, soil and groundwater remediation, sampling and monitoring program to be conducted until the groundwater meets standards as contained in 20 NMAC 6.2.3103 of the New Mexico Water Quality Control Commission (WQCC) Regulations.

(GW-191) - Kinder-Morgan Inc., John Greer, Environmental Coordinator, One Allen Center 500 Dallas Street Suite 1000, Houston, Texas 77002, has submitted an application for renewal of their previously approved discharge plan for the former Hobbs Gas Plant located in the SE/4 of Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico. The discharge plan consists of a groundwater remediation, sampling and monitoring program to be conducted until the groundwater meets standards as contained in 20 NMAC 6.2.3103 of the New Mexico Water Quality Control Commission (WQCC) Regulations.

(GW-230) - T&C Tank Rental and Anchor Services, Mark Spolton, P.O. Box 1197, Denver City, Texas 79323, has submitted an application for renewal of their previously approved discharge plan for the oil field service facility located in the NE/4

NE/4 of Section 30, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. All wastes generated will be stored in closed top above ground storage tanks prior to off-site disposal or recycling at an OCD approved site. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 55 feet with a total dissolved solids concentration between 300 mg/l and 700 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 8 Th. day of February 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
SIC: 1

S/ LORI WROTENBERY,
Director

Legal #68848
Pub. February 19, 2001

NOTICE OF PUBLICATION

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

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(GW-191) - Kinder-Morgan Inc., John Greer, Environmental Coordinator, One Allen Center 500 Dallas Street Suite 1000, Houston, Texas 77002, has submitted an application for renewal of their previously approved discharge plan for the former Hobbs Gas Plant located in the SE/4 of Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

The discharge plan consists of a groundwater remediation, sampling and monitoring program to be conducted until the groundwater meets standards as contained in 20 NMAC 6.2.3103 of the New Mexico Water Quality Control Commission (WQCC) Regulations.

(GW-230) - T&C Tank Rental and Anchor Services, Mark Spolton, P.O. Box 1197, Denver City, Texas 79323, has submitted an application for renewal of their previously approved discharge plan for the oil field service facility located in the NE/4 NE/4 of Section 30, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. All wastes generated will be stored in closed top above ground storage tanks prior to off-site disposal or recycling at an OCD approved site. Ground water most likely to be affected in the event of an accidental discharge is at a depth of approximately 55 feet with a total dissolved solids concentration between 300 mg/l and 700 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 8 Th. day of February 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

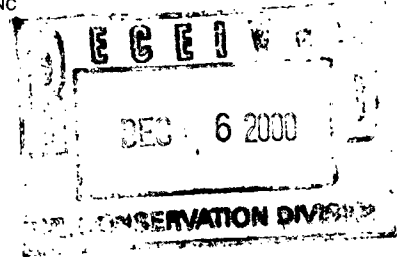


LORI WROTENBERY, Director

SEAL



December 4, 2000



Mr. Wayne Price
New Mexico Oil Conversation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Former Hobbs Gas Plant – GW-191
Discharge Plan Renewal
Lea County, New Mexico

Dear Mr. Price:

Enclosed please find check number 37411 in the amount of fifty dollars (\$50.00) for the Discharge Plan GW-191 Renewal Filing Fee.

In processing GW-191 Discharge Plan Renewal, Kinder Morgan, Inc. (KMI) respectfully requests the following modifications:

- 1) The name on the existing Discharge Plan GW-191 should be changed from KN Energy, Inc. to Kinder Morgan, Inc. This change represents a name change only as opposed to a change of ownership.
- 2) Please direct all future correspondence to:

John Greer
Kinder Morgan, Inc.
500 Dallas, Suite 1000
Houston, TX 77002
(713) 369-9193
- 3) As stated in previous correspondence, the former Hobbs Gas Plant has been dismantled and no longer operates as a gas plant. KMI proposes to change the Discharge Plan to apply as a Remediation facility rather than a gas plant. Therefore, KMI proposes to remit one-half of the Remediation flat fee for the renewal of GW-191.
- 4) Based on the results of the quarterly groundwater sampling data collected since 10/1996, KMI proposes a reduction in the groundwater monitoring frequency for the year 2001 from the current quarterly monitoring schedule to a semi-annual basis. The following monitor wells should be sampled during the first and third quarter of the year for these analyses:



MW-1	BTEX	
MW-3	BTEX	
MW-5	BTEX	
MW-6	BTEX	Chlorides
MW-7	BTEX	Chlorides
MW-9	BTEX	Chlorides
MW-10	BTEX	Chlorides

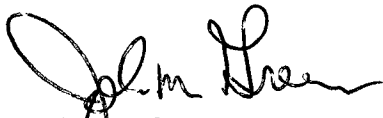
In addition, groundwater level measurements from all monitor wells (including MW-2, MW-3, and MW-4) will be collected during each sampling event.

- 5) Consistent with the current reporting requirements, an Annual Groundwater Monitoring and Sampling report will be submitted to the OCD by February 1 of each year. A review of data from each annual report will be made and recommendations for future groundwater monitoring schedules and frequencies will be made.

I have attached a table summarizing the data collected during the year 2000 (and prior years) to assist you in approving this request for a reduction in groundwater monitoring frequency. This data will be reported in the upcoming 2000 Annual Groundwater Monitoring and Sampling Report.

Thank you for taking time to meet with me on this project in Santa Fe on November 28, 2000. If you have any questions or require additional information, please contact me at (713) 369-9193.

Sincerely,
KINDER MORGAN, INC.



John M. Greer
Environmental Coordinator

cc: Ms. Donna Williams – New Mexico OCD – Hobbs
Mr. Lou Saldano – Transwestern Pipeline Company
Mr. Shane Estep – Eco-logical Environmental Services Inc.

Table 11 - MW-1
Historic Groundwater Analytical Results (mg/l)

Date	B	S	X	Phenol	Naphthalene	Chloride
02/14/86	0.003	<0.001	<0.001	0.008	--	--
02/29/86	<0.001	<0.001	<0.001	<0.001	--	--
04/20/86	0.305	<0.001	0.002	0.032	<0.001	0.017
10/23/86	0.352	<0.001	0.026	0.081	0.026	0.01
04/10/87	0.268	<0.001	0.012	0.034	<0.001	0.007
07/07/87	0.245	--	--	--	0.006	--
10/08/87	0.185	<0.001	0.012	<0.001	--	.003
01/06/88	0.158	<0.001	0.008	<0.001	--	0.002
04/03/88	0.109	<0.001	0.004	0.006	--	0.003
08/25/88	0.074	<0.001	0.002	0.003	--	<0.001
10/02/88	0.078	<0.005	<0.006	<0.005	--	<0.001
11/05/89	0.006	<0.001	<0.001	<0.001	--	--
04/01/89	<0.006	<0.006	<0.006	<0.005	--	--
07/14/89	<0.006	<0.006	<0.006	<0.005	--	--
10/22/89	<0.001	<0.001	<0.001	<0.001	--	--
01/25/00	0.001	<0.001	<0.001	<0.001	--	--
04/03/00	<0.006	<0.006	<0.006	<0.005	--	--
07/17/00	<0.006	<0.006	<0.006	<0.005	--	--
10/24/00	0.066	0.036	0.026	0.09	--	--

Shaded areas indicate over OCD Limits

Table 12 - MW-2
Historic Groundwater Analytical Results (mg/l)

Date	B	C	E	X	Phenol	Napthalene	Chloride
10/23/96	<0.001	<0.001	<0.001	<0.001	<0.001	<0.01	--
04/10/97	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	--
07/07/97	<0.001	--	--	--	--	--	--
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	19
01/08/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	27
04/03/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	96
06/25/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	25.0
10/02/98	0.002	<0.001	<0.001	<0.001	--	<0.001	--
01/06/99	Sampling discontinued as approved by OCD						

Table 13 - MW-3
Historic Groundwater Analytical Results (mg/l)

Date	B	C	E	X	Phenol	Napthalene	Chloride
10/23/96	0.001	<0.001	<0.001	<0.001	<0.001	<0.01	--
04/10/97	0.015	<0.001	<0.001	0.005	<0.001	<0.001	--
07/07/97	0.003	--	--	--	--	--	--
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	64
01/08/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	58
04/03/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	130
06/25/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	12
10/02/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	46
01/05/99	<0.001	<0.001	<0.001	<0.001	--	--	--
04/01/99	<0.001	<0.001	<0.001	<0.001	--	--	--
07/14/99	<0.001	<0.001	<0.001	<0.001	--	--	--
10/22/99	<0.001	<0.001	<0.001	<0.001	--	--	--
01/25/00	<0.001	<0.001	<0.001	<0.001	--	--	--
04/03/00	<0.005	<0.005	<0.005	<0.005	--	--	--
07/17/00	0.005	<0.005	<0.005	<0.005	--	--	--
10/24/00	0.002	0.008	<0.005	0.014	--	--	--

Shaded areas indicate over OCD Limits

Table 14 - MW-4
Historic Groundwater Analytical Results (mg/l)

Date	B	3	4	5	Phenol	Naphthalene	Chloride
10/23/96	<0.001	<0.001	<0.001	<0.001	<0.001	<0.01	--
04/10/97	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	--
07/07/97	<0.001	--	--	--	--	--	--
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	<10
01/06/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	10
04/03/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	58
06/25/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	11
10/02/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	18
01/05/99	Sampling discontinued as approved by OCD						

Table 15 - MW-5
Historic Groundwater Analytical Results (mg/l)

Date	B	3	4	5	Phenol	Naphthalene	Chloride
10/23/96	0.056	<0.001	0.006	0.071	<0.001	<0.01	--
04/10/97	0.045	<0.001	<0.001	0.063	<0.001	0.001	--
07/07/97	0.016	--	--	--	--	<0.001	--
10/08/97	0.06	<0.001	<0.001	<0.001	--	0.001	24
01/06/98	0.033	<0.001	<0.001	0.010	--	<0.001	27
04/03/98	0.037	<0.001	0.002	0.019	--	0.001	69
06/25/98	0.017	<0.001	<0.001	0.006	--	<0.001	23
10/02/98	0.011	<0.001	<0.001	<0.001	--	<0.001	87
01/06/99	0.005	<0.001	<0.001	<0.001	--	--	--
04/01/99	0.003	<0.001	<0.001	<0.001	--	--	--
07/14/99	<0.001	<0.001	<0.001	<0.001	--	--	--
10/22/99	<0.001	<0.001	<0.001	<0.001	--	--	--
01/25/00	<0.001	<0.001	<0.001	<0.001	--	--	--
04/20/00	<0.005	<0.005	<0.005	<0.005	--	--	--
07/17/00	<0.005	<0.005	<0.005	<0.005	--	--	--
10/24/00	<0.005	<0.005	<0.005	<0.005	--	--	--

Shaded areas indicate over OCD Limits

Table 16 - MW-6
Historic Groundwater Analytical Results (mg/l)

Date	B	C	E	C	Phenol	Naphthalene	Chloride
10/23/96	0.482	<0.001	<0.001	0.013	<0.001	<0.01	--
04/10/97	0.277	<0.001	<0.001	0.014	<0.001	<0.001	--
07/07/97	0.106	--		--	--	--	--
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	30
01/06/98	0.152	<0.001	<0.001	0.004	--	<0.001	31
04/03/98	0.166	<0.001	<0.001	0.008	--	<0.001	98
08/25/98	0.145	<0.001	<0.001	0.009	--	<0.001	28
10/02/98	0.157	<0.005	<0.005	0.012	--	<0.001	31
01/05/99	0.123	<0.001	<0.001	0.004	--	--	56
04/01/99	0.120	<0.001	<0.001	<0.005	--	--	31
07/14/99	0.093	<0.005	<0.005	<0.005	--	--	34
10/22/99	0.090	<0.001	<0.001	<0.001	--	--	31.5
01/25/00	0.106	<0.001	<0.001	<0.001			35.0
04/03/00	0.157	<0.005	<0.005	<0.005	--	--	33
07/17/00	0.128	<0.005	<0.005	<0.005	--	--	33
10/24/00	0.103	<0.005	<0.005	0.006	--	--	30

Shaded areas indicate over OCD Limits

Table 17 - MW-7
Historic Groundwater Analytical Results (mg/l)

Date	B	F	5	8	Phenol	Naphthalene	Chloride
01/09/97	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	—
04/10/97	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	--
07/07/97	<0.001	--	--	--	--	--	--
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	33
01/06/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	37
04/03/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	120
06/26/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	33
10/02/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	36
01/05/99	<0.001	<0.001	<0.001	<0.001	--	--	74
04/01/99	<0.001	<0.001	<0.001	<0.001	--	--	38
07/14/99	<0.001	<0.001	<0.001	<0.001	--	--	36
10/22/99	<0.001	<0.001	<0.001	<0.001	--	--	35.2
01/26/00	<0.001	<0.001	<0.001	<0.001	--	--	32.0
04/03/00	<0.001	<0.001	<0.001	<0.001	--	--	31
07/17/00	<0.001	<0.001	<0.001	<0.001	--	--	32
10/24/00	<0.001	<0.001	<0.001	<0.001	--	--	33

Table 18 - MW-8
Historic Groundwater Analytical Results (mg/l)

[illegible]

Table 19 - MW-9
Historic Groundwater Analytical Results (mg/l)

Date	B	X	Phenol	Naphthalene	Chloride
10/23/96	Well Not Installed				
04/10/97	<0.001	<0.001	<0.001	<0.001	<0.001
07/07/97	<0.001	--	--	--	41
10/08/97	<0.001	<0.001	<0.001	<0.001	680
01/06/98	<0.001	<0.001	<0.001	<0.001	490
04/03/98	<0.001	<0.001	<0.001	<0.001	480
06/25/98	<0.001	<0.001	<0.001	<0.001	290
10/02/98	<0.001	<0.001	<0.001	<0.001	200
01/05/99	<0.001	<0.001	<0.001	--	620
04/01/99	<0.001	<0.001	<0.001	--	280
07/14/99	<0.001	<0.001	<0.001	--	284
10/22/99	<0.001	<0.001	<0.001	--	279
01/25/00	<0.005	<0.005	<0.005	--	300
04/03/00	<0.005	<0.005	0.012	--	250
07/17/00	<0.001	<0.001	<0.001	--	96
10/24/00	<0.001	<0.001	<0.001	--	40

Shaded areas indicate over OCD Limits

Table 20 - MW-10
Historic Groundwater Analytical Results (mg/l)

Date	B	C	D	E	Pheno	Naphthalene	Chloride
10/23/96	Well Not Installed						
04/10/97	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	--
07/07/97	<0.001	--	--	--	--	--	8.8
10/08/97	<0.001	<0.001	<0.001	<0.001	--	<0.001	110
01/06/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	101
04/03/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	180
06/25/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	140
10/02/98	<0.001	<0.001	<0.001	<0.001	--	<0.001	180
01/06/99	<0.001	<0.001	<0.001	<0.001	--	--	140
04/01/99	<0.001	<0.001	<0.001	<0.001	--	--	128
07/14/99	<0.001	<0.001	<0.001	<0.001	--	--	124
10/22/99	<0.001	<0.001	<0.001	<0.001	--	--	122
01/25/00	<0.001	<0.001	<0.001	<0.001	--	--	120
04/03/00	<0.001	<0.001	<0.001	<0.001	--	--	130
07/17/00	<0.005	<0.005	<0.005	<0.005	--	--	130
10/24/00	<0.001	<0.001	<0.001	<0.001	--	--	160

Price, Wayne

From: Price, Wayne
Sent: Wednesday, July 26, 2000 9:06 AM
To: 'Scott Springer'
Subject: RE: Waste disposal request

Your request is hereby approved subject to the following condition:

Please be advised that NMOCD approval of this waste disposal request does not relieve KN Energy of liability should their operations poses a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve KN Energy of responsibility for compliance with any other federal, state, or local laws and/or regulations.

From: Scott Springer[SMTP:scotts@iglobal.net]
Sent: Wednesday, July 26, 2000 8:58 AM
To: Price, Wayne
Subject: Waste disposal request

<<File: Ocdpmt.wpd>>

Wayne:

Here is the request for waste disopsal.

Call me if you need more information at 800-375-0100.

Thanks,

Scott Springer



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

July 24, 2000

Mr. Wayne Price
Bureau Chief
Environmental Bureau - OCD
2040 South Pacheco St.
Santa Fe, New Mexico 87505

RE: Disposal of Glycol dehydrator beads and amine contaminated soil from the former Hobbs Gas Plant.

Dear Mr. Price:

Eco-logical Environmental Services, Inc., acting as consultants for Kinder / Morgan (formerly KN Energy), requests approval from your agency to dispose of waste. The waste was generated at the Former KN Hobbs Gas Plant located on the Carlsbad Hwy, west of Hobbs. This request addresses the disposal of approximately twenty-five cubic yards of non-hazardous glycol dehydrator beads and amine contaminated soil that were generated during removal of the gas processing equipment. This waste will be disposed of in the Waste Control Specialists, LLC, located in Andrews, Texas, Permit number 50358.

Approval of this request will allow Kinder Morgan to expedite completion of this project and will not create any adverse impact to the facility's environment.

If you have any questions please give me a call at 800-375-0100.

Respectfully,

Scott Springer
Project Manager
Eco-logical Environmental Services, Inc.

Eco-logical

Environmental Services Inc.

July 24, 2000

Mr. Roger C. Anderson
Bureau Chief
Environmental Bureau - OCD
2040 South Pacheco St.
Santa Fe, New Mexico 87505

RE: Disposal of Glycol dehydrator beads and amine contaminated soil from the former Hobbs Gas Plant.

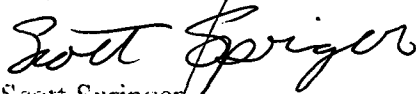
Dear Mr. Anderson:

Eco-logical Environmental Services, Inc., acting as consultants for Kinder / Morgan (formerly KN Energy), requests approval from your agency to dispose of waste. The waste was generated at the Former KN Hobbs Gas Plant located on the Carlsbad Hwy, west of Hobbs. This request addresses the disposal of approximately twenty-five cubic yards of non-hazardous glycol dehydrator beads and amine contaminated soil that were generated during removal of the gas processing equipment. This waste will be disposed of in the Lea Land, Inc. landfill, Permit No. SWM-131401 located in Lea County, New Mexico.

Approval of this request will allow Kinder Morgan to expedite completion of this project and will not create any adverse impact to the facility's environment.

If you have any questions please give me a call at 800-375-0100.

Respectfully,



Scott Springer
Project Manager
Eco-logical Environmental Services, Inc.

CANCELLED
REQUEST
7/26/00
THEY WANT TO SEND IT
TO TEXAS!
Lupriza



Mr. Jack Ford:
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

May 26, 2000
ECO # 279-512

Re.: Annual Groundwater Sampling Report
Kinder/Morgan, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

KM Energy

30

Dear Mr. Ford:

Eco-logical Environmental Services, Inc. (ECO) is submitting the Annual Groundwater Sampling Report for 1999.

Please note on page 35 in the Conclusions and Recommendations Section that we have requested a reduction in the sampling frequency to semi-annual from the current quarterly sampling schedule.

If you have any questions or need additional information please do not hesitate to call me or Scott Springer at 800-375-0100.

Respectfully Submitted,
Eco-logical Environmental Services, Inc.

A handwritten signature in cursive script, appearing to read "Shane Estep".

Shane Estep, REM
Project Manager

cc: Ms. Donna Williams, OCD - Hobbs, NM
Mr. John Greer, Kinder/Morgan, Inc., Houston, TX.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

Jennifer A. Salisbury
CABINET SECRETARY

Oil Conservation Div.
Environmental Bureau
2040 S. Pacheco
Santa Fe, NM 87505

March 15, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5050 9351

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, Colorado 80228-8304

RE: Discharge Plan Renewal Notice for KN-Energy, Inc. Facility

Dear Mr. Truscott:

KN-Energy, Inc. has the following discharge plan which expires during the current calendar year.

GW-191 expires 10/6/2000 – Hobbs Gas Plant

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

The discharge plan renewal application for each of the above facilities is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50.00 plus a flat fee equal to one-half of the original flat fee for gas plant 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.** (A copy of the discharge plan application form is enclosed to aid you in preparing the renewal application. A complete copy of the regulations is available on OCD's

Mr. Hayden C. Truscott
March 15, 2000
Page 2
website at www.emnrd.state.nm.us/ocd/.

If the above sited facility no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If the KN-Energy, Inc. has any questions, please do not hesitate to contact me at (505) 827-7152.

Sincerely,



Roger C. Anderson
Oil Conservation Division

cc: OCD Hobbs District Office

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

Article Sent To:

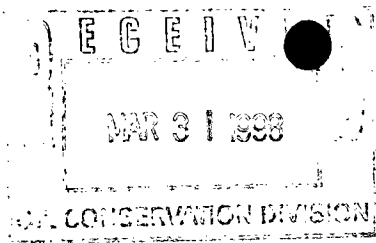
Postage \$
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees

Postmark Here

Name (Please Print Clearly) (To be completed by mailer)
H. TRUSCOTT
Street, Apt. No., or PO Box No.
KN Energy
City, State, ZIP+ 4
Lakewood GW-191

PS Form 3800, July 1999 See Reverse for Instructions

7099 3220 0000 5050 9353



New Mexico Oil Conservation Division
State Land Office Bldg.
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, NM 870504

March 20, 1998
ECO Job # 279-512

Re: K N Energy, Inc. - Former Hobbs Natural Gas Plant
Annual Sampling and Monitoring Report - January 6, 1998
Hobbs, New Mexico

Dear Sirs:

Eco-logical Environmental Services, Inc. (ECO) has completed the quarterly groundwater sampling at the Hobbs Natural Gas Plant in response to the OCD request. Findings, together with conclusions and suggested courses of action, are presented in the attached report. This report is the annual report required by the OCD.

Sincerely,

Eco-logical Environmental Services, Inc.

Carrie E. Eick
Project Manager

enclosure

cc Mr. Hayden Truscott, K N Energy, Inc. Lakewood, CO
Wayne Price, OCD Hobbs, NM
OCD Santa Fe, NM



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 9, 1998

CERTIFIED MAIL

RETURN RECEIPT NO. Z-357-869-924

Mr. Hayden C. Truscott
Environmental Manager
KN Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

**RE: Discharge Plan Fees GW-191
Hobbs Gas Plant
Lea County, New Mexico**

Dear Mr. Truscott:

In October, 1995, KN Energy (KN) received, via certified mail, an approval dated October 6, 1995 from the New Mexico Oil Conservation Division (OCD) for discharge plan GW-191. Each discharge plan has a filing fee and a flat fee as described in WQCC Section 3114 (see **attachment**). Two installment payments (\$667.00 each) of the flat fee have been received by the OCD for the Hobbs Gas Plant facility discharge plan GW-191. As of this date, February 9, 1998, there is a remaining amount of \$2,001.00. The last installment received by the OCD was March 25, 1996.

KN will submit the remaining \$2,001 flat fee in full by March 9, 1998 in order to be in compliance with Water Quality Control Commission Regulation 3114.B.6, or the OCD may initiate enforcement actions which may include fines and/or an order to cease all operations at the facility. Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions regarding this matter, please contact me at (505)-827-7152 or Mr. W. Jack Ford at (505) 827-7156.

Sincerely,

Roger Anderson
Environmental Bureau Chief

RCA/wjf

cc: Hobbs District OCD office

attachment

Z 357 869 924

US Postal Service
Receipt for Certified Mail

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

Sent to	Hayden Truscott
Street & Number	KN Energy
Post Office, State, & ZIP Code	Lakewood, CO
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-191

PS Form 3800, April 1995



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 12, 1998

Mr. Paul R. Tourangeau, Esq.
K N Energy, Inc.
P.O. Box 281304
Lakewood, Colorado 80228-8304

RE: HOBBS NATURAL GAS FACILITY, GW-191, LEA COUNTY, NEW MEXICO

Dear Mr. Tourangeau:

OCD is in receipt of your letter, dated December 22, 1997, regarding the exchange of certain reports covering activities at the above referenced facility. Enclosed are the exchanged reports which you requested.

If an error has been made in providing you with the proper exchanged reports please contact me at (505) 827-7156.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. Jack Ford".

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

enclosures (2)

cc: Wayne Price, Hobbs District Office



KN Energy, Inc.
370 Van Gordon Street
P.O. Box 281304
Lakewood, CO 80228-8304
(303) 989-1740

Paul R. Tourangeau
Senior Counsel
Direct: (303) 763-3316
Fax: (303) 763-3116

December 22, 1997

Mr. Jack Ford
State of New Mexico, Energy, Minerals and Natural Resources Dept.,
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RECEIVED

JAN 06 1998

Environmental Bureau
Oil Conservation Division

Re: Replacement of Two Quarterly Monitoring Reports, Hobbs Natural Gas Facility

Dear Mr. Ford:

On May 27 and July 28, 1997, KN Energy, Inc., or its consultant Eco-logical Environmental Services, Inc. on KN's behalf, submitted quarterly sampling and monitoring reports to Mr. Patricio Sanchez of the Oil Conservation Division (OCD) regarding KN's natural gas facility in Hobbs, New Mexico. Mr. Wayne Price of OCD, Hobbs, New Mexico, was provided with duplicates of the reports. The first report was entitled "Stage 1 Abatement Update and Quarterly Monitoring and Sampling (April 10, 1997), Hobbs Natural Gas Plant." The second report was entitled "Quarterly Sampling and Monitoring Report, July 7, 1997, Hobbs Natural Gas Plant."

These two reports were incorrectly and inadvertently submitted with a caption indicating that they were privileged, e.g., "privileged attorney-client communication" or "privileged and confidential attorney communication." Enclosed are reports identical to the two above-described reports, except for the removal of the privilege caption. KN Energy respectfully requests that you retrieve these two reports presently located in your files, return them to KN in the enclosed pre-addressed stamped envelope, and replace the reports with the enclosed documents. I spoke with Mr. Roger Anderson of OCD about this last week, and he agrees this is the proper course of action in this instance.

By copying this letter (with enclosures) to Mr. Wayne Price, I am hereby requesting that he also replace the same two reports presently in his files with the enclosed reports, and return the reports being replaced to me using the pre-addressed stamped envelope provided in the package sent to him.

Thank you for your cooperation in this matter. Please do not hesitate to call me with any questions or comments at (303) 763-3316.

Sincerely,

Paul R. Tourangeau
Senior Counsel

Enclosure(s)

cc: W. Price (w/enc.)
R. Anderson (w/o enc.)
H. Truscott (w/o enc.)



Oil Conservation Division
Attn.: Mr. Patricio Sanchez
2040 S. Pacheco
Santa Fe, NM 87505

May 27, 1997
ECO Job # 279-512

RECEIVED

MAY 30 1997

Environmental Bureau
Oil Conservation Division

Re: K N Energy, Inc. - Hobbs Natural Gas Plant
Abatement Plan Update Report
Hobbs, New Mexico

Dear Mr. Sanchez:

Eco-logical Environmental Services, Inc. (ECO) has completed the quarterly groundwater sampling and the additional delineation wells at the Hobbs Natural Gas Plant in response to the OCD request. Findings, together with conclusions and suggested courses of actions are presented in the attached Abatement Plan Update Report. Please contact Shane Estep or Carrie Eick at ECO (915/520-7535) if there are any questions.

Sincerely,

Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

enclosure

cc: Mr. Wayne Price - OCD, Hobbs, NM
Mr. Hayden Truscott - K N Energy, Lakewood, CO

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Sec OCD
File Copy.

**STAGE 1 ABATEMENT UPDATE
AND
QUARTERLY MONITORING AND
SAMPLING (April 10, 1997)
HOBBS NATURAL GAS PLANT
K N ENERGY, INC.
HOBBS, LEA COUNTY, NEW MEXICO**

Date Prepared:
May 10, 1997

RECEIVED

MAY 30 1997

Environmental Bureau
Oil Conservation Division

ECO Project No.:
279-512

Prepared For:
*New Mexico Oil Conservation Division
Mr. Patricio Sanchez*

On Behalf of:
K N Energy, Inc.

Prepared By:
*Eco-logical Environmental Services, Inc.
2200 Market St.
Midland, Texas 79703
915/520-7535*





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 19, 1997

CERTIFIED MAIL

RETURN RECEIPT NO. P-288-258-787

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

RE: Delineation Work Plan "Stage 1"
3 Additional Delineation wells
DISCHARGE PLAN GW-191
LEA COUNTY, NEW MEXICO

P 288 258 787

US Postal Service	
Receipt for Certified Mail	
No Insurance Coverage Provided.	
Do not use for International Mail (See reverse)	
Ship to	Mr. Truscott
Street & Number	KN-Energy Inc. 62441
Post Office, State, & ZIP Code	DELTA, CO 80424
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has received the letter dated March 10, 1997 from Eco-logical Environmental Services Inc. on behalf of KN-Energy, Inc. The additional monitor wells are being proposed as a result of the letter from OCD dated February 25, 1997 titled "Delineation Work Plan "Stage 1" - Approval."

The proposed location for the three additional delineation wells is approved with the following conditions:

1. The installation and completion of the wells will be done in a manner as previously approved by the OCD. (See the September 26, 1996 letter from OCD.)
2. Mr. Wayne Price from the OCD Hobbs District Office will be notified at (505)-393-6161 to witness the construction and installation of all monitoring wells and systems. (See letter dated February 25, 1997 from OCD.)

If you have any questions, please contact me at (505) 827-7156.

Sincerely,


Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau

- c: Mr. Jerry Sexton, OCD Hobbs - District Supervisor
Mr. Wayne Price, OCD Hobbs - Environmental Engineer



New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

March 13, 1997
ECO # 279-512

Re.: Delineation Work Plan "Stage 1" - Response
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

Dear Mr. Patricio Sanchez:

On behalf of K N Energy (KN), Eco-logical Environmental Services, Inc. (ECO) is responding to the OCD five point letter of February 25, 1997. KN intends to follow all points outlined in the letter as follows:

1. All initial water sampling for the three new monitor wells will include the entire suite of compounds of 20 NMAC 6.2.3103 with the exception of uranium, radioactivity, and PCBs.
2. Mr. Wayne Price will be notified prior to plant demolition and construction of all remediation projects and monitoring wells.
3. A letter has been sent to the OCD regarding the location of the additional monitor wells. A copy of this letter and map are attached.
4. KN has researched the land ownership of the plant and the surrounding area. SPS owns land that the plant is on and the surrounding property as well as the water rights. KN is in a long term lease with SPS for the plant property. A search for a plot plan map is underway and OCD will be provided with a copy when it is found.
5. Three additional wells are planned to be installed on April 7 to 10, 1997. Water sampling will occur that same week. Mr. Wayne Price will be contacted the week of March 31, 1997, to confirm the dates. It is anticipated that an updated report will be submitted to the OCD by May 25, 1997.

If you have any questions, please contact Carrie Eick at 915/520-7535.

Respectfully Submitted,
Eco-logical Environmental Services, Inc.

Carrie E. Eick
Carrie E. Eick, P.E.
Project Manager

enclosure

cc Mr. Wayne Price, OCD Hobbs
Mr. Hayden Truscott, K N Energy, Inc. Lakewood, CO

RECEIVED

MAR 19 1997

Environmental Bureau
Oil Conservation Division

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New Mexico Oil Conservation Division
2040 South Pacheo
Santa Fe, NM 87505

March 10, 1997
ECO # 279-512

Re.: Groundwater Delineation Monitor Wells
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

Dear Mr. Patricio Sanchez:

On behalf of K N Energy (KN), Eco-logical Environmental Services, Inc. (ECO) is submitting the attached site plan to install three additional monitor wells at the above gas plant. The east well is on SPS property and may need to be relocated so as to not interfere with their operations and equipment. Field work is scheduled to begin on April 7, 1997. After completion of the wells, all wells at the site will be purged and sampled.

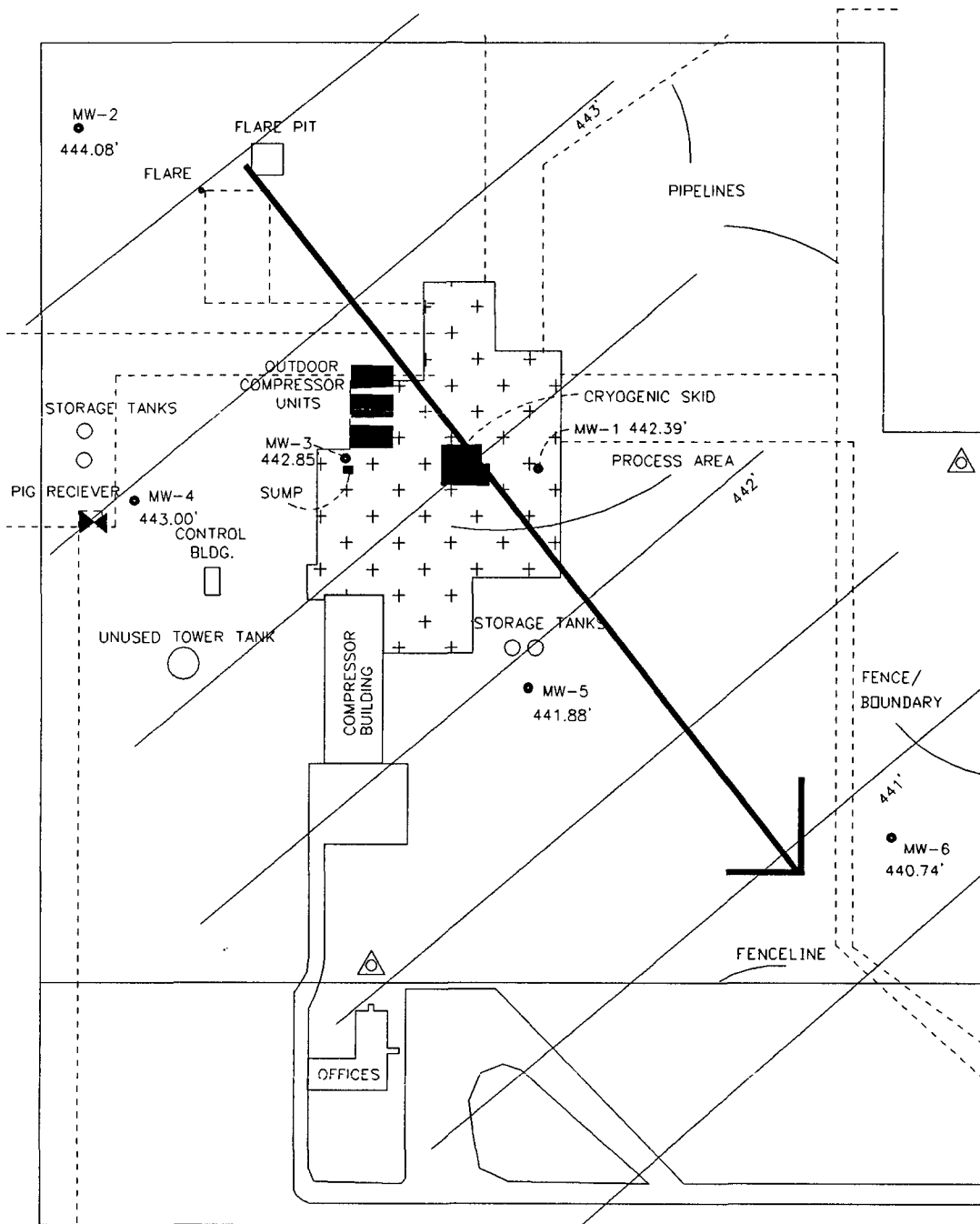
Respectfully Submitted,
Eco-logical Environmental Services, Inc.

A handwritten signature in cursive script, reading "Carrie E. Eick".

Carrie E. Eick, P.E.
Project Manager

enclosure

cc Mr. Wayne Price, OCD Hobbs



△ Proposed Well Location

GROUNDWATER GRADIENT
October 23, 1996



SCALE

0' 50' 100'

HOBBS GAS PLANT PROPOSED WELL LOCATIONS

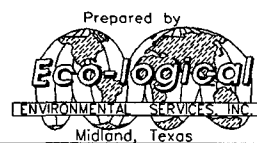
HOBBS, LEA COUNTY, NEW MEXICO

Generated by ECO

MAP 1



Draft Date: 02/13/97



f:\master\279512\propwell.dwg

Eco-logical Environmental Services, Inc.**2200 Market Street****Midland, Texas 79703****(915) 520-7535****FAX**

Date Sent: 3/13/97	Time Sent: 11:00	# Pages: 4	Sent By: CARRIE SICK	Delivered To:
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PAT SANCHEZ

Important/Confidential: This message is intended only for the use of the individual or entity to which it is addressed. This Message contains information from Eco-logical Environmental Services, Inc., which may be privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at our telephone number set forth above. We will be happy to arrange for the return of this message via the U.S. Postal Service to us at no cost to you.

Message:

KW response to 2/25/97 CCO letter

Fax Number: 505 827 8177	Client Number: 279	Project Number: 512
-----------------------------	-----------------------	------------------------

For confirmation or to notify of transmission errors, please call (915) 520-7535 or Fax (915) 520-7737



New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

March 13, 1997
ECO # 279-512

Re.: Delineation Work Plan "Stage 1" - Response
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

Dear Mr. Patricio Sanchez:

On behalf of K N Energy (KN), Eco-logical Environmental Services, Inc. (ECO) is responding to the OCD five point letter of February 25, 1997. KN intends to follow all points outlined in the letter as follows:

1. All initial water sampling for the three new monitor wells will include the entire suite of compounds of 20 NMAC 6.2.3103 with the exception of uranium, radioactivity, and PCBs.
2. Mr. Wayne Price will be notified prior to plant demolition and construction of all remediation projects and monitoring wells.
3. A letter has been sent to the OCD regarding the location of the additional monitor wells. A copy of this letter and map are attached.
4. KN has researched the land ownership of the plant and the surrounding area. SPS owns land that the plant is on and the surrounding property as well as the water rights. KN is in a long term lease with SPS for the plant property. A search for a plot plan map is underway and OCD will be provided with a copy when it is found.
5. Three additional wells are planned to be installed on April 7 to 10, 1997. Water sampling will occur that same week. Mr. Wayne Price will be contacted the week of March 31, 1997, to confirm the dates. It is anticipated that an updated report will be submitted to the OCD by May 25, 1997.

If you have any questions, please contact Carrie Eick at 915/520-7535.

Respectfully Submitted,
Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

enclosure

cc Mr. Wayne Price, OCD Hobbs
Mr. Hayden Truscott, K N Energy, Inc. Lakewood, CO

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New Mexico Oil Conservation Division
2040 South Pacheo
Santa Fe, NM 87505

March 10, 1997
ECO # 279-512

Re.: Groundwater Delineation Monitor Wells
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

Dear Mr. Patricio Sanchez:

On behalf of K N Energy (KN), Eco-logical Environmental Services, Inc. (ECO) is submitting the attached site plan to install three additional monitor wells at the above gas plant. The east well is on SPS property and may need to be relocated so as to not interfere with their operations and equipment. Field work is scheduled to begin on April 7, 1997. After completion of the wells, all wells at the site will be purged and sampled.

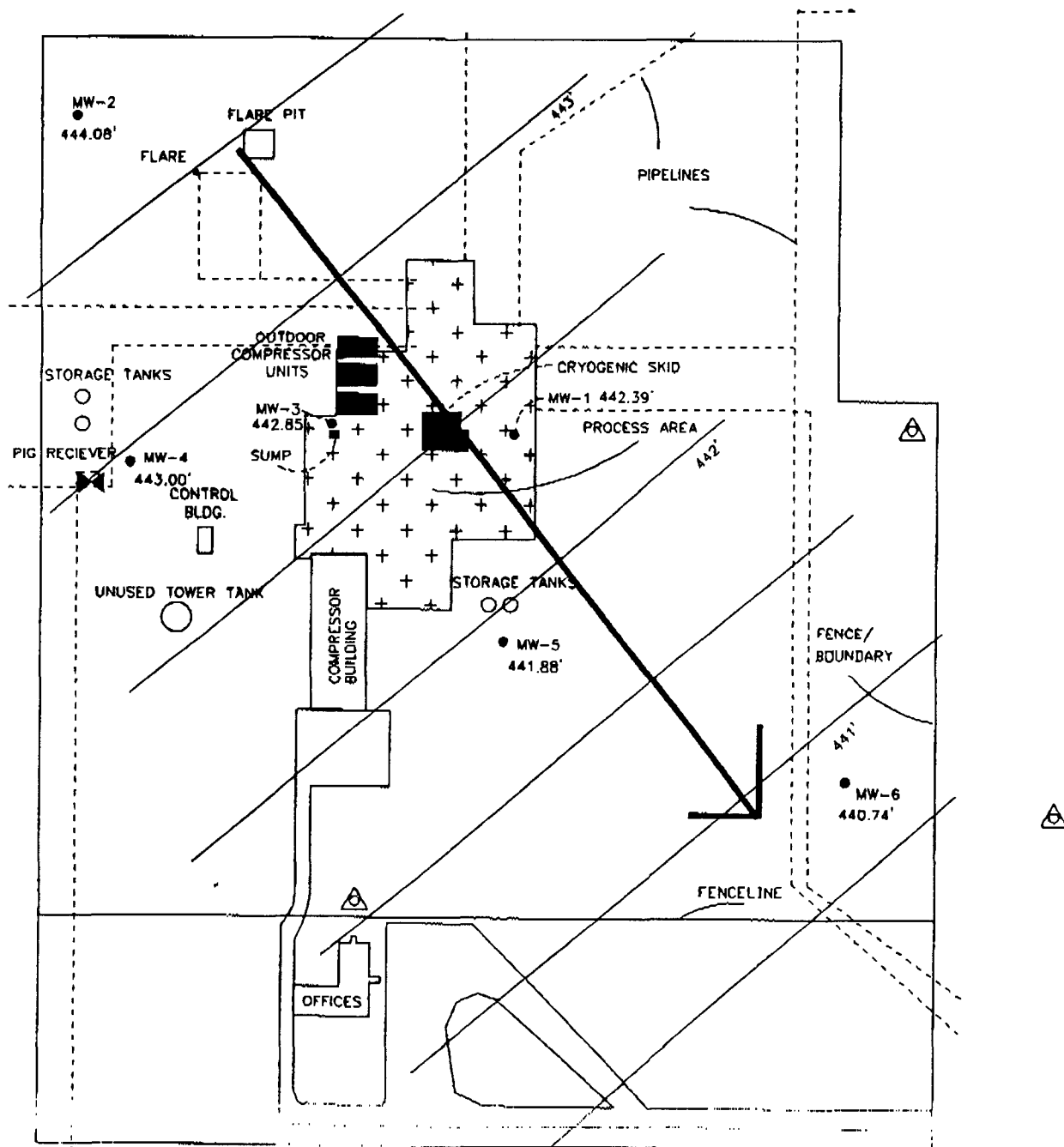
Respectfully Submitted,
Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

enclosure

cc Mr. Wayne Price, OCD Hobbs



△ Proposed Well Location

GROUNDWATER GRADIENT
October 23, 1996



SCALE

0' 50' 100'

HOBBS GAS PLANT PROPOSED WELL LOCATIONS

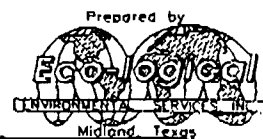
HOBBS, LEA COUNTY, NEW MEXICO

Generated by ECO

MAP 1



Draft Date: 02/13/97



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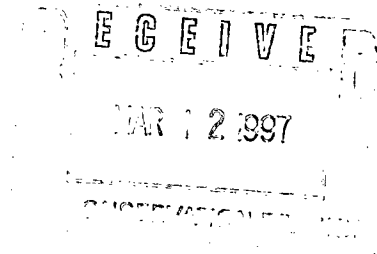


<File Copy>

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

March 10, 1997
ECO # 279-512

Re.: Groundwater Delineation Monitor Wells
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico



Dear Mr. Patricio Sanchez:

On behalf of K N Energy (KN), Eco-logical Environmental Services, Inc. (ECO) is submitting the attached site plan to install three additional monitor wells at the above gas plant. The east well is on SPS property and may need to be relocated so as to not interfere with their operations and equipment. Field work is scheduled to begin on April 7, 1997. After completion of the wells, all wells at the site will be purged and sampled.

Respectfully Submitted,
Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

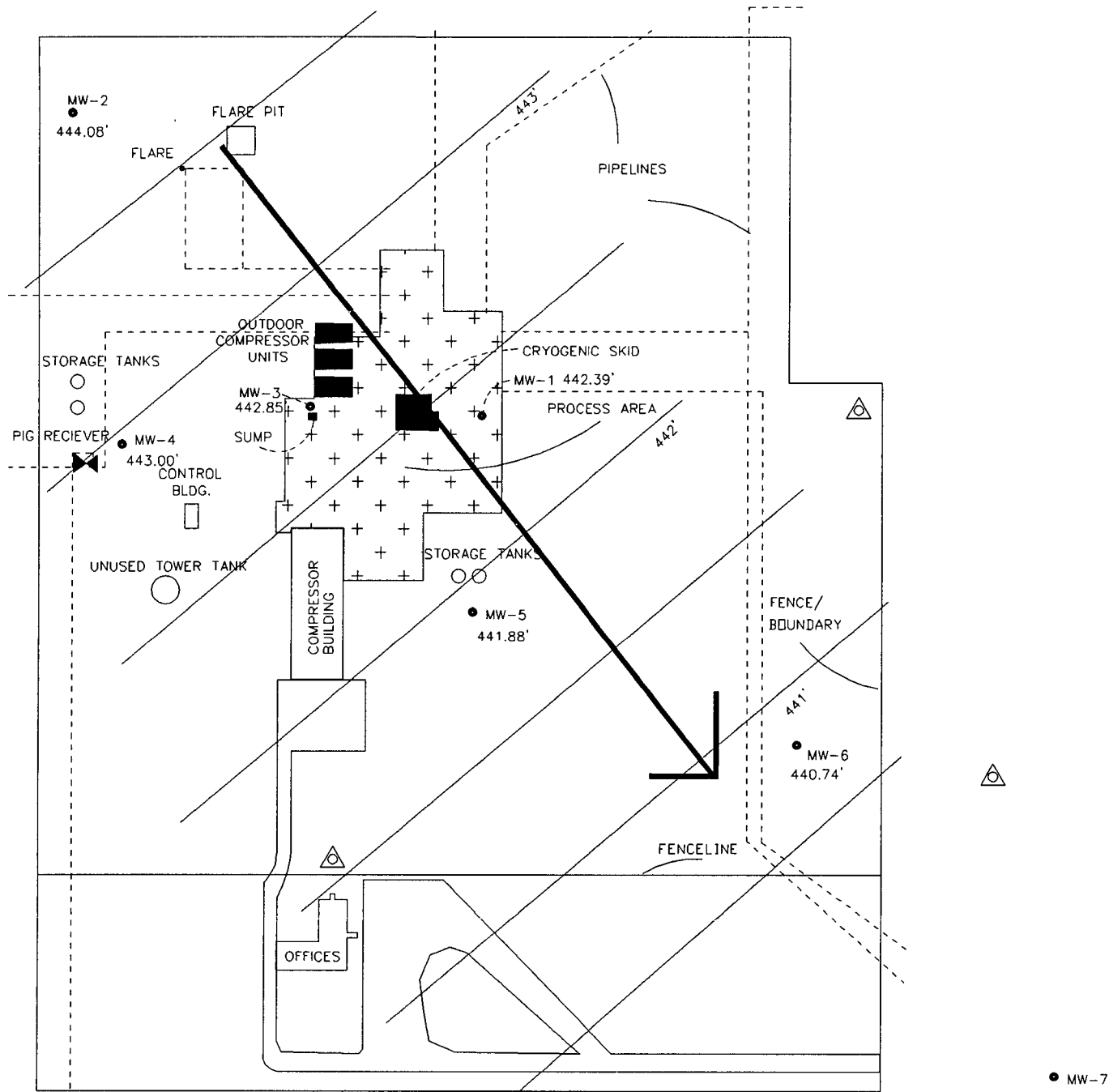
RECEIVED

MAR 13 1997

Environmental Bureau
Oil Conservation Division

enclosure

cc Mr. Wayne Price, OCD Hobbs



△ Proposed Well Location

GROUNDWATER GRADIENT
October 23, 1996



SCALE

0' 50' 100'

HOBBS GAS PLANT PROPOSED WELL LOCATIONS

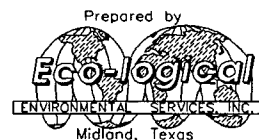
HOBBS, LEA COUNTY, NEW MEXICO

Generated by ECO

MAP 1



Draft Date: 02/13/97



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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

February 25, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-769

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

**RE: Delineation Work Plan "Stage 1"- Approval
HOBBS GAS PLANT
DISCHARGE PLAN GW-191
LEA COUNTY, NEW MEXICO**

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) had a telephone conference with KN-Energy, Inc. (KEI) on February 7, 1997 to discuss the results of the recent KEI Hobbs Gas Plant soil and ground water investigations, and proposed work plan as contained in the following document:

- January 14, 1997 "Stage 1 Abatement Plan and Site Closure Plan - KN Energy, Inc. Hobbs, Lea County, New Mexico."

The proposed work plan is approved pursuant to 20 NMAC 6.2.3109.E with the following conditions:

1. The initial sampling during the delineation phase for each monitor well will include the entire suite of 20 NMAC 6.2.3103 constituents excluding the following:
 - Uranium, Radioactivity, and Polychlorinated biphenols (PCB's).
2. Mr. Wayne Price from the OCD Hobbs District Office will be notified at (505)-393-6161 to witness the demolition of the plant surface facilities, and the construction and installation of all remediation and monitoring wells and systems.
3. KEI will propose additional groundwater delineation wells to further delineate and monitor the lateral and vertical extent of the contamination.

Note: KEI will submit for approval by March 12, 1997 the proposed location and construction of the delineation wells to the OCD prior to installation.

Mr. Hayden Truscott
KN-Energy, Inc. GW-191
February 25, 1997
Page 2

4. KEI will provide the OCD documentation regarding the land ownership of the facility including a map that indicates the actual property lines of the facility by March 12, 1997.
5. The delineation phase or "Stage 1" of the contamination at site will be completed by April 25, 1997, with a report submitted to the OCD for approval by May 25, 1997 with the findings of the "Stage 1" phase delineation. (see 20 NMAC 6.2.4106.C)

All requested reports and clarifications regarding this facility will be submitted in duplicate to the OCD Santa Fe Office for approval, with a copy to the OCD Hobbs District Office.

If you have any questions, please contact Pat Sanchez of my staff at (505) 827-7156.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/pws

- c: Mr. Jerry Sexton, OCD Hobbs - District Supervisor
Mr. Wayne Price, OCD Hobbs - Environmental Engineer

PS Form 3800, April 1995

US Postal Service Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	Mr. Truscott, KN-Energy, Inc.
Special & Number	GW-191, 002
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

P 288 258 769

Pat Sanchez

From: Wayne Price
Sent: Tuesday, February 18, 1997 8:58 AM
To: Pat Sanchez
Cc: Jerry Sexton
Subject: KN Energy "Hobbs Gas Plant" GW-191
Importance: High

Dear Mr. Sanchez,

Recommendations:

KN should submit an addendum to their abatement plan per KN-NMOCD tele: conf: subject to review and approval by NMOCD.

Pat Sanchez

From: Jerry Sexton
Sent: Thursday, February 13, 1997 7:40 AM
To: Pat Sanchez
Subject: Registered: Jerry Sexton

Your message

To: Jerry Sexton
Subject: KN-Energy "Hobbs Gas Plant " GW-191
Sent: 2/12/97 10:50:00 AM

was read on 2/13/97 7:40:00 AM

Pat Sanchez

From: Wayne Price
Sent: Wednesday, February 12, 1997 10:59 AM
To: Pat Sanchez
Subject: Registered: Wayne Price

Your message

To: Wayne Price
Subject: KN-Energy "Hobbs Gas Plant " GW-191
Sent: 2/12/97 10:50:00 AM

was read on 2/12/97 10:59:00 AM

Pat Sanchez

From: System Administrator
Sent: Wednesday, February 12, 1997 10:50 AM
To: Wayne Price
Subject: Delivered: KN-Energy "Hobbs Gas Plant " GW-191
Importance: High

Your message

To: Wayne Price
Cc: Jerry Sexton
Subject: KN-Energy "Hobbs Gas Plant " GW-191
Sent: 2/12/97 10:50:17 AM

was delivered to the following recipient(s):

Wayne Price on 2/12/97 10:50:19 AM

Pat Sanchez


From: Pat Sanchez
Sent: Wednesday, February 12, 1997 10:50 AM
To: Wayne Price
Cc: Jerry Sexton
Subject: KN-Energy "Hobbs Gas Plant " GW-191
Importance: High

Mr. Price, Please review all of the surface/subsurface contamination work done by KN-Energy so far at the GW-191 facility. Base your review utilizing WQCC regulation 6.2.3109.E as your basis(guideline for review), I will be doing the same. As was proposed by KN-Energy, they wish to pursue filing a modification as a remediation to cover the surface source removal and groundwater clean-up (abatement). Hopefully we will be able to minimize the amount of paperwork required by utilizing all data that has been reported thus far.

Please submit your comments by E-mail by next Tuesday Morning February 18, 1997.

Thanks.

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Personal	Time 9:00 AM	Date 2-7-97
<u>Originating Party</u>		<u>Other Parties</u>
Hayden Truscott, KN-Energy		Roger Anderson, Bill Olson, Wayne Price, Pat Sanchez - old
<u>Subject</u> Closure / Delineation / Remediation at the KN-Energy Hobbs Gas Plant.		
<u>Discussion</u> (1) Hayden would like to issue under a modification to the discharge plan. Since the surface is being "closed" will modify to a Remediation (Fees are \$50 / \$640) no longer a gas plant. (2) Hayden will select more water wells to monitor the plume relative to the downstream side of the property line; will also establish the property line / water rights ownership. (3) Pat Sanchez / Wayne Price will Review the data/ reports submitted so far and will send Mr. Truscott <u>Conclusions or Agreements</u> a letter outlining any additional requirements. (All parties present agreed to this approach.)		
<u>Distribution</u> File, Wayne Price fl		<u>Signed</u> 



Oil Conservation Division
Attn.: Mr. Patricio Sanchez
2040 S. Pacheco
Santa Fe, NM 87505

January 22, 1997
ECO Job # 279-512

Re: K N Energy, Inc. - Hobbs Natural Gas Plant
Abatement Plan and Closure Plan
Hobbs, New Mexico

Dear Mr. Sanchez:

Eco-logical Environmental Services, Inc. (ECO) has completed the site investigation at the Hobbs Natural Gas Plant in response to the OCD request. Findings, together with the Abatement Plan and Closure Plan are presented in the attached report.

Sincerely,

Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

enclosure

cc: Mr. Wayne Price OCD Hobbs Office

JAN 28 1997
Environmental Bureau
Oil Conservation Division

*See Report Dated
January 14, 1997 by
Eco-logical Environmental
Services on behalf of
KN-Energy. *WJ**



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

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

December 17, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-724

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

**RE: Delineation Investigation(Extension)
Hobbs Gas Plant GW-191
Lea County, New Mexico**

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has reviewed the "Delineation/Discharge" for the KN-Energy, Inc. Hobbs Gas Plant GW-191 as submitted by Eco-logical Environmental Services Inc (Dated December 11, 1996, ECO Project No. 279-512). **Upon review of the report the OCD and approves of the work to date with the following conditions:**

1. The letters dated September 26, 1996 and October 15, 1996 from OCD are still applicable to the Delineation of the of the contamination. The request for an extension on the ongoing delineation is approved, provided that the terms and conditions of the two above mentioned letters are adhered with in the further delineation, the extension is to January 15, 1997.

Note: All future analytical work will include all the lab report forms and QA/QC sheets for each sample station. (The letter dated December 11, 1996 from Eco-logical did not include the lab sheets, and are due upon receipt of this letter.)

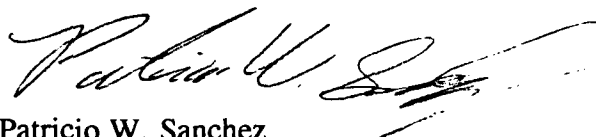
2. The closure request must be submitted by KN-Energy pursuant to 20 NMAC 6.2 .3107 A.11, of the WQCC regulations. The OCD has a meeting date tentatively with Mr. Hayden Truscott of KN-Energy scheduled for Thursday January 23, 1997 at 9:00 AM and will defer further comment on this request until a meeting has occurred and KN-Energy has submitted the closure request pursuant to 20 NMAC 6.2.3017.A.11 of the WQCC regulations.

Mr. Hayden C. Truscott
KN-Energy, Inc.
GW-191, Delineation-Extension
December 17, 1996
Page 2

3. Mr. Wayne Price with the Hobbs office must be notified 72 hours prior to any field work beginning at the site. (Phone: (505)-393-6161) Mr. Price will also be delegated the authority onsite for selection of which field soil samples will be analyzed if more than four contaminated soil samples are collected per borehole.

Please be advised that the OCD approval to investigate the contamination of groundwater at the Hobbs Gas Plant GW-191 does not relieve **KN-Energy, Inc.** of liability should **KN-Energy, Inc.** fail to adequately determine the extent of contamination. Also, this OCD approval does not relieve **KN-Energy, Inc.** from responsibility to comply with other federal, state, and local rules/regulations that may apply to this project.

Sincerely,



Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau

Note: All OCD rules and regulations are available on the Internet at the following address:
www.emnrd.state.nm.us/oed.htm

xc: Mr. Wayne Price - Environmental Engineer, Hobbs District
Ms. Carrie Eick - Eco-logical Environmental Services, via Fax (915-520-7737)

P 288 258 724

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

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Sent to KV-Engrg - T-nscoff	
Street & Number 6W-1a1	
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Return Receipt Showing to Whom & Date Delivered	
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PS Form 3800, April 1995

ALL CONSER
RECEIVED
NOV 16 1996



New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

December 11, 1996
ECO # 279-512

Re.: Delineation/Discharge
K N Energy, Inc.
Hobbs Gas Plant GW-191
Lea County, New Mexico

DEC 17 1996

Environmental Bureau
Oil Conservation Division

Dear Mr. Patricio Sanchez:

Eco-logical Environmental Services, Inc. (ECO) is currently working on the delineation of shallow groundwater at the K N Energy, Inc. (KN) gas plant located west of Hobbs, New Mexico. To date, six monitor wells have been installed and sampled. Soil samples were subjected to headspace tests every five feet. All samples with headspace readings on a PID were submitted for analytical testing. All wells were purged and developed and water samples collected and analyzed. Analysis of the soil samples and the water samples are attached as tables to this letter.

In summary, the soils obtained and tested during the well installation contained no impacted soils with levels above published OCD levels. However, of the water samples, benzene was above the WQCC 3103 levels in wells MW-1, MW-5, and MW-6. Laboratory detection levels for phenol were above the OCD allowable level and must be resampled.

Groundwater exists at the plant at a depth of between 50 and 60 feet below grade. The water flows across the site to the southeast at a gradient of 1:300. No free phase of any product was encountered. The existing down gradient well contains benzene concentrations greater than the allowable OCD level. ECO recommends the installation of additional wells to delineate the extent of impacted waters and/or the location of down gradient compliance.

As of December 1, 1996, the Hobbs Plant has been shut down. Much of the equipment will be relocated to other sites. Eco-logical Environmental, on behalf of KN, is confirming that the OCD requested Discharge Plan is being turned into a Closure Plan. We are also requesting an extension to the December 30, 1996, deadline. The purpose of the extension is to find the land owners of the property located to the south and east, obtain their permission to install two groundwater monitor wells, and to complete and sample the new wells.

Respectfully Submitted,
Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

enclosures

cc: Wayne Price, OCD - Hobbs, NM
Hayden Truscott, K N Energy, Inc. - Lakewood, CO

**HOBBS GAS PLANT
GROUNDWATER TEST RESULTS
October 23, 1996**

Well	TDS	Nitrate-N	Fluoride	Phenol	Alkalinity	Ba	Mn	K	Mg	Ca	Na	Ra pc/L	TH	B	T	E	X	PAH Naphthalene	Benzo- a- pyrene	pH	Chloride	Sulfate
Limit	1000	10	1.6	0.005		1.0	0.2					30		0.01	0.750	0.750	0.620	0.03	0.00007	6 to 9	250	600
MW-1	737	<1.0	0.5	0.01	609	0.34	0.16	5.5	45	160	39	16	<0.2	0.352	<0.001	0.026	0.081	0.025	<0.001	7.3	25	37
MW-2	356	2.9	1.1	<0.01	152	<0.20	<0.01	4.8	6	58	33	3	<0.2	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	7.7	29	5
MW-3	760	7.8	0.6	<0.01	243	<0.20	<0.01	7.5	16	150	45	6	<0.2	0.001	<0.001	<0.001	<0.001	<0.001	<0.001	7.4	120	120
MW-4	392	3.7	0.7	<0.01	244	<0.20	<0.01	4.1	11	91	9.3	2	<0.2	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	7.5	14	45
MW-5	853	<1.0	0.5	<0.01	244	0.28	0.11	6.2	27	160	94	9	<0.2	0.135	<0.001	0.006	0.071	<0.001	<0.001	7.1	33	100
MW-6	511	1.41	0.7	<0.01	274	<0.20	<0.01	4.6	12	100	39	6	<0.2	0.192	<0.001	<0.001	0.013	<0.001	<0.001	7.4	30	83

All results in mg/L except where noted
Shaded Results are over known OCD limits
Remaining test results are below detection limits

Conclusions: Currently it appears that Benzene and Phenols are over OCD limits.
Groundwater gradient to SE at 1:300.
No free phase encountered
Source appears to be cryoskid/process areas
Plume delineation will be performed per OCD request

HOBBS GAS PLANT
SOIL FROM MONITOR WELL TEST RESULTS
October 18 to 20, 1996

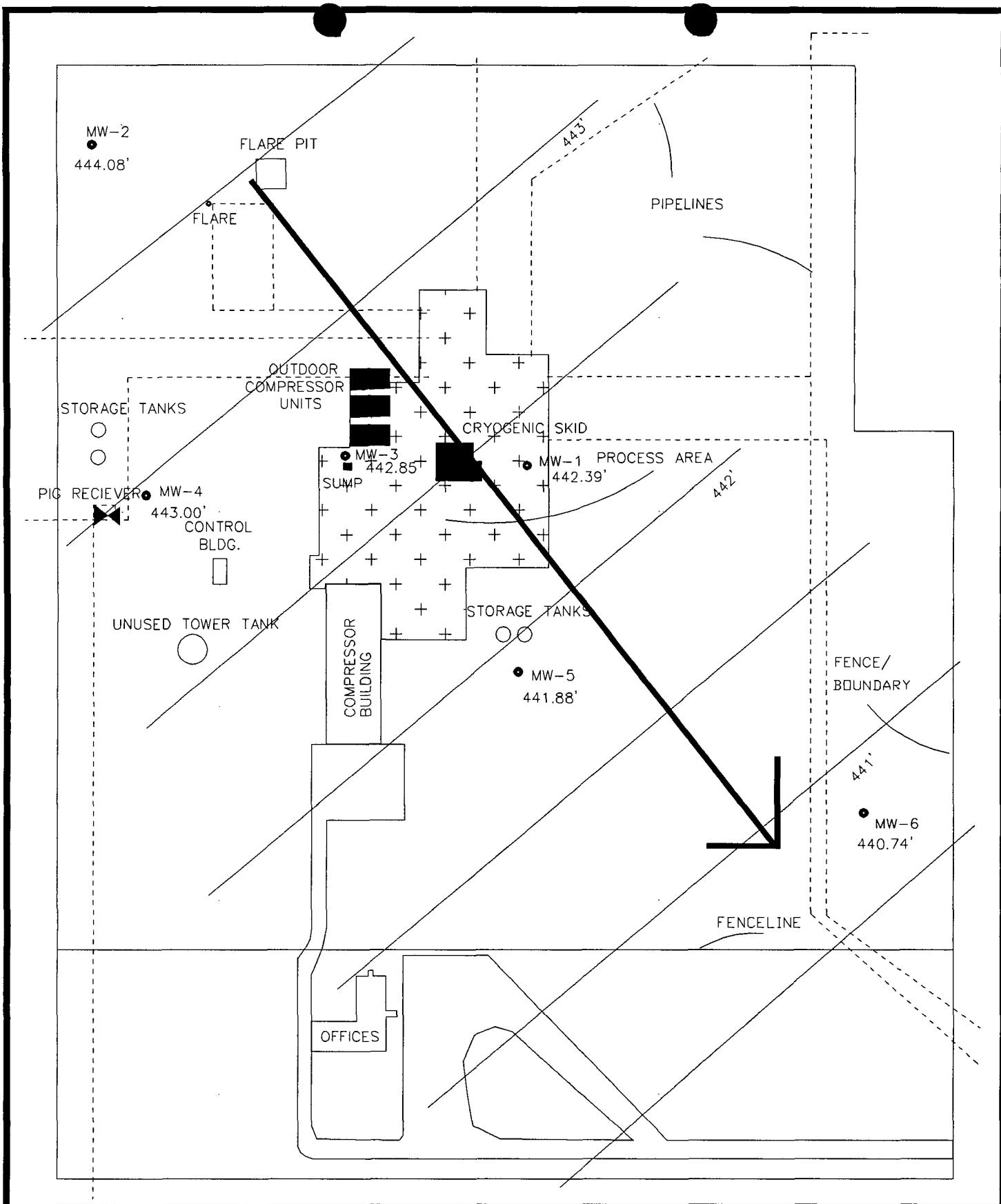
Well	Depth ft	TH	B	T	E	X	As	Se	Cd	Cr	Pb	Ag	Ba	Al	Hg	Co	Cu	Fe	Mn	Ni	Zn	B	Mo
	LIMIT	100	10				100*	20*	20*	100*	100*	100*	2000*										
MW-2	38-40	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	<5	62	2500	<0.25	<3	<2	2190	18.3	<20	6.36	<3	<10
MW-2	44-46	10.2	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	0.7	33	1950	<0.25	<3	<2	2020	18	<20	4.44	<3	<10
MW-2	54-56	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	<0.5	<20	913	<0.25	<3	<2	998	7.5	<20	2.79	<3	<10
MW-2	58-60	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	5.71	<10	<0.5	47	2150	<0.25	<3	<2	2660	24.7	<20	5.01	<3	<10
MW-3	4-6	<10	<0.05	<0.05	<0.05	<0.05	10	<10	<2	<5	<10	1.3	173	1160	<0.25	<3	4.24	735	5.9	<20	2.51	<3	<10
MW-3	14-16	<10	<0.05	<0.05	<0.05	<0.05	14	<10	<2	<5	<10	0.6	170	1560	<0.25	<3	<2	2130	13.7	<20	5.16	<3	<10
MW-3	18-20	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	<0.5	191	2510	<0.25	<3	<2	2070	22.2	<20	6.15	<3	<10
MW-3	34-36	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	5.34	<10	<0.5	103	2030	<0.25	<3	<2	1830	13.8	<20	6.44	<3	<10
MW-3	48-50	<10	<0.05	<0.05	<0.05	<0.05	11	<10	<2	5.47	<10	<0.5	<20	2010	<0.25	<3	<2	2140	17.9	<20	6.5	<3	<10
MW-3	64-65	<10	<0.05	<0.05	<0.05	<0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MW-4	34-36	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	5.3	<10	<5	170	1800	<0.25	<3	<5	1500	10	<20	4.6	<3	<10
MW-4	48-50	<10	<0.05	<0.05	<0.05	<0.05	11	<10	<2	<5	<10	<5	37	2100	<0.25	<3	<5	2500	19	<20	6.5	<3	<10
MW-5	28-30	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	5.8	<10	<5	190	2900	<0.25	<3	<5	2500	21	<20	4.3	<3	<10
MW-5	48-50	11.9	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	<5	22	2300	<0.25	<3	<5	2300	25	<20	5.8	<3	<10
MW-5	62-65	51.7	<0.05	<0.05	<0.05	<0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MW-6	44-46	<10	<0.05	<0.05	<0.05	<0.05	<10	<10	<2	<5	<10	<5	26	1900	<0.25	<3	<5	1900	18	<20	4.4	<3	<10
MW-6	58-61	41.9	<0.05	<0.05	<0.05	<0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* 20 times TCLP value for Hazardous Classification

All results in mg/kg

Shaded Results are over known OCD limits

Conclusions: No impacted soils encountered during well advancement.



SCALE

0' 50' 100'

HOBBS GAS PLANT GROUNDWATER GRADIENT

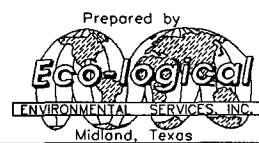
October 23, 1996

HOBBS, LEA COUNTY, NEW MEXICO

Generated by ECO



Draft Date: 11/14/96



Prepared by
Midland, Texas
f:\master\279512\gw10-96.dwg

Pat Sanchez

From: Wayne Price
Sent: Wednesday, October 16, 1996 9:03 AM
To: Pat Sanchez
Subject: Registered: Wayne Price

Your message

To: Wayne Price
Subject: KN-Energy GW-191, Groundwater Delineation
Sent: 10/15/96 2:02:00 PM

was read on 10/16/96 9:03:00 AM

Pat Sanchez

From: System Administrator
Sent: Tuesday, October 15, 1996 2:02 PM
To: Wayne Price
Subject: Delivered: KN-Energy GW-191, Groundwater Delineation
Importance: High

Your message

To: Wayne Price
Subject: KN-Energy GW-191, Groundwater Delineation
Sent: 10/15/96 2:02:38 PM

was delivered to the following recipient(s):

Wayne Price on 10/15/96 2:02:41 PM

Pat Sanchez

From: Pat Sanchez
Sent: Tuesday, October 15, 1996 2:02 PM
To: Wayne Price
Subject: KN-Energy GW-191, Groundwater Delineation
Importance: High
Sensitivity: Confidential

Wayne, This is the approval letter I sent Mr. Truscott with KN-Energy, I have sent him a hardcopy as well as yourself. I Faxed the letter to his consultant Ms. Carrie Eick with Ecological. Thanks

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-668

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

RE: Delineation Investigation(Groundwater)
Hobbs Gas Plant GW-191
Lea County, New Mexico

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has reviewed the "Delineation Work Plan" for the KN-Energy, Inc. Hobbs Gas Plant GW-191 as submitted by Eco-logical Environmental Services Inc (Dated October 9, 1996, ECO Project No. 279-512). **Upon review of the plan the OCD hereby approves of the groundwater "Delineation Work Plan" with the following conditions:**

1. As outlined in the letter dated September 26, 1996 from OCD, all groundwater samples will be analyzed for the full suite of WQCC 3103 constituents during the initial delineation and sampling at all groundwater monitor wells upon proper development and purging. When the samples have been analyzed KN-Energy may then propose the constituents of concern for groundwater monitoring as outlined in the September 26, 1996 letter from OCD.
2. In the "Sampling and Analysis Plan" Eco-logical on behalf of KN-Energy purposes that "Groundwater sampling will occur each quarter of the year for a period of one year after any remediation has appeared to be complete." The OCD cannot approve of this statement-please reference 20 NMAC 6.2.4112.A.- ties to 20 NMAC 6.2.4103.E. (Note: Completion and Termination of the remedial activities should be part of the "Discharge Plan Modification" submittal, which will address remedial action at the site and will be submitted as the report on December 30, 1996 and pursuant to 20 NMAC 6.2.3109.E. as a "Discharge Plan Modification.")
3. The "Discharge Plan Modification", pursuant to 20 NMAC 6.2.3109.E., to be submitted with all the data as required in the September 26, 1996 letter from OCD will propose time lines for installation of remedial measures at the site which will include quarterly monitoring of the appropriate constituents of concern at the site. The Modification will be submitted in duplicate to the Santa Fe Division OCD for approval, with a copy to the Hobbs District office.
4. Mr. Wayne Price with the Hobbs office must be notified 72 hours prior to any field work beginning at the site. (Phone: (505)-393-6161) Mr. Price will also be delegated the authority onsite for selection of which field soil samples will be analyzed if more than four contaminated soil samples are collected per borehole.
5. All deadlines established in the September 26, 1996 letter from OCD, the October 9, 1996 letter from Eco-logical (Representing KN-Energy), and this letter of approval dated October 15, 1996 will apply.

Please be advised that the OCD approval to investigate the contamination of groundwater at the Hobbs Gas Plant GW-191 does not relieve **KN-Energy, Inc.** of liability should **KN-Energy, Inc.** fail to adequately determine the extent of contamination. Also, this OCD approval does not relieve **KN-**

Energy, Inc. from responsibility to comply with other federal, state, and local rules/regulations that may apply to this project.

If KN-Energy, Inc. has any questions regarding this matter please feel free to give me a call at (505)-827-7156.

Sincerely,

Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau

Note: All OCD rules and regulations are available on the Internet at the following address:
www.emnrd.state.nm.us/oed.htm

XC: Mr. Wayne Price - Environmental Engineer, Hobbs District
Ms. Carrie Eick - Eco-logical Environmental Services, via Fax (915-520-7737)



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

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

September 26, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-636

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

**RE: Delineation Investigation
Hobbs Gas Plant GW-191
LEA County, New Mexico**

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has reviewed the "Delineation Investigation" for the KN-Energy, Inc. Hobbs Gas Plant GW-191 as submitted by Eco-logical Environmental Services Inc (Dated June 6, 1996, ECO Project No. 279-512). The requirements outlined below are the course of action that the OCD will require KN-Energy to follow in order to fully delineate the extent of contamination at the site.

1. KN-Energy shall design and propose to the NMOCD a work plan which will address the following:
 - Vertical and horizontal extent of groundwater contamination at the site; KN-Energy will establish the following parameters: Groundwater Hydraulic gradient and flow direction at the site (A surface map of the facility will be prepared which shows isobars in terms of head in feet, and the location(s) of completed monitor wells.), Iso-concentration maps will be drawn indicating the concentrations in mg/L of each constituent of concern.
 - Each well while being drilled will be logged and field screened with an appropriate PID or FID type instrument every 5 feet, beginning at ground level. Each instrument reading shall be noted on the drillers/field Geologists log in PPM. Any soil sample that has an indication of contamination, (i.e. a reading on the PID/FID) will be sampled and sent to a lab for analysis, and will be analyzed for BTEX, TPH and WQCC 3103 Total Metals by an appropriate EPA SW-846 method.

Note: A Sufficient number of delineation/monitor wells must be drilled/completed so as to completely define the extent of the contamination, any non-aqueous phase product will be measured to then nearest 1/10 th of a foot in thickness, and a map showing free phase product thickness shall be prepared.

Mr. Hayden C. Truscott
KN-Energy, Inc.
GW-191, Delineation
September 26, 1996
Page 2

- Each well will be installed as follows:
 - a. A minimum of 15 feet of well screen will be installed with at least 10 feet of well screen below the water table and 5 feet of well screen above the water table. The well screen shall be attached to an appropriate/compatible type casing of at least two inches nominal diameter. The casing shall extend at least 2 feet above surface ground level.
 - b. An appropriately sized gravel pack will be set around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.
 - c. A 2-3 foot bentonite plug will be placed above the gravel pack and hydrated in place.
 - d. The remainder of the hole annulus will be sealed with an appropriate cement grout to surface. At surface a 4' by 4' by 4" pad shall be placed around the casing and sloped such that rain water drains away from the wellbore. An appropriate steel casing/box shall be placed over the wellbore and secured so as to control access to the wellbore.
 - e. Each wells surface location must be located to a common reference point on the facility and surface elevations and relative location to the reference established and provided to the OCD on an appropriate scaled surface map indicating the location of each well and the reference point.
 - f. All soils generated during drilling shall be placed on an impermeable liner until the soil has been properly characterized for the potential presence of Hazardous Constituents as defined in 40 CFR Part 261. KN-Energy must then submit the results of the hazardous characterization to the OCD Santa Fe Office, and propose a proper disposal or re-use method. If KN-Energy upon characterization of the soils as non-hazardous wishes to thin-spread the soil onsite, the soil must be analyzed by an EPA approved method for BTEX and TPH, the results of this analysis must then be submitted to the OCD Santa Fe Division office for approval.
 - g. All waters generated from the well development process must be stored and labeled in appropriate temporary type containers until the waste water has been properly characterized for hazardous constituents. Upon characterization of the waste water, KN-Energy shall notify the OCD Division office and submit the

Mr. Hayden C. Truscott
KN-Energy, Inc.
GW-191, Delineation
September 26, 1996
Page 3

analytical results/characterization indicating the regulatory status of the waste in terms of Hazardous or Non-Hazardous so that proper disposal and/or re-use options can be considered.

2. KN-Energy upon completion of the groundwater investigation shall provide the OCD Santa Fe Office and the Hobbs OCD District office with a "Groundwater Contamination Delineation" report which will include all of the above listed information. All well construction diagrams, soil/groundwater analysis, maps, and hydro geological/hydrologic characterization of the site must be included. The report shall also propose what remedial strategies and technology KN-Energy wishes to pursue in cleaning up the contamination and a time frame for evaluating and implementing clean-up operations. KN-Energy shall also certify that the work done as part of this investigation and potential future proposed remediation under the approved "Discharge Plan GW-191" is sufficient in scope to comply with WQCC regulation 20 NMAC 6.2.4105 A. 6. - *Exemptions from abatement plan requirement.* (A copy of WQCC regulations is enclosed.)

Note: All groundwater analysis shall address constituents of concern as outlined in WQCC 3103, therefore, in characterizing the nature of the contaminants a full suite of analysis will be required in order to determine the nature of the contamination. The groundwater sampling methods shall be in conformance with EPA methods, such as those outlined in SW-846 and/or WQCC regulations 20 NMAC 6.2. 3107 B.(1.),(2.),(3.),(4.),(5.), and (6.). Once the nature/type of contaminants have been addressed KN-Energy may formally propose in writing to the Santa Fe OCD Division office what the constituents of concern for the site in question should be.

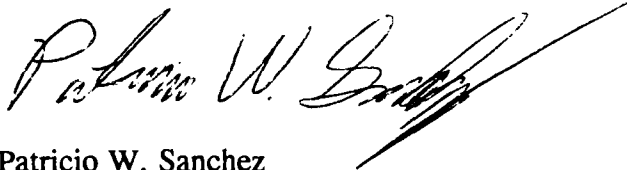
3. KN-Energy will provide the OCD Santa Fe and Hobbs Offices with a status update regarding the January 26, 1996 seven point letter from Mr. Larry Moody with KN-Energy, please provide updated timelines for each of the seven items and completion dates for each item.
4. As part of this workplan KN-Energy shall also verify that those items addressed as part of number 3. above have been evaluated for the possibility of being the source of the groundwater contamination, if any of the items are a potential source(s) they should be prioritized for upgrade/replacement-and timelines proposed.
5. KN-Energy shall notify Mr. Wayne Price (505)-393-6161 and myself (505)-827-7156, at least 72 hours in advance of any field activity so that the OCD can be present to witness activities and possibly split samples.

Mr. Hayden C. Truscott
KN-Energy, Inc.
GW-191, Delineation
September 26, 1996
Page 4

KN-Energy will begin implementation of the requirements of this letter within 30 days of receipt of this letter and will have completed all the requirements/submittal/proposals that are part of this letter within 90 days of receipt of this letter.

If KN-Energy, Inc. has any questions regarding this matter please feel free to give me a call at (505) - 827 -7156.

Sincerely,



Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau

ENCLOSURE - WQCC REGULATION 20 NMAC 6.2

P 288 258 636

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Mr. H.C. Truscott	
Street Number KN-Energy.	
Post Office, State, & ZIP Code RV-6W-191 GREENOWATER.	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

XC: Mr. Wayne Price - Environmental Engineer, Hobbs District W/O enclosure.

Pat Sanchez

From: Pat Sanchez
Sent: Wednesday, September 25, 1996 8:41 AM
To: Wayne Price
Subject: RE: KN-Energy Gas Plant, GW-191
Importance: High
Sensitivity: Confidential

Wayne - thanks for your response, I am currently drafting up the letter to KN-Energy and will E-mail you my proposed version. At that point I would like you to review and make certain that I have covered all the bases!
Thanks

From: Wayne Price
Sent: Wednesday, September 25, 1996 8:40 AM
To: Pat Sanchez
Cc: Jerry Sexton
Subject: RE: KN-Energy Gas Plant, GW-191
Importance: High

Dear Pat,

The plan of action looks good!

Sampling and testing requirements: Initially I recommend methods 601/8010 and 602/8020(Aromatic and Halogenated Organics), 610/8310 (Polynuclear Aromatic Hydrocarbons), 6010 (Metals) include mercury 7470, and General Chemistry major cations and anions. After initial sampling then other methods can be used. This appears to be the norm for most of our ground water investigations.

Comment on method 8260: This method has several of the constituents that are included in the above methods, however the reason I do not use it is 8260 does not include several of the constituents that are required under TCLP.

I guess what someone actually needs to do is compare the WQCC list to all the test methods to make sure they are covered. I have not done that. Also maybe we should ask our lab to cater a method for us, just for ground water investigations.

From: Pat Sanchez
To: Wayne Price
Subject: KN-Energy Gas Plant, GW-191
Date: Tuesday, September 24, 1996 3:13PM
Priority: High

Mr. Price, outlined below are the main items of substance that I will ask KN-Energy to address with regards to their Hobbs Gas Plant.

1. Determine vertical and horizontal extent of groundwater contamination, They will need to propose several wells to drill/complete in order to determine the lateral extent, they will also need to look at evaluating relevant hydrologic parameters at the site in order to determine optimal remedial strategies. (i.e. - pump tests, etc) Also, do you feel that method 8260 is sufficient for groundwater analysis? They shall be required to sample every 3 months for at least the first two years once the delineation wells have been completed - i.e. the clean- monitor wells- may look at annual sampling for the contaminated wells.

2. Has the source been identified and isolated? They will be asked to address this issue.
3. What is the status of the Pollution Prevention Measures as required by the discharge plan? They will be required to address this once again a put together real timelines for installation and implement.
4. They will be required also as part of no. (2.) above to abate the soil contamination and remove/remediate this source to potential groundwater contamination.

Thanks for your time, please respond by 8:00 AM on Thurs. Sept. 26, 1996.

2.

Pat Sanchez

From: Wayne Price
Sent: Thursday, September 26, 1996 8:07 AM
To: Pat Sanchez
Subject: RE: KN-Energy review letter

Excellent!

From: Pat Sanchez
To: Wayne Price
Subject: KN-Energy review letter
Date: Wednesday, September 25, 1996 4:17PM
Priority: High

Wayne , Please review Thanks

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-634

Mr. Hayden C. Truscott
Environmental Manager
KN-Energy, Inc.
P.O. Box 281304
Lakewood, CO 80228-8304

RE: Delineation Investigation
Hobbs Gas Plant GW-191
LEA County, New Mexico

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has reviewed the "Delineation Investigation" for the KN-Energy, Inc. Hobbs Gas Plant GW-191 as submitted by Eco-logical Environmental Services Inc. The

requirements outlined below are the course of action that the OCD will require KN-Energy to follow in order to fully delineate the extent of contamination at the site.

1. KN-Energy shall design and propose to the NMOCD a work plan which will address the following:

Vertical and horizontal extent of groundwater contamination at the site; KN-Energy will establish the following parameters: Groundwater Hydraulic gradient and flow direction at the site (A surface map of the facility will be prepared which shows isobars in terms of head in feet, and the location(s) of completed monitor wells.), Iso-concentration maps will be drawn indicating the concentrations in mg/L of each constituent of concern.

Each well while being drilled will be logged and field screened with an appropriate PID or FID type instrument every 3 feet, beginning at 3 feet below ground level. Each instrument reading shall be noted on the drillers/field Geologists log in PPM. Any soil sample that has an indication of contamination - i.e. a reading on the PID/FID will be sampled and sent to a lab for analysis, and will be analyzed for BTEX, TPH and WQCC 3103 Total Metals by an appropriate EPA SW-846 method.

Note: A Sufficient number of delineation/monitor wells must be drilled/completed so as to completely define the extent of the contamination, any non-aqueous phase product will be measured to then nearest 1/10 th of a foot in thickness.

Each well will be installed as follows:

- a. A minimum of 15 feet of well screen will be installed with at least 10 feet of well screen below the water table and 5 feet of well screen above the water table. The well screen shall be attached to an appropriate/compatible type casing of at least two inches nominal diameter. The casing shall extend at least 2 feet above surface ground level.
- b. An appropriately sized gravel pack will be set around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.
- c. A 2-3 foot bentonite plug will be placed above the gravel pack and hydrated in place.
- d. The remainder of the hole annulus will be sealed with an appropriate cement grout to surface. At surface a 4' by 4' by 4" pad shall be placed around the casing and sloped such that rain water drains away from the wellbore. An appropriate steel casing/box shall be placed over the wellbore and secured so as to control access to the wellbore.
- e. Each wells surface location must be located to a common reference point on the facility and surface elevations and relative location to the reference established and provided to the OCD on an appropriate scaled surface map indicating the location of each well and the reference point.
- f. All soils generated during drilling shall be placed on an impermeable liner until the soil has been properly characterized for the potential presence of Hazardous Constituents as defined in 40 CFR Part 261. KN-Energy must then submit the results of the hazardous characterization to the OCD Santa Fe Office, and propose a proper disposal or re-use method. If KN-Energy upon characterization of the soils as non-hazardous wishes to thin-spread the soil onsite, the soil must be analyzed by an EPA approved method for BTEX and TPH, the results of this analysis must then be submitted to the OCD Santa Fe Division office for approval.
- g. All waters generated from the well development process must be stored and labeled in appropriate temporary type containers until the waste water has been properly characterized for hazardous constituents. Upon characterization of the waste water, KN-Energy shall notify the OCD Division office and submit the analytical results/characterization indicating the regulatory status of the waste in terms of Hazardous or Non-Hazardous so that proper disposal and/or re-use options can be considered.

2. KN-Energy upon completion of the groundwater investigation shall provide the OCD Santa Fe Office and the Hobbs OCD District office with a "Groundwater Contamination Delineation" report which will include all of the above listed information. All well construction diagrams, soil/groundwater analysis, maps, and hydro geological/hydrologic characterization of the site must be included. The report shall also propose what remedial strategies and technology KN-Energy wishes to pursue in cleaning up the contamination and a time frame for evaluating and implementing clean-up operations. KN-Energy shall also certify that the work done as part of this investigation and potential future proposed remediation under the approved "Discharge Plan GW-191" is sufficient in scope to comply with WQCC regulation 20 NMAC 6.2. A. 6. - Exemptions from abatement plan requirement.

Note: All groundwater analysis shall address constituents of concern as outlined in WQCC 3103, therefore, in characterizing the nature of the contaminants a full suite of analysis will be required in order to determine the nature of the contamination. The groundwater sampling methods shall be in conformance with EPA methods, such as those outlined in SW-846 and/or WQCC regulations 20 NMAC 6.2. 3107 B.(1.),(2.),(3.),(4.),(5.), and (6.). Once the nature/type of contaminants have been addressed KN-Energy may formally propose in writing to the Santa Fe OCD Division office what the constituents of concern for the site in question should be.

KN-Energy will begin implementation of the requirements of this letter within 30 days of receipt of this letter and will have completed all the requirements/submittal/proposals that are part of this letter within 90 days of receipt of this letter. If KN-Energy, Inc. has any questions regarding this matter please feel free to give me a call at (505) - 827 -7156.

Sincerely,

Patricio W. Sanchez
Petroleum Engineering Specialist,
Environmental Bureau

XC: Mr. Wayne Price - Environmental Engineer, Hobbs District

Pat Sanchez

From: Wayne Price
Sent: Tuesday, September 17, 1996 3:47 PM
To: Pat Sanchez
Cc: Jerry Sexton
Subject: KN Energy GW-191

Witness KN's consultant sample MW-1.

Water has a very slight odor.

Recommend we have KN locate the original source of contamination.

RECEIVED
SEP 11 1996

Wayne Price

To: Pat Sanchez
Cc: Jerry Sexton
Subject: KN Energy -American Gas Plant GW-191 inspection report.

Field Inspection Report:
10:00 am September 5, 1996

KN rep: Benny Young

Per conversations with Mr. Young, uncertainties in the economic climate for this facility has delayed management decisions by KN to implement the conditions required by the discharge plan.

Inspected the areas of the recent delineation investigation around the cryo skid, compressors, and flare pit. There is still on-going discharges to the ground around the cryo skid and compressors, however temporary improvements have been made such as installing absorbent pigs, catch buckets etc.

The monitor well recently installed is located east of the cryo skid not west as reported in section 5.5 of the report.

Toured the other following areas of the plant;

Old electric driven comp. bldg, UST (steel sump) and septic/leech field associated with this building.;

Amine skid & UST (steel sump), noted visual leeching of hydrocarbons from recent rains.

Slop oil/waste water AST's, no berms or liners installed. Slight visual contaminated noted between tanks from blowdown valve operation.

Condensate pig trap and AST tanks, Visual contamination, no berms or catch basins installed.

recommendations:

KN should add additional monitor wells to substantiate and or pinpoint the source of the ground water contamination. This additional investigation should include the two UST's (sumps), the condensate pigging station, septic/leech field system and a historical search of the property to determine if other sources exist. For example where did the old cooling tower blowdown go, was there any old disposal pits on-site, where did the chrome and lead contamination come from, etc.

A work plan to remove and/or remediated the existing contamination should be submitted.

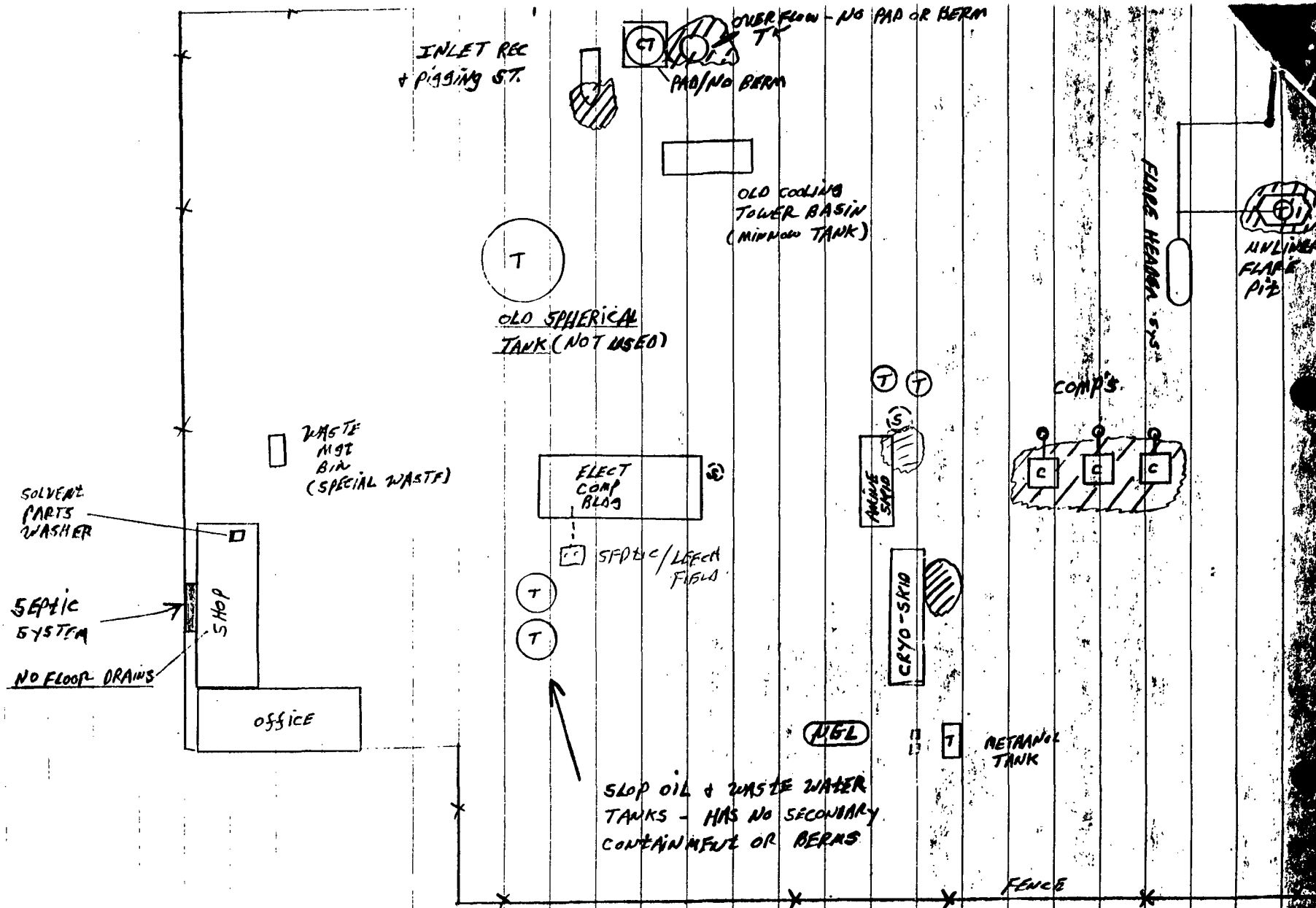
A schedule to implement the discharge plan requirements should be submitted for installing pad & curbs, berms, hydrostatic testing of all underground pipes, etc.

attachment-1 field sketch of site

RECEIVED

SEP 09 1996

Environmental Bureau
Oil Conservation Division



KN ENERGY GW-191
 AMERICAN PROCESSING LP
 HOBBS GAS PLANT - LEA CO. NM
 SE 1/4 SEC 28 T518S R36 E
 DATE 10/16/95 FIELD SKETCH
 PREPARED BY: NMDCO JF

"NO SCALE"

- ⑤ SUMPS
- ⊖ CONTAMINATED AREAS
- ⊙ "AST"
- WATER SUPPLY FROM - SPS POWER PLANT

MEMORANDUM OF MEETING OR CONVERSATION

☐ Telephone ☒ Personal

Time 7:30 AM

Date 8/20/96

Originating Party

Other Parties

Rat Sanchez - NMOC D

TO: File GW-191

Subject

Discharge Plan GW-191.

Discussion

Took Plan over on 8/20/96 and went through file to become familiar.

Conclusions or Agreements

Latest work document is from Eco-logical Environmental Services, Inc. dated: June 6, 1996 ECO: Project No.: 279-512

Distribution File (GW-191)

Signed

Robin W. Long



Oil Conservation Division
Attn.: Mr. Chris Eustice
2040 S. Pacheco
Santa Fe, NM 87505

July 2, 1996
ECO Job # 279-512

File copy. 6-10-96

Re: K N Energy, Inc. - Hobbs Natural Gas Plant
Delineation Investigation per OCD request
Hobbs, New Mexico

Dear Mr. Eustice:

Eco-logical Environmental Services, Inc. (ECO) has completed the site investigation at the Hobbs Natural Gas Plant in response to the OCD request. Findings, together with conclusions and suggested remediation activities are presented in the attached report.

Sincerely,

Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

RECEIVED

JUL 09 1996

Environmental Bureau
Oil Conservation Division

enclosure

cc: Mr. Wayne Price OCD Hobbs Office

Eco-logical

Environmental Services Inc.

(File Copy)
GW-191

REPORT
DELINEATION INVESTIGATION
HOBBS NATURAL GAS PLANT
K N ENERGY, INC.
HOBBS, LEA COUNTY, NEW MEXICO

Date Prepared:

June 6, 1996

RECEIVED

JUL 09 1996

Environmental Bureau
Oil Conservation Division

ECO Project No.:

279-512

Prepared For:

New Mexico Oil Conservation Division

Mr. Chris Eustice

- See original

On Behalf of:

K N Energy, Inc.

Bureau memo copy

Prepared By:

Eco-logical Environmental Services, Inc.

2200 Market St.

Midland, New Mexico 79703

915/520-7535

MEMORANDUM OF CONVERSATION

✓ TELEPHONE ___ PERSONAL ___ TIME 350 PM DATE 5/7/96

ORIGINATING PARTY Hayden Trustcott (KN) American Processing

OTHER PARTIES _____

DISCUSSION Benzene .305 mg/l
BTEX .339 mg/l
Toluene BDL

These concentrations were reported from
a sample of groundwater taken from
a monitor well below American Processing's
Hobbs Gas Plant. The monitor well was
installed and sampled pursuant to the
discharge plan conditions of approval.

"Consider this a" report of incident."

CONCLUSIONS

Will submit a work plan for approval
and a report of this initial
investigation

CHRIS EUSTICE (D. Eustice)



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

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

March 27, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-622

Mr. Hayden Truscott
American Processing, L.P.
P.O. Box 281304
Lakewood, Colorado 80228-8304

**Re: Contamination Investigation
(GW-191) Hobbs Gas Plant
Lea County, New Mexico**

Dear Mr. Truscott:

The New Mexico Oil Conservation Division (OCD) has completed a review of American Processing, L.P.'s (American) January 30, 1996 "PROPOSAL FOR PHASE II ENVIRONMENTAL ASSESSMENT HOBBS GAS PLANT, LEA COUNTY, NEW MEXICO". This document contains American's work plan for investigation of the extent of soil contamination related to American's Hobbs Gas Plant in Lea County, New Mexico.

The above work plan is approved with the following conditions:

1. All wastes generated associated with proposed activities will be disposed of at an OCD approved facility.
2. All soil samples for verification of completion of remedial activities will be sampled and analyzed for benzene, toluene, ethylbenzene, xylene (BTEX), total petroleum hydrocarbons, halogenated hydrocarbons, polynuclear aromatic hydrocarbons (PAH's), heavy metals and major cations/anions using EPA approved methods.
3. American will notify the Environmental Bureau Chief of the OCD Santa Fe Office and the OCD Hobbs Office within 24 hours of discovery of ground water contamination.
4. All monitor wells will be constructed as set out below:
 - a. A minimum of 15 feet of well screen will be installed with at least 10 feet of well screen below the water table and 5 feet of well screen above the water table.
 - b. An appropriately sized gravel pack will be set around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.
 - c. A 2-3 foot bentonite plug will be placed above the gravel pack.

- d. The remainder of the hole will be sealed with cement containing 3-5% bentonite.
- 5. American will sample ground water from all monitor wells and have analyzed for concentrations of BTEX, halogenated hydrocarbons, PAH's, heavy metals and major cations/anions using EPA approved methods.
- 6. American will submit a report on the investigation to the OCD by July 1, 1996. The report will contain:
 - a. A description of all activities which occurred during the investigation, conclusions and recommendations.
 - b. A summary of the laboratory analytical results of water quality sampling of the monitor well(s) and bore holes.
 - c. A water table elevation map using the water table elevation of the ground water in all monitor wells and bore holes.
 - d. A geologic log and as built well completion for all monitor wells.
- 7. American will notify the OCD at least one week in advance of all scheduled activities to allow the OCD has the opportunity to witness the events and or split samples.
- 8. All original documents submitted for approval will be submitted to the OCD Santa Fe Office with copies provided to the OCD Hobbs District Office.

Please be advised that OCD approval does not relieve American of liability should the investigation activities determine that contamination exists which is beyond the scope of the work plan, or, if the activities fail adequately to determine the extent of contamination related to American's activities. In addition, OCD approval does not relieve American of responsibility for compliance with any other federal, state or local laws and/or regulations.

If you have any questions please call me at (505) 827-7153.

Sincerely,



Chris Eustice
Geologist

xc: Mr. Wayne Price, OCD Hobbs Office



K N Energy, Inc.
370 Van Gordon Street
P.O. Box 281304
Lakewood, CO 80228-8304
(303) 989-1740

January 30, 1996

Mr. Chris Eustice
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Re: (GW-191) Hobbs Gas Plant
Lea County, New Mexico

Dear Mr. Eustice:

I have attached two responses to your letter noting the deficiencies identified during your October 16, 1995 inspection of K N Energy's Hobbs Gas Plant in Lea County, New Mexico.

The letter prepared by Larry D. Moody, dated January 26, 1996, addresses the engineering deficiencies noted during your inspection. Also enclosed is a report from Shane Estep with Ecological Environmental, dated January 25, 1996, which addresses environmental issues and details of the associated assessment work plan for this facility.

We propose to initiate the environmental assessment work the week of February 12, 1996. At the completion of the assessment activities, remediation work will immediately follow. Engineering upgrades will be done in conjunction with the remediation work. Exact dates will be forwarded as soon as the assessment work finishes. All engineering upgrades have been budgeted and approved for the 1996 budget year as indicated in our previous correspondence.

Since the October inspection, we have used containment measures in the form of absorbent socks and pads, as well as catch pans, to ensure that no liquids are allowed on the soils nor allowed to impact the environment. We have also removed all old drums from the site to address the waste issues you identified. Ecological Environmental properly profiled and manifested the drums, and we will provide the documentation when the results of the environmental assessment are completed.

If you have further questions or comments, do not hesitate to contact me at (303) 763-3561. We will be glad to provide you with adequate notice of the above-referenced work so that the State can schedule a site visit.

Sincerely,

Hayden C. Truscott
Environmental Specialist
K N Energy, Inc.



KN Energy, Inc.
370 Van Gordon Street
P.O. Box 281304
Lakewood, CO 80228-8304
(303) 989-1740

January 26, 1996

Mr. Chris Eustice
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: (GW-191) Hobbs Gas Plant
Lea County, New Mexico

Dear : Mr. Eustice:

In response to your noted deficiencies during your inspection of the American Processing, L.P., Hobbs Gas Plant on October 16, 1995, Project Engineering offers the following proposals to mitigate future occurrences. Our proposals below follow the numbered items in your December 6, 1995 letter.

1. Product Storage Tanks - These two tanks are interconnected. We will design and construct an impermeable containment berm capable of retaining 1-1/3 times the combined volumes of the tanks.
2. Cryogenic Skid - The oil leakage is coming from the expander lube oil pumps located on the north side of the expander skid assembly. We will fabricate and install drip pans below this area to intercept and contain any leakage from this equipment.
3. Compressor Units - We will construct cement curbs along the perimeters of all three of the outside compressor units to contain any leakage and wash water from these units. Drain piping will be installed from each of these to a common sump. We are proposing to use a commercially fabricated, double walled, fiberglass sump tank, partially buried.
4. Flare Pit - Pit is to be closed.
5. Pig Receiver - We will purchase or fabricate a slop collection pan for use beneath the pig trap closure sized to contain any liquids spilling from the pig trap during pig removal operations.
6. Tank Integrity - All storage tanks will be visually inspected each week for signs of leakage. Storage tanks supported on gravel, or on the ground, will have a liner membrane placed beneath the tank.

7. Drum Storage - We will design and construct a concrete drum storage pad with curbs and support racks to be used to store all drums onsite, full partial or empty.

If you have any questions regarding the above, please call me at (303) 763-3556. My FAX number is (303) 763-2970.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Moody", with a long horizontal flourish extending to the right.

Larry D. Moody
Senior Engineer
Project Engineering

cc: Hayden Truscott

D:\docs\...\HOBBS-01.DOC



KN ENERGY
Attn. Mr. Hayden Truscott
370 Van Gordon St.
P.O. Box 281304
Lakewood, CO 80228-8304

January 25, 1996
ECO Job # 279-512

**PROPOSAL FOR
PHASE II ENVIRONMENTAL ASSESSMENT
HOBBS GAS PLANT
LEA COUNTY, NEW MEXICO**

Dear Mr. Truscott:

As requested by KN Energy, Eco-logical Environmental Services, Inc. (ECO) is pleased to submit the following plan for performing a Phase II Environmental Assessment at the Hobbs Gas Plant. The plant is located approximately 10 miles west of the city of Hobbs, New Mexico on US Highway 180.

SITE HISTORY

The plant, American Processing, L.P. Hobbs Gas Plant, was constructed in 1976. In 1992 KN Energy became the operators of the site. The Oil Conservation Division (OCD) of New Mexico inspected the plant on October 16, 1995. During this inspection they noted several deficiencies at the site relative to the discharge plan compliance. The noted items referred to the need for new/additional containment structures at five locations, methods to insure tank integrity, and the delineation of contamination at three locations.

In a letter issued by the OCD on December 6, 1995, the above deficiencies were detailed in a seven point letter. The letter addressed that methods must be proposed that would address and implement processes that would correct the noted deficiencies. These plans were to be directed to the OCD by January 31, 1996.

SCOPE OF WORK

It is the intention of this plan to address the delineation of any contamination in association with the north side of the Cryogenic Skid, the Compressor Units, and the

Flare Pit. The objective of the environmental assessment is to gather data and render an opinion on the environmental conditions present at the property relative to the amount of contamination in both a vertical and horizontal extent around each of the three units.

Each unit is located on separate locations at the site. As a result, each location will be investigated separately. In addition, it has been reported that below the gravel base material located at the site, the soil exists as a very hard caliche layer. This hard caliche will require the use of a truck mounted drill rig. It is anticipated that the rig will be an air rotary rig. Each unit assessment will follow the same basic investigation techniques and are described below. During each investigation the field equipment will be cleaned between each boring.

Depth to groundwater will be evaluated based on research and review of a water well inventory based on registered wells located within one mile radius of the center of the site. If information is not revealed during this review or the groundwater is present within ten feet of the deepest soil contamination zone; one monitor well will be placed on-site in the area of the unit with the highest or deepest suspected contamination. It is anticipated that 15 foot of screen will be used to capture water in the first water bearing horizon. The screen will be set such that the length of screen will evenly split the top of the water bearing horizon. The well head will be set flush with the surface. After well development, a depth to the piezometric water surface will be made and the water tested for Total Dissolved Solids. If TDS is less than 10,000 mg/l or if contamination is suspected, samples will also be analyzed for Total RCRA Metals, Total Petroleum Hydrocarbons, and BTEX.

Cryogenic Skid

The Cryogenic System lowers the temperatures of the natural gases to -300°. At this temperature liquids are separated from the gases. During this process and any cleaning of the unit, the following materials pass through the system: natural gas and lubricating oils. The Cryogenic Skid is elevated approximately one to two feet above a concrete surface. A portion of the north side of the skid contains a gravel base and not concrete. The area surrounding the skid on the north, east, and west sides contain a concrete sidewalk and gravel. Visible contamination was noted on the gravel beneath the skid and some minor contamination on the outside of the sidewalk. The general slope of the ground surface in the area is to the north. To assist in the delineation, the following elements will be performed:

1. Conduct a visual survey of the site to locate three boring locations (one on each side of the exposed skid). Borings will be advanced to a depth of ten feet. At least one boring will be placed as close as possible to the heaviest stained area (north boring). This area is believed to contain the highest level of contamination. This boring will be advanced until no field evidence indicates contamination for a depth of five feet. Two to three samples will be selected for lab analysis to evaluate the vertical extent of contamination.

2. During drilling, drill cutting samples will be collected on two foot intervals and subjected to a head space test. Each sample will be described and packaged.
3. Two to three samples from the boring located in the area assumed to have the highest contamination concentration will be placed in clean glass jars and tested for TPH (418.1), BTEX, and Total RCRA Metals. If any of the Total RCRA Metals are close to 20 times the TCLP Metal Standards, TCLP metals will also be analyzed for that metal. This procedure will help define the vertical extent of the contamination and a depth where no contamination is present.
4. One composite sample from each boring will be combined from the suspected contaminated zone present in the first boring in the area of highest contamination. Each sample will be analyzed for the same constituents that were present in the boring referenced in item number 3 above. (TPH and Total RCRA Metals. If any of the Total RCRA Metals are close to 20 times the TCLP Metal Standards, TCLP metals will also be analyzed for that metal.) This procedure will help define the horizontal extent of the contamination and a location where no contamination is present.
5. If contamination is present in the first three borings, step out borings will be completed. Step out distances will be on the order of five to ten feet depending on the available space, site accessibility, and amounts of identified contamination. It is anticipated that three to seven borings will be required.
6. All soil cuttings will be placed and covered with plastic. After testing of the soil samples is completed, a disposal or treatment method will be recommended.

Compressor Units

The Compressor Units are located to the northwest of the Cryogenic Skid. Each unit is located on a concrete pad and occupies a total area of approximately 40 by 75 feet. Minor staining is visible by each associated stack. It has also been reported that rinse waters resulting from washing of the units flows onto the surrounding ground. During this process and any cleaning of the unit, the following materials pass through the system: lubricating oils and degreasers. To assist in the delineation, the following elements will be performed:

1. Conduct a visual survey of the site to locate four boring locations (one on each side of the general unit area). Borings will be advanced to a depth of ten feet. At least one boring will be placed as close as possible to the heaviest stained area. This area is believed to contain the highest level of contamination. This boring will be advanced until no field evidence indicates contamination for a depth of five feet. Two to three samples will be selected for laboratory analysis to evaluate the vertical extent of contamination.

2. During drilling, drill cutting samples will be collected on two foot intervals and subjected to a head space test. Each sample will be described and packaged.
3. Two to three samples from the boring located in the area assumed to have the highest contamination concentration will be placed in clean glass jars and tested for TPH (418.1), BTEX, Total RCRA Metals, a GC Scan for Glycol, and Volatiles (8240). If any of the Total RCRA Metals are close to 20 times the TCLP Metal Standards, TCLP metals will also be analyzed for that metal. This procedure will help define the vertical extent of the contamination and a depth where no contamination is present.
4. One composite sample from each boring will be combined from the suspected contaminated zone present in the first boring in the area of highest contamination. Each sample will be analyzed for the same constituents that were present in the boring referenced in item number 3 above. (TPH, Total RCRA Metals, and a GC Scan for Glycol. If any of the Total RCRA Metals are close to 20 times the TCLP Metal Standards, TCLP metals will also be analyzed for that metal.) Volatiles (from degreasers) will not be analyzed at this time. This procedure will help define the horizontal extent of the contamination and a locations where no contamination is present.
5. If contamination is present in the first four borings, step out borings will be completed. Step out distances will be on the order of five to ten feet depending on the available space, site accessibility, and amounts of identified contamination. It is anticipated that a total of four to eight borings will be required.
6. All soil cuttings will be placed and covered with plastic. After testing of the soil samples is completed, a disposal or treatment method will be recommended.

Flare Pit

The Flare Pit is located to the east of the flare near the northwest corner of the property. A berm surrounds the pit and is approximately 45 by 36 feet as measured from the outside of the berm edges. The berm surrounds a depressed but level center area approximately four feet deep. Some staining of the soils was identified in the pit and it was apparent that impacted soils had been stockpiled in the flare pit in the past. When KN Energy took over the ownership of the plant, a small fiberglass tank was placed in the pit to catch any liquids from the flare. To assist in the delineation, the following elements will be performed:

1. Conduct a visual survey of the site to locate four boring locations (one outside of each of the berm corners). Borings will be advanced to a depth of ten feet. One additional boring will be placed in the center of the flare pit. This area is believed to contain the highest level of contamination. This boring will be advanced until no field evidence indicates contamination for a depth of five

feet. Two to three samples will be selected for laboratory analysis to evaluate the vertical extent of contamination.

2. During drilling, drill cutting samples will be collected on two foot intervals and subjected to a head space test. Each sample will be described and packaged.
3. Two to three samples from the boring located in the area assumed to have the highest contamination concentration will be placed in clean glass jars and tested for TPH (418.1) and BTEX. It is suspected that any semi-volatiles and volatiles would not remain in the liquid from the flare. This procedure will help define the vertical extent of the contamination and a depth where no contamination is present.
4. One composite sample from each boring will be combined from the suspected contaminated zone present in the first boring in the area of highest contamination. Each sample will be analyzed for the same constituents that were present in the boring referenced in item number 3 above (TPH). This procedure will help define the horizontal extent of the contamination and a location where no contamination is present.
5. One composite sample will be obtained from each of the soil piles that exist in the pit. This sample will be analyzed for TPH (418.1), Total RCRA Metals, Semi-Volatiles (8270), and Volatiles (8240). If any of the Total RCRA Metals are close to 20 times the TCLP Metal Standards, TCLP metals will also be analyzed for that metal.
6. If contamination is present in the first four borings, step out borings will be completed. Step out distances will be on the order of five to ten feet depending on the available space, site accessibility, and amounts of identified contamination. It is anticipated that a total of four to eight borings will be required.
7. All soil cuttings will be placed and covered with plastic. After testing of the soil samples is completed, a disposal or treatment method will be recommended.

Once the field investigation and laboratory testing is completed for all units a report will be prepared. The report will summarize the activities conducted and the information gathered. The report will include a site diagram depicting the location of each unit, the borings, and a contamination contour map. Should the results of this assessment reveal the presence of conditions of significant environmental concern, recommendations will be presented regarding additional field investigations (further delineation or placement of monitor wells), and or remediation recommendations. Remediation may include removal and treatment, disposal, or bio-remediation. These recommendations will include the drill cuttings, existing soil piles, and any contaminated soils remaining in the ground.

SCHEDULING

Eco-logical Environmental can begin conducting the assessment on behalf of KN Energy During the last week of January or the beginning of February. We anticipate the completion of and the submission of a final report within four weeks of the execution of the field work. ECO will work with KN Energy and the OCD in reducing the time necessary to complete the project or in meeting any project specific scheduling demands.

Respectfully Submitted,

Eco-logical Environmental Services, Inc.

Carrie E. Eick

Carrie E. Eick, P.E.
Project Manager

Shane Estep

Shane Estep
President

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

December 6, 1995

CERTIFIED MAIL

RETURN RECEIPT NO. Z-765-962-600

Mr. Hayden Truscott
KN Energy
P.O. Box 281304
Lakewood, Colorado 80228-8304

**Re: (GW-191) Hobbs Gas Plant
Lea County, New Mexico**

Dear Mr. Truscott:

The Oil Conservation Division (OCD) inspected the American Processing, L.P. (American) Hobbs Gas Plant October 16, 1995 and noted deficiencies in the facility relative to discharge plan compliance. The following comments and requests for information are a result of that inspection.

1. Product Storage Tanks - referred to as "east and west" tanks during the inspection. Propose a specific schedule to berm these tanks to contain 1 and 1/3 the volume of the largest of the two tanks or the combined volume of the two tanks if they are interconnected.
2. Cryogenic Skid -Gross staining on the north side of the skid indicating long-term discharge to the ground. Propose a method to contain the runoff from the concrete pads including specific time tables for implementation. Propose a work plan for investigating the extent (horizontal and vertical) of contamination and method of clean up.
3. Compressor Units - Active discharge was taking place at the time of inspection in the form of rinse water from the engines was discharging to the ground. Propose a method of containing rinse waters, storing the waste, disposing of the waste and a time table for implementation. Propose a work plan for investigating the extent (horizontal and vertical) of the associated contamination and a method of clean up.

NOTE - Only "exempt" oil field waste(s) may be injected into a class II injection well, however, "non-exempt" wastes that have proven to be non-hazardous by characteristics

may be disposed of at an OCD approved surface disposal facility.

4. Flare Pit - inspection revealed gross contamination in the pit and contaminated soil piles stored inside the flare pit. Propose a work plan for investigating the extent (horizontal and vertical) of contamination associated with this practice and a method of clean up and closure of the flare pit. Include a proposal for disposing of the soil piles.

NOTE - specific authorization from the OCD must be obtained prior to the disposal of all "non-exempt" waste(s).

5. Pig Receiver - No method of containment and inadequate berming noted during inspection. Propose a method to contain all pigging waste(s) at the receiver area, berming of the pigging waste storage tanks and a specific time table for implementation.
6. Tank Integrity: Propose a method to ensure the integrity of the storage tanks at the facility.

NOTE: examples would be hydrostatic testing, clean out and visually inspect, placing a liner and/or pad under the tanks. The OCD will consider any means, not just the examples.

7. Drum Storage: Empty drums and partials were on the ground and scattered around the north and west sides of the facility. Propose a method of storing all drums on a pad and curb type containment along with a specific time table.

NOTE: Empty drums must be stored on their sides with the bungs parallel.

Please provide the above requested information by January 31, 1996.

If you have any questions please call me at (505) 827-7153.

Sincerely,



Chris Eustice
Environmental Geologist

cc: Wayne Price, OCD Hobbs Office

NMOCD Inter-Correspondence

To: Chris Eustice-Environmental Bureau
From: Wayne Price-Environmental Engineer District I
Date: November 20, 1995
Reference: KN Energy-American Processing L.P. GW-191
Subject: Discharge Plan Site Inspection

Comments:

Dear Chris,

Per your request, I have the following comments for you and I have attached a sketch of the facility. (no scale)

1. Add generic conditions such as; Payment of DP fee's, Drum storage, Sump Inspections, Berms and Tanks*, Tank and Drum Labeling, Pressure testing (should include tank sumps since they are buried), Spills, OCD Inspections and additional requirements, Modifications, Waste Disposal Approvals (Should I.D. all waste streams on DP plan, if not listed in plan then must be addressed (approved) on each event).

* Note: It is my opinion that all tanks, especially tanks that are holding gas condensate liquids should have an impermeable pad under them. I base this fact on that just about every major gas plant facility has ground water contamination and our experience that AST's bermed without a pad under them can and has caused such contamination. Also, our guidelines that indicate they must have a gravel pad is not consistent with our goals of protecting ground water.

Recommend: If tanks are existing and there are no plans to place them on secondary containment then I recommend they be required to inspect tanks on routine basis and/or hydro-test and document.

2. The inspection revealed that the plants produced water is going to be disposed of into a UIC Class II type well off-site. As noted during the inspection the non-exempt used lube oils and waste waters is co-mingled with the produced water stream.

Therefore, I recommend that they be required to verify and demonstrate in writing to the NMOCD the status of this waste stream as being classified as an EPA Exempt waste.

We could recommend that they be able to do this thur regulatory citation of the rules and regulations, memorandums, knowledge of process or sampling of the different waste streams or sampling of the mixtures to demonstrate that these waste are non-hazardous per RCRA.

3. KN-APLP should submit a closure plan for the old flare pit since there was evidence of visual contamination.
4. KN-APLP should submit construction plans for pad, curb, and/or berms around the compressors and pigging station piping equipment and associated tanks. Presently their compressor wash water is being discharge to the ground as was demonstrated during our inspection.
5. KN-APLP should submit a site investigation plan for the following areas noted to have contamination:
 - A. Cryo-Skid north side.
 - B. Compressors.
 - C. Gas Condensate Tanks near the inlet pigging station and the inlet pigging station area in general.

Per our closing statements with them at the time of the inspection, we discussed that any below grade sumps, tanks, etc. does present KN-APLP a large liability due to possible ground water contamination.

Therefore we should recommend (not require) to them to replace all underground sumps, tanks etc. with secondary containment with leak detection.

cc: Jerry Sexton-District I Supervisor

Attachments-1 sketch

file: lwp-ceag.gw-191

10-16-95 TRIP TO HOBBS

1 PM (GW-19)

AMERICAN PROCESSING - HOBBS GAS PLANT

STEVE BUSTOS & BENNY YOUNG

* MATE - LIQUEFIED Sample hydro, GL's

X1151 - airtight tank

Compressor bldg -

Electrical compressor not running

Believe gas converter drains

any discharge drains outside bldg

to combustion N side of bldg then to west tank

Inlet separators fluids all go to west tank then pumped to "east" tanks

by pump trucks

WEST & EAST TANKS (side by side)

All liquids to WEST TANK (slip oil)

water pumped from west to east tank

No drums. Need drip pans at head

lines,

PHOTO #1 east tank on right

Instrument Hisskid blow down to ground

from PRESS VESSELS

METHANOL TANKS not drained

Gen Oil drain not on ~~SEA~~ Pad & Curb

Cryo Skid is on a pad

in Element hanger

USED OIL TANK no drums or labels

Cryo Skid

tubing or leaking on N. side of skid

Ground is saturated w/ free liquids

standing. Appears to be long term

problem. Photo #2 (2 little electric pumps,

flange skid swing on the west side not used

3, 6

3 Compressors for Out H/Out 3 Reciprocating

Drums 3 4 5 of separators waste

down of South Compressors

ENGINE EXHAUST CONDENSATE IS DISCHARGED

TO GROUND PHOTO #7 of wind comp

FLARE HEADER (#8 photo) prior to

FLARE STACK

FLARE PIT > Photo #9

Pit contains contaminated

gravel & soils

flangeless insert Photo #10

Pipe Driveway - 2 tanks (photo #12)

no contamination. Separator & receiver

on pad no contamination

Solvent - NAPHTHALENE on saddle. Recycle

and drums on ground empty

PAINT SHOP SHOPS

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

October 6, 1995

CERTIFIED MAIL

RETURN RECEIPT NO. Z-765-962-571

Mr. Hayden Truscott
KN Energy
P.O. Box 281304
Lakewood, Colorado 80228-8304

**Re: (GW-191) Hobbs Gas Plant
Lea County, New Mexico**

Dear Mr. Truscott:

The groundwater discharge plan GW-191 for the American Processing, L.P. (APLP) Hobbs Gas Plant located in the SE/4 of Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated April 20, 1995 and supplemental information dated September 21, 1995.

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 your 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.

Mr. Truscott
October 6, 1995
Pg 2

Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire October 6, 2000 and APLP should submit an application for renewal in ample time before that date.

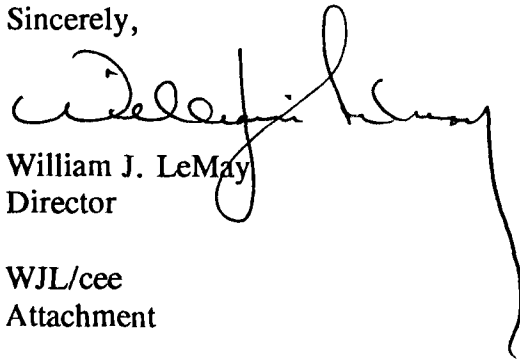
The discharge plan application for the American Processing, L.P. Hobbs Gas Plant is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus the flat rate of three thousand three hundred thirty-five (3335) dollars for gas processing plants.

The OCD has received your \$50 filing fee. The flat fee for an approved discharge plan may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.

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

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

Sincerely,



William J. LeMay
Director

WJL/cee
Attachment

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-191 APPROVAL
AMERICAN PROCESSING, L.P.
HOBBS GAS PLANT
DISCHARGE PLAN REQUIREMENTS
(October 6, 1995)

1. Payment of Discharge Plan Fees: The \$3335 flat fee (either total payment or installment) will be paid upon receipt of this approval.
2. Drum Storage: All drums will be stored on pad and curb type containment.
3. Sump Inspection: Any new sumps or below-grade tanks will incorporate leak detection in their designs and must receive OCD approval prior to installation.
4. 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.
5. 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 and must receive OCD approval prior to installation.
6. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.
7. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.



K N Energy, Inc.
370 Van Gordon Street
P.O. Box 281304
Lakewood, CO 80228-8304
(303) 989-1740

September 6, 1995

*File Copy
6w-191*

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

**Re: (GW-191) Hobbs Gas Plant
Discharge Plan
Lea County, New Mexico**

Dear Mr. Eustice:

Attached is additional information you requested in your letter of June 17, 1995, with regard to the Discharge Plan Application that American Processing, L.P. filed for the Hobbs Plant.

1.
 - a. There is a pig receiver installed at the Hobbs Gas Plant. Waste liquids are transferred to a 500, and a 300-barrel aboveground storage tanks and are then trucked away by Petrosource, who also purchases the liquids.
 - b. Other filter wastes generated at the site include sock filters and air filters from the engines. These are placed in a separate dumpster from the waste receptacle that is used for oil filter disposal. All filters are hauled offsite by Waste Control of New Mexico.
 - c. Dehydration water is stored in a 250-gallon aboveground fiberglass tank and is hauled away by Chaparral Service, Inc., approximately 4 times per year.
 - d. Approximately 2,000 gallons per year of amine is purchased from Weskem and used in the treating process to remove CO₂. Weskem delivers the amine by truck, and it is stored in a 1,000-gallon aboveground tank. This product is used in a continuous process and no disposal is required.
 - e. Absorbent socks are used around engines, and rags are furnished by Blaine Industrial. These are placed in a dumpster for disposal and hauled away by Waste Control of New Mexico.

Mr. Chris Eustice

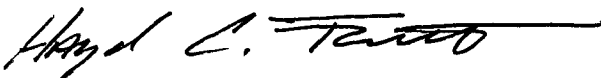
9/6/95

Page 2

2.
 - a. There is approximately 70 feet of underground drain pipe at the facility which is currently not being used. This pipe will be removed during the engineering upgrade at the facility presently scheduled for the first quarter of 1996..
 - b. In order to address the environmental drain system, we have budgeted to construct the proper retrofitting for the compressors in the first quarter of 1996. Because this construction will be a capital expenditure, we request that the engineering upgrade work be delayed until the first part of 1996. The drain system will be of curb design to fully contain the liquids from the washwater. Attached are drawings of the type of curb and double-walled sump system with monitoring ports that we propose to install. Routine maintenance at the station will include the physical inspection of the sump to insure that no release has taken place by inspecting the inner liner through the monitoring port of the sump. Piping connecting the curb drain system to the sump will be installed with poly pipe at atmospheric conditions.
 - c. Washwater liquids from the compressor engines will be collected in the double-walled sump and transported offsite by CRI Disposal Facility, Sec. 27, T20S, R32E.
3. A copy of the MSDS for the molecular sieve used at Hobbs is attached to this letter.
4. Bids for berming of the tanks have been forwarded to prospective bidders.
5. A valve has been installed on the flare header, and any liquid from the plant will go to a storage tank and not to the flare pit.
6. The plant does not generate any laboratory waste.

Thank you for your consideration of our proposal. Please contact me at (303) 763-3561 should you have any questions or comments.

Very truly yours,



Hayden Truscott
Environmental Specialist

Attachments

JUL-11 95 08:36 FROM:WESKEM

9153359745

11:5053971042

PAGE:01

GRACE

Davison Chemical Division
W. R. Grace & Co.
P.O. Box 2117
Baltimore, Maryland 21203
(301) 659-9000

MATERIAL SAFETY DATA SHEET

SAFETY DATA

PRODUCT: Formed Molecular SievesDATE: Apr 11 3, 1991

Emergency Contact:

J.H. Convey, Manager, Environmental Control Telephone No. (Home) 301-874-2009 (Office) 301-659-9055

The following information includes safety data required by OSHA. The recipient of this safety data is responsible for passing the safety information on so that it reaches the ultimate user who may come in contact with the material.

Formed Molecular Sieves

TRADE NAME:

GRADES: 512, 513, 513GP, 514, 514GP, 516, 518, 519,
521, 522, 542, 542GP, 544, 546GP, 548, 562, 564, 568,
572, 574, 576, 612, 614, 625, 626, SZ-5, SZ-9, P8E, 1GE,
WZ-10

CHEMICAL NAME
& FAMILY:

Synthetic Zeolite, A-TYPE Sieves, X-TYPE Sieves,
Y-TYPE Sieves

SYNONYMS:

Sodium*, Calcium* or Potassium* Aluminosilicate
* Depending on product grade.

CHEMICAL NOTATION
OR STRUCTURE:

A-TYPE: $\text{Na}_2\text{O}, \text{CaO}$ or $\text{K}_2\text{O}(\text{Al}_2\text{O}_3:2.0\text{SiO}_2:\text{xH}_2\text{O})$
X-TYPE: $\text{Na}_2\text{O}, \text{CaO}$ or $\text{K}_2\text{O}(\text{Al}_2\text{O}_3:2.8\text{SiO}_2:\text{xH}_2\text{O})$
Y-TYPE: $\text{Na}_2\text{O}, \text{CaO}$ or $\text{K}_2\text{O}(\text{Al}_2\text{O}_3:5.0\text{SiO}_2:\text{xH}_2\text{O})$
Clay: $3 \text{MgO}:1.5\text{Al}_2\text{O}_3:8\text{SiO}_2:9\text{H}_2\text{O}$

INGREDIENTS:

	Na ₂ O * Sodium Oxide	CaO * Calcium Oxide	K ₂ O * Potassium Oxide	SiO ₂ ** Silica (Synthetic)	Al ₂ O ₃ Alumina	Clay	Quartz	H ₂ O Water
OSHA: PEL mg/m ³ , total	n.l.	5	n.l.	5	10	n.l.	30/3quarters+2	n.l.
respirable					5		10/3quarters+2	
ACGIH: TLV mg/m ³ , total	n.l.	2	n.l.	10	10	n.l.	n.l.	n.l.
respirable						0.1		

CAS REGISTRY NO:

1313-59-3 1305-78-8 12136-43-7 7631-86-9 1344-28-1 1332-38-7 60676-86-0 7732-18-5

n.l. - not listed

** Should not be confused with quartz, cristobalite or tridymite.

RTECS NO:

MC4800000 EM3100000 TS3790000 VV7320000 BK1200000 n.l. VV7320000 n.l.

TSCA: EPA has defined zeolites as complex chemical products consisting of silica (SiO₂) and alumina (Al₂O₃), in various proportions plus metallic oxides and certain cations. For purposes of TSCA, zeolites are statutory mixtures.

This information contained herein is based upon data considered true and accurate. However, Grace makes no warranties, express or implied, as to the accuracy or adequacy of the information contained herein or the results to be obtained from the use thereof. This information is offered solely for the user's consideration, investigation and verification. Since the use and conditions of use of this information and the material described herein are not within the control of Grace, Grace assumes no responsibility for injury to the user or third persons. The material described herein is sold only pursuant to Grace's terms and conditions of sale. Information does not constitute an offer of insurance or any other financial product. © 1991 W. R. Grace & Co.

HEALTH INFORMATION

Page 2 of 4

PRECAUTIONS IN USE:

Avoid prolonged breathing of the dust or contact of dust with the skin. The drying action of this material can cause irritation of the mucous membranes of the nose and throat and irritation of the skin. If its use requires manual handling, wear long sleeves and close-weave cotton gloves with tight-fitting wristlets. If dusty conditions prevail, use of an approved NIOSH/MSHA dust mask is recommended.

When pouring into a container of flammable liquid, ground both containers electrically to prevent a static electric spark.

Will release heat when adsorbing water. If a large quantity of sieve quickly adsorbs the equilibrium amount of water, the sieves can become hot enough to cause thermal burns of the skin. Avoid contact under these conditions. See SPECIAL INFORMATION, p. 4.

FIRST AID:

EYES: Immediately wash from eyes with large amounts of water, occasionally lifting upper & lower eye lids. If irritation occurs and persists, seek medical attention.

SKIN: Wash with soap & water.

INGESTION: Material will pass through body normally.

INHALATION: Remove to fresh air.

TOXICOLOGY**ANIMAL TOXICOLOGY****TESTS FOR DOT HAZARD CLASSIFICATION:**

Tests on Na₂O X-TYPE sieves gave the following results:

- 1-hour LC₅₀ (rat) > 2.8 mg/l
- 48-hour oral LD₅₀ (rat) est. > 91,600 mg/kg
- 48-hour dermal LD₅₀ (rabbit) est. > 2,000 mg/kg
- Not considered an ocular irritant.

TESTS FOR FDA APPROVAL FOR USE IN FOODS: Not a food-grade product.

HUMAN TOXICOLOGY:

Molecular Sieves are non-fibrous, synthetic aluminosilicates (zeolites) not to be confused with natural zeolites. All studies to date indicate that they do not cause significant health problems. When activated, molecular sieves act as a desiccant and can cause a drying irritation of the mucous membranes and skin in cases of severe exposure. The average concentration of quartz in this material is less than 2.0% (maximum - 3.0%). Quartz has been classified by IARC as a Class 2A Carcinogen. Quartz can cause cancer, silicosis or other fibrotic lung disease with prolonged exposure. Davison knows of no medical conditions abnormally aggravated by exposure to this product. The primary route of entry is inhalation.

REGULATORY STATUS

Page 4 of 4

- OSHA-** PEL: Molecular Sieve - not listed in 29 CFR 1910.1000. See page 1.
- NIOSH-** Not included on the list of substances requiring toxicity studies.
- EPA-** This product contains no toxic chemicals in excess of the applicable de minimis concentration as specified under § 313 of Title III SARA.
- ACGIH-** TLV: Molecular Sieve - not listed in ACGIH - TLV's, See page 1.
- URDA-** Not applicable.
- FDA-** Not applicable.
- DOT-** Not classified as a hazardous material.

HANDLING INFORMATION**STORAGE AND
TRANSPORTATION:**

Keep containers tightly sealed to protect product quality.

DISPOSAL:

Landfill in accordance with local, state and federal regulations. Cover to avoid blowing of dust.
See Special Information, below.

SPILLAGE AND CLEANUP:

Vacuum or sweep up or flush to sewer treated for suspended solids removal.

CONTAINERS:

Bags and drum containers.
Also available in other packaging as required,
including bulk shipments by truck.

SPECIAL INFORMATION

When transferring beaded molecular sieves with high pressure air, wear goggles. Malfunction of equipment can propel beads with enough velocity to penetrate the skin. Make sure that the transfer system and receiving vessels are properly grounded. Follow standard operating instructions.

Following contact with typical petrochemicals or gases, molecular sieves must be handled with special precautions. The combination of molecular sieves and retained material can be flammable and toxic. Care should be taken to avoid sources of ignition and to avoid personal contact. Use approved disposal methods suitable for toxic wastes.

MATERIAL SAFETY DATA SHEET**ENVIRONMENTAL DATA**

Page 3 of 4

Not known to have any adverse effect on the aquatic environment when properly disposed.
Insoluble and nontoxic.

TYPICAL CHEMICAL & PHYSICAL INFORMATION

APPEARANCE: White, gray, or tan, beads.

pH IN 5% SLURRY: 10.3 - 10.5

ODOR: Odorless

SPECIFIC GRAVITY: 2.1

BULK DENSITY: Beaded Grades 40-50 lbs/ft.³

**SOLUBILITY
IN WATER:** Insoluble

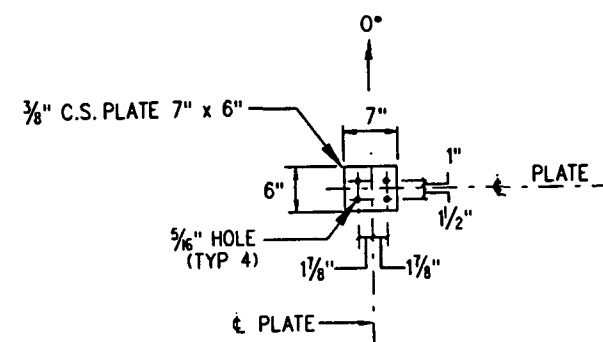
**APPROXIMATE
ANALYSIS:**

Mol ratios:	A-TYPE:	$1\text{Na}_2\text{O} : 1\text{Al}_2\text{O}_3 : 2\text{SiO}_2 : x\text{H}_2\text{O}$
	A-TYPE:	$0.8\text{CaO} : 0.2\text{Na}_2\text{O} : 1.0\text{Al}_2\text{O}_3 : 2.0\text{SiO}_2 : x\text{H}_2\text{O}$
	A-TYPE:	$0.6\text{K}_2\text{O} : 0.4\text{Na}_2\text{O} : 1.0\text{Al}_2\text{O}_3 : 2.0\text{SiO}_2 : x\text{H}_2\text{O}$
	X-TYPE:	$1\text{Na}_2\text{O} : 1\text{Al}_2\text{O}_3 : 2.8\text{SiO}_2 : x\text{H}_2\text{O}$
	Y-TYPE:	$1\text{Na}_2\text{O} : 1\text{Al}_2\text{O}_3 : 5.0\text{SiO}_2 : x\text{H}_2\text{O}$
	CLAY:	$3\text{MgO} : 1\text{Al}_2\text{O}_3 : 8\text{SiO}_2 : 9\text{H}_2\text{O}$
Weight %:	Quartz:	< 2 (typical) Maximum = 3.0

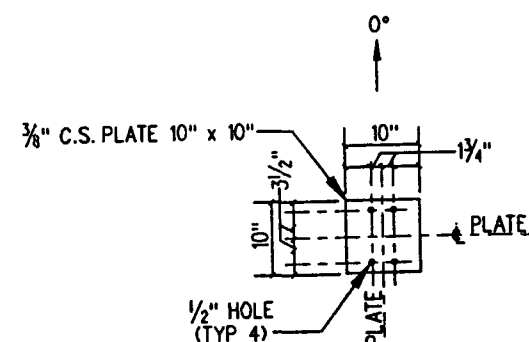
STABILITY: Stable

REACTIVITY: Reacts with HF and strong acids or alkali

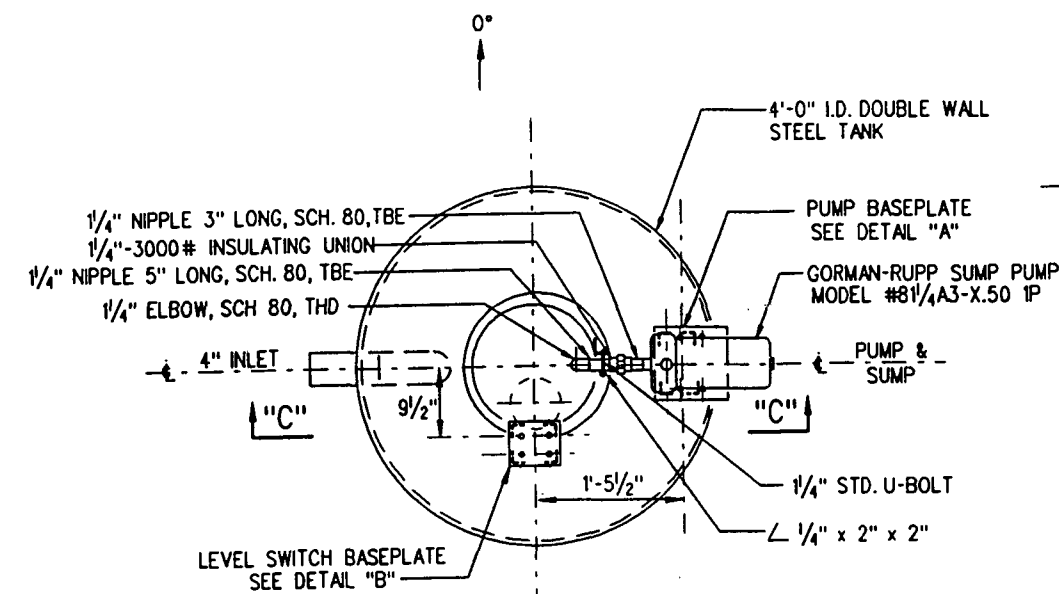
**FIRE & EXPLOSION
DATA:** Non-flammable



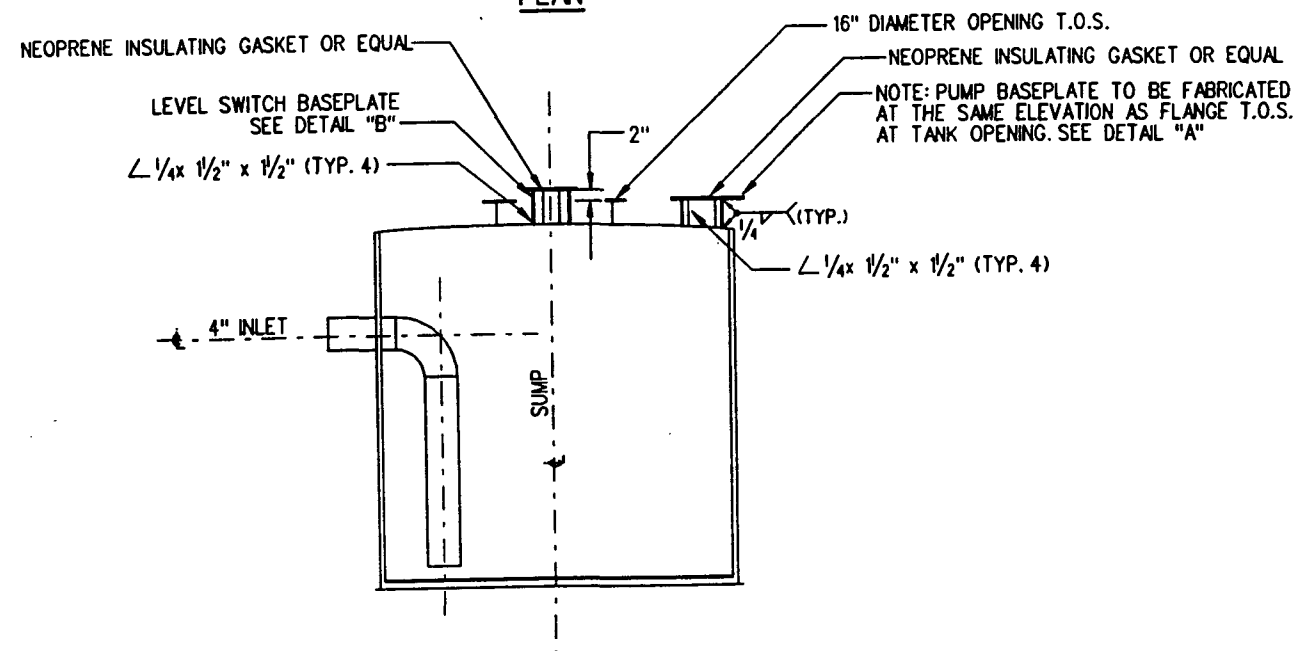
DETAIL "B"
LEVEL SWITCH BASEPLATE



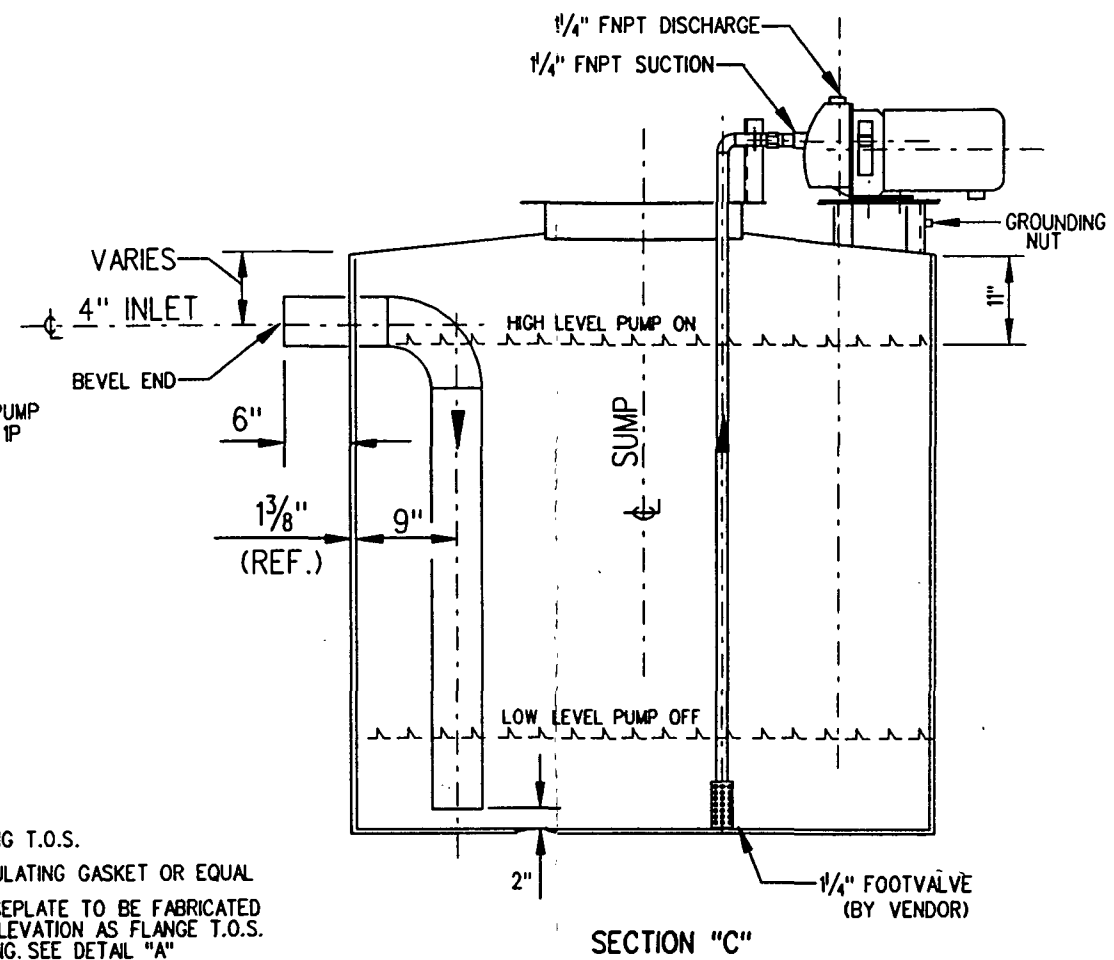
DETAIL "A"
SUMP PUMP BASEPLATE



PLAN



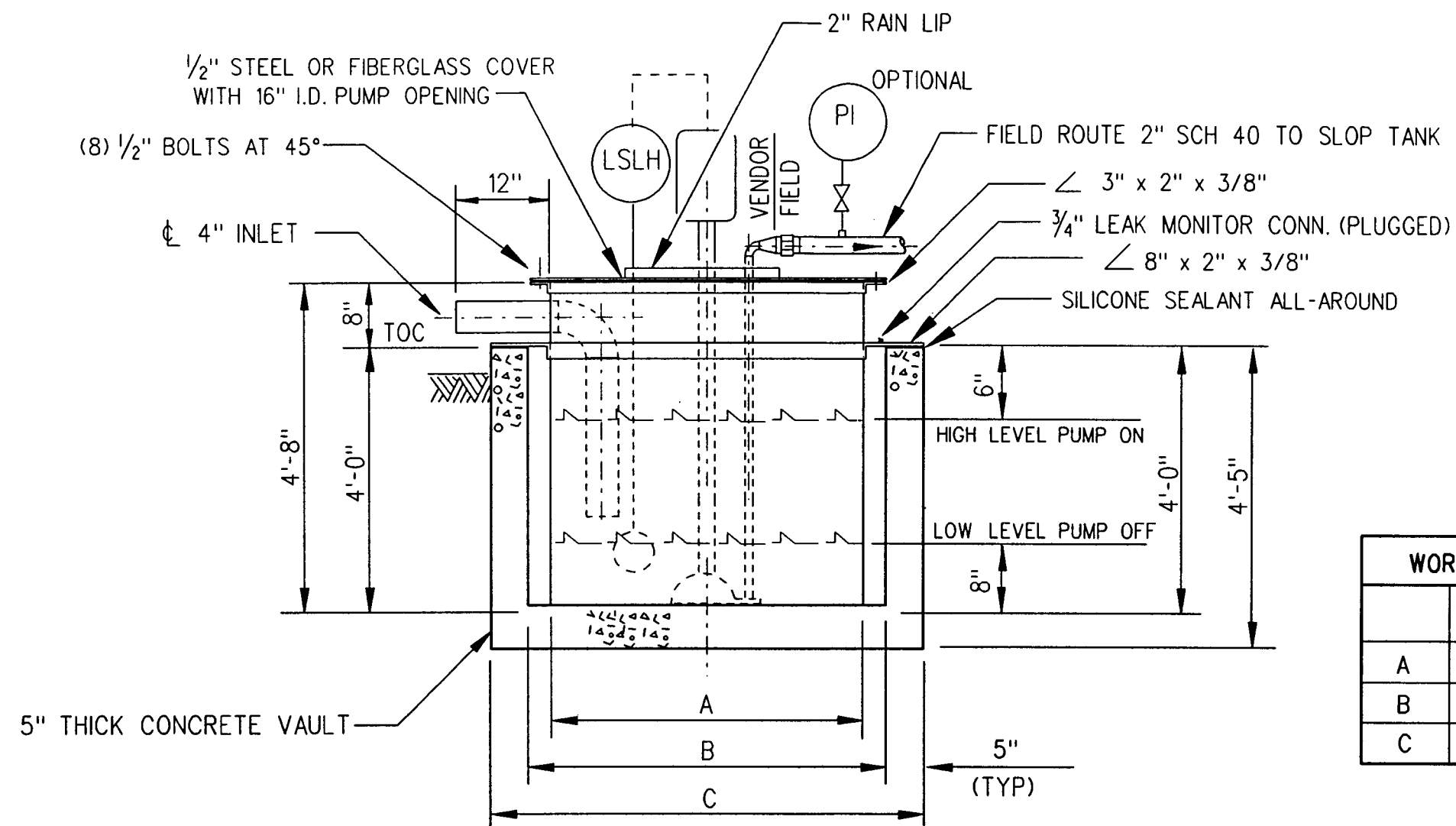
ELEVATION



NOTES

1. PUMP AND LEVEL SWITCH TO BE FASTENED TO BASEPLATES WITH NON-CONDUCTIVE BOLTS.
2. REFERENCE DRAWINGS DZ-4015-1, DZ-4015-2, AND Q-5772.

NO	DATE	DWN	APP'D	REVISIONS
KN ENERGY STANDARD				
DRAWN BY: STF		SUMP PUMP AND LEVEL SWITCH DETAILS		
DATE: 4-26-95				
SCALE: NONE				
APP'D:		DWC. NO. DZ - 4015-3		



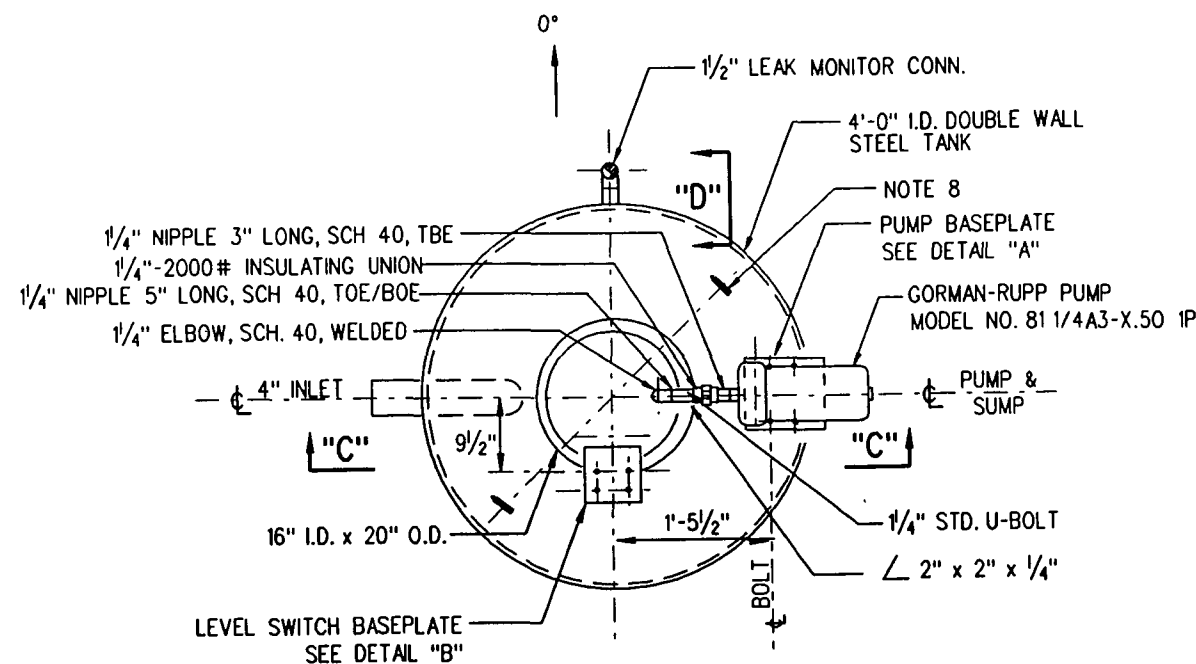
ELEVATION

WORKING CAPACITY (GALLONS)		
	200	335
A	42"	54"
B	48"	60"
C	58"	70"

NOTES

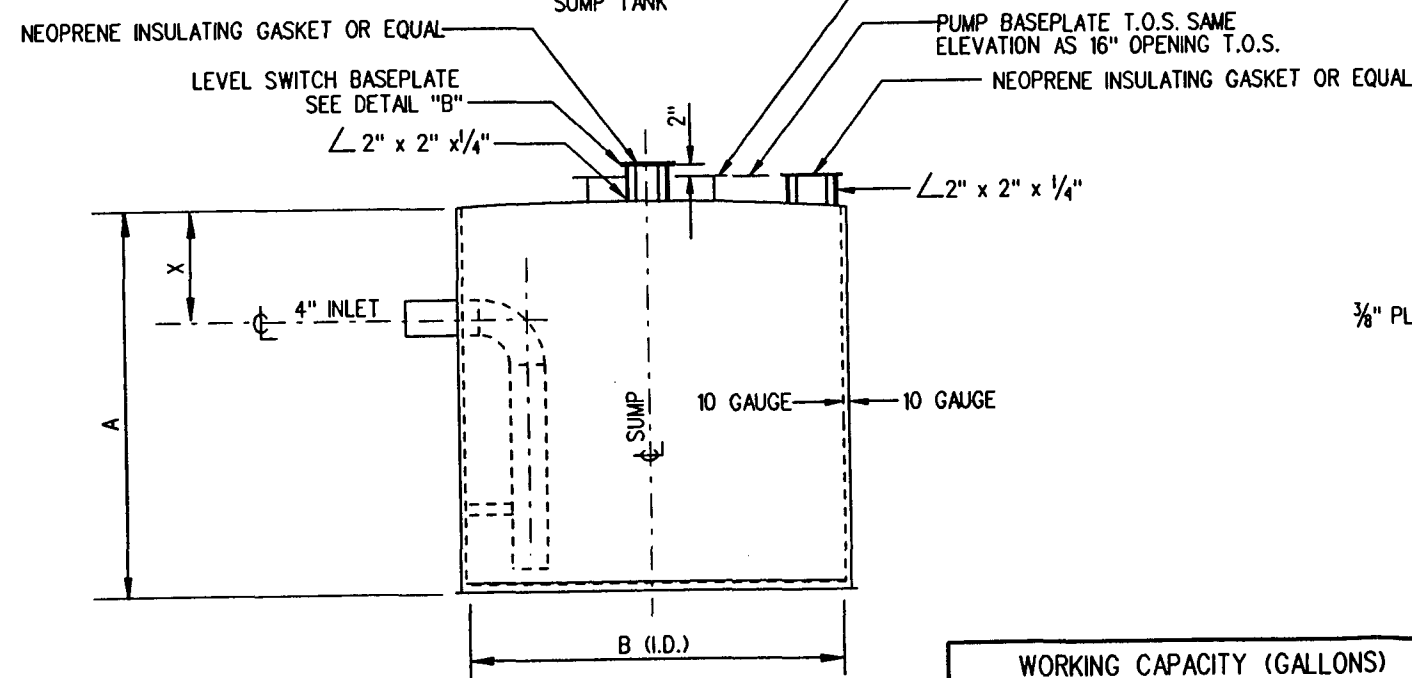
1. REFERENCE DRAWINGS DZ-3611-1 AND 2.
2. CONCRETE CONTAINMENT MUST BE MONOLITHIC POUR - NO JOINTS.
3. 4'-0" x 4'-0" VAULT = 5600#.

NO	DATE	DWN	APP'D	REVISIONS
KN ENERGY STANDARD				
DRAWN BY: STF		SKID LIQUIDS CONTAINMENT		
DATE: 4-26-95		FIBERGLASS/CONCRETE		
SCALE: NONE		SUMP TANKS		
APP'D:		DWG. NO. DZ-3611-3		



PLAN

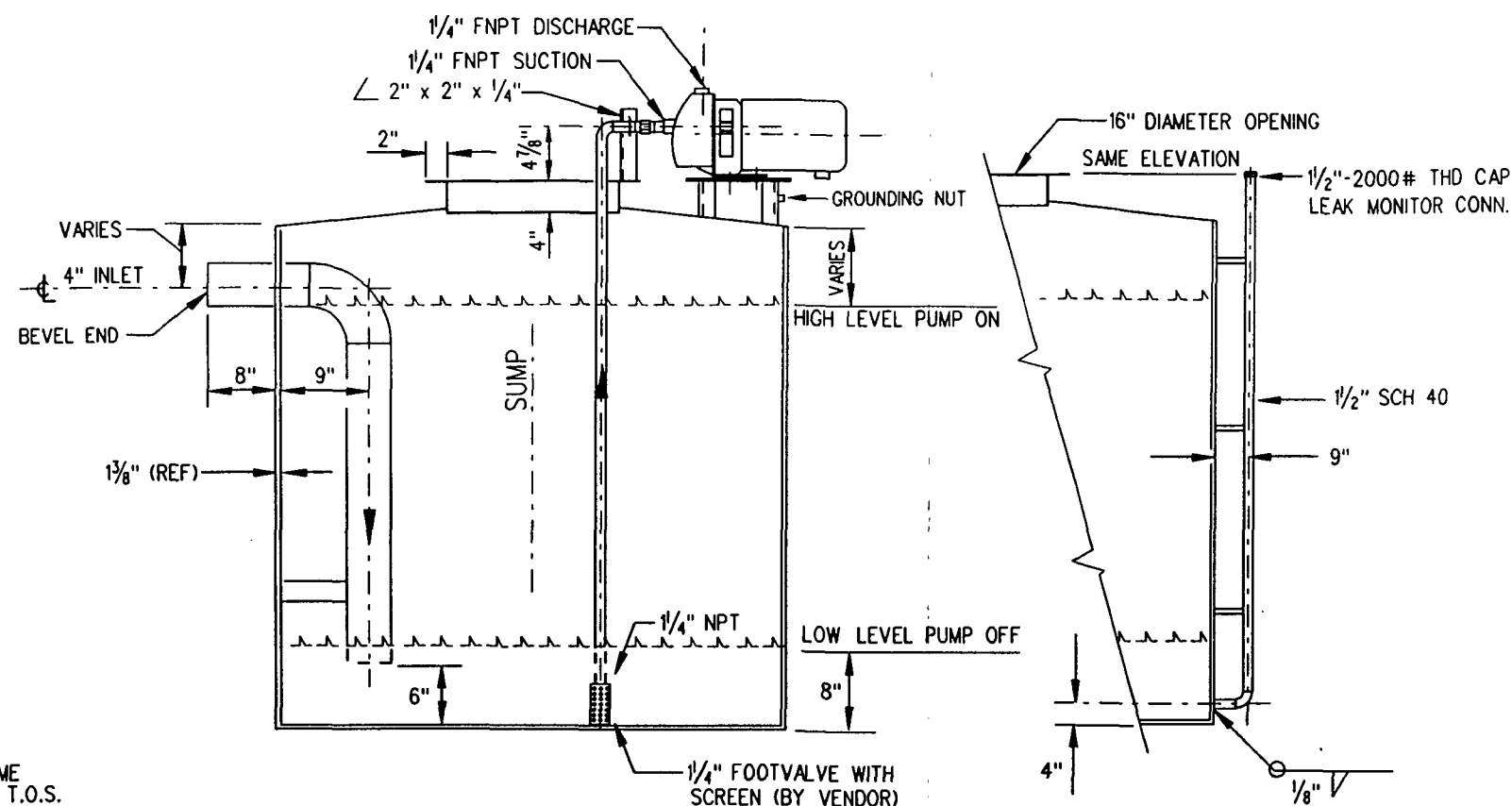
SUMP TANK



ELEVATION

SUMP TANK

	WORKING CAPACITY (GALLONS)		
	123	219	342
A	4'-0"	4'-0"	4'-0"
B	3'-0"	4'-0"	5'-0"
X	VARIES	VARIES	VARIES

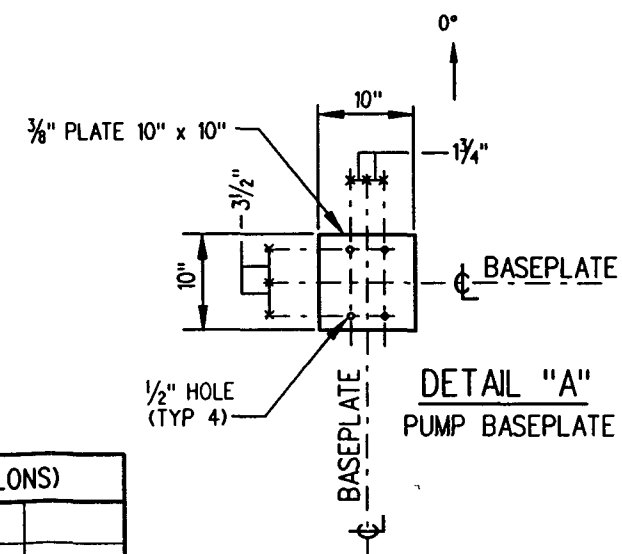


SECTION "C"

SUMP TANK

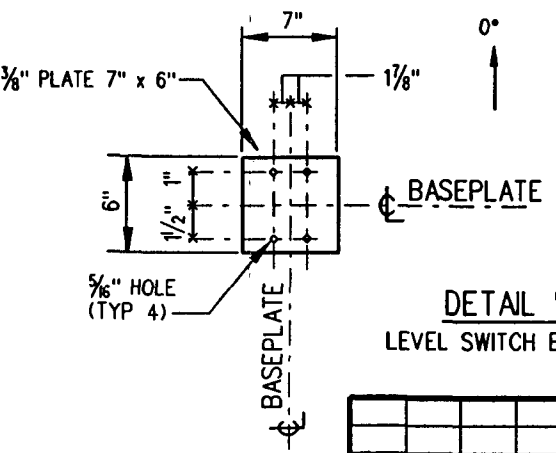
SECTION "D"

SUMP TANK LEAK MONITOR



DETAIL "A"

PUMP BASEPLATE



DETAIL "B"

LEVEL SWITCH BASEPLATE

NOTES:

1. PUMP AND LEVEL SWITCH TO BE MOUNTED WITH NON-CONDUCTIVE BOLTS.
2. REFERENCE DRAWINGS DZ-3611-1 AND 3.
3. THIS INSTALLATION SHOULD NOT BE GROUNDED TO ANY OTHER SYSTEM.
4. 17# ANODE TO BE BURIED MINIMUM 4'-0" FROM SUMP.
6. INTERIOR TANK SURFACES SHALL BE CLEANED FREE OF RUST, SLAG, AND ALL FOREIGN MATTER.
7. COMMERCIAL BLAST EXTERIOR SURFACES PER SSPC-SP6. PRIME AND PAINT TOP WHITE COAT KOPPERS 300M COAL TAR EPOXY.
8. VENDOR TO PROVIDE 2 LIFTING LUGS.

NO				DATE				DWN				APP'D				REVISIONS			
DRAWN BY: STF								SKID LIQUIDS CONTAINMENT											
DATE: 4-26-95								DOUBLE WALL STEEL											
SCALE: NONE								SUMP TANKS											
APP'D:								DWG. NO. DZ-3611-2											



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

June 27, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-150

Ms. Janice Smith
American Processing, L.P.
P.O. Box 90
Amarillo, Texas 79105-0090

Re: (GW-191) Hobbs Gas Plant
Lea County, New Mexico

Dear Ms. Smith:

The Oil Conservation Division (OCD) has received and is in the process of reviewing the discharge plan application dated April 28, 1995 for the above-referenced facility. The following comments and requests for additional information are based upon the OCD's review of the application.

1. Section VI of the discharge plan application lists the various (8) wastes generated at the gas plant. Just to clarify the application, please respond to the following;
 - a. Does the gas plant have a pig receiver? If so, how are the wastes transferred, stored and disposed of?
 - b. The application states the only filter wastes generated are oil filters from the compressors. Please list any other filter wastes generated at this gas plant and how they are stored and disposed of.
 - c. Does the facility generate any other dehydration related wastes such as glycol, reflux waters, or associated containers?
 - d. Is any gas sweetening performed at the gas plant and if so is how are wastes (i.e. conversion chemicals) generated, transferred, stored and disposed of?
 - e. Is any oily debris (i.e. rags, sorbents, floor sweeps) generated at the facility and how are they stored and disposed of?

Ms. Smith
June 27, 1995
Pg 2

2. Section VII of the discharge plan addresses the transfer and storage of process fluids and effluent.
 - a. Is there any underground drain lines at this facility and if so propose a method and frequency of testing to ensure the integrity of these lines?
 - b. The wash water from the compressor engines is presently discharged to the surface. Propose a method and time frame for installing pad and curb type containment for the wash water. In addition, state how these fluids will be transferred, stored and disposed of.

The hazardous waste characterization (TCLP analysis) included with the discharge plan application has deemed this waste stream non-hazardous, however, the fluids cannot be disposed of by injection into a Class II injection well.

3. Provide a description of the molecular sieve used at the plant including a chemical description and a material safety data sheet.
4. All tanks containing fluids other than fresh water will be bermed to contain a volume 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.

Provide a method and time frame to berm all tanks containing fluids other than fresh water.

5. In the event that the flare pit gets liquid in it, what plan will be employed to empty the contents and how soon will this take place?
6. Does the gas plant generate any laboratory waste, and if so, how are the wastes transferred, stored and disposed of?

Submission of the above requested information will allow the review process to continue. If you have any questions please call me at (505) 827-7153.

Sincerely,



Chris Eustice
Geologist

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS & 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, renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-22) American Processing, L.P., Janice Smith, Environmental Specialist, P.O. Box 90, Amarillo, Texas 79105-0090, has submitted a discharge plan application for their Hobbs Gas Plant located in the SE/4 Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 276 gallons per day of waste water with a total dissolved solids concentration of 11,000 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 accidental discharge is at a depth approximately 47 feet with a total dissolved solids concentration of approximately 350 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 applications may be viewed at the above address between 8:00 a.m. and 5:00 p.m., Monday thru Friday. Prior to filing 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 20th day of April, 1995.
 Journal: April 28, 1995.

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 of assessed as court cost; 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 of the 28th day of April, 1995, and the subsequent consecutive publications on _____, 1995

Bill Tafoya

Sworn and subscribed to before me, a notary Public in and for the County of Bernalillo and State of New Mexico, this 1st day of May 1995

PRICE \$19.00
 Statement to come at end of month.

OFFICIAL SEAL
 Megan Garcia
 NOTARY PUBLIC
 STATE OF NEW MEXICO
 Commission Expires: 5-20-98

Megan Garcia

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

OK to
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1

OK to play
CS

RECEIVED

APR 24 1995

4381
USFWS - NMESSO

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, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

Should be GW-22.
(GW-22) - American Processing, L.P., Janice Smith, Environmental Specialist, P.O. Box 96, Amarillo, Texas, 79105-0090, has submitted a discharge plan application for their Hobbs Gas Plant located in the SE/4 Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 276 gallons per day of waste water with a total dissolved solids concentration of 11,000 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 accidental discharge is at a depth approximately 47 feet with a total dissolved solids concentration of approximately 350 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 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 20th day of April, 1995.

NO EFFECT FINDING

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

Date May 2, 1995

Consultation # GW95OCD-1

SEAL

Approved by

U.S. FISH and WILDLIFE SERVICE

NEW MEXICO ECOLOGICAL SERVICES FIELD OFFICE

ALBUQUERQUE, NEW MEXICO

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

By *William J. Lemay* acting Director
WILLIAM J. LEMAY, Director

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, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

GW-22
(GW-22) - American Processing, L.P., Janice Smith, Environmental Specialist, P.O. Box 90, Amarillo, Texas, 79105-0090, has submitted a discharge plan application for their Hobbs Gas Plant located in the SE/4 Section 28, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 276 gallons per day of waste water with a total dissolved solids concentration of 11,000 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 accidental discharge is at a depth approximately 47 feet with a total dissolved solids concentration of approximately 350 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 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 20th day of April, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

By *William J. Lemay* acting Director
WILLIAM J. LEMAY, Director

SEAL

**AMERICAN OIL
AND GAS**

A SUBSIDIARY OF
KMG
ENERGY

OIL CONSERVATION DIVISION

RECEIVED

APR 10 1995

American Oil and Gas Corporation
801 S. Pierce
P.O. Box 90
Amarillo, TX 79105-0090
(806) 373-6042

*File copy
GW191*

RECEIVED

APR 20 1995

Environmental Bureau
Oil Conservation Division

April 10, 1995

State of New Mexico
Energy Minerals and Natural Resources Department
Environmental Bureau
2040 S. Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. William J. LeMay, Director

Re: Discharge Plan Application
Hobbs Gas Plant
Lea County, New Mexico

RECEIVED

APR 12 1995

Oil Conservation Division

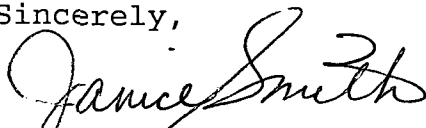
Dear Mr. LeMay:

Attached are three copies of the discharge plan application submitted on behalf of American Processing, L. P. for the Hobbs Gas Plant located in Lea County New Mexico.

Also included is a plot plan, a map showing the location of the facility, analyses of the compressor engine washdown water and a check for \$50.00 for the filling fee.

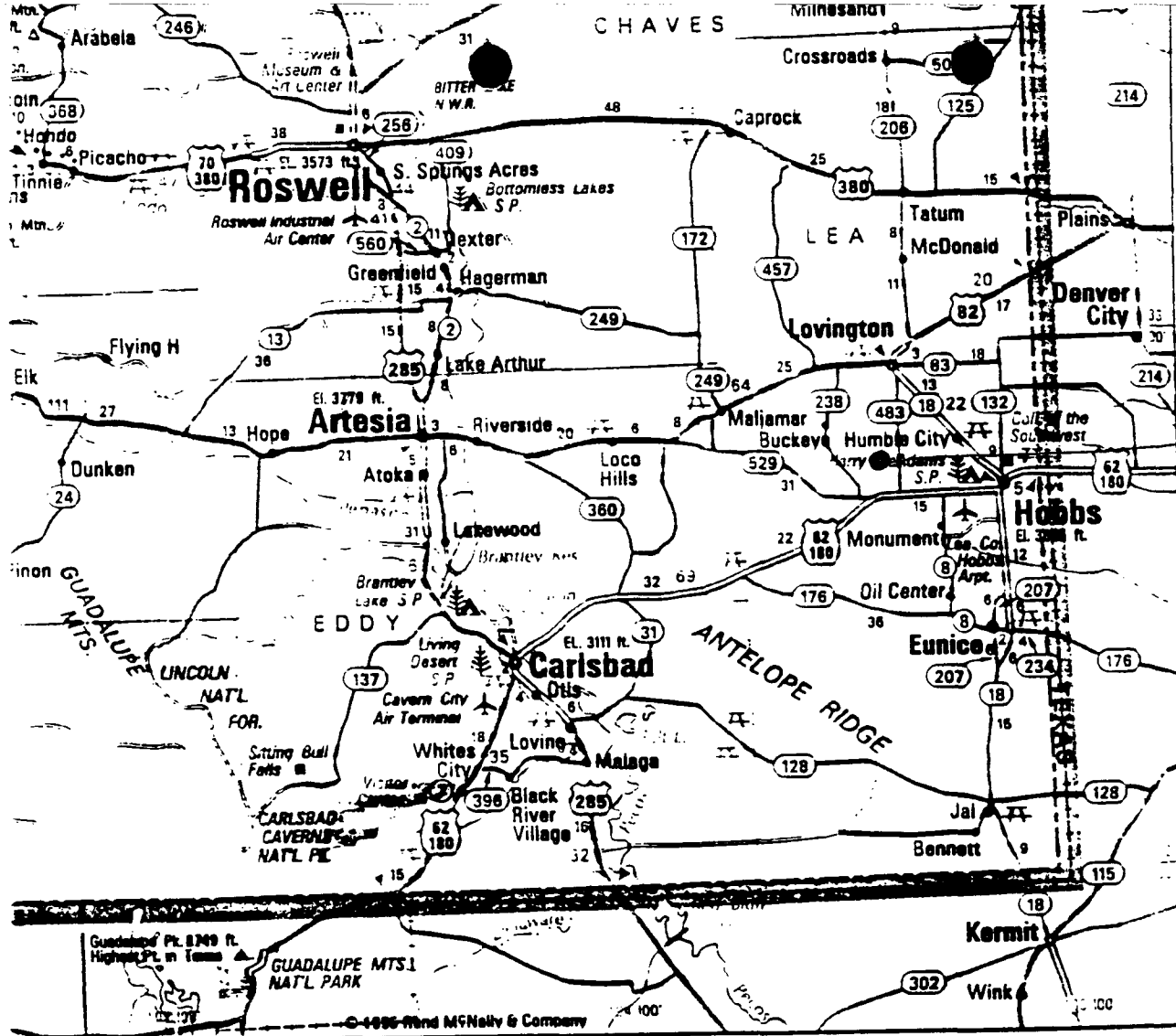
Please let me know if you need further information.

Sincerely,



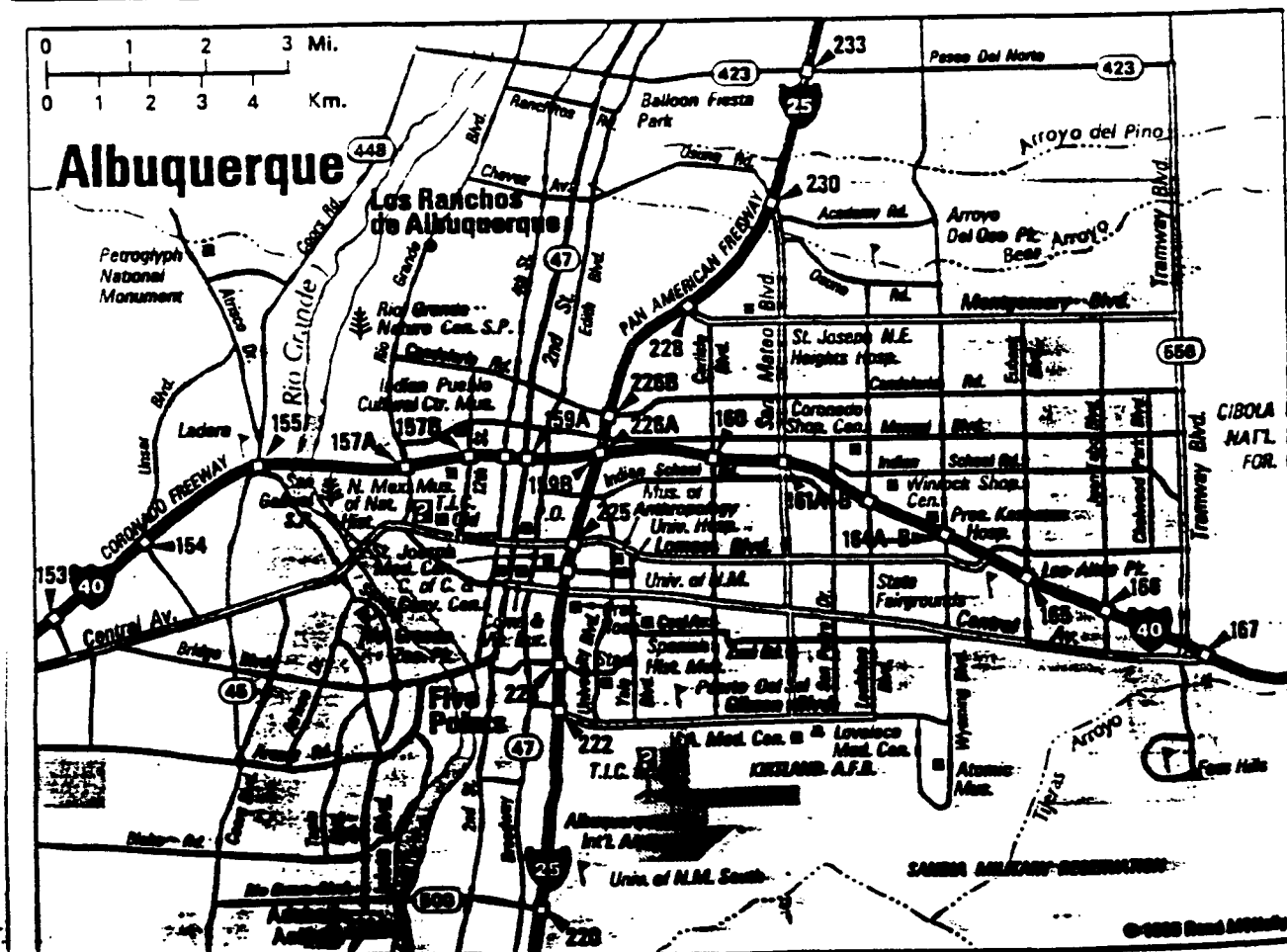
Janice Smith
Environmental Specialist

cc: Stuart Francone
Pierce Norton
Bob Tomlinson
Clay Robertson



File
copy
CW-141

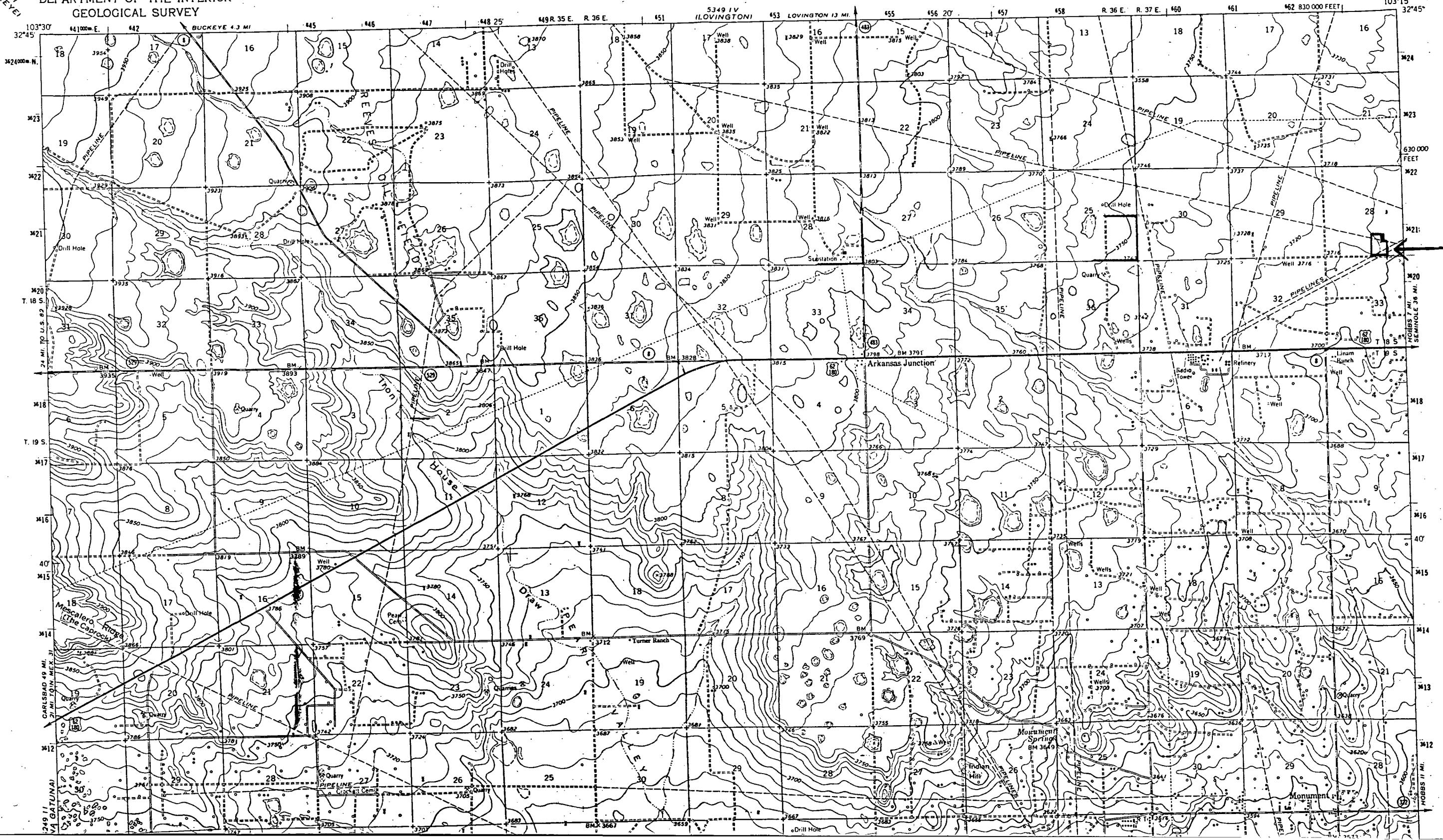
Hobbs Plant
13 miles west of
Hobbs on Hwy 62
N 2 miles on 4



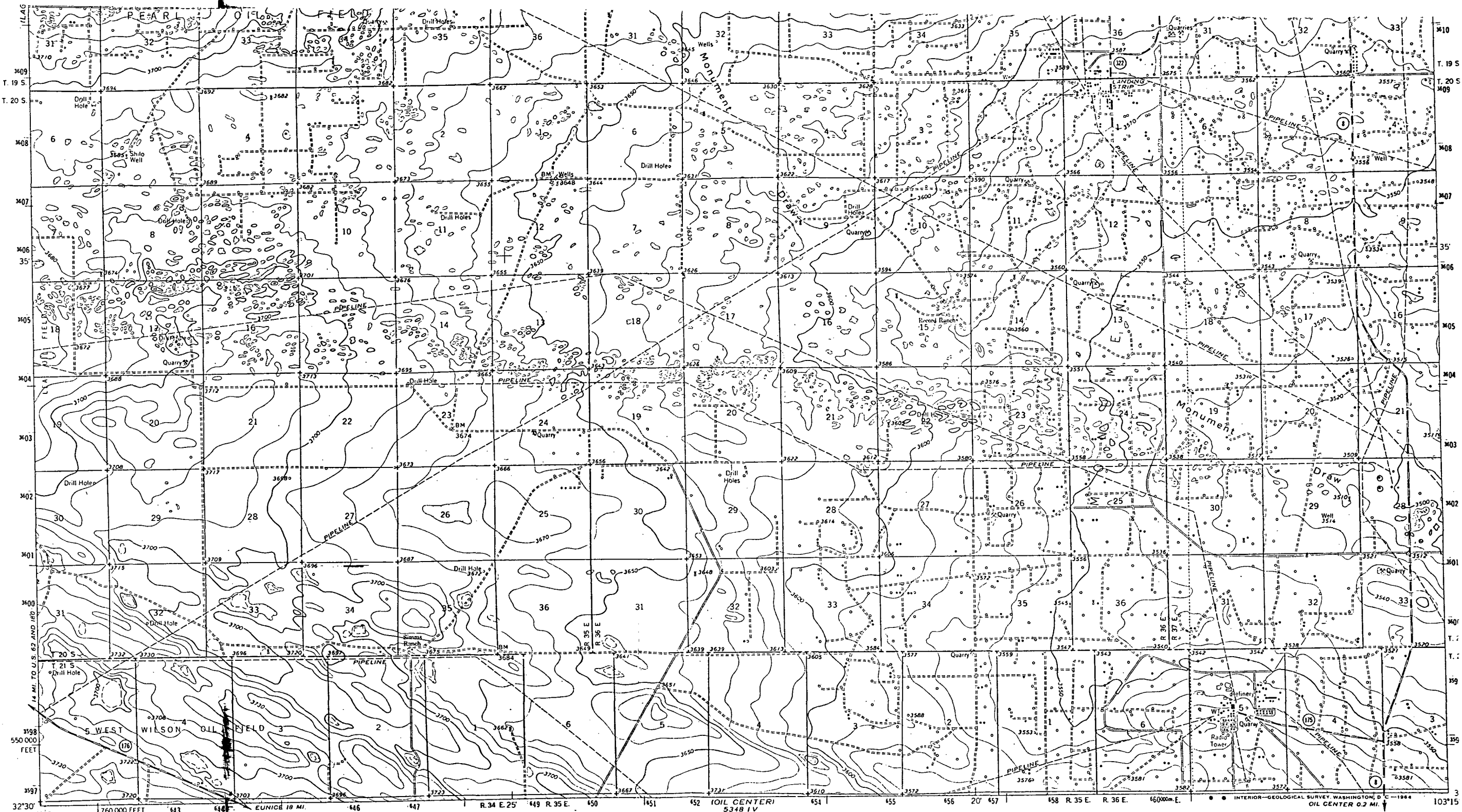
5291
BUCKEYE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MONUMENT QUADRANGLE
NEW MEXICO-LEA CO.
15 MINUTE SERIES (TOPOGRAPHIC)

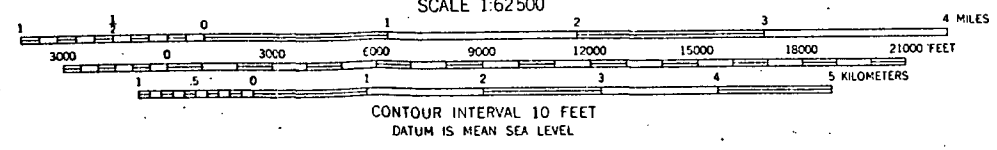
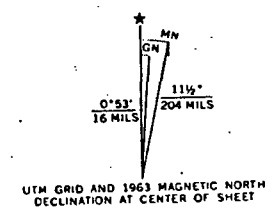


Hobbs Plant



HAT MESAI
5248

Mapped, edited, and published by the Geological Survey
Control by USGS and USC&GS
Planimetry by photogrammetric methods from aerial photographs
taken 1957 Topography by planetable surveys 1963
Polyconic projection. 1927 North American datum
10,000-foot grid based on New Mexico coordinate system, east zone
1000-meter Universal Transverse Mercator grid ticks,
zone 13, shown in blue



ROAD CLASSIFICATION
Heavy-duty ——— Light-duty ———
Medium-duty ——— Unimproved dirt ———
U.S. Route —○— State Route —○—

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D.C.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

MONUMENT, N. MEX.
N2230-W10315/15

1963

AMS 5349 111-SERIES V781

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



January 12, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-087

Ms. Janice Smith
American Processing, L.P.
P.O. Box 90
Amarillo, Texas 79105-0090

Re: Hobbs Gas Plant
Lea County, New Mexico

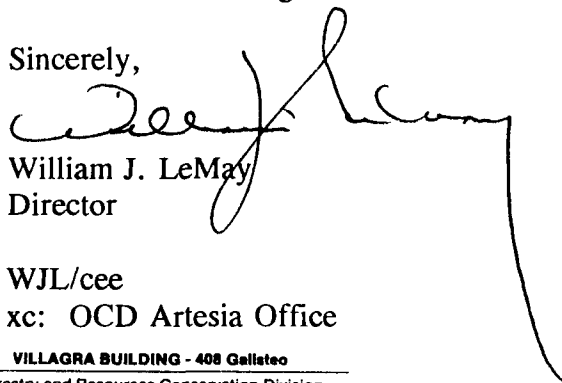
Dear Ms. Smith:

The Oil Conservation Division (OCD) has received your request dated December 14, 1995 for a 120 day extension to submit the required discharge plan application for the above referenced facility. The Hobbs Gas Plant is located in SE/4 of Section 18, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

Pursuant to Section 3-106.A. of the New Mexico Water Quality Control Commission (WQCC) regulations and for good cause shown, American Processing, L.P. (American) is hereby granted an extension for submittal of the previously requested discharge plan application until April 14, 1995. Pursuant to Section 3-106.B. of the WQCC regulations American is hereby granted an extension to discharge at the Hobbs Gas Plant without an approved discharge plan until August 14, 1995. These extensions are granted to allow American time to compile and formulate the discharge plan for the above referenced facility.

Please be advised these extensions do not relieve American of liability should their operation result in actual pollution of surface waters, ground waters or the environment actionable under other laws and/or regulations.

Sincerely,


William J. LeMay
Director

WJL/cee
xc: OCD Artesia Office

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970
Oil Conservation
827-7131

**AMERICAN OIL
AND GAS**

A SUBSIDIARY OF
KMG
ENERGY

American Oil and Gas Corporation
801 S. Pierce
P.O. Box 90
Amarillo, TX 79105-0090
(806) 373-6042

*Plant
397 3634*

December 14, 1994

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

Attention: Mr. Bill LeMay, Director

Re: Discharge Plan Application
Hobbs Gas Plant
Lea County, New Mexico

Dear Mr. LeMay:

I am currently working with Mr. Chris Eustice on the above
referenced application.

A recent merger with another company caused a realignment of responsibilities and it is necessary that I request an extension of an additional 120 days in order complete the application.

Please consider this request and let me know if you have any questions or need further information.

Sincerely,

Janice Smith

Janice Smith
Environmental Specialist

cc: Herb Harless

**AMERICAN OIL
AND GAS**

A SUBSIDIARY OF
KN ENERGY

OIL CONSERVATION DIVISION
RECEIVED

1994 DEC 5 AM 8 52

American Oil and Gas Corporation
801 S. Pierce
P.O. Box 90
Amarillo, TX 79105-0090
(806) 373-6042

December 5, 1994

State of New Mexico
Oil Conservation Division
Environmental Bureau
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. Chris E. Eustice

Re; Discharge Plan Application
Hobbs Gas Plant
Lea County, New Mexico

Dear Mr. Eustice:

In accordance with our discussion, enclosed is a description of the waste streams from our Hobbs Plant for your review.

Waste water comes from floor drains which drain wash water from compressor engines. This liquid drains to a sump and from the sump it is pumped to aboveground storage. Then it is hauled by Chaparral Service, Inc. to their disposal well. There is also waste water which comes from dehydration of the incoming gas stream. This gas/water goes through a molecular sieve process and is extracted from the gas. The water then goes to an ASME approved separator. From there it goes to an aboveground tank. The water is pumped from the tank and trucked by Chaparral Service, Inc. to their disposal well. There are approximately 200 barrels per month from this source. This well is permitted by the New Mexico Oil Conservation Division as the "Chaparral SWD Lea #1-B," Permit 292SWD, Sec. 17, T-23-S, R-37-E.

Another waste is spent oil filters from the compressor engines. These filters are placed in an approved Waste Control of New Mexico container and hauled off by them. Approximately 25-30 pounds per month of spent oil filters are generated.

Approximately 200 gallons per month of used lube oil is drained into a sump and then pumped to an aboveground tank. The used oil is transported by Industrial Oil of Lubbock, Texas and recycled.

Waste or slop oil (condensate) comes from separator dumps before processing and goes into a tank. Approximately 100 barrels are generated monthly. Petrosource purchases this product and hauls it away by truck.

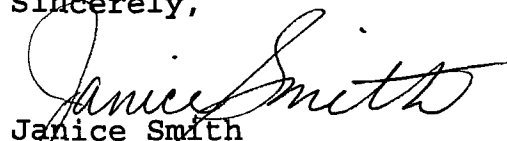
There are two septic tanks at the plant and sewage is completely separate from other effluents.

Solvent is used in a parts-washer furnished by Safety-Kleen. Safety-Kleen furnishes the safety-solvent and they handle the recycling of this product.

Please let me know if these waste streams are exempt. If they are not, let me know what analyses should be performed.

Please let me know if you need further information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Janice Smith".

Janice Smith
Environmental Specialist

cc: Herb Harless
Pierce Norton
Bob Tomlinson
Steve Bustos



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

August 30, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-245

Ms. Janice Smith
American Processing, L.P.
P.O. Box 90
Amarillo, Texas 79105-0090

**RE: Discharge Plan Requirement
Hobbs Gas Plant
Lea County, New Mexico**

Dear Ms. Smith:

Under the provision of the Water Quality Control Commission (WQCC) Regulations, you are hereby notified that the filing of a discharge plan is required for the Hobbs Gas Plant located in the SE/4 of Section 18, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

The notification of discharge plan requirement is pursuant to Section 3-104 and 3-106 of the WQCC regulations. The discharge plan, defined in Section 1.101.P of the WQCC regulations should cover all discharges of effluent or leachate at the plant site or adjacent to the plant site. Included in the plan should be plans for controlling spills and accidental discharges at the facility, including detection of leaks in buried underground tanks and/or piping.

Pursuant to Section 3-106.A, a discharge plan should be submitted for approval to the OCD Director within 120 days of receipt of this letter. Three copies of the discharge plan should be submitted.

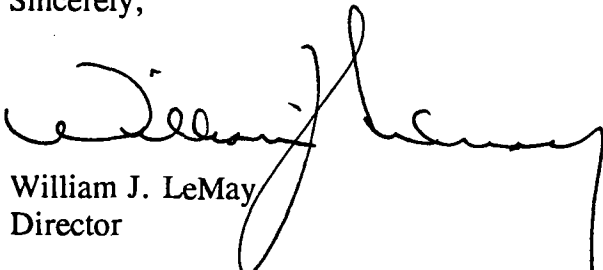
9-2-94 =
A copy of the regulations is enclosed for your convenience. Also enclosed is an OCD guideline for the preparation of discharge plans at gas plants. The guideline addresses berming of tanks, curbing and paving of process areas susceptible to leaks or spills and the disposition of any solid wastes.

The discharge plan is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus the flat rate of thirty-three hundred thirty-five (3335) dollars for gas processing plants. The fifty (50) dollar filing fee is due when the discharge plan is submitted. The flat rate fee is due upon approval of the discharge plan.

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

If there are any questions on this matter, please feel free to contact Chris Eustice at 827-5824.

Sincerely,



William J. LeMay
Director

WJL/cee

xc: OCD Hobbs Office, Wayne Price
 OCD Hobbs Office, Jerry Sexton



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

August 30, 1994

CERTIFIED MAIL
RETURN RECEIPT NO. P-176-012-240

Ms. Janice Smith
American Processing, L.P.
P.O. Box 90
Amarillo, Texas 79105-0090

Re: Disposal Request
Hobbs Gas Plant
Lea County, New Mexico

Dear MS. Smith:

The Oil Conservation Division (OCD) has received your request, dated August 23, 1994, for approval to landspread 500 cubic feet of molecular sieve generated at the above referenced facility. The landspreading will take place within the facility property boundaries. Based upon the information provided, your request is approved.

Please be advised that this approval does not relieve you of liability should your operation result in actual pollution of surface or groundwater or the environment actionable under other laws and/or regulations.

If you have any questions, please do not hesitate to call me at (505) 827-5824.

Sincerely,

Chris Eustice
Environmental Geologist

xc: OCD Hobbs Office, Jerry Sexton
OCD Hobbs Office, Wayne Price

AMERICAN

American Processing, L. P.

P.O. Box 90

Amarillo, Texas 79105-0090

(806) 373-6042

1 3118

August 29, 1994

Energy and Mineral Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. Chris Eustice

Re: Molecular Sieve Disposal

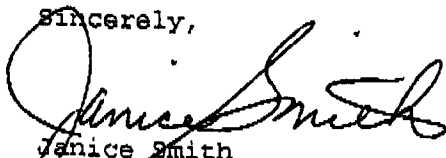
Dear Mr. Eustice:

As I mentioned to you in our phone conversation last week, we need to dispose of molecular sieve at our Hobbs New Mexico natural gas processing plant. This plant is located on State Highway 483, North of U. S. Highway 180, approximately 13 miles west of the city of Hobbs. This location is in the Southeast corner of Section 18, Township 18 South, Range 36 East, Lea County.

We will be disposing of approximately 500 cubic feet and plan to land spread the product within the facility property boundaries. The disposal should occur on or about August 30, 1994.

Please let me know if you need further information.

Sincerely,


Janice Smith
Environmental Coordinator

cc: Herb Harless
Pierce Norton
Richard Jones
Joe Clapp
Clay Robertson

AMERICAN

American Processing, L. P.

P.O. Box 90

Amarillo, Texas 79105-0090

(806) 373-6042

OIL CONSERVATION DIVISION
RECEIVED
AUG 23 1994 8 50

August 23, 1994

Energy and Mineral Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. Roger Anderson

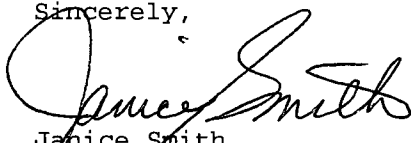
Re: Molecular Sieve Disposal

Dear Mr. Anderson:

As I mentioned to you in our phone conversation last week, we need to dispose of molecular sieve at our Hobbs New Mexico natural gas processing plant. This plant is located on State Highway 483, North of U. S. Highway 180, approximately 13 miles west of the city of Hobbs. This location is in the Southeast corner of Section 18, Township 18 South, Range 36 East, Lea County.

Please let me know what further information you need in order that we may dispose of this product.

Sincerely,



Janice Smith
Environmental Coordinator

cc: Herb Harless
Pierce Norton