

HBP - _____27_____

**GENERAL
CORRESPONDENCE**

**YEAR(S):
_____2013 - 2015_____**

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

EEE 0004788

OFFICIAL RECEIPT

Date: 05/28/2015

Received From: Encana Oil & Gas



* E E E 0 0 0 4 7 8 8 *

Dollars

Center Code	Revenue Code	Amount	Work Order No.
0710000000	496901	150. ⁰⁰	

Center Code	Revenue Code	Amount	Work Order No.

State Treasurer Deposit Number _____

Total \$ 150.⁰⁰

Description: Temporary Permission Fee

Signed: Lorraine DeVoye

ASD-White Copy / Customer-Yellow Copy / Retained in Book-Pink Copy

Energy Minerals & Natural Resources Department Cash Remittance Report (CRR) Header

Location:
Santa Fe - OCD

CRR Number:
CRR0037445

Created By:
DeVargas, Lorraine

Creation Date and Time:
5/28/2015 8:26:13 AM

Collection Period:
5/28/2015 through 5/28/2015

Cash Remittance Report Lines in this CRR bundle:

Department	RevCode	FundCode	RptCat	BudRef	ClassCode	Receipt Amount	Collect
0710000000	496901	31100	0750	115	40000	\$150.00	\$150.00

Summary Total Amounts:

CRR Totals	
Receipts:	\$150.00
Collected:	\$150.00
OUAmount:	\$0.00

Comments:

Remember: Please print a copy of this CRR Transfer Header and mail it with the accompanying receipts to Santa Fe.

Print Name: DeVargas, Lorraine

Signature: 

Print Name: _____

Signature: _____

[Return to the Managers section](#)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

EEE 0004787

Date: 05/28/2015

OFFICIAL RECEIPT



Received From: Encana Oil & Gas

Dollars

Center Code	Revenue Code	Amount	Work Order No.
0710000000	496901	100.00	

Center Code	Revenue Code	Amount	Work Order No.

State Treasurer Deposit Number _____

Total \$ 100.00

Description: Filing Fee

Signed: Lorraine DeVane

ASD-White Copy / Customer-Yellow Copy / Retained in Book-Pink Copy

Energy Minerals & Natural Resources Department Cash Remittance Report (CRR) Header

Location:
Santa Fe - OCD

CRR Number:
CRR0037444

Created By:
DeVargas, Lorraine

Creation Date and Time:
5/28/2015 8:25:13 AM

Collection Period:
5/28/2015 through 5/28/2015

Cash Remittance Report Lines in this CRR bundle:

Department	RevCode	FundCode	RptCat	BudRef	ClassCode	Receipt Amount	Collect
0710000000	496901	31100	0750	115	40000	\$100.00	\$100.00

Summary Total Amounts:

CRR Totals	
Receipts:	\$100.00
Collected:	\$100.00
OUAmount:	\$0.00

Comments:

**Remember: Please print a copy of this CRR Transfer Header
and mail it with the accompanying receipts to Santa Fe.**

Print Name: DeVargas, Lorraine

Signature: Lorraine DeVargas

Print Name: _____

Signature: _____

[Return to the Managers section](#)

RECEIVED OCD

2015 MAY 27 P 3: 26

May 22, 2015

Mr. Brad Jones
Environmental Engineer
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, NM 87505

**RE: Renewal Request
Annual Temporary Permission to Discharge Hydrostatic Test Water (Permit No. HBP-027)
Encana Oil & Gas (USA) Inc, San Juan Basin Operations**

Mr. Jones:

Pursuant to water Quality Control Regulations (WQCC) 20.6.2 NMAC, Encana Oil & Gas (USA) Inc. (Encana) is hereby submitting to the New Mexico Oil Conservation Division (OCD) its application for renewal of its Annual Temporary Permission to Discharge Hydrostatic Test Water associated with Encana operations in the San Juan Basin. OCD issued Permit No. HBP-027 on May 16, 2013, in response to Encana's May 14, 2013 initial applications for Annual Temporary Permission to Discharge Hydrostatic Test Water.

Consistent with Permit HBP-027 and as a part of its request for renewal of this permit, Encana will comply with conditions specified by OCD's Guidelines for Hydrostatic Test Dewatering (Rev. January 11, 2007); those being:

- a. the volume of water used for each hydrostatic test conducted subject to this permit will not exceed 25,000 gallons;
- b. public/municipal-sourced water or other OCD approved sources will be utilized for each test conducted subject to this permit;
- c. oral or written notification will be provided to OCD At least 72 hours prior to each discharge event;
- d. hydrostatic test water from discharge events will not be allowed to enter any lake, perennial stream, river or ephemeral drainages;
- e. no discharge will occur:
 - i. where groundwater is less than ten feet below ground surface
 - ii. within 200 feet of a watercourse, lakebed, sinkhole, or playa lake
 - iii. within an existing wellhead protection area
 - iv. within, or within 500 feet of, a wetland
 - v. within 500 feet of the nearest permanent residence, school, hospital, institution, or church;
- f. best management practices will be implemented to contain the discharge onsite, does not impact adjacent property and to control erosion;
- g. no discharge event will cause any fresh water supplies to be degraded or exceed standards as set forth in Subsection A, B, or C of 20.6.2.3103 NMAC;
- h. landowners of each proposed discharge and/or collection/retention or alternative discharge location will be properly notified of the activities prior to each proposed hydrostatic test event; and

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17th Street Suite 1700 Denver CO 80202 USA 303.623.2300 encana.com



- i. an annual report summarizing all tests of new pipe with less than 25,000 gallons per hydrostatic test event will be submitted to the OCD within 45 days after the temporary permission expiration date and will contain the following information:
 - i. the location of hydrostatic test (Section/Township/Range or GPS coordinates);
 - ii. the date of each test;
 - iii. The volume of each discharge;
 - iv. The source and quality of test water (laboratory analysis, only when required)

In accordance with Section 3114 of 20.6.2 NMAC, attached are two checks (Check No. 1247619 and Check No. 1247618) in the amounts of \$100.00 and \$150.00, made payable to the Water Quality Management Fund as payment of the permit applicant filing fee and the temporary permission fee, respectively.

Please contact me at 505.599.2407 if you have any questions concerning this request or additional information is required.

Best regards,

A handwritten signature in cursive script that reads "Tucker Smith".

Tucker Smith
Environmental Specialist, San Juan

Annual Report Attached

Bcc: Wesley Rogers
Melissa Ritchie
John Keil

Encana Oil & Gas (USA) Inc.
San Juan Basin
2014 Temporary Annual Permission to Discharge Hydrostatic Test Water
Project Information

Project Name	Date of Discharge	Location of Hydrostatic Discharge					Water Acquisition Source	Discharge Volume ²	Discharge Location
		Description	Well Pad Location	County	Latitude ¹	Longitude ¹			
Lybrook Trunk #2 Pipeline Project	04/11/14	¾ mile East of Encana Lybrook E27-2306 Wellpad	1569' FNL & 199' FWL, Section 27, T23N R6W	Sandavoi	36.19906°N	107.46382°W	Bloomfield Municipal Water	16,000 gal	Pipeline ROW
Lybrook P28-2307 Well Lateral Project	04/25/14	Lybrook P28-2306 Wellpad	336' FSL & 1280' FEL, Section 28, T23N R6W	Sandavoi	36.19009°N	107.46877°W	Bloomfield Municipal Water	1,800 gal	Pipeline ROW
Good Times P36A-2410 Well Lateral Project	05/06/14	Good Times P36A-2410 Wellpad	287' FSL & 862' FEL, Section 36, T24N R10W	San Juan	36.26402°N	107.84209°W	Bloomfield Municipal Water	500 gal	Pipeline ROW
Escrito D34-2409 Well Lateral Project	06/04/14	Escrito D34-2409 Wellpad	1109' FNL & 509' FWL, Section 34, T24N R9W	San Juan	36.27479°N	107.78363°W	Bloomfield Municipal Water	14,000 gal	Pipeline ROW
Escrito L18-2409 Well Lateral Project	06/06/14	Encana Escrito L18-2409 Wellpad	1,482' FSL & 440' FWL, Section 18, T24N R9W	San Juan	36.31086°N	107.83775°W	Bloomfield Municipal Water	5,300 gal	Pipeline ROW
Escrito M27-2409 Well Lateral Project	06/18/14	Encana Escrito M27-2409 Wellpad	1282' FSL & 383' FWL, Section 27, T24N R9W	San Juan	36.28136°N	107.78415°W	Bloomfield Municipal Water	600 gal	Pipeline ROW
Escrito L27-2409 Well Lateral Project	06/18/14	Encana Escrito L27-2409 Wellpad	2399' FSL & 333' FWL, Section 27, T24N R9W	San Juan	36.28443°N	107.78441°W	Bloomfield Municipal Water	400 gal	Pipeline ROW
Chaco Trunk #1									
Lybrook E33-2307 Well Lateral Project	08/15/14	Encana Escrito E33-2307 Wellpad	1741' FNL & 549' FWL, Section 33, T23N R7W	Sandoval	36.18579°N	107.58693°W	Bloomfield Municipal Water	1,900 gal	Pipeline ROW
Lybrook H04-2208 Well Lateral Project	08/22/14	Encana Lybrook H04-2208 Wellpad	1980' FNL & 330' FEL, Section 4, T22N R8W	San Juan	36.17069°N	107.67901°W	Bloomfield Municipal Water	850 gal	Pipeline ROW
Lybrook L33-2307 Well Lateral Project	08/25/14	Encana Lybrook L33-2307 Wellpad	1577' FSL & 352' FWL, Section 33, T23N R7W	Sandoval	36.18024°N	107.57857°W	Bloomfield Municipal Water	250 gal	Pipeline ROW
Escrito L32-2408 & Escrito M32-2408 Well Lateral Projects	09/10/14	Encana Escrito L32-2408 Wellpad	1889' FSL & 226' FWL, Section 32, T24N R8W	San Juan	36.26882°N	107.7134°W	Bloomfield Municipal Water	3,000 gal	Pipeline ROW
Chaco Trunk #1 (Section 32) & Lybrook P32-2307 Well Lateral Pipeline Projects	10/06/14	Lybrook P32-2307 Wellpad	664' FSL & 31' FEL, Section 32, T23N R7W	Sandoval	36.17774°N	107.58885°W	Bloomfield Municipal Water	14,600 gal	Pipeline ROW
Pinon Unit D14-2410 (fka Good Times D14-2410) Pipeline Project	10/16/14	Pinon Unit D14-2410 Wellpad	1,321' FNL & 449' FWL, Section 14, T24N R10W	San Juan	36.317623°N	107.873039°W	Bloomfield Municipal Water	1,800 gal	Pipeline ROW
Chaco Trunk #2 (Ph 1), Lybrook G31-2307 Well Lateral & Lybrook P32-2307 Well Lateral Pipeline Projects	10/13/14	Proposed Lybrook G30-2307 Wellpad location	1,331' FNL & 2,114' FEL, Section 30, T23N R7W	Sandoval	36.20154°N	107.61371°W	Bloomfield Municipal Water	23,500 gal	Pipeline ROW
Lybrook O35-2308 Well Lateral Project	10/17/14	Encana Lybrook O35-2308 Wellpad	273' FSL & 1,391' FEL, Section 35, T23N R8W	San Juan	36.17689°N	107.64684°W	Bloomfield Municipal Water	500 gal	Pipeline ROW
Lybrook A12-2306 & Lybrook O01-2306 Well Lateral Projects	11/05/14	Encana Lybrook O01-2306 Wellpad	729' FSL & 2540' FEL, Section 1, T23N R6W	Rio Arriba	36.249220°N	107.419604°W	Bloomfield Municipal Water	9,000 gal	Pipeline ROW
GCU M26-2306 Well Lateral Project	11/06/14	Encana GCU M26-2306 Wellpad	75' FSL & 200' FWL, Section 26, T23N R6W	Sandoval	36.189216°N	107.445989°W	Bloomfield Municipal Water	300 gal	Pipeline ROW
GCU P26-2306 Well Lateral Project	11/06/14	Encana GCU P26-2306 Wellpad	250' FSL & 967' FEL, Section 26, T23N R6W	Sandoval	36.189558°N	107.432173°W	Bloomfield Municipal Water	3,300 gal	Pipeline ROW
Lybrook P03-2206 Well Lateral Project	11/12/14	Encana P03-2206 Wellpad	438' FSL & 1222' FEL, Section 3, T22N R6W	Sandoval	36.161075°N	107.450920°W	Bloomfield Municipal Water	1,500 gal	Pipeline ROW
Escrito L14-2408 Well Lateral Project	11/14/14	Encana L14-2408 Wellpad	1,429' FSL & 52' FWL, Section 14, T24N R8W	San Juan	36.310748°N	107.660388°W	Bloomfield Municipal Water	300 gal	Pipeline ROW
Lybrook M35-2408 Well Lateral Project	12/19/14	Encana M35-2408 Wellpad	316' FSL & 1,298' FWL, Section 35, T23N R8W	San Juan	36.17702°N	107.65557°W	Bloomfield Municipal Water	400 gal	Pipeline ROW

¹ Datum: NAD 1983

March 19, 2013

Mr. Brad Jones
Environmental Engineer
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, NM 87505

RE: Renewal Request
Annual Temporary Permission to Discharge Hydrostatic Test Water (Permit No. HBP-027)
Encana Oil & Gas (USA) Inc, San Juan Basin Operations

Mr. Jones:

Pursuant to water Quality Control Regulations (WQCC) 20.6.2 NMAC, Encana Oil & Gas (USA) Inc. (Encana) is hereby submitting to the New Mexico Oil Conservation Division (OCD) its application for renewal of its Annual Temporary Permission to Discharge Hydrostatic Test Water associated with Encana operations in the San Juan Basin. OCD issued Permit No. HBP-027 on May 16, 2013, in response to Encana's May 14, 2013 initial applications for Annual Temporary Permission to Discharge Hydrostatic Test Water.

Consistent with Permit HBP-027 and as a part of its request for renewal of this permit, Encana will comply with conditions specified by OCD's Guidelines for Hydrostatic Test Dewatering (Rev. January 11, 2007); those being:

- a. the volume of water used for each hydrostatic test conducted subject to this permit will not exceed 25,000 gallons;
- b. public/municipal-sourced water or other OCD approved sources will be utilized for each test conducted subject to this permit;
- c. oral or written notification will be provided to OCD At least 72 hours prior to each discharge event;
- d. hydrostatic test water from discharge events will not be allowed to enter any lake, perennial stream, river or ephemeral drainages;
- e. no discharge will occur:
 - i. where groundwater is less than ten feet below ground surface
 - ii. within 200 feet of a watercourse, lakebed, sinkhole, or playa lake
 - iii. within an existing wellhead protection area
 - iv. within, or within 500 feet of, a wetland
 - v. within 500 feet of the nearest permanent residence, school, hospital, institution, or church;
- f. best management practices will be implemented to contain the discharge onsite, does not impact adjacent property and to control erosion;
- g. no discharge event will cause any fresh water supplies to be degraded or exceed standards as set forth in Subsection A, B, or C of 20.6.2.3103 NMAC;
- h. landowners of each proposed discharge and/or collection/retention or alternative discharge location will be properly notified of the activities prior to each proposed hydrostatic test event; and

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17th Street Suite 1700 Denver CO 80202 USA 303.623.2300 encana.com



- i. an annual report summarizing all tests of new pipe with less than 25,000 gallons per hydrostatic test event will be submitted to the OCD within 45 days after the temporary permission expiration date and will contain the following information:
 - i. the location of hydrostatic test (Section/Township/Range or GPS coordinates);
 - ii. the date of each test;
 - iii. The volume of each discharge;
 - iv. The source and quality of test water (laboratory analysis, only when required)

In accordance with Section 3114 of 20.6.2 NMAC, attached are two checks (Check No. 1050284 and Check No. 1050285) in the amounts of \$100.00 and \$150.00, made payable to the Water Quality Management Fund as payment of the permit applicant filing fee and the temporary permission fee, respectively.

Please contact me at 720.876.3705 if you have any questions concerning this request or additional information is required.

Best regards,

A handwritten signature in black ink, appearing to read "John R. Keil", with a large, stylized circular flourish on the left side.

John R. Keil
Environmental Manager, Southern Operations

Attachment

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of Check No. 1050284 dated 3/19/14
or cash received on 3/25/14 in the amount of \$ \$100.00
from ENCLANA OIL & GAS INC.
for HBP-27

Submitted by: BRAD JONES Date: 3/25/14

Submitted to ASD by: Lupe Sturman Date: 3/25/14

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility: _____ Renewal: _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 14

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of Check No. 1050285 dated 3/19/14
or cash received on 3/25/14 in the amount of \$ 150.00
from ENCANA OIL & GAS INC.
for HBP-27

Submitted by: BRAD JONES Date: 3/25/14

Submitted to ASD by: Lupe Sherman Date: 3/25/14

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility: _____ Renewal: _____

Modification _____ Other ☒ TEMP PERMISSION FEE

Organization Code 521.07 Applicable FY 14

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

NEW MEXICO ENVIRONMENT DEPARTMENT- ALBUQUERQUE FIELD OFFICE DAILY CHECK RECEIPT LOG

DATE RECEIVED	WALK IN	MAIL	NAME ON CHECK	DATE OF CHECK	CHECK/MONEY ORDER#	PROGRAM ACCOUNT CODE	AMOUNT OF CHECK	DATE DEPOSITED	DEPOSITED BY:
3/25/14		✓	ENCANA OIL & GAS	3/19/14	1050284		\$100.00		
3/25/14		✓	ENCANA OIL & GAS	3/19/14	1050285		\$150.00		
TOTAL							\$250.00		

REVENUE TRANSMITTAL SHEET

Description	Fund	Dept.	Share Acct	Sub Acct	Amount
Liquid Waste	34000	Z3200	496402		
Water Recreation Facilities	40000	Z8501	496402		
Food Permit Fees	99100	Z2600	496402		
OTHER	34100	Z32900		2329029000	

May 14, 2013

Mr. Brad Jones
Environmental Engineer
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr
Santa Fe, NM 87505

Mr. Jones:

Subject: Request for Annual Temporary Permission to Discharge Hydrostatic Test Water, Encana Oil & Gas (USA) Inc, San Juan Basin Operations

RECEIVED OCD
2013 MAY 16 AM 11:05

Pursuant to 20.6.2 NMAC, Encana Oil & Gas (USA) Inc. (Encana) is requesting the New Mexico Oil Conservation Division (OCD) grant annual temporary permission to discharge hydrostatic test water from test operations requiring less than 25,000 gallons per test for new crude oil or gas flowlines and gathering lines from wellhead operations connecting to trunk lines and gathering system pipelines.

In support of this request for annual temporary permission to discharge hydrostatic test water, Encana will comply with the following conditions as specified by OCD's Guidelines for Hydrostatic Test Dewatering (Rev. January 11, 2007):

- a. Each hydrostatic test performed under a granted ATP will not exceed a volume of 25,000 gallons.
- b. Municipal-sourced water or another OCD approved water source will be utilized to test the flowlines and gathering lines under a granted ATP. Encana must demonstrate to OCD that any water source, other than municipal, meet Standards for Groundwater as described in 20.6.2.3103 NMAC, Subsection A, B, or C.
- c. At least 72 hours prior to each discharge event, the OCD will be provided with oral or written notification.
- d. Hydrostatic test water from discharge events will not be allowed to enter any lake, perennial stream, river or ephemeral drainages.
- e. No discharge will occur:
 - i. Where groundwater is less than ten feet below ground surface
 - ii. Within 200 feet of a watercourse, lakebed, sinkhole, or playa lake
 - iii. Within an existing wellhead protection area
 - iv. Within, or within 500 feet of, a wetland
 - v. Within 500 feet of the nearest permanent residence, school, hospital, institution, or church;
- f. Best management practices will be implemented to contain the discharge within the pipeline ROW.
- g. No discharge event will be allowed to cause any fresh water supplies to be degraded or exceed standards as set forth in Subsection A, B, or C of 20.6.2.3103 NMAC.
- h. All landowners will be notified of each proposed hydrostatic test event.
- i. Encana will submit an annual report to the OCD summarizing all tests of new pipe with less than 25,000 gallons per hydrostatic test event within 45 days after the temporary permission expiration date. The report will contain the following information:
 - i. The location of each test (Section/Township/Range or latitude/longitude)
 - ii. The date of each test
 - iii. The volume of discharge
 - iv. The source and quality of test water


Encana Oil & Gas (USA) Inc.

encana

The filing fee in the amount of \$100.00 and the temporary permission fee of \$150.00, payable to the ~~Water~~
Quality Management Fund, is included with this request.

If there are any questions concerning this request or additional information is required, please contact me at (979)
204-7485.

Regards,



Tucker Smith
San Juan EHS Coordinator
6584 E. Main Street
Farmington, NM 87401

TS
Filing Fee Payment

cc: M. Ritchie

B. Gerou

Permission Compliance Checklist

Expected date of hydrostatic discharge: _____

Location of hydrostatic discharge (Name, lat / long); _____

Clean Water acquisition Source: _____

NM OGD notified > 72 hours prior to discharge (note contact person, date, time, method of communication):

Landowner notification made (note contact person, date, time, method of communication)

Each Discharge Permission File to include:

- Review of pipeline surveys for sensitive areas to ensure:
 - o Where groundwater is less than ten feet below ground surface
 - o Within 200 feet of a watercourse, lakebed, sinkhole, or playa lake
 - o Within an existing wellhead protection area [19.15.2.7 W(8)] "...within 1000 horizontal feet of any other fresh water well or spring. Wellhead protection areas does not include areas around water wells drilled after an existing oil or gas waste storage, treatment or disposal site was established."
 - o Within 500 feet of a wetland
 - o Within 500 feet of the nearest permanent residence, school, hospital, institution, or church;
- Load tickets for volume of Clean water acquired
 - o Document if any water is un-used for a final volume calculation of each hydrotest

Describe BMPs used to contain water / prevent water from discharging off site: _____

Job Supervisor: _____ Date: _____