GW - 296

PERMITS, RENEWALS, & MODS Application



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August 25, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 22 1006 2983)

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

Subject: Cedar Canyon Compressor Station Certification Signature and Permit Fee for Discharge Permit Renewal GW-296

Dear Mr. Price:

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

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

Sincerely, **DCP Midstream, LP**

all & Counts

Randall L. Counts Supervisor of Operations

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

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I hereby acknowledge receipt of check No dated <u>2121/28</u>
or cash received on in the amount of \$
from DCP Allidstream
for GW- 296
for GW-296 Submitted by: LAWI ENGLE ROMERO Date: 8/29/08
Submitted to ASD by: Jouran Force Date: 8/29/08
Received in ASD by: Date:
Filing Fee New Facility Renewal
Modification Other
Organization Code521.07 Applicable FY2004
To be deposited in the Water Quality Management Fund.
Full Payment or Annual Increment

New Mexico Energy, Mimeral's and Natural Resources Department

2008 AUG 28 PM 12 01

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

August 1, 2008

Mark Fesmire Division Director Oil Conservation Division

Ms. Elisabeth Klein Principal Environmental Specialist 370 17th Street, Suite 2500 Denver, CO 80202 AUG **05** 2008

DCP Midstream Environment Health & Safety

Re: Discharge Permit Renewal DCP Midstream LP. (GW-296) Cedar Canyon Compressor Station SE/4 SE/4 Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico

Dear Ms. Klein:

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

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

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

Sincerely.

Wayne Price Environmental Bureau Chief

Attachments-1 xc: OCD District Office

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. <u>The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.</u>

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. The permit will expire on July 15, 2013 and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. Permit Terms and Conditions: Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

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

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

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

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

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

20. Additional Site Specific Conditions: <u>N/A</u>

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

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

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

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

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

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

Company Name-print name above

Randall Counts Company Representative- print name

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Company Representative- Signature

Title Operations / Technical Supervisor

Date: 8-27-08

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

RECEIVED PERTISING INVOICE/STATEMENT

DETACH THIS STUB AND RETURN WITH PARAENT PARAENT PARAENT 12 18 Carlsbad Current-Argus

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

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

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

ENERGY, MINER ίοN DIVISION

DIVISION Notice is hereby given that pursuant to New Mexico Water Quality Control Commission R e gu La ti o ns (20.62.3106 NMAC), the following dis charge permit appli cation(s) has been submitted to the Di rector of the New Mexico Oil Conserva 10 D D i Vision ("NMOCD"), 1220 S Saint Francis Drive, Saint Fancis Drive, Saint Fancis Drive Saint Fance Method (505) 476-3440.

1003 470 5440. DCP Midstream, LP, Elisabeth Klein, Envi ronmental Specialist, 370 17th Street, Suite 2500, Denver, Colorad 0 80202 (303-605-1778), has submitted renew al applications for the previously approved discharge permits listed below.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Sec South, Range 31 East, NMPM, Eddy County, New Mexico. It is coted 13.9 mi, east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 turns, west on cards to where CR-238 turns, west on cantinue 2.9 mi. to road on right and turn north and drive 2 miles to the facility are limited to com reast likely to be of feded by a spill, leak of a derive 1.0 miles into fa cility. Current opera drive 0.0 miles into fa cility. Current opera feded by a spill, leak or accidental dis charge is at a derth of approximately .20 feet, with a total dresses remedication of soil and ground was tey 3,500 mg/l. The discharge plan ad waste will be properly han dether accidental dis charges to the suface will be monaged in

Mon Compressor sta iton, is located in the SE/A NW/A of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, east of the intersection of Potash. Mines Road and thw. 128 on Hwy. 128 about 16 miles; turn tleft (north) 0.5 miles and turn left (west) into the facility are limited. to com pression of natural gas likely to be af facted by a spill, leak or occidental dis solved solids concen-tration of opproximately 200 feet, with a total dis solved solids concen-ted by a spill, leak or occidental dis solved solids concen-tration of opproximately 200 feet, with a total dis solved solids concen-ted by roperly han af soil ond ground wa ter and how oilfield products and waste will be properly han at or is be suface. water water is managed in order. to protect fresh-water

order, to protect fresh water (GW-296), The Cedar Conyon, Compressor, Station is Jocated in the SE/4 SE/4 of Sec-tion, S. Township, 24, South, Range 29, East, MMPM, Eddy (County, New Mexico, Current operations, at, the fa cility are limited to compression of natu-ral gas. Groundwater most likely to be affected by a spill, leak or actidental dis charge is at a depth of approximately 50 feet, with o total dis charge is at a depth of approximately 50 feet, with o total dis charge remediation for soil and gound wa ter and how alter discharge remediation of soil and gound wa ter and how alter will be properly than dide, stored, and dis posed of, including how spills, leaks, and other accidental dis charges to the surface will be (managed in order to protect fresh water.

(GW 143) The Mon Compressor

pricticion is daminis ratively complete and: has prepared a draft permit. The NMOCD will accept comments and state ments of interest re garding this applica fron ond will create a fron ond will create a fron ond will create a from future notices. Per sons interested in ob-taining further infor mation, submitting comments or request for future notices may contact the Environ mentol Bureau Chief of the Oil Conserva ing to be on a facility-specific mailing list for future notices may contact the Environ mentol Bureau Chief of the Oil Conserva the administrative completeness deter mination and draft permit may be view ed at the above ad dress between 8:00 s.m. ond 4:00 pm., Monday through Fri day, or may also be viewed at the NMOCD w e b s i t e http://www.emrd.sta te.n m.us/acd/. Persons interested in obtaining 'a copy of the application and draft permit may con tact the NMOCD had a period of at least thir ty [30] days after the Director shall allow a charge permit or mai or modification, the Director shall allow a charge permit or mai or modification, the Director shall allow a charge permit or mai period of at least thir ty [30] days after the hearing shall ste forth the reasons why a hearing shall ste forth the reasons why a hearing shall ste that there is significant public

interest. If no public hearing is held, the Director will approve or disap prove the proposed permit based on infor received. If a public hearing, is held, the director will approve or disapprove the pro-posed permit based on information in the permit application and information sub-mitted at the hearing.

Paro obtener más formación sobre e

solicitud en espanfol, sirvose comunicarse nor favor: New Mexi nergy, Minerals ral. Re i nent Del epartr Ene GIVEN

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SEAL

Mark Fesmire

Affidavit of Publication

State of New Mexico. County of Eddy, ss.

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

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

<u>June 22</u>

2008.

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

teil. _ØÅ

Subscribed and sworn to before me this

200 8 day of 🔇 an My commission Expires on / DUIU

Notary Public

OFFICIAL SEAL STEPHAMIE DOBSON Notary Public state of New Mexico 25/2010 Comm. Expires

ISION

is hereby ursuant to 1 | a 3106 476-3440

CP Midstream, LP, lisobeth Klein, Envi somental Specialist, 700 17th Street, Swite 500, Denver, Colorad 80202 (303-605-1778), 13 submitted renew applications for the evicusity approved scharge permits ledbelow.

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Township Ige 31 M. Eddy

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interest. If no public hearing is held, the Director will approve or disop heid, the Director will approve or disop prove the proposed permit based on info prove the proposed permit based on infor mation available, in cluding all comments received. If a public hearing is held; the director will approve or disapprove the pro posed permit based on information in the permit application and information sub mitted at the hearing.

Para obtener más formación sobre e



SEAL

Mark Fesmire Director

Affidavit of Publication

State of New Mexico, County of Eddy, ss.

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

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

June 22

2008

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

Allerer

Subscribed and sworn to before me this

Share day of 🔾 つわ ち an My commission Expires on 1/2~

Notary Public

OFFICIAL SEAL STEPHAHIE DOBSON Notary Public state of New Mexiq My Comm. Expired

VULANIA 11-2 MOUD

SANTA FE NM

Mail Payment To: Carlsbad Current-Argus P.O. Bor. 1629 'Carlsbad, NM 88221-1629 RECEIVED ADJUSTICE STATEMENT

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

87505-4000

NM OIL & CONSERVATION, ENERGY,

1220 S SAINT FRANCIS DR

	ACCOUNT NO.	INVOICE NO.
	730593	0003888604
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E: Bills are due and payable when rendered. If the ending balance of any statement is not paid in full during the following month, that portion of it which remains unpaid, after ication of all payments and those credits which pertain to that balance (rather than to the current month's charges), will be assessed a FINANCE CHARGE of 1.35% per month (an JUAL PERCENTAGE RATE not to exceed 18% per year). The minimum FINANCE CHARGE (which will apply should there be any unpaid balance) will be \$50.50; FINANCE will be made if the ending balance is paid in full within the ensuing month.

				For your records:
COUNT NO.	<u>,</u>	NAME	INVOICE NUMBER	AMOUNT PAID
0593	NM OIL &	CONSERVATION, ENERGY,	0003888604	· · · · · · · · · · · · · · · · · · ·
Isbad Cu	rrent-Argus	For Billing Inquiries Call: (505) 887-5501 ADVERTISING INVOICE/STATEMENT	DUE DATE 07/24/08	

08/01/2008 12:43 5058851066

Affidavit of Publication

State of New Mexico. County of Eddy, ss.

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

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

July 10

2008

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

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My commission Expires on

Notary Public

OFFICIAL SEAL STEPHANIE DOBSON Notary Public State of New Mexigo Comin. Expire:]75

CURRENT ARGUS

PAGE 02/04

DCP Midstream, LP, 370 17th Street, Suite 2500, Deriver, Colorado 80202 has submitted a discharge plan renewal application (GW-96) for its Cedar Cantyon Compressor Station located in the SE 1/4 SE 1/4 Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe. New Mexico, 87505 Telephone (505) 476-3440 DCP MIDSTREAM, LP does not propose to discharge effluent or waste solids on site, all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conscivation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 1,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facilityspecific mailing list for persons who wish to receive future notices.

DCP Midstream, LP, 370 17th Street, Suite 2500 Denver, Colorado 80202 se han sometido una aplicación (GW-296) de la renovación del plan de la descarga para su estación de compressor. de Cedar Canyon en el SE 1/4 SE 1/4 de la Sección 9; Municipio 24 al sur. Ja Gama 29 al este; Eddy County, New Mexico, to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fc. New Mexico, 87505, el Teléfono (505) 476-3440 DCP Midstream, LP no propone descargar, effuente ni los solidos del desecho en el sitio, todo effuente y los solidos del desecho engendrados en la facilidad son quilados de la facilidad para de la disposición del sitio de acuerdo con División oplicable de la Coriservación del Petróleo de nuevoméxico, del Departamento del Ambiente de mievo méxico, y de las regulaciones de EPA. Molio agua muy probable de ser afectada en un acontecimiento de una descarga accidental en la superficie esta en una profundidad de aproximadamente 50 pies con un suma la concentración disuelta de sólidos de aproximadamente 1,000 mg/L. Las direcciones del plan de la descarga como rocian, los cacapos, y otras descargas accidentales e la superficie során inanejados Alguna persona interesade puede obtenet información adicional, se somete los comentarios, y el pedido para ser colocado en un dirección de envio facilidad-especifico para recibir notas futuras a la División de la Conservación del Petróleo en la dirección o el número de telefono dados arriba. La División de la Conservación del Petróleo aceptará los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creara una lista de envío facilidad-específico para personas que desea recibir notes futuras.

Chavez, Carl J, EMNRD

From:	Lang, Ruth M [RMLang@dcpmidstream.com]
Sent:	Friday, August 01, 2008 2:00 PM
То:	Chavez, Carl J, EMNRD; Klein, Elisabeth Anne
Cc:	Price, Wayne, EMNRD; Klein, Elisabeth Anne; Kocis, Diane E
Subject:	Public Notice Affidavits - GW-142, GW-143, GW-296
Attachments	s: GW142_GW143GW296 News Affidavits.pdf

Mr. Carl Chavez:

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

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

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

Ruth M. Lang, P.G. DCP Midstream, LP

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

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

Ms. Ruth Lang, et. al:

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

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

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

GW - 296

PERMITS, RENEWALS, & MODS Application



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August 25, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 22 1006 2983)

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

Subject: Cedar Canyon Compressor Station Certification Signature and Permit Fee for Discharge Permit Renewal GW-296

Dear Mr. Price:

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

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

Sincerely, **DCP Midstream, LP**

all & Counts

Randall L. Counts Supervisor of Operations

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

5

I hereby acknowledge receipt of check No dated <u>2121/28</u>
or cash received on in the amount of \$
from DCP Allidstream
for GW- 296
for GW-296 Submitted by: LAWI ENGLE ROMERO Date: 8/29/08
Submitted to ASD by: Jouran Force Date: 8/29/08
Received in ASD by: Date:
Filing Fee New Facility Renewal
Modification Other
Organization Code521.07 Applicable FY2004
To be deposited in the Water Quality Management Fund.
Full Payment or Annual Increment

New Mexico Energy, Mimeral's and Natural Resources Department

2008 AUG 28 PM 12 01

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

August 1, 2008

Mark Fesmire Division Director Oil Conservation Division

Ms. Elisabeth Klein Principal Environmental Specialist 370 17th Street, Suite 2500 Denver, CO 80202 AUG **05** 2008

DCP Midstream Environment Health & Safety

Re: Discharge Permit Renewal DCP Midstream LP. (GW-296) Cedar Canyon Compressor Station SE/4 SE/4 Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico

Dear Ms. Klein:

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

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

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

Sincerely.

Wayne Price Environmental Bureau Chief

Attachments-1 xc: OCD District Office

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. <u>The flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.</u>

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. The permit will expire on July 15, 2013 and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. Permit Terms and Conditions: Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

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

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

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

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

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

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

20. Additional Site Specific Conditions: <u>N/A</u>

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

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

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

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

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

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

Company Name-print name above

Randall Counts Company Representative- print name

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Company Representative- Signature

Title Operations / Technical Supervisor

Date: 8-27-08

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

RECEIVED PERTISING INVOICE/STATEMENT

DETACH THIS STUB AND RETURN WITH PARAENT PARAENT PARAENT 12 18 Carlsbad Current-Argus

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

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

COL DEPTH TMS TOTAL RATE	AMOUNT
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E: Bills are due and payable when rendered. If the ending balance of any statement is not paid in full during the following month, that portion of it which remains unpaid, after feation of all payments and those credits which pertain to that balance (rather than to the current month's charges), will be assessed a FINANCE CHARGE of 1.35% per month (an 4UAL PERCENTAGE RATE not to exceed 18% per year). The minimum FINANCE CHARGE (which will apply should there be any unpaid balance) will be \$0.50. FINANCE will be made if the ending balance is paid in full within the ensuing month.

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

ENERGY, MINER ioN DIVISION

DIVISION Notice is hereby given that pursuant to New Mexico Water Quality Control Commission R e gu La ti o ns (20.62.3106 NMAC), the following dis charge permit appli cation(s) has been submitted to the Di rector of the New Mexico Oil Conserva 10 D D i Vision ("NMOCD"), 1220 S Saint Francis Drive, Saint Fancis Drive, Saint Fancis Drive Saint Fance Method (505) 476-3440.

1003 470 5440. DCP Midstream, LP, Elisabeth Klein, Envi ronmental Specialist, 370 17th Street, Suite 2500, Denver, Colorad 0 80202 (303-605-1778), has submitted renew al applications for the previously approved discharge permits listed below.

(GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Sec South, Range 31 East, NMPM, Eddy County, New Mexico. It is coted 13.9 mi, east of Carlsbad on US 180/62 to CR-238 on the left; turn north 2.1 mi. on CR-238 turns, west on cards to where CR-238 turns, west on cantinue 2.9 mi. to road on right and turn north and drive 2 miles to the facility are limited to com reast likely to be of feded by a spill, leak of a derive 1.0 miles into fa cility. Current opera drive 0.0 miles into fa cility. Current opera feded by a spill, leak or accidental dis charge is at a derth of approximately .20 feet, with a total dresses remedication of soil and ground was tey 3,500 mg/l. The discharge plan ad waste will be properly han dether accidental dis charges to the suface will be monaged in

Mon Compressor sta iton, is located in the SE/A NW/A of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, east of the intersection of Potash. Mines Road and thw. 128 on Hwy. 128 about 16 miles; turn tleft (north) 0.5 miles and turn left (west) into the facility are limited. to com pression of natural gas likely to be af facted by a spill, leak or occidental dis solved solids concen-tration of opproximately 200 feet, with a total dis solved solids concen-ted by a spill, leak or occidental dis solved solids concen-tration of opproximately 200 feet, with a total dis solved solids concen-ted by roperly han af soil ond ground wa ter and how oilfield products and waste will be properly han at or is be suface. water water is managed in order. to protect fresh-water

order, to protect fresh water (GW-296), The Cedar Conyon, Compressor, Station is Jocated in the SE/4 SE/4 of Sec-tion, S. Township, 24, South, Range 29, East, MMPM, Eddy (County, New Mexico, Current operations, at, the fa cility are limited to compression of natu-ral gas. Groundwater most likely to be affected by a spill, leak or actidental dis charge is at a depth of approximately 50 feet, with o total dis charge is at a depth of approximately 50 feet, with o total dis charge remediation for soil and gound wa ter and how alter discharge remediation of soil and gound wa ter and how alter will be properly than dide, stored, and dis posed of, including how spills, leaks, and other accidental dis charges to the surface will be (managed in order to protect fresh water.

(GW 143) The Mon Compressor

pricticion is daminis ratively complete and: has prepared a draft permit. The NMOCD will accept comments and state ments of interest re garding this applica fron ond will create a fron ond will create a fron ond will create a from future notices. Per sons interested in ob-taining further infor mation, submitting comments or request for future notices may contact the Environ mentol Bureau Chief of the Oil Conserva ing to be on a facility-specific mailing list for future notices may contact the Environ mentol Bureau Chief of the Oil Conserva the administrative completeness deter mination and draft permit may be view ed at the above ad dress between 8:00 s.m. ond 4:00 pm., Monday through Fri day, or may also be viewed at the NMOCD w e b s i t e http://www.emrd.sta te.n m.us/acd/. Persons interested in obtaining 'a copy of the application and draft permit may con tact the NMOCD had a period of at least thir ty [30] days after the Director shall allow a charge permit or mai or modification, the Director shall allow a charge permit or mai or modification, the Director shall allow a charge permit or mai period of at least thir ty [30] days after the hearing shall ste forth the reasons why a hearing shall ste forth the reasons why a hearing shall ste that there is significant public

interest. If no public hearing is held, the Director will approve or disap prove the proposed permit based on infor ration available, in-cluding all comments received. If a public hearing, is held, the director will approve or disapprove the pro-posed permit based on information in the permit application and information sub mitted at the hearing.

Paro obtener más formación sobre e

solicitud en espanfol, sirvose comunicarse nor favor: New Mexi nergy, Minerals ral. Re i nent Del epartr Ene GIVEN

Séal Oíl Com Fé,



SEAL

Mark Fesmire

Affidavit of Publication

State of New Mexico. County of Eddy, ss.

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

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

<u>June 22</u>

2008.

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

teil. _ØÅ

Subscribed and sworn to before me this

200 8 day of 🔇 an My commission Expires on / DUIU

Notary Public

OFFICIAL SEAL STEPHAMIE DOBSON Notary Public state of New Mexico 25/2010 Comm. Expires

ISION

is hereby ursuant to 1 | a 3106 476-3440

CP Midstream, LP, lisobeth Klein, Envi somental Specialist, 700 17th Street, Swite 500, Denver, Colorad 80202 (303-605-1778), 13 submitted renew applications for the evicusity approved scharge permits ledbelow.

discharg discharg listed below. (GW-142) The Sand Dunes Compressor Station is located in the SE/4 SE/4 of Sec tion 23 Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. It is lo 'd 13.9 mi. east of 'on US 180/62 'n the left; on bly to be af a spill, leak dental dis at a depth ximately ::220 a total dis olids concen of opproximo mg/l. The e plan ad remediation d around wa ground wa ow ailfield oste hon dis ai dis es be

Township Ige 31 M. Eddy

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NWOCD comments ments of ana inter garding this appli ion ond will create facility-specific ming list for perso new Maxico, east the intersection Potash Mines Rc ond Hwy. 128 on H 128 about 16 mil furn left (north) f miles who wish to future notice sons interested taining further motion future " sons interested " taining further infor motion, submitting comments or request ing to be an a tacility-specific moiling list for future notices moy contact the Environ mental Bureau Chief of the Oil Conserve Division at the Dave rolash Mines Koad ond Hwy. 128 on Hwy. 128 about 16 miles; turn left (north) 0.5 miles and turn left fwest) into the facility are limited to cam pression of natural gas. Groundwater most likely to be af teched by a spill, leak or accidental dis charge is at a depth of approximately 200 feet, with a tatal dis solved solids cancen tration of approxima defy 5,00 mg/l. The discharge plan ad dresses remediation of soil and ground waste will be properly han dled, stored, and dis charges to the surface will be managed in order, to protect fresh water. (GW-296) The Cedar of the Oil Cr tion Division oddress given The odminist completeness mination permit may ed at the at the above dress between & a.m. and 4:00 p Manday through day, or may also viewed at the NMO. w e b is i ttp://www.err e.n.m n m . u s / o c ons interested obtaining 'o copy the opplication voraining to copy the opplication a draft permit imay c toct the NMOV c toct the NMOV c toct the NMOV c tock the NMOV c to any proposed charge permit or a jor modification the Director shall allow period of at least th Director shall allow period of at least th date of publication c this notice, during which interested per sons may souther the sons may souther the sons may souther the the reasons ar segues that NMOCD horids hearing shall a public the find if the Director determines that the there is significant public interest. (GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE(4 of Sec itan 9: Township 24 South, Range 29' East MMPM, Eddy County, New Mexico. Current operations at the fa cility are limited to compression of natu ral gas. Graundwater most likely to be af fected by a spill, leak or accidental dis charge is at a depth of approximately 50 feet, with a total dis concent, solids. concent ration of approximate discharge, plan ad

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interest. If no public hearing is held, the Director will approve or disop heid, the Director will approve or disop prove the proposed permit based on info prove the proposed permit based on infor mation available, in cluding all comments received. If a public hearing is held; the director will approve or disapprove the pro posed permit based on information in the permit application and information sub mitted at the hearing.

Para obtener más formación sobre e



SEAL

Mark Fesmire Director

Affidavit of Publication

State of New Mexico, County of Eddy, ss.

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

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

June 22

2008

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

Allerer

Subscribed and sworn to before me this

Share day of 🔾 つわ ち an My commission Expires on 1/2~

Notary Public

OFFICIAL SEAL STEPHAHIE DOBSON Notary Public state of New Mexiq My Comm. Expired

VULANIA 11-2 MOUD

SANTA FE NM

Mail Payment To: Carlsbad Current-Argus P.O. Bor. 1629 'Carlsbad, NM 88221-1629 RECEIVED ADJUSTICE STATEMENT

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

87505-4000

NM OIL & CONSERVATION, ENERGY,

1220 S SAINT FRANCIS DR

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E: Bills are due and payable when rendered. If the ending balance of any statement is not paid in full during the following month, that portion of it which remains unpaid, after ication of all payments and those credits which pertain to that balance (rather than to the current month's charges), will be assessed a FINANCE CHARGE of 1.35% per month (an JUAL PERCENTAGE RATE not to exceed 18% per year). The minimum FINANCE CHARGE (which will apply should there be any unpaid balance) will be \$50.50; FINANCE will be made if the ending balance is paid in full within the ensuing month.

				For your records:
COUNT NO.	<u>,</u>	NAME	INVOICE NUMBER	AMOUNT PAID
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Isbad Cu	rrent-Argus	For Billing Inquiries Call: (505) 887-5501 ADVERTISING INVOICE/STATEMENT	DUE DATE 07/24/08	

08/01/2008 12:43 5058851066

Affidavit of Publication

State of New Mexico. County of Eddy, ss.

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

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

July 10

2008

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

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My commission Expires on

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OFFICIAL SEAL STEPHANIE DOBSON Notary Public State of New Mexigo Comin. Expire:]75

CURRENT ARGUS

PAGE 02/04

DCP Midstream, LP, 370 17th Street, Suite 2500, Deriver, Colorado 80202 has submitted a discharge plan renewal application (GW-96) for its Cedar Cantyon Compressor Station located in the SE 1/4 SE 1/4 Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe. New Mexico, 87505 Telephone (505) 476-3440 DCP MIDSTREAM, LP does not propose to discharge effluent or waste solids on site, all effluent and waste solids generated at the facility are removed from the facility for off site disposal in accordance with applicable New Mexico Oil Conscivation Division, New Mexico Environment Department, and EPA regulations. Ground water most likely to be affected in an event of an accidental discharge at the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of approximately 1,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed. Any interested person may obtain further information, submit comments, and request to be placed on a facility-specific mailing address to receive future notices to the Oil Conservation Division at the address or telephone number given above. The Oil Conservation Division will accept comments and statements of interest regarding the renewal application and will create a facilityspecific mailing list for persons who wish to receive future notices.

DCP Midstream, LP, 370 17th Street, Suite 2500 Denver, Colorado 80202 se han sometido una aplicación (GW-296) de la renovación del plan de la descarga para su estación de compressor. de Cedar Canyon en el SE 1/4 SE 1/4 de la Sección 9; Municipio 24 al sur. Ja Gama 29 al este; Eddy County, New Mexico, to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fc. New Mexico, 87505, el Teléfono (505) 476-3440 DCP Midstream, LP no propone descargar, effuente ni los solidos del desecho en el sitio, todo effuente y los solidos del desecho engendrados en la facilidad son quilados de la facilidad para de la disposición del sitio de acuerdo con División oplicable de la Coriservación del Petróleo de nuevoméxico, del Departamento del Ambiente de mievo méxico, y de las regulaciones de EPA. Molio agua muy probable de ser afectada en un acontecimiento de una descarga accidental en la superficie esta en una profundidad de aproximadamente 50 pies con un suma la concentración disuelta de sólidos de aproximadamente 1,000 mg/L. Las direcciones del plan de la descarga como rocian, los cacapos, y otras descargas accidentales e la superficie során inanejados Alguna persona interesade puede obtenet información adicional, se somete los comentarios, y el pedido para ser colocado en un dirección de envio facilidad-especifico para recibir notas futuras a la División de la Conservación del Petróleo en la dirección o el número de telefono dados arriba. La División de la Conservación del Petróleo aceptará los comentarios y las declaraciones del interés con respecto a la aplicación de la renovación y creara una lista de envío facilidad-específico para personas que desea recibir notes futuras.

Chavez, Carl J, EMNRD

From:	Lang, Ruth M [RMLang@dcpmidstream.com]	
Sent:	Friday, August 01, 2008 2:00 PM	
То:	Chavez, Carl J, EMNRD; Klein, Elisabeth Anne	
Cc:	Price, Wayne, EMNRD; Klein, Elisabeth Anne; Kocis, Diane E	
Subject:	Public Notice Affidavits - GW-142, GW-143, GW-296	
Attachments: GW142_GW143GW296 News Affidavits.pdf		

Mr. Carl Chavez:

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

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

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

Ruth M. Lang, P.G. DCP Midstream, LP

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

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

Ms. Ruth Lang, et. al:

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

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

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

Re: DCP Midstream LP. Closure of Facilities

To: Chavez, Carl J, EMNRD **Cc:** Price, Wayne, EMNRD; Lowe, Leonard, EMNRD; Lang, Ruth M **Subject:** Re: DCP Midstream LP. Closure of Facilities

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

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

Thanks Liz Klein

----- Original Message -----From: Chavez, Carl J, EMNRD <Carl J.Chavez@state.nm.us> To: Klein, Elisabeth Anne Cc: Price, Wayne, EMNRD <wayne.price@state.nm.us>; Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us> Sent: Fri Jul 11 10:56:07 2008 Subject: DCP Midstream LP. Closure of Facilities

Elisabeth:

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

GW-24 Avalon Gas Plant

OCD Status: Rambo CS. (formerly Avalon Gas Plant) (GW-24): The permit expired on 9/18/2005 and is listed as inactive. According to your letter the 0CD received the pit closure reports and analytical results required by the OCD's April 7, 2004 approval letter and were provided in your letter. The 000 requests to know the status of operations at the facility? Does DCP Midstream, LP wish to close the facility? If so, the OCD needs a closure plan. The OCD requires inactive facilities to submit a closure plan, unless it plans to continue operations, which will require a discharge plan renewal.

DCP Status: Avalon Gas Plant (Rambo Compressor) (GW-24) - DCP MIDSTREAM LP previously renewed the pei«=iit for this facility. An approval letter, dated April 7, 2004, from the OCD was received by the company. DCP MIDSTREAM LP was required, as a condition of the approval, to submit pit closure reports and analytical results. The report and results were submitted to the OCD on April 23, 2004. GW-42 Indian Hills Gas Plant (last permit 6/18/1997 Stage 1)

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

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

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

OCD Status: Hobbs Booster Station (GW -44): OCD records indicate that the facility is active with an expiration date of 12/2712007. A \$100 filing fee was received and determined to be administratively complete and OCO will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. The facility is closed and only remediation activities are ongoing at present.

DCP Status:

Discharge Plan GW-044: Summary of First Quarter 2008 Groundwater Monitoring Results and Additional Site Characterization Activities at the Hobbs Booster Station: Hobbs, New Mexico Units C and D Section 4, T 19 5, R 38 E, NMPM

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

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

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

DCP Status: Pardue CS. (GW-288): OCD records indicate that the facility is active with an expiration date of 11/24/2007. A \$100 filing fee was received and determined to be administratively complete and OCD will issue public notice, a draft discharge plan, and administratively complete letter on its website tomorrow. DCP Midstream, LP is in the process of completing a closure plan and will submit it prior to completion of closure.

Please contact me. Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Dept.

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Dr., Santa Fe, New Mexico 87505

Office: (505) 476-3491

Fax: (505) 476-3462

E-mail: CarlJ.Chavez@state.nm.us

Website: http://www.emnrd.state.nm.us/ocd/index.htm

(Pollution Prevention Guidance is under "Publications")

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New Mexico Energy, Minerals and Natural Resources Department

Mark Fesmire Division Director

Oil Conservation Division

Bill Richardson

Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

August 1, 2008

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

Re: Discharge Permit Renewal DCP Midstream LP. (GW-296) Cedar Canyon Compressor Station SE/4 SE/4 Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico

Dear Ms. Klein:

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

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

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

Sincerely,

Wayne Price Environmental Bureau Chief

Attachments-1 xc: OCD District Office

> Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 * Phone: (505) 476-3440 * Fax (505) 476-3462* http://www.emnrd.state.nm.us

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. Payment of Discharge Plan Fees: All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. <u>The</u> flat fee for an oil and gas compressor station (>1001 hp) is \$1700.00. Please submit this amount along with the signed certification item 23. Checks should be made out to the New Mexico Water Quality Management Fund.

2. Permit Expiration, Renewal Conditions and Penalties: Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. The permit will expire on July 15, 2013 and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. *Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.*

3. Permit Terms and Conditions: Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.

4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.

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

6. Waste Disposal and Storage: The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any

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

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

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

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

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

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

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

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

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours. Ms. Elisabeth Klein DCP Midstream, L.P. GW-296 August 1, 2008 Page 4

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

Ms. Elisabeth Klein DCP Midstream, L.P. GW-296 August 1, 2008 Page 5

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

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

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

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

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

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

20. Additional Site Specific Conditions: <u>N/A</u>

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

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

Ms. Elisabeth Klein DCP Midstream, L.P. GW-296 August 1, 2008 Page 6

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

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

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

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

Company Name-print name above

Company Representative- print name

Company Representative-Signature

Title____

Date:_

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

 ALTERNATE ACCOUNT: 56689

 AD NUMBER: 00259406 ACCOUNT: 00002212

 LEGAL NO: 85555
 P.O. #: 52100-00000075

 373 LINES 1 TIME(S)
 324.80

 AFFIDAVIT:
 7.00

 TAX:
 26.34

 TOTAL:
 358.14

2008

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NOTICE OF PUBLICATION

ATE OF NEW OWETH MEY-CO INERGY, MINERALS IND NATURAL RE-SOURCES DEPART-VENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2:3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD") 1220 S. Saint Francis Drive, Saint Francis Drive, Saint Fe. New Mexico 87505. Telephone (505) 476-3440:

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

AFFIDAVIT OF PUBLICATION

NEW MEXICAN Founded 1849

STATE OF NEW MEXICO COUNTY OF SANTA FE

I, L. Paquin, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 85555 a copy of which is hereto attached was published in said newspaper 1 day(s) between 06/26/2008 and 06/26/2008 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 26th day of June, 2008 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ LEGAL ADVERTISEMENT REPRESENTATIVE

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

Notary

Commission Expires:

OFFICIAL SEAL Pamela Anne Beach NOTARY PUBLIC STATE OF NEW MEXICO 5 My Commission Expires:

GW-12-8 Hat Mesa Compressor (north) 0.5 miles and station is located in turn left (west) into the SW/4 SE/4 of Sec-tion 4, Township 21 operations at the fa-South, Range 32 East, cility are limited to NMPM, Lea County, compression of natu-New Mexico, approxi-mately 1.6 miles east of facted by a spill leak in order to protect to facted by a spill leak in order to protect to protect to the intersection of facted by a spill leak in order to protect to protect to the intersection of facted by a spill leak in order to protect to protect to the intersection of facted by a spill leak in order to protect to the surof the intersection of Hwy, 62 and Hwy, 176 on Hwy, 176; turn right or south on dirt road 2.2 miles; turn road 2.2 miles; turn right or west into fa-cility. Current opera-tions at the facility are limited to com-pression of natural gas. Groundwater most likely to be affected by a spill, leak or accidental dis-charge is at a depth charge is at a depth of approximately 50 feet, with a total dis-solved solids concen-tration of approxi-mately 1,500 mg/l. The discharge plan addrostor addresses remediation of ground soil and water and how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the sur-face will be managed in order to protect fresh water.

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

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

fected by a spill, leak or accidental dis-charge is at a depth of approximately 200 feet, with a total dis-solved solids concen-tration of approxi-mately 3,500 mg/l. The discharge plan addroses addresses remedia-tion of soil and ground water and how oilfield products and waste will be properly handled, stored, and disposed handled. of, including how spills, leaks, and other accidental disface will be managed in order to protect fresh water.

prior to disposal at an OCD approved offsite facility. Current op-erations at the facility are limited to gas processing and com-pression of natural gas. Groundwater most likely to be ad gas. Groundwater most likely to be af-fected by a spill, leak or accidental dis-charge is at a depth of approximately 280 feet, with a total dis-colured colide solved solids concentration of approxi-mately 2,400 mg/l. The discharge plan The discharge plan addresses remedia-tion of soil and ground water and how oilfield products and waste will be properly handled, properly handled, stored, and disposed of, in spills, including how leaks, and other accidental discharges to the sur-face will be managed in order to protect fresh water.

(GW-296) The Cedar Canyon Compressor Station is located in the SE/4 SE/4 of Sec-tion 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Current operations at the fa-cility are limited to compression of natucompression of natu-ral gas. Groundwater most likely to be af-fected by a spill, leak or accidental discharge is at a depth of approximately 50 feet, with a total dissolved solids concenin order to protect fresh water.

The NMOCD has de-termined that the application is administratively compléte and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this applica-tion and will create a facility-specific mailing list for persons who wish to receive future notices. Per-sons interested in obtaining further inforsubmitting mation, comments or request-

facility-specific mail-ing list for future no-tices may contact the (GW-145) The Zia Gas Plant & Booster Sta-tion is located in the NE/4 NE/4 of Section 19, and SE/4 SE/4 of Section 18, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. Approximately 5,900 gallons per month of process wastewater will be collected, and stored in above prior to disposal at an OCD approved offsite web site http://www.emnrd.st ate.nm.us/ocd/. Per-sons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modi-fication, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing: Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

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

Para obtener más información sobre esta solicitud en espan_ol, Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Com-mission at Santa Fe, New Mexico, on this 19th day of June 2008. STATE OF NEW MEX-**ICO** OIL CONSERVATION DIVISION SEAL Mark Fesmire, Director Legal No.85555

Pub.June 26, 2008

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



June 19, 2008

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

Re: Discharge Plan Renewal Permit GW-296 DCP Midstream, L.P. Cedar Canyon Compressor Station Eddy County, New Mexico

Dear Ms. Klein:

The New Mexico Oil Conservation Division (NMOCD) has received DCP Midstream, L.P.'s request and initial fee, dated February 27, 2008, to renew GW-296 for the DCP Midstream, L.P. **Cedar Canyon Compressor Station** located in the SE/4 SE/4 of Section 9, Township 24 South Range 29 East, NMPM, Eddy County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

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

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

Sincerely,

Hard- Adressiences

Carl Chávez Environmental Engineer

CC/cc

xc: OCD District Office





March 27, 2008

<u>UPS NEXT DAY AIR</u> (Tracking Number 1Z F46 915 22 1005 916 6)

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

Subject: Cedar Canyon Compressor Station Discharge Permit Renewal (GW-296) Eddy County, New Mexico

Dear Mr. Price:

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

Upon receipt of confirmation from the OCD that the renewal application is complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Carlsbad Current Argus for the Cedar Canyon Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus. Additionally, DCP MIDSTREAM will provide the owner of the property, the City of Carlsbad, notice via certified mail.

As we have discussed previously, DCP MIDSTREAM does not believe that the New Mexico Water Quality Act, NMSA 1978, §§74-6-1 to 17, and the regulations adopted under that act are applicable to compressor stations. Further, even if the Water Quality Act and regulations applied, the WQCC regulations do not require a discharge plan for this facility. The Cedar Canyon Compressor Station does not have any discharges that may move directly or indirectly into groundwater. Therefore, DCP MIDSTREAM does not believe that a discharge plan is required under the WQCC regulations. Since the WQCC regulations do not require a discharge plan, DCP MIDSTREAM is under no legal obligation to renew Discharge Plan GW-296.

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

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

Sincerely, DCP Midstream, LF saliti

Elisabeth Klein Principal Environmental Specialist

Enclosures

cc: NMOCD District 2 Office (Tracking Number 1Z F46 915 22 1005 917 5) 1301 W. Grand Ave. Artesia, New Mexico 88210

DCP, Midstream, LP 370 17th Street, Suite 2500 Denver, Colorado 80202 APCustomerService@dcpmidstream.com 303.605.2219 INVOICE NUMBER INVOICE DATE		PAYEE NUMBER 0000078217 PAYEE NAME NEW MEXICO-	ì	CHECK NUMBER
0308-PERMIT ADD	NET AMOUNT			03/04/08
21 WIT APP FEE\$ 03/03/08	100.00	CEDAR CANYON CO	SCRIPTION	(
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PLEASE RET	TAIN FOR YOUR RECORDS			\$100.00
WATER QUALITY MANAGEMENT FUND C/O NEW MEXICO OIL CONSERVATION DIV 1220 S.ST FRANCIS DRIVE Santa Fe,NM 87505	DODDDDDDDDDDDDDDDDDDDDDDDDDDDDDDDDDDDD	NO. CHECK DA	22/12/13	NO.
One hundred and 00/100 Dollars			mPL	
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Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised June 10, 2003

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

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS, REFINERIES, COMPRESSOR, GEOTHERMAL FACILITES AND CRUDE OIL PUMP STATIONS

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

	🗌 New 🗹 Renewal 🔲 Modification
1.	Type: Cedar Canyon Compressor Station (GW-296)
2.	Operator: DCP Midstream, LP
	Address: See attached discharge plan
	Contact Person: Tony Lee - Asset Manager Phone: 505-397-5520
3.	Location: SE /4 SE /4 Section 9 Township 24South Range 29 East Submit large scale topographic map showing exact location. Submit large Submit large </th
4.	Attach the name, telephone number and address of the landowner of the facility site.
5.	See attached discharge plan. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6.	1
7.	must be included.
8.	
9.	See attached discharge plan. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10	See attached discharge plan. Attach a routine inspection and maintenance plan to ensure permit compliance.
11	See attached discharge plan. Attach a contingency plan for reporting and clean-up of spills or releases.
12	See attached discharge plan. . Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13	See attached discharge plan. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. See attached discharge plan.
	14. CERTIFICATIONI hereby certify that the information submitted with this application is true and correct to the
	best of my knowledge and belief.
•	Name: Tony Lee Title: Asset Manager
1	Signature: Date: 2-27-08
	E-mail Address: TRuee@dcpmidstream.com

Cedar Canyon Compressor Station SE ¼ SE ¼ Section 9, T24S, R29E

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-296) for the Cedar Canyon Compressor Station as previously approved NMOCD on January 20, 2004. This Discharge Permit application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106.C NMAC.

1 Type of Operation

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

2 Operator / Legally Responsible Party

Operator

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

Legally Responsible Party

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

3 Location Facility

SE ¼ SE¼ Section 9, Township 24 South, Range 29 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

4 Landowner

City of Carlsbad Municipal Bldg 101 N. Halagueno Carlsbad, NM 88220

5 Facility Description

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

6 Materials Stored or Used

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

Material Stored/Used	Method of Storage
Produced Water/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Corrosion Inhibitor	Aboveground storage tank within secondary containment.
Methanol	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage -	Double-walled sump with level control.
(equipment wash down	
water and stormwater)	

7 Sources and Quantities of Effluent and Waste Solids

All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater.

Separators/Scrubbers

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site to the Eunice Heater Treater.

Boilers and Cooling Towers/Fans

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

Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site to the Eunice Heater Treater.

Solvents/Degreasers

Solvents or degreasers are not used at the facility.

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Spent Acids/Caustics

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

Used Engine Coolants

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

Waste Lubrication and Motor Oils

Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage containers within secondary containment and removed by a contractor for off-site recycling. Lubrication and motor oils are not discharged on site so that they may move directly or indirectly into groundwater.

Used Oil Filters

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

Solids and Sludges

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal. Solids and sludges are not discharged on site so that they may move directly or indirectly into groundwater.

Painting Wastes

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

Sewage

Sewage is not generated at the facility.

Lab Wastes

Lab wastes are not generated at the facility.

Other Liquids and Solid Wastes

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

1. T. S.

Liquid and Solid Waste Collection / Storage / Disposal 8

Collection/Storage

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

On-site Disposal

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

Off-site Disposal

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

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

	Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
	Slop Oil	Aboveground storage tank within secondary containment	~ 25 bbls per month	Off-site recycling	Eunice Treater
	Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 5 bbls per month	Off-site recycling	Eunice Treater
a de Millen a	Used Oil Filters	Aboveground storage tank within secondary containment	~ 10 per year	Off-site recycling	Thermofluids
	Used Oil	Aboveground storage tank within secondary containment	~ 300 gal per year	Off-site recycling	Thermofluids

9 **Proposed Modifications**

1. 20 17 MPC 1

No modifications are proposed at the facility.

10 Inspection, Maintenance, and Reporting

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

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11 Spill / Leak Prevention and Reporting (Contingency Plans)

DCP Midstream will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

12 Site Characteristics

No changes are proposed.

13 Additional Information

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



FIGURES

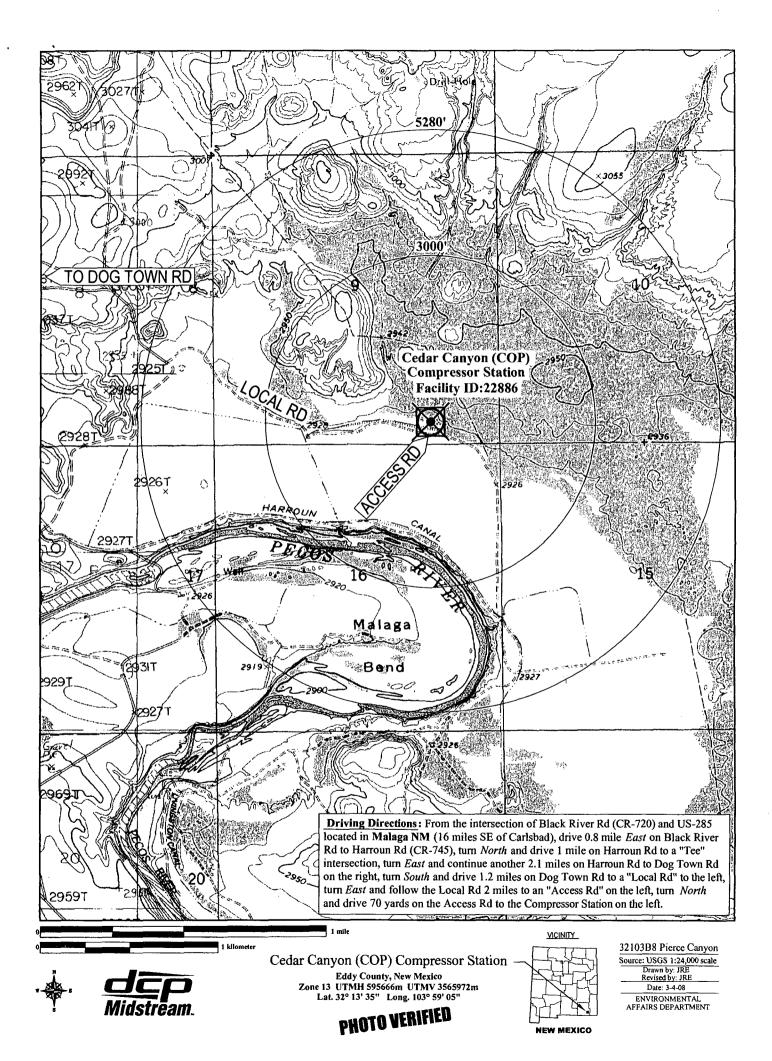
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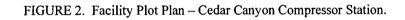
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FIGURE 1. Site Location Map – Cedar Canyon Compressor Station.

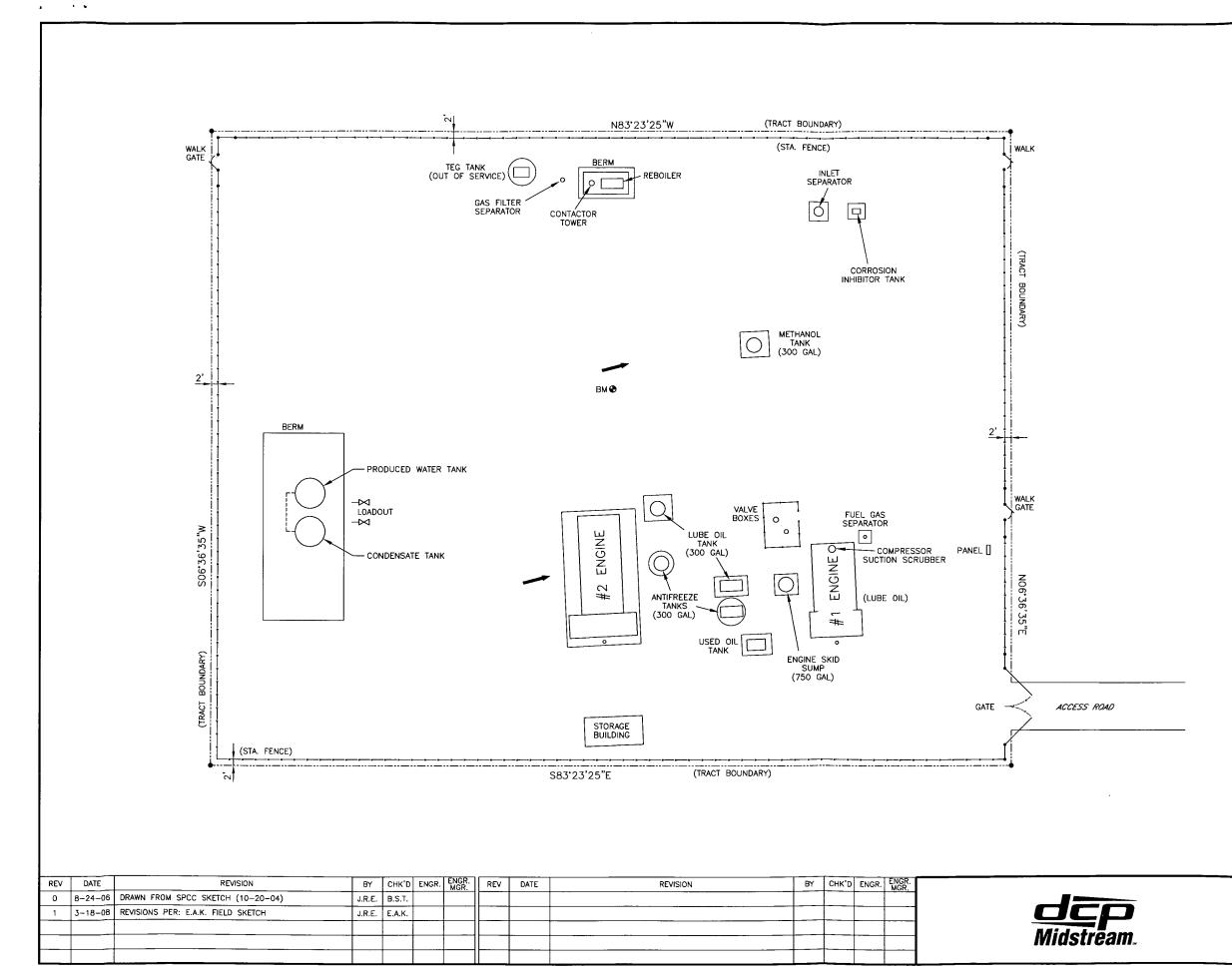
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LEGEND: FENCE —- X —— SURFACE WATER DRAINAGE DIRECTION SECONDARY CONTAINMENT BERM ABOVE/BELOW GROUND PIPING

NOT TO SCALE

Note: This drawing is based on a field sketch and depicts the location and contents of each oil cantaining container, equipment, and piping (as required by 40 CFR 112.7(3)). This drawing should only be used for Spill Prevention Control and Countermeasure Plan(SPCC) purposes. As drawing is not to scale, actual containers, equipment, or piping may vary in size and position from those represented here.

DISCHARGE PLAN

CEDAR CANYON (COP) COMPRESSOR STATION ARTESIA GATHERING SYSTEM

Eddy County NEW MEXICO

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No.	
or cash received on in the amount of \$	00
from DEP Michstream ZP	 A second sec second second sec
for <u>GW-296</u>	×
Submitted by: LAWRENCE Formen	Date: 4/2/08
Submitted to ASD by: Valuan Forces	Date://J/C8
Received in ASD by:	Date:
Filing Fee New Facility Re	newal
Modification Other	·····
Organization Code521.07 Applicable F	Y2004
To be deposited in the Water Quality Management Fund.	
Full Payment or Annual Increment	- · · · · · · · · · · · · · · · · · · ·



March 27, 2008

UPS NEXT DAY AIR (Tracking Number 1Z F46 915 22 1005 916 6)

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

Subject: Cedar Canyon Compressor Station Discharge Permit Renewal (GW-296) Eddy County, New Mexico

Dear Mr. Price:

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

Upon receipt of confirmation from the OCD that the renewal application is complete, DCP MIDSTREAM will satisfy the requirements of 20.6.2.3108(A) NMAC by providing notice under Paragraph (2) of Subsection C of 20.6.2.3108 NMAC. DCP MIDSTREAM plans to publish a public notice in the Carlsbad Current Argus for the Cedar Canyon Compressor Station Discharge Permit Renewal. DCP MIDSTREAM will publish a synopsis of the notice, in English and in Spanish, in a display ad at least two inches by three inches, not in the classified or legal advertisements section in the Carlsbad Current Argus. Additionally, DCP MIDSTREAM will provide the owner of the property, the City of Carlsbad, notice via certified mail.

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

Sincerely, DCP_Midstream, LP salit

Elisabeth Klein Principal Environmental Specialist

Enclosures

cc: NMOCD District 2 Office (Tracking Number 1Z F46 915 22 1005 917 5) 1301 W. Grand Ave. Artesia, New Mexico 88210 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised June 10, 2003

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

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS, REFINERIES, COMPRESSOR, GEOTHERMAL FACILITES AND CRUDE OIL PUMP STATIONS

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

	New 🗹 Renewal 🔲 Modification
1.	Type: Cedar Canyon Compressor Station (GW-296)
2.	Operator: DCP Midstream, LP
	Address: See attached discharge plan
	Contact Person: Tony Lee - Asset Manager Phone: 505-397-5520
3.	Location: SE /4 Section 9 Township 24South Range 29 East Submit large scale topographic map showing exact location. Submit large Submit large
 4. 5. 6. 7. 8. 9. 10 	 Attach the name, telephone number and address of the landowner of the facility site. See attached discharge plan. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. See attached discharge plan. Attach a description of all materials stored or used at the facility. See attached discharge plan. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included. See attached discharge plan. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. See attached discharge plan. Attach a description of proposed modifications to existing collection/treatment/disposal systems. See attached discharge plan. Attach a routine inspection and maintenance plan to ensure permit compliance.
11 12 13	 See attached discharge plan. Attach a contingency plan for reporting and clean-up of spills or releases. See attached discharge plan. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included. See attached discharge plan. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders. See attached discharge plan. 14. CERTIFICATIONI hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
	Name: Tony Lee Title: Asset Manager
	Signature: Date: Date:

E-mail Address: TRiee@dcpmidstream.com

Cedar Canyon Compressor Station SE ¹/₄ SE ¹/₄ Section 9, T24S, R29E

DISCHARGE PLAN

This document constitutes a renewal application for a Groundwater Discharge Permit (GW-296) for the Cedar Canyon Compressor Station as previously approved NMOCD on January 20, 2004. This Discharge Permit application has been prepared in accordance with the NMOCD "Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations" (revised 12-95) and New Mexico Water Quality Control Commission (WQCC) regulations, 20.6.2.3106.C NMAC.

1 Type of Operation

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

2 Operator / Legally Responsible Party

Operator

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

Legally Responsible Party

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

3 Location Facility

SE ¼ SE¼ Section 9, Township 24 South, Range 29 East, Eddy County, New Mexico

See Figure 1 – Site Location Map.

4 Landowner

City of Carlsbad Municipal Bldg 101 N. Halagueno Carlsbad, NM 88220

Facility Description 5

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

Materials Stored or Used 6

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

Material Stored/Used	Method of Storage
Produced Water/Slop Oil	Aboveground storage tanks within secondary containment.
Lube Oil	Aboveground storage tank within secondary containment.
Antifreeze	Aboveground storage tank within secondary containment.
Corrosion Inhibitor	Aboveground storage tank within secondary containment.
Methanol	Aboveground storage tank within secondary containment.
Engine Skid Drain Storage -	Double-walled sump with level control.
(equipment wash down	-
water and stormwater)	

7 Sources and Quantities of Effluent and Waste Solids

All effluent and waste solids generated at the facility are stored in enclosed, above-ground tanks with secondary containment or a double-walled sump with a high level alarm and removed from the facility for off-site disposal in accordance with applicable NMOCD, NMED, and EPA regulations. Approximate quantities are provided in the table in the following response to Item #8. There are no effluents or waste solids are discharged on site onto or below the surface of the ground so that they may move directly or indirectly into groundwater. 海上 我们来来了。"

Separators/Scrubbers

Effluent or waste solids generated from separators or scrubbers are not discharged on site; wastewater from the inlet scrubber is routed via piping to an aboveground storage tank within secondary containment and is trucked off site to the Eunice Heater Treater.

Boilers and Cooling Towers/Fans

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

Process and Storage Equipment Wash Down

Effluent or waste solids generated from process equipment wash down is collected in an aboveground storage tank and transported off-site to the Eunice Heater Treater.

Solvents/Degreasers

Solvents or degreasers are not used at the facility.

5 3.0.

Spent Acids/Caustics

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

Used Engine Coolants

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

Waste Lubrication and Motor Oils

Lubricating and motor oils are not discharged on site. Used oil is stored in aboveground storage containers within secondary containment and removed by a contractor for off-site recycling. Lubrication and motor oils are not discharged on site so that they may move directly or indirectly into groundwater.

Used Oil Filters

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

Solids and Sludges

Solids and sludges are not discharged on site. Any solids or sludges generated on site are collected and stored in aboveground storage tanks within secondary containment for off-site disposal. Solids and sludges are not discharged on site so that they may move directly or indirectly into groundwater.

S. A. Car

Painting Wastes

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

Sewage

Sewage is not generated at the facility.

Lab Wastes

Lab wastes are not generated at the facility.

Other Liquids and Solid Wastes

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

8 Liquid and Solid Waste Collection / Storage / Disposal

Collection/Storage

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

On-site Disposal

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

Off-site Disposal

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

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

	Waste	Collection Method/Storage	Quantity Generated	Final Disposition	Receiving Facility
	Slop Oil	Aboveground storage tank within secondary containment	~ 25 bbls per month	Off-site recycling	Eunice Treater
n (n. 19 1) 10 - Synt Di Philippen, 1 10 - Synt	Equipment Skid/Washdown Water	Aboveground storage tank within secondary containment	~ 5 bbls per month	Off-site recycling	Eunice Treater
(° 1 (° 1]}	Used Oil Filters	Aboveground storage tank within secondary containment	~ 10 per year	Off-site recycling	Thermofluids
	Used Oil	Aboveground storage tank within secondary containment	~ 300 gal per year	Off-site recycling	Thermofluids

9 **Proposed Modifications**

No modifications are proposed at the facility.

10 Inspection, Maintenance, and Reporting

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

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Sp. No.

11 Spill / Leak Prevention and Reporting (Contingency Plans)

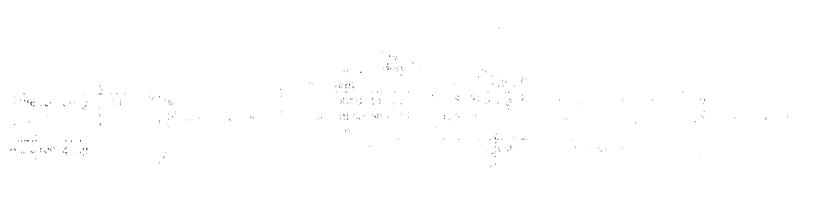
DCP Midstream will respond to spills according to the requirements of the State of New Mexico found in NMOCD Rule 116, 19.15.C.116 NMAC and WQCC regulation, 20.6.2.1203 NMAC.

12 Site Characteristics

No changes are proposed.

13 Additional Information

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



FIGURES

DCP Midstream, LP Cedar Canyon Compressor Station Discharge Plan, March 2008

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FIGURE 1. Site Location Map – Cedar Canyon Compressor Station.

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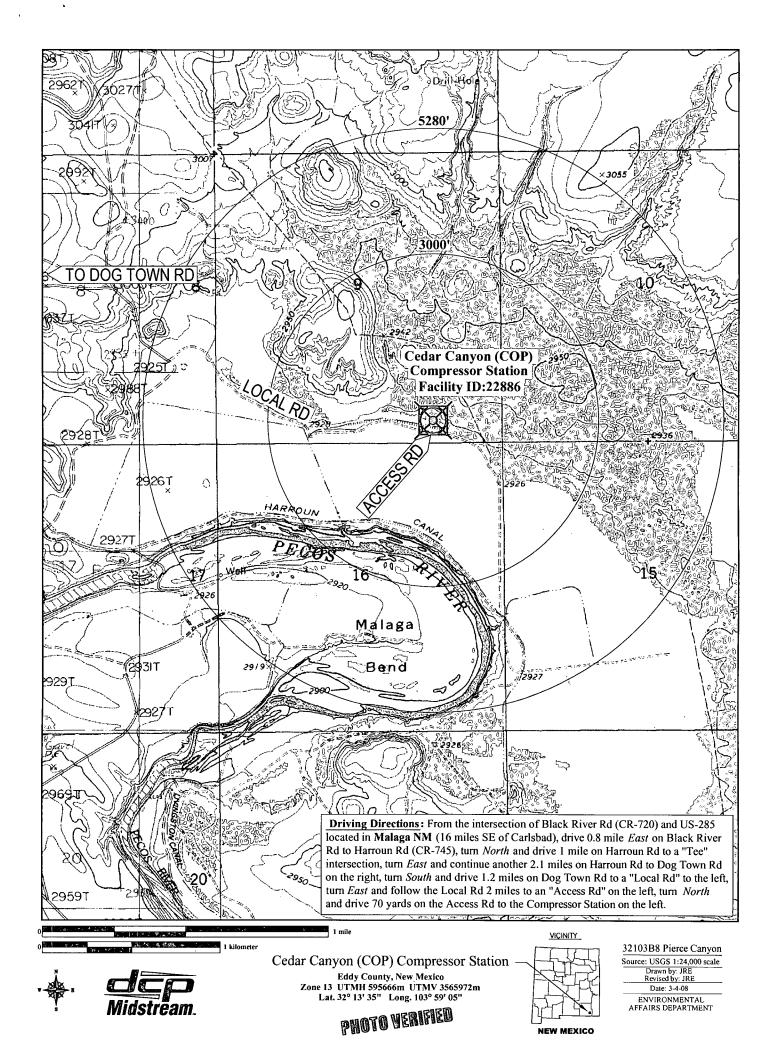
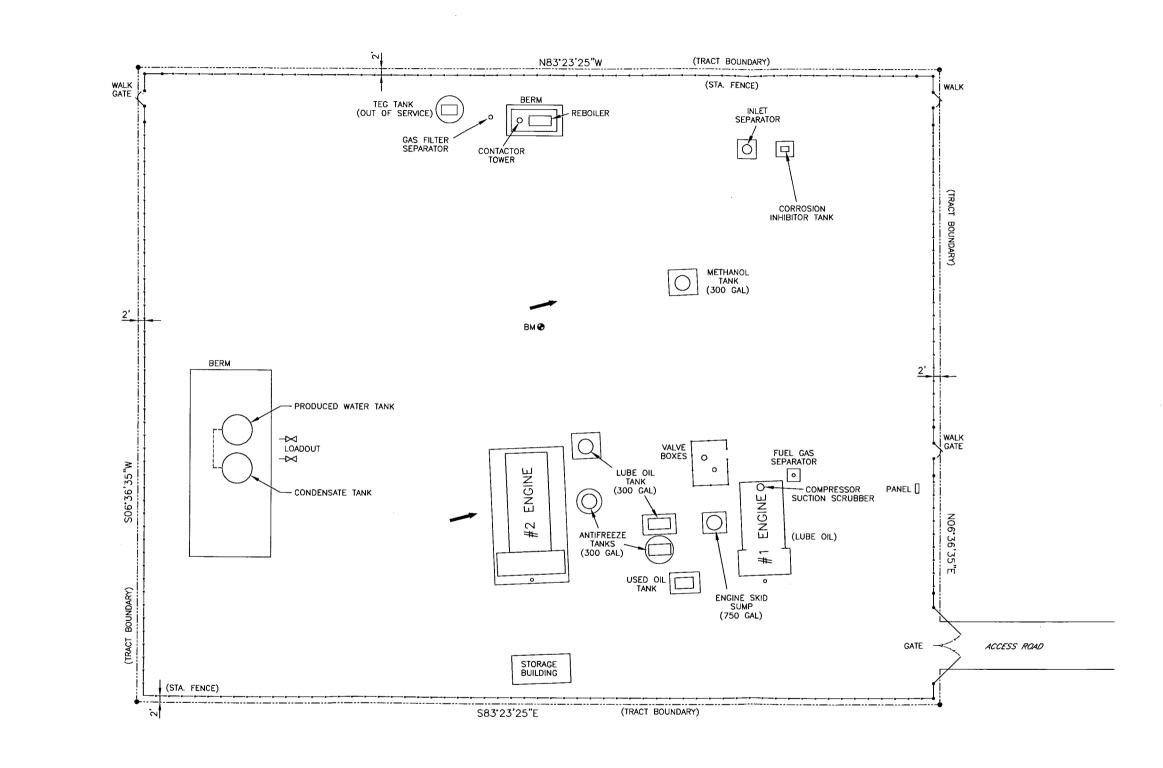


FIGURE 2. Facility Plot Plan - Cedar Canyon Compressor Station.



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REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR. MGR.	REV	DATE	REVISION	BY	CHK'D	ENGR.	ENGR.	
0	8-24-06	DRAWN FROM SPCC SKETCH (10-20-04)	J.R.E.	B.S.T.										
1	3-18-08	REVISIONS PER: E.A.K. FIELD SKETCH	J.R.E.	E.A.K.										dco
				1										Midstream.
											_			

Eddy County NEW MEXICO \data\EhsDrawings\Mapping\NewMexico\Artesia\CedarCanyon(COP)_Plot

DISCHARGE PLAN CEDAR CANYON (COP) COMPRESSOR STATION

ARTESIA GATHERING SYSTEM

NOT TO SCALE Note: This drawing is based on o field sketch and depicts the location and contents of each ail cantaining

container, equipment, and piping (as required by 40

CFR 112.7(3)). This drawing should only be used for Spill Prevention Control and Countermeasure Plan(SPCC) purposes. As drawing is not to scale, actual containers, equipment, or piping may vary in size and position from those represented here.

LEGEND:

____X ____

FENCE SURFACE WATER DRAINAGE DIRECTION SECONDARY CONTAINMENT BERM ABOVE/BELOW GROUND PIPING

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD

Sent: Tuesday, February 19, 2008 2:47 PM

To: 'Klein, Elisabeth A'

Cc: Price, Wayne, EMNRD

Subject: Permit Expiration Notification

Dear Ms. Klein:

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

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

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

Please contact me if you have questions.

Thank you.

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

ACKNOWLEDGEMENT OF RECEIPT OF CHECX/CASH

I hereby acknowledge receipt of check No. dated 2/ or cash received on _____ in the amount of \$ from Coploco PHILLIS for CEDAR CAMON COMP ST Submitted by: R125 Dates Submitted to ASD by: < Date: Received in ASD by: Data: Filing Fee ____ New Facility ____ Renewal Modification ____ Other Organization Code 521.07 Applicable FY 2004 To be deposited in the Water Quality Management Fund. Full Payment Annual Increment or IS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTING WATERMARK - HOLD TO LIGHT TO VERIFY WATERMARK CONOCOPHILLIPS COMPANY HOUSTON, TX 77079 To: Citibank Defaware One Penns Way New Castle DL 19720 Check No. 01718658 *** VOID AFTER 90 DAYS EBRUARY 11 2004-Vendor Code: 217921R01 Exactly OIL CONSERVATION DIVISION WATER QUALITY MANAGEMENT FUND 1220 S SAINT FRANCIS DRIVE SANTA FE NM 87505-5472 Pay : Pay To the Order Of I lhosped Siepa



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

January 20, 2004

Lori Wrotenbery Director Oil Conservation Division

CERTIFIED MAIL RETURN RECEIPT NO. 3929 9840

Ms Joyce Miley ConocoPhillips P.O. Box 2197, HU3036 Houston, TX 77252

RECEIVE

FEB 2 3 2004 Oil Conservation Division 1220 S. Saint Francis Drive Santa Fe, NM 87505

Re: Renewal of Discharge Permit GW-296 Cedar Canyon Compressor Station

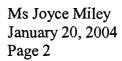
Dear Ms. Miley:

The groundwater discharge permit GW-296 for the ConocoPhillips, Cedar Canyon Compressor Station, located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter.

The original discharge plan was approved on July 15, 1998. The discharge permit renewal application dated April 10, 2003, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

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

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



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

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval** will expire July 15, 2008 and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit application for the ConocoPhillips, Cedar Canyon Compressor Station, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge permit will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$400 for gas compressor stations (0-1000 hp). The OCD has not received the \$400.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge permit approval or in five equal installments over the expected duration of the discharge permit. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge permit approval and subsequent installments due on this date of each calendar year.

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

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

Sincerely,

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



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ATTACHMENT TO THE DISCHARGE PERMIT GW-296 APPROVAL ConocoPhillips, Cedar Canyon Compressor Station DISCHARGE PERMIT APPROVAL CONDITIONS January 20, 2004

- 1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$ 400.00 for gas Compressor stations (0-1000 hp). The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
- 2. <u>Commitments:</u> ConocoPhillips will abide by all commitments submitted in the discharge permit renewal application dated April 10, 2002 including attachments and these conditions for approval.
- 3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
- 4. <u>Process Areas:</u> All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
- 5. <u>Above Ground Tanks</u>: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
- 6. <u>Above Ground Saddle Tanks</u>: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
- 7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

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

. . .

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

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

- 14. <u>OCD Inspections</u>: Additional requirements may be placed on the facility based upon results from OCD inspections.
- 15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
- 16. <u>Transfer of Discharge Permit</u>: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
- 17. <u>Closure</u>: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure permit will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

Conditions accepted by: ConocoPhillips

Marshall C. Honeyman Company Representative- print name

_Date_02/19/04 Mallet

Company Representative- Sign

Title Operations Manager

Honeyman, Marshall C.

From: Miley, Joyce M.
Sent: Thursday, February 19, 2004 8:23 AM
To: 'clay.smith@flatrockenergy.net'; Honeyman, Marshall C.; Driver, Jeffery W.; Elliott, Phillip A.

Subject: RE: ConocoPhillips Discharge Permits (GW-296 and GW-143) condition change request

Marshall - Cedar Canyon can be signed and mailed with the check. We should wait on signing Calmon while Wayne is looking at the site inspection issue but you can mail the check with Cedar canyon.

joyce

----Original Message----From: Clay Smith [mailto:clay.smith@flatrockenergy.net]
Sent: Thursday, February 19, 2004 9:12 AM
To: Honeyman, Marshall C.; Miley, Joyce M.; Driver, Jeffery W.; Elliott, Phillip A.
Subject: FW: ConocoPhillips Discharge Permits (GW-296 and GW-143) condition change request

All,

Please see OCD determination below. We are still working condition 14 on the Calmon Compressor Station.

Thanks,

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

-----Original Message----- **From:** Price, Wayne [mailto:WPrice@state.nm.us] **Sent:** Wednesday, February 18, 2004 11:47 AM **To:** 'clay.smith@flatrockenergy.net' **Subject:** RE: ConocoPhillips Discharge Permits (GW-296 and GW-143) condition change request

I do not have the authority to change condition #16. Your request to change condition #11 is herby approved!

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

Wayne,

Thank you for your consideration regarding the OCD discharge Plan conditions for the Cedar Canyon Compressor Station GW-296 and the Cal-Mon Compressor Station GW-143. As we discussed this morning, ConocoPhillips hereby requests the following changes to the recently issued discharge plans. These changes will allow for consistency with the other ConocoPhillips operated facilities.

Cedar Canyon Compressor Station GW-296

 Condition 11 <u>Housekeeping</u> (first sentence) is currently worded "All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure." Please approve the wording change to read "All systems designed for spill collection/prevention, and leak detection will be inspected monthly to ensure proper operation and to prevent over topping or system failure." Condition 16 <u>Transfer of Discharge Permit</u> (second sentence) is currently worded "A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer." Please approve the wording change to read "A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD within two weeks after transfer to the purchaser."

Cal-Mon Compressor Station GW-143

- Condition 11 <u>Housekeeping</u> (first sentence) is currently worded "All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure." Please approve the wording change to read "All systems designed for spill collection/prevention, and leak detection will be inspected monthly to ensure proper operation and to prevent over topping or system failure."
- Condition 16 <u>Transfer of Discharge Permit</u> (second sentence) is currently worded "A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer." Please approve the wording change to read "A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD within two weeks after transfer to the purchaser."
- Condition 14 <u>OCD Inspections</u> (second paragraph) is worded "The condensate tank needs proper containment and an investigation and remediation of the soils under the tank shall be performed." ConocoPhillips has received OCD approval to close the C-141 report for remediation for the condensate tanks on 11/17/03. Therefore, ConocoPhillips requests that this condition be removed from the permit.

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

Thanks,

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



NEW MEXICO ENERGY, MIDERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

January 20, 2004

Lori Wrotenbery Director Oil Conservation Division

CERTIFIED MAIL RETURN RECEIPT NO. 3929 9840

Ms Joyce Miley ConocoPhillips P.O. Box 2197, HU3036 Houston, TX 77252

Re: Renewal of Discharge Permit GW-296 Cedar Canyon Compressor Station

Dear Ms. Miley:

The groundwater discharge permit GW-296 for the ConocoPhillips, Cedar Canyon Compressor Station, located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter.

The original discharge plan was approved on July 15, 1998. The discharge permit renewal application dated April 10, 2003, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

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

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

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

Pursuant to Section 3109.H.4., this approval is for a period of five years. This approval will expire July 15, 2008 and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit application for the ConocoPhillips, Cedar Canyon Compressor Station, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge permit will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$400 for gas compressor stations (0-1000 hp). The OCD has not received the \$400.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge permit approval or in five equal installments over the expected duration of the discharge permit. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge permit approval and subsequent installments due on this date of each calendar year.

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

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

Sincerely,

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

ATTACHMENT TO THE DISCHARGE PERMIT GW-296 APPROVAL ConocoPhillips, Cedar Canyon Compressor Station DISCHARGE PERMIT APPROVAL CONDITIONS January 20, 2004

- 1. Payment of Discharge Permit Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$ 400.00 for gas Compressor stations (0-1000 hp). The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
- 2. <u>Commitments</u>: ConocoPhillips will abide by all commitments submitted in the discharge permit renewal application dated April 10, 2002 including attachments and these conditions for approval.
- 3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
- 4. <u>Process Areas:</u> All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
- 5. <u>Ahove Ground Tanks</u>: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
- 6. <u>Above Ground Saddle Tanks</u>: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
- 7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

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

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

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

- 14. <u>OCD Inspections</u>: Additional requirements may be placed on the facility based upon results from OCD inspections.
- 15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
- 16. <u>Transfer of Discharge Permit</u>: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
- 17. <u>Closure</u>: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure permit will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

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

Conditions accepted by: ConocoPhillips

Company Representative- print name

Date

Company Representative- Sign

Title

Price, Wayne

From: Price, Wayne

Sent: Tuesday, February 05, 2002 12:08 PM

To: 'Bishop, Mark A.'

Subject: RE: Non-exempt waste disposal for Conoco CG&P

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

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

Mr. Price,

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

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

Mark Bishop Environmental Specialist Conoco Inc. CG&P SE New Mexico Operating Unit 505-391-1956 ATTACHMENT TO THE DISCHARGE PLAN GW-296 LG&E NATURAL GATHERING AND PROCESSING CEDAR CANYON COMPRESSOR STATION DISCHARGE PLAN APPROVAL CONDITIONS (July 15, 1998)

- 1. <u>Payment of Discharge Plan Fees:</u> The \$50.00 filing fee has been received. No flat fee is required for discharge plans for compressor stations with horsepower rating less than 1000 horsepower.
- 2. <u>LG&E Natural Gathering and Processing Commitments</u>: LG&E Natural Gathering and Processing will abide by all commitments submitted in the discharge plan application dated February 20, 1998.
- 3. <u>Waste Disposal</u>: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
- 4. <u>Drum Storage:</u> All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
- 5. <u>Process Areas:</u> All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
- 6. <u>Above Ground Tanks</u>: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
- 7. <u>Above Ground Saddle Tanks:</u> Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
- 8. <u>Labeling:</u> All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

Page 1 of 3

- 9. <u>Below Grade Tanks/Sumps:</u> All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
- 10. <u>Underground Process/Wastewater Lines:</u> All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
- 11. <u>Class V Wells</u>: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
- 12. <u>Housekeeping:</u> All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
- 13. <u>Spill Reporting:</u> All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Artesia District Office.
- 14. <u>Transfer of Discharge Plan:</u> The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
- 15. <u>Closure:</u> The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

16. <u>Certification:</u> LG&E Natural Gathering and Processing, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. LG&E Natural Gathering and Processing further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

LG&E NATURAL GATHERING AND PROCESSING

by of the Stand

STATE OF NEW MEXICO

THE CONTRACT OF NEW WILLIAM

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 15, 1998

CERTIFIED MAIL RETURN RECEIPT NO. Z-357-869-993

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

RE: Discharge Plan GW-296 Cedar Canyon Compressor Station Eddy County, New Mexico

Dear Mr. Delaney:

The ground water discharge plan GW-296 for the Cedar Canyon Compressor Station located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The discharge plan consists of the original discharge plan application dated February 20, 1998 and the conditions in the enclosed attachment. Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109. Please note Sections 3109.E and 3109.G., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve LG&E Natural Gathering and Processing of liability should operations result in pollution of surface water, ground water, or the environment.

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

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Mr. John R. Delaney Cedar Canyon Compressor Station July 15, 1998 Page 2

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., LG&E Natural Gathering and Processing is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this plan approval is for a period of five years. This approval will expire on July 15, 2003, and LG&E Natural Gathering and Processing should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan application for the LG&E Natural Gathering and Processing Cedar Canyon Compressor Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50.00. No flat fee is required for compressor stations with horsepower rating less than 1000 horsepower. The OCD has received the filing fee.

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

Sincerely,

Roger C. Anderson Chief, Environment Bureau Oil Conservation Division

RCA/wjf Attachment

xc: OCD Artesia Office

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ATTACHMENT TO THE DISCHARGE PLAN GW-296 LG&E NATURAL GATHERING AND PROCESSING CEDAR CANYON COMPRESSOR STATION DISCHARGE PLAN APPROVAL CONDITIONS (July 15, 1998)

- 1. <u>Payment of Discharge Plan Fees:</u> The \$50.00 filing fee has been received. No flat fee is required for discharge plans for compressor stations with horsepower rating less than 1000 horsepower.
- 2. LG&E Natural Gathering and Processing Commitments: LG&E Natural Gathering and Processing will abide by all commitments submitted in the discharge plan application dated February 20, 1998.
- 3. <u>Waste Disposal</u>: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
- 4. <u>Drum Storage:</u> All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
- 5. <u>Process Areas:</u> All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
- 6. <u>Above Ground Tanks</u>: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
- 7. <u>Above Ground Saddle Tanks:</u> Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
- 8. <u>Labeling:</u> All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

Page 1 of 3

- 9. <u>Below Grade Tanks/Sumps:</u> All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
- 10. <u>Underground Process/Wastewater Lines:</u> All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
- 11. <u>Class V Wells</u>: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. All Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
- 12. <u>Housekeeping:</u> All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
- 13. <u>Spill Reporting:</u> All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Artesia District Office.
- 14. <u>Transfer of Discharge Plan:</u> The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
- 15. <u>Closure:</u> The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

16. <u>Certification:</u> LG&E Natural Gathering and Processing, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. LG&E Natural Gathering and Processing further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

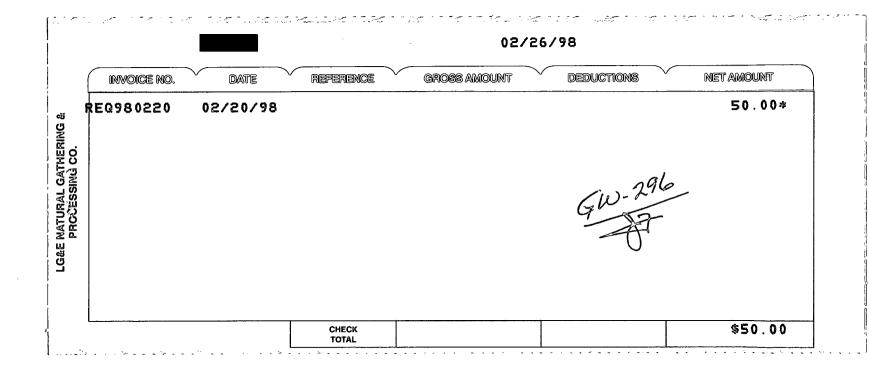
LG&E NATURAL GATHERING AND PROCESSING

by____

Title

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

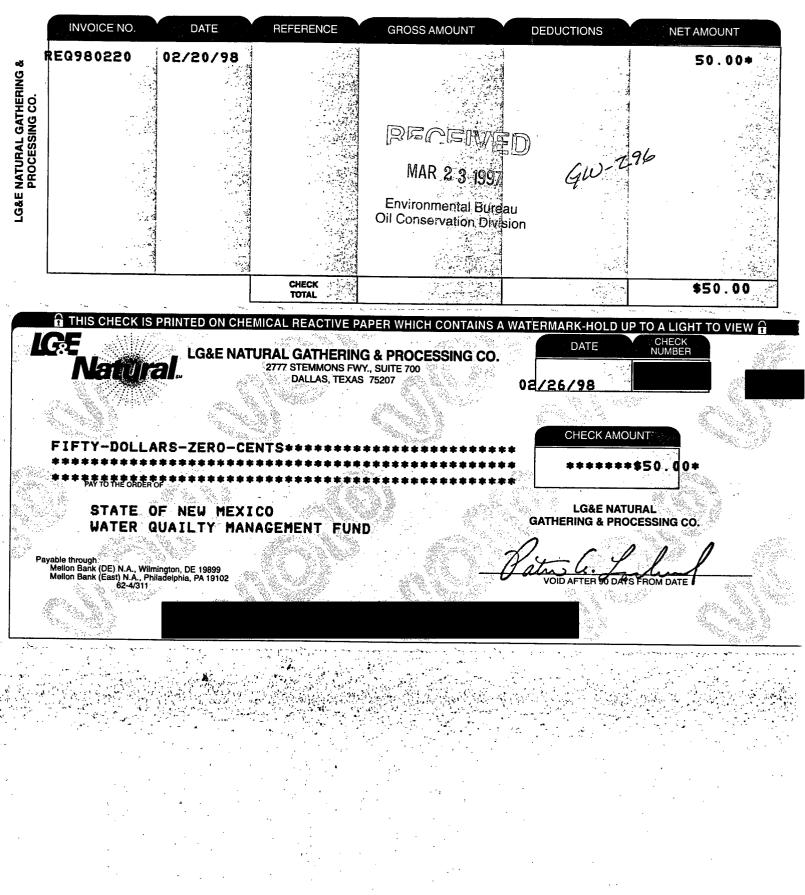
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02/26/98



District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210	State of New Mexico Energy Minerals and Natural Resources	Revised January 24, 2001 Submit Original
District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Plus 1 Copy to Santa Fe 1 Copy to Appropriate District Office

DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS, REFINERIES, COMPRESSOR, GEOTHERMAL FACILITES AND CRUDE OIL PUMP STATIONS

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

New X Renewal

CEDAR CANYON COMPRESSOR STATION

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

Address: 921 West Sanger Hobbs, New Mexico 88240 Contact Person: Mark Bishop

Phone: (505)391-1956

Modification

- Location: SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.
 * Submit large scale topographic map showing exact location.
- 4. Attach the name, telephone number and address of the landowner of the facility site. City of Carlsbad Municipal Bldg 101 N. Halagueno Carlsbad, NM 88220 505-887-1191
- 5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
- 6. Attach a description of all materials stored or used at the facility.
- 7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
- 8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
- 9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
- 10. Attach a routine inspection and maintenance plan to ensure permit compliance.
- 11. Attach a contingency plan for reporting and clean-up of spills or releases.
- 12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
- 13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

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

Name: Clay Y. Smith PE	
Signature:	And.

Title: Environmental Consultant

Date: 4-10-03

Discharge Plan GW-296 Cedar Canyon Compressor Station

1. <u>TYPE OF OPERATION</u>

The Cedar Canyon Compressor Station is a field natural gas compression facility. Natural gas comes in from the field via steel pipeline. The natural gas goes through an inlet separator that removes free liquids from the stream. The natural gas stream is then compressed. From the compressor, the gas stream is dehydrated to remove entrained water and then discharged through the pipeline. Total site rated horsepower is 415.

2. <u>OPERATOR LEGALLY RESPONSIBLE PARTY & LOCAL</u> <u>REPRESENTATIVE</u>

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

3. LOCATION OF DISCHARGE FACILITY DESCRIPTION

The facility is located in the SE/4 SE/4 of Section 9, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. A facility site plan and location map has been included in Appendix A.

4. LANDOWNERS

c.

City of Carlsbad Municipal Bldg 101 N. Halagueno Carlsbad, NM 88220 505-887-1191

5. FACILITY DESCRIPTION

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

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

Materials	Composition	Inventory	Location	Storage
Compressor Lube Oil	Liquid	1-500 gallons	Yard	Steel Tank
Triethylene Glycol	Liquid	1-300 gallons	Yard	Steel Tank
Natural Gas Condensate	Liquid	2-210 bbl	Yard	Steel Tank
Used Lube Oil	Liquid	1-500 gallons	Yard	Steel Tank
Oily Waste Water	Liquid	1-100 bbl	Yard	Steel Tank

6. MATERIALS STORED OR USED at the FACILITY

7. <u>SOURCES and QUANTITIES of EFFLUENT and WASTE SOLIDS</u> <u>GENERATED at the FACILITY</u>

Major Effluent	Estimated Quantity	Major Additives	Source
Produced water	23 bbls per month		Separator, Scrubbers, Dehydration Still Vent Condenser
Nonexempt fluid	1 bbls per month	Rain water, wash water, used lube oil drips, triethylene glycol drips, antifreeze drips	Ecology collection system from compressor skid and Glycol dehydration skid
Used filters	.25 yds ³ per year	Lube oil, triethylene glycol	Compressor Engine, Dehydrator

Used lube oil 300 gallons pe	r year None	Compressor Engine
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Effluent Description

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

Sewage

There is no sewage discharge at this facility.

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

Liquid / Solid Wastes	Storage	Disposal
Produced water	210 bbl condensate tank in	Trucked offsite to a UIC
	yard	permitted class II disposal
		well
Nonexempt fluid	500 gallon tank in yard	Trucked offsite to OCD
		permitted nonexempt
		disposal facility (currently
		Sundance Services Inc.)
Used filters	Collected at	Waste hauler trucks offsite
	ConocoPhillips Master	to Lea County Landfill
	Station. Drained for 24	
	hours minimum	
Used lube oil	100 bbl non exempt fluids	Recycled (currently via
	tank in yard	US Filters in Odessa, TX)

Drum Storage

All drums are stored on pad and curb type containment

Berms

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

Above Ground Tanks

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

Pads

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

Labeling

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

9. PROPOSED MODIFICATIONS

No modifications are planned at this time.

10. INSPECTION, MAINTENANCE, and REPORTING

General Facility

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

Sump Inspections

There are no sumps at this facility.

Pressure Testing

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

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

This facility will have an operator which will check the operations of the facility on a periodic basis. The operator will report the functioning of the compressor, and a log will be kept of the units. If the operator should locate a problem with any of the equipment then it will be reported to the supervisor. Each operator is equipped with mobile communications that is monitored 24 hours a day. In the event of a "reportable spill", the operator would notify his supervisor immediately of the occurrence. The supervisor would in turn notify his immediate supervisor, and the company contingency plan would be implemented. The compressor unit and dehydration unit will have an "environmental" skid, which will not allow precipitation which has contacted this unit to runoff onto the ground. The unit skid will be piped into a "blow casing" which will transfer all fluids to a 100 bbl. above ground storage tank. ConocoPhillips personnel will contact the applicable regulatory agency in accordance with OCD Rule 116 and WQCC 1203. All systems designed for spill collection/prevention are inspected to ensure proper operation and to prevent overtopping or system failure. Spills of any materials will be cleaned up in a timely manner using environmentally sound methods.

12. <u>SITE CHARACTERISTICS</u> – Cedar Canyon Compressor Station

Hydrologic/Geologic Information

The Pecos river is approximately 3000 feet south/southwest of the Cedar Canyon Compressor Station (Station). There is one water well within one mile of the Station, but on the west side of the Pecos River. Information of this well was obtained from the New Mexico Office of the State Engineer website, Well Reports and Downloads (Website). A topographical map has been included in the Appendix.

A well log (Attachment 1 in the Appendix) from the Website documents water in from this well to be 18' below the surface. The source of the water is shown to be alluvium of the Quaternary age (See Ground Water Report 3, Plate 4 in the Appendix). Plate 4 documents that wells within this area classifies the water as suitable for irrigation, but that the water is generally impotable.

The Station is on the opposite side of the Pecos River from the well and on the edge of an area classified as Rustler Formation. The Station is close to the bottom of the Rustler Bluffs at an elevation of 2940'. This is only 20 higher than the base of the well on the other side of the Pecos River, which would indicate that groundwater could be available at a depth of less than 40' at the Station.

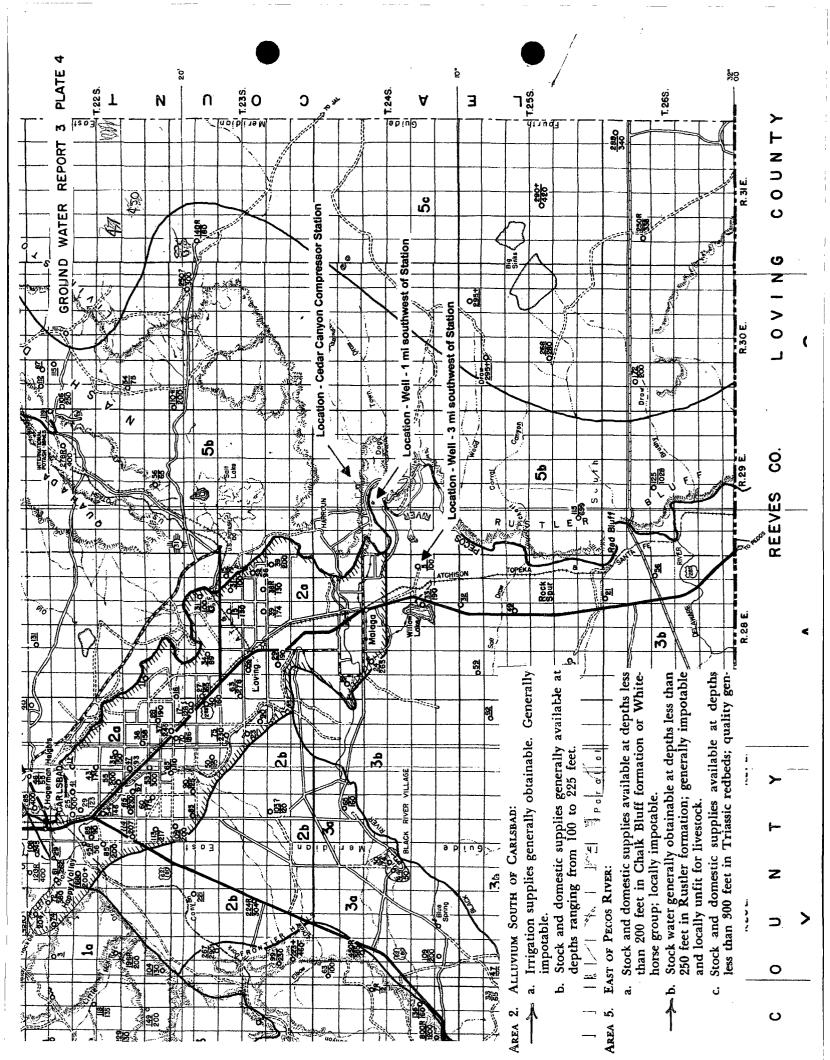
Chemical analysis of the water from a well within three miles southwest of the Station were obtained from Ground-Water Report 3, Geology and Ground-Water Resources of Eddy County, New Mexico by the NM Bureau of Mines and Mineral Resources, 1952 (Report). The well which receives water from the alluvium of Quaternary age has documented 16,000 ppm TDS at 5' depth with a yield of 65 gpm in 1947. See Table 5 from the Report in the Appendix for chemical analysis of the well.

The general movement of the ground water in this area is generally south to southwest toward the Pecos River. The primary aquifer is from the alluvium of the Quaternary age with ground water available at depths of less than 200'. The alluvium

consists of clay, silt, sand, gravel, caliche, and conglomerate, and the component materials are distributed both horizontally and vertically. Underlying the alluvium is gypsum, redbeds, and limestone from the Rustler and Castile formations of the Permian age. Part of the ground water reaching the alluvium may pass through the Rustler and Castile formations before reaching the alluvium.

Flood Protection

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



ES OF WATER FROM WELLS IN EL COUNTY, NEW MEXICO.- (Cont.) TABLE 3. CHEMICAL ANA

LOCATION NUMBERS CORRESPOND TO THOSE IN TABLE 1

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

LOCATION NUMBER	DATE OF COLLEC- TION	SPECIFIC CONDUCT- ANCE (MICROMHOS AT 25° C.)	silica (SiO _b)	CAL- CIUM (Ca)	MAGNE- SIUM (Mg)	SODIUM AND POTAS- SIUM (N2+K)	BICAR- BONATE (HCO _b)	SUL- PATE (SO ₄)	CHLO- RIDE (Cl)	fluo- ride (F)	NI- TRATE (NOg)	dis- Solved Solids	TOTAL HARD- NESS AS CaCO ₈	PER- Cent Sodium
22.29.88.240	12-48	2,580		280	118	168	272	602	406		2.2	1,660	1,060	-
22.30.6.844	5-20-49	29,600		1,020	895	5,950	149	2,880	9,920		-	20,200	4,170	76
10.310	4-30-50	2,860	33 42	640	21	2.5	150 132	1,470	100	.9 2.4	27 22	2,280	1,680 2,360	-
30.240 28.22.24.222	do.	8,490	4Z	580	222 52	84 23	132 272	2,150 272	123 86	2.4	10	3,290 648	2,360	-
86.113	8-12-48 8-17-48	989 553	-	121 67	83	5.5	820	88	4.5	-	8.0	814	802	-
28.28.16.188	8-8-48	488	-	48	24	21	228	41	22	~ -	11	277	218	-
28.27.6.218	4-11-49	1 700	_	180	84	21 74	203	502	172	_	29	1,140	794	17
14,124	9-26-46	1,700 1,820	_	261	57	79	228	555	195	_	22	1,280	886	16
14.124 28.28.7.118	4-11-49	5,860	_	-	-		235		1,010	-				
20.144	12-16-46	7,770		780	208	897	246	2,140	1,620	-	19	5.780	2,780	41
22.488	4-11-49	7,080	-	770	177	720	220	1,860	1,470	-	81	5,140	2,650	-87
24.134	do.	5,280	~				212	-	985	-			-	-
28.80.2.440	4-80-50	4,780	81	.604	146	437	114	2,150	510	1.8	2.4	8,940	2,110	-
21.122	12-48	5,080	-	624	168	478	160	2,160	620	-	27	4,150	2,250	
28.81.7.220	do.	4,090		554	199	201	266	1,560	410	-	271	8,880	2,200	-
24.25.5.442	5- 1-49	893	-		-	-	417	÷.	24	-	-	-		-
24.28.25.128 25.21.10.228	2-10-48	86,500		1,140	461	8,970	86	8,780	6,670	-	Ξ.	16,000	4,740	-
25.21.10.223	5- 2-48	709	-	89	24	102	457	26	10	.4	2.5	429	196	-
25.28.3.222	12- 6-48	2,480	-	636	55	10	187	1,550	11	-	19	2,860	1,810	-
18.824	do.	2,810	-	404	211	65	262	1,640	46	-	8.8	2,490	1,880	
25.29.82.211	5- 1-49	26,900	-	1,100	826	4,920	101	1,450	9,860	-		17,200	4,080	72
25.80.2.000	do.	848		86	81	47	175	177	78	-	6.8	512	842	28
9.100	do.	2,680	-	586	102	59	89	1,710 889	22		.9	2,470	1,760 518	48
21.830	do.	1,090	-	182	46 67	220 161	160 187	887	860 106	-	6.8 5.8	1,180 1,450	787	90
25.81.21.000	12-48	1,940		205	01	101	101	001	100	-	0.0	1,400	101	

TABLE 3. CHEMICAL ANALYSES OF WATER FROM WELLS IN EDDY COUNTY, NEW MEXICO .- (Cont.) LOCATION NUMBERS CORRESPOND TO THOSE IN TABLE 1

LOCATION NUMBER	DATE OF COLLEC- TION	SPECIFIC CONDUCT- ANCE (MICROMHOS AT 25° C.)	^{8ILICA} (SiO ₂)	CAL- CIUM (Ca)	MAGNE- SIUM (Mg)	sodium And Potas- sium (Na+K)	bicar- bonate (HCO ₈)	SUL- FATE (SO)	CHLO- RIDE (Cl)	fluo- Ride (F)	NI- TRATE (NO ₃)	DIS- SOLVED SOLIDS	total hard- ness as CaCO _g	PER- CENT SODIUM
26.24.9.831 11.314 28.418	1-26-48 1-22-48 1-28-48	1,520 2,540 658	-	232 638 84	88 58 36	14 5.8 8.7	296 215 252	647 1,560 184	14 11 8.0		18 8.7 10	1,150 2,380 400	920 1,810 358	
26.25.17.240 26.28.2.112 18.110 26.80.8.110	11-25-49 12- 6-48 12-48 do.	2,540 6,890 1,820 1,110	24 -	624 612 428 81	57 250 27 32	8.7 695 8.5 109	165 189 179 200	1,570 2,510 932 199	21 915 10 141	-	14 9.1 18 1.7	2,400 5,080 1,560 662	1,790 2,560 1,180 884	1
26.81.1.000 8.310	5- 1-49 12-48	8,810 618	-	410 51	121 18	866 58	109 188	1,500 185	470 17		2.1 11	2,920 888	1,520 201	84

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

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-Contraction

GROUND WATER

ATTACHMENT 1

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WELL / SURFACE DATA REPORT 04/08/2003

		(quarters are 1=N	W 2=NE 3=S	W 4=SE)								
(ac	re ft per	(acre ft per annum) (quarters	are biggest to	smallest X Y are in Feet 1	JTM are	UTM are in Meters)	Start	Finish	Finish Depth Depth (in feet)	oth (in feet	~	
Nbr	Use	DB File Nbr Use Diversion Owner Well Numbe	r Sourc	Well Number Source Tws Rng Sec q q q Zone	XY	UTM Zon	e Easting 1	Vorthing 1	Date Da	te We	il Wat	er
C 00431	lun	0 U.S. GEOLOGICAL SURVEY C 00	431	24S 29E 16 3 2 3	8	3 594978 3	564492					
00432	hu	0 U. S. GEOLOGICAL SURVEY C 00	00432	24S 29E 16 3 1 1 13 594575 3564687	8	3 594575 3	564687					
00433	lun	0 U. S. GEOLOGICAL SURVEY C 00433		24S 29E 16 1 3 3	8	3 594570 3	564891					
00863	MIN	645 NM INTERSTATE STREAM COMM. C 00863	C 00863	Shallow 24S 29E 16 1 3 3		13	594570 3	564891 07	3564891 07/31/1962 08/01/1962 220	3/01/1962	220	
02657	SAN	3 LOVING SALT CO. C 02657		24S 29E 16 3 1 1	13	594575 3564687	587	150	50			
- C 02713	QN	645 DISTRICT RED BLUFF WATER POWER C 02713 Shallow 24S 29E 16 1 3 3	ER C 02713	Shallow 24S 29E 16 1 3		13	594570	3564891 1	13 594570 3564891 12/25/2002 01/15/2003 230 18	01/15/2003	230	18

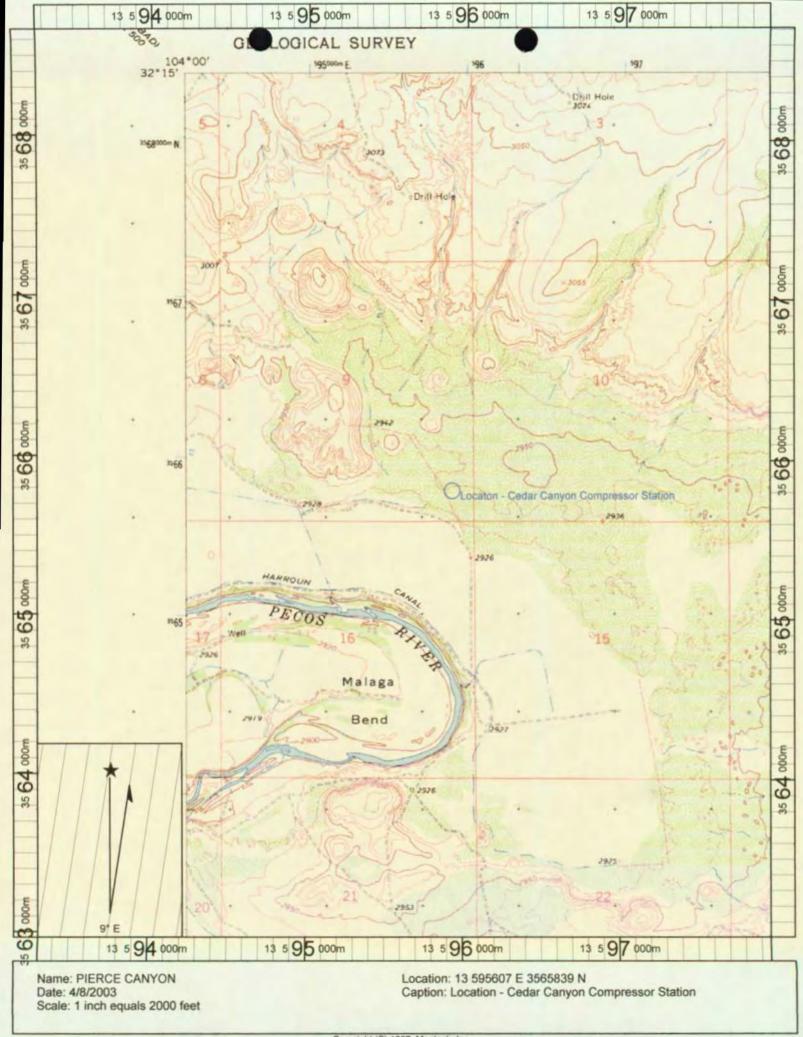
Record Count: 6

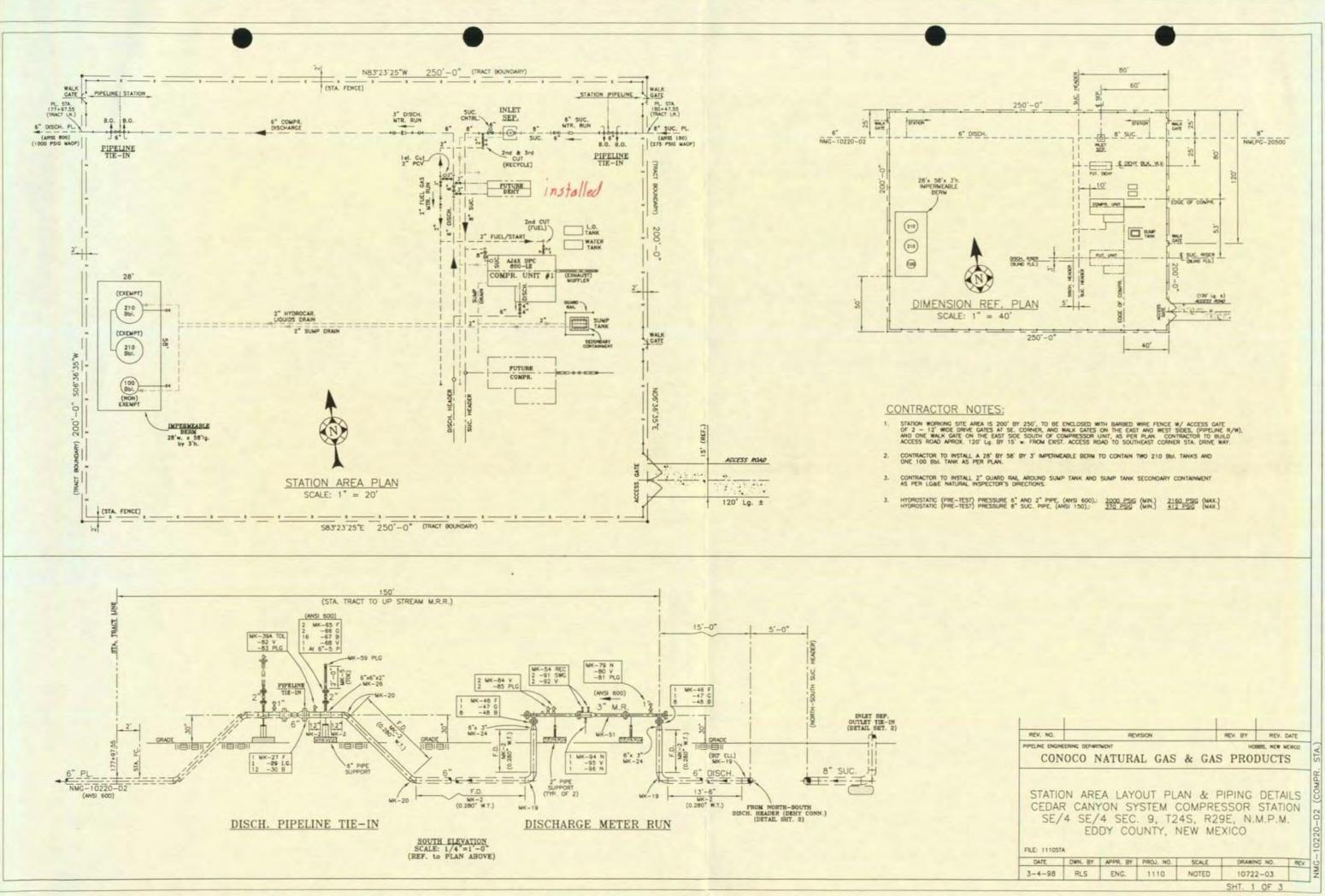
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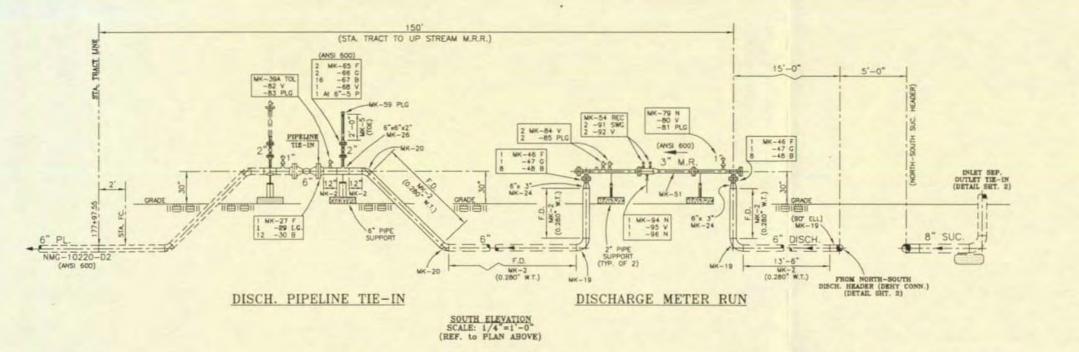
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<u>APPENDIX A – Facility Site Plan and Location Maps</u> Cedar Canyon Compressor Station











APPENDIX B –Blanket Discharge Permit Documentation and Conditions Cedar Canyon Compressor Station

Larius Forsetti Engineer Environmental Services

Natural Gas & Gas Products

Certified Mail No. P 365 861 182 Remm Receipt Requested

June 11, 1998

Roger Anderson Oil Conservation Division New Mexico Energy, Minerals, and Natural Resources Department 2040 South Pacheco St. Santa Fe, NM 37505

Re: Notice of Intent to Discharge

Dear Mr. Anderson:

This letter is a Notice of Intent to Discharge pursuant to Water Quality Control Commission Regulation 20 NMAC 5.2, 1201, on behalf of Conoco Inc.

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

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

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

Service liquids and wastes are handled as follows

Service Liquids

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

Conoco Inc. 600 N. Dairy Ashferd P.O. Bex 2197-HU 3033 Hourson TX 77252 (281) 293-3149

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Non-Exempt, Non-Hazardous Wastes

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

Exempt Wastes

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

Ordinarily, no hazardous waste is generated at the sites.

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

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

Thank you for your assistance.

Sincerely,

on Honseth

Larissa Forseth

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

Compressor Station Locations

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

Compressors

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