



January 10, 2022

Mr. Brad Jones, Environmental Engineer  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RE: Holly Energy Partners Operating, L.P. Request for 120-Day Temporary Permission to Discharge  
Hydrostatic Test Water OGRID 282505  
Permit Number: HBP-041

Dear Mr. Jones,

On behalf of Holly Energy Partners Operating L.P. (HEP), I am submitting this request for renewal of the 120-Day Temporary Permission to discharge hydrostatic test water resulting from the testing of new pipelines for HEP.

Discharges will be done in a manner to control erosion and prevent sediment discharging from the site. Methods of controlling sediment include: filter bags, detention basins, utilizing a water truck to spray test waters for dust suppression on the right-of-way, working the test water into the trench spoils to aid with compaction, placing the water in the trench and allowing it to soak or evaporate.

HEP acknowledges that conditions below must be satisfied for the use of the 120-Day Temporary Permission:

- a. the volume of the discharge is less than 25,000 gallons per hydrostatic test;
- b. water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is used for each hydrostatic test;
- c. email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. Each notice shall contain the following information:
  - i. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - ii. the date of the proposed discharge;
  - iii. the volume of the proposed discharge; and
  - iv. the source of hydrostatic test water;
- d. the discharge will not enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;

- e. no discharge shall occur:
  - i. where ground water is less than 10 feet below ground surface.
  - ii. within 200 feet of a watercourse (defined in 19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (defined in 19.15.2.7.P(4) NMAC);
  - iii. within an existing wellhead protection area (defined in 19.15.2.7.W(8) NMAC);
  - iv. within 500 feet of a wetland (defined in 19.15.2.7.W(9) NMAC); or
  - v. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;
- f. best management practices must be implemented to contain the discharge onsite, to ensure the discharge does not impact adjacent property, and to control erosion;
- g. the discharge does not cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC;
- h. the landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test discharge event; and
- i. A report, summarizing all hydrostatic test wastewater discharges of 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 shall contain the following information:
  - i. the location of each hydrostatic test water discharge (Section/Township/Range or GPS coordinates);
  - ii. the date of each discharge;
  - iii. the volume of each discharge; and
  - iv. the source and quality of test water (laboratory analysis, if necessary).

Enclosed is a check for the \$100.00 filing fee and \$50.00 for the temporary permission fee made out to the Water Quality Management Fund – New Mexico Oil Conservation Division. If you have any questions or comments, please feel free to contact me.



Melanie Nolan  
Environmental Specialist I  
Holly Energy Partners  
1602 W. Main  
Artesia, NM 88210  
Office: (575) 748-8972  
Cell: (214) 605-8303  
Fax: (575) 748-4052



January 6, 2022

Mr. Brad Jones, Environmental Engineer  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RE: Holly Energy Partners Operating, L.P. Request for 120-Day Temporary Permission to Discharge Hydrostatic Test Water OGRID 282505  
Permit Number: HBP-041

Dear Mr. Jones,

On behalf of Holly Energy Partners Operating L.P. (HEP), I am submitting this request for renewal of the 120-Day Temporary Permission to discharge hydrostatic test water resulting from the testing of new pipelines for HEP.

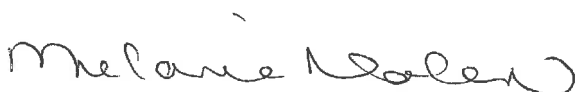
Discharges will be done in a manner to control erosion and prevent sediment discharging from the site. Methods of controlling sediment include: filter bags, detention basins, utilizing a water truck to spray test waters for dust suppression on the right-of-way, working the test water into the trench spoils to aid with compaction, placing the water in the trench and allowing it to soak or evaporate.

HEP acknowledges that conditions below must be satisfied for the use of the Annual Temporary Permission:

1. The volume does not exceed 25,000 gallons per hydrostatic test;
2. Water must come from a public/municipal water supply or other OCD approved sources (upon a written request to OCD) is used for each test;
3. Email or written notification must be provided to OCD 72 hours prior to each hydrostatic discharge event. The notice shall contain the following information:
  - a. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of the proposed discharge;
4. The discharge does not enter any lake, perennial stream, river or their respective tributaries that may be seasonal;
5. No discharge shall occur:
  - A. where ground water is less than 10 ft. bgs.

- B. within 200 ft of a watercourse (19.15.2.7.W(4) NMAC), lakebed, sinkhole or playa lake (19.15.2.7.P(4) NMAC);
  - C. within an existing wellhead protection area (19.15.2.7.W(8);
  - D. within, or within 500 ft of a wetland (19.15.2.7.W(9) NMAC); or
  - E. within 500 ft from the nearest permanent residence, school, hospital, institution or church;
6. No discharge shall occur to a surface water body without obtaining a National Pollution Discharge Elimination Systems (NPDES) permit from the US EPA, NMED, and OCD prior to the discharge;
7. Best management practices must be implemented to contain the discharge onsite, to ensure that the discharge does not impact adjacent property, and to control erosion;
8. The discharge does not cause any fresh water supplies to be degraded or to exceed standard as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC (the Water Quality Regulations);
9. HEP shall report all unauthorized discharges, spills, leaks, and releases of hydrostatic test wastewater and conduct corrective action pursuant to the Water Quality Regulations of 20.6.2.1203 NMAC and release notification pursuant to OCD Rule 29 (19.15.29 NMAC);
10. The landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test event; and
11. Submit a report, summarizing all hydrostatic test wastewater discharges of less than 25,000 gallons per hydrostatic test event performed within the approved 120-day period, will be submitted to OCD within 45 days after the temporary permission expiration date and shall contain the following information:
- a. the location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of each discharge;
  - c. the volume of each discharge; and
  - d. the source and quality of test water (laboratory analysis, if necessary).

Enclosed is a check for the \$100.00 filing fee and \$50.00 for the temporary permission fee made out to the Water Quality Management Fund – New Mexico Oil Conservation Division. If you have any questions or comments, please feel free to contact me.



Melanie Nolan  
Environmental Specialist I  
Holly Energy Partners  
1602 W. Main  
Artesia, NM 88210  
Office: (575) 748-8972  
Cell: (214) 605-8303  
Fax: (575) 748-4052

HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

Check Date 12/17/2021  
Check Amount \$ 100.00  
Vendor No [REDACTED]  
Payment Document [REDACTED]  
Company Code [REDACTED]

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
12/14/2021	121421 100.00	IR121421 100.00-77741	100.00	0.00	100.00

Payment document	Check number	Date	Currency	Payment amount
[REDACTED]	7000070077	12/17/2021	USD	*****100.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

64-1278/611 7000070077  
12/17/2021

PAY EXACTLY

\*\*\*\*\*100.00\*USD

VOID AFTER 180 DAYS

PAY \*\*\* ONE HUNDRED and 00 /100 USD\*\*\*

TO THE  
ORDER OF WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225



AUTHORIZED SIGNATURE

Bank of America N.A.



HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

Check Date 12/17/2021  
Check Amount \$ 50.00  
Vendor No [REDACTED]  
Payment Document [REDACTED]  
Company Code [REDACTED]

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
12/14/2021	121421 50.00	IR121421 50.00-77740	50.00	0.00	50.00

Payment document	Check number	Date	Currency	Payment amount
[REDACTED]	7000070076	12/17/2021	USD	*****50.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

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CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

64-1278/611 7000070076  
12/17/2021

PAY EXACTLY

\*\*\*\*\*50.00\*USD

VOID AFTER 180 DAYS

PAY \*\*\* FIFTY and 00 /100 USD\*\*\*

TO THE  
ORDER OF WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

AUTHORIZED SIGNATURE

Bank of America N.A.

<b>ORIGIN ID: ROWA</b> (575) 748-8972		<b>SHIP DATE: 06JAN22</b>
<b>MELANIE NOIAN</b>		<b>ACTWGT: 1.00 LB</b>
<b>HOLLY ENERGY PARTNERS</b>		<b>CAD: 107928066/INET4400</b>
<b>1602 W. MAIN</b>		
<b>ARTESIA, NM 88210</b>		<b>BILL SENDER</b>
<b>UNITED STATES US</b>		
<b>TO OIL CONSERVATION DIVISION</b>		
<b>WATER QUALITY MANAGEMENT FUND</b>		
<b>1220 S. ST. FRANCIS DRIVE</b>		
<b>SANTA FE NM 87505</b>		
<b>(505) 476-3460</b>		<b>REF: ANNUAL REPORT</b>
<b>INV:</b>		<b>DEPT:</b>
<b>PO:</b>		
		
		
<b>J212321121091uv</b>		
<b>56D.J201EF/FE4A</b>		

<b>TRK#</b> 7756 8254 8892	<b>MON - 10 JAN 4:30P</b>
<b>0201</b>	<b>** 2DAY **</b>
<b>SX SAFA</b>	<b>87505</b>
	<b>NM-US ABQ</b>

**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on [fedex.com](https://www.fedex.com). FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Thursday, January 13, 2022 3:10 PM  
**To:** Nolan, Melanie  
**Subject:** RE: [EXTERNAL] RE: HBP-041 120-day Temporary permission renewal request revisions  
**Attachments:** 2022 0113 HBP-041 Holly Energy Partners Operating LP renewal approval.pdf

Melanie,

Please see the attached 120-day temporary permission renewal approval for HBP-041. You will also be receiving an email from OCD Permitting soon. If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Brad Jones

**Brad A. Jones** • Environmental Scientist Specialist - Advanced  
Environmental Bureau  
EMNRD - Oil Conservation Division  
1220 S. Saint Francis Drive | Santa Fe, New Mexico 87505  
(505) 469-7486 | [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)  
[www.emnrd.nm.gov](http://www.emnrd.nm.gov)

---

**From:** Nolan, Melanie <Melanie.Nolan@hollyenergy.com>  
**Sent:** Monday, January 10, 2022 10:10 AM  
**To:** Jones, Brad A., EMNRD <brad.a.jones@state.nm.us>  
**Subject:** [EXTERNAL] RE: HBP-041 120-day Temporary permission renewal request revisions

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Mr. Jones,

I apologize for the mix-up on my part. I totally copied the wrong renewal letter and did not realize it. Do I need to submit this version via the e-permitting too? And do I need to send a hardcopy to you also?

Thank you,

**Melanie Nolan**  
Environmental Specialist/EHS Department

**Holly Energy Partners**  
O 575-748-8972  
M 214-605-8303  
[Melanie.Nolan@hollyenergy.com](mailto:Melanie.Nolan@hollyenergy.com)  
[www.hollyenergy.com](http://www.hollyenergy.com)

1602 W. Main, Artesia, New Mexico, 88210





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**From:** Jones, Brad A., EMNRD <[brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)>  
**Sent:** Friday, January 7, 2022 10:09 AM  
**To:** Nolan, Melanie <[Melanie.Nolan@hollyenergy.com](mailto:Melanie.Nolan@hollyenergy.com)>  
**Subject:** [EXTERNAL Email]: HBP-041 120-day Temporary permission renewal request revisions

**CAUTION:** This email originated from outside of the HollyFrontier organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Thank you for taking my call this morning. The following hyperlink will take you to the update guidelines: <https://www.emnrd.nm.gov/ocd/wp-content/uploads/sites/6/Hydrostatic-Test-Dewatering-4-21-2021-1.pdf>. I recommend that you copy and paste the conditions from the guidelines to your renewal request and perform a search for “annual” and replace with “120-day”. Please email me the revised request and I’ll replace the one submitted through OCD Permitting. If you have any additional questions regarding this matter, please do not hesitate to contact me. Enjoy your weekend.

Sincerely,

Brad Jones

**Brad A. Jones** • Environmental Scientist Specialist - Advanced  
Environmental Bureau  
EMNRD - Oil Conservation Division  
1220 S. Saint Francis Drive | Santa Fe, New Mexico 87505  
(505) 469-7486 | [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)  
[www.emnrd.nm.gov](http://www.emnrd.nm.gov)

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State of New Mexico  
Energy, Minerals and Natural Resources Department

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Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Division Director  
Oil Conservation Division



January 13, 2022

Ms. Melanie Nolan  
Holly Energy Partners - Operating, L.P.  
1602 W. Main  
Artesia, New Mexico 88210

**RE: Renewal of Temporary Permission to Discharge Hydrostatic Test Water  
Holly Energy Partners - Operating, L.P. - OGRID 282505  
Permit: HBP - 041**

Dear Ms. Nolan:

The New Mexico Oil Conservation Division (OCD) has completed its review of Holly Energy Partners - Operating, L.P.'s (HEP) revised request, dated January 10, 2022, to renew the 120-day temporary permission to discharge small quantities of hydrostatic test wastewater generated from the testing of new transmission pipelines of oil and gas or products thereof throughout the State of New Mexico which expires on February 25, 2022. OCD acknowledges receipt of the filing fee (\$100.00) and temporary permission fee (\$50.00) from the earlier January 6, 2022 submittal.

Based on the information provided in the request, temporary permission is hereby granted to HEP for the discharge of the hydrostatic test wastewater generated from all new pipeline hydrostatic tests an operator may perform during the approved 120-day period with the following understandings and conditions:

1. the volume of the discharge is less than 25,000 gallons per hydrostatic test;
2. water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is used for each hydrostatic test;
3. email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. The notice shall contain the following information:
  - a. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of the proposed discharge;
  - c. the volume of the proposed discharge; and
  - d. the source of hydrostatic test water;

Holly Energy Partners - Operating, L.P.  
Permit: HBP-041  
January 13, 2022  
Page 2 of 3

4. no discharge shall enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;
5. no discharge shall occur:
  - a. where ground water is less than 10 feet below ground surface.
  - b. within 200 feet of a watercourse (19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (19.15.2.7.P(4) NMAC);
  - c. within an existing wellhead protection area (19.15.2.7.W(8) NMAC);
  - d. within 500 feet of a wetland (19.15.2.7.W(9) NMAC); or
  - e. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;
6. no discharge shall occur to a surface water body without obtaining a National Pollution Discharge Elimination Systems (NPDES) permit from the US EPA, NMED, and OCD prior to the discharge;
7. best management practices must be implemented to contain the discharge onsite, to ensure that the discharge does not impact adjacent property, and to control erosion;
8. the discharge does not cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC (the Water Quality Regulations);
9. HEP shall report all unauthorized discharges, spills, leaks, and releases of hydrostatic test wastewater and conduct corrective action pursuant to the Water Quality Regulations of 20.6.2.1203 NMAC and release notification pursuant to OCD Rule 29 (19.15.29 NMAC);
10. the landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test event; and
11. a report, summarizing each test of new pipeline with less than 25,000 gallons per hydrostatic test per discharge event performed within the approved 120-day period, shall be submitted to OCD within 45 days after the temporary permission expiration date and shall contain the following information:
  - a. the location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of each discharge;
  - c. the volume of each discharge; and
  - d. the source and quality of test water (laboratory analysis, if necessary).

This temporary permission renewal shall expire 120-days after February 25, 2022. **This temporary permission will expire on June 25, 2022.** Renewal requests for a 120-day temporary permission to discharge shall be submitted forty-five (45) days prior to the expiration date. A 120-day temporary permission may be revoked or suspended for violation of any applicable provisions and/or conditions of this approval.

Holly Energy Partners - Operating, L.P.  
Permit: HBP-041  
January 13, 2022  
Page 3 of 3

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

If there are any questions regarding this matter, please do not hesitate to email me at [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us).

Respectfully,



Brad A. Jones  
*Environmental Specialist*

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 70863

CONDITIONS

Operator: HOLLY ENERGY PARTNERS - OPERATING, LP 1602 W. Main St. Artesia, NM 88210	OGRID: 282505
	Action Number: 70863
	Action Type: [UF-HP] HBP Permission (HBP)

CONDITIONS

Created By	Condition	Condition Date
bjones	OCD has sent your approval in a seprate email. If you have any questions regarding this matter, please do not hesitate to contact me.	1/13/2022