

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

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Ben Shelton
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



BY ELECTRONIC MAIL

August 11, 2026

Sydney Cobb
New Mexico Gas Company, Inc.
P.O. Box 97500
Albuquerque, New Mexico 87199
sydney.cobb@nmgco.com

**Re: Request for Temporary Permission to Discharge Hydrostatic Test Water
New Mexico Gas Company, Inc. - OGRID 277930
Permit: HBP-22**

Dear Sydney Cobb:

The New Mexico Oil Conservation Division (OCD) has completed its review of New Mexico Gas Company, Inc.'s (NMGC) renewal request, dated August 3, 2026, and submitted August 4, 2026, for approval of a 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 September 24, 2026. OCD acknowledges receipt of the filing fee (\$100.00) and temporary permission fee (\$50.00) within a separately mailed submittal received by OCD on August 7, 2026.

Based on the information provided in the request, *temporary permission is hereby granted to NMGC 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 provisions 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:

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Phone (505) 476-3441 • www.emnrd.nm.gov/ocd/

State of New Mexico
Energy, Minerals and Natural Resources Department

- 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.
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. NMGC 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:

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Energy, Minerals and Natural Resources Department

- 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 120-day temporary permission will expire on January 22, 2027. 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.

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

Please do not hesitate to contact me at (505) 709-5149 or via email should you have any questions or concerns regarding this temporary permission.

Respectfully,



Joel Stone
Senior Environmental Scientist
joel.stone@emnrd.nm.gov



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

August 3, 2026

Joel Stone
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Subject: New Mexico Gas Company, Inc Request for Renewal of 120-day Temporary
Permission (HBP-22) to Discharge Hydrostatic Test Water

Dear Mr. Stone,

The New Mexico Gas Company, Inc (NMGC) is requesting a 120-day Temporary Permission (HBP-22) to discharge hydrostatic test water from new natural gas pipelines. The current permit expires September 24th, 2026, and renewal request is due August 10th, 2026. Discharges will occur within NMGC's right-of-way and 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, or placing water in the trench and allowing it to soak or evaporate.

The 120-day temporary permission authorizes NMGC to discharge hydrostatic test waters throughout the state of New Mexico under the following conditions:

- a) The volume does not exceed 25,000 gallons per hydrostatic test;
- b) Only water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is be used for each hydrostatic test;
- c) NMGC will provide email or written notification 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) Test water 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, or 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 will be implemented to contain the discharge onsite to ensure it does not impact adjacent property, and to control erosion;
- g) The discharge will 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 will be properly notified of the activities prior to each proposed hydrostatic test event; and
- i) NMGC will submit a report, summarizing all hydrostatic test wastewater discharges with less than 25,000 gallons per hydrostatic test event, to the OCD within 45 days after the temporary permission expiration date. The report shall contain the following information:
 - i. location of each hydrostatic test (Section, Township and Range or GPS coordinates);
 - ii. date of each discharge;
 - iii. volume of each discharge; and
 - iv. source and quality of test water (laboratory analysis, if necessary).

A discharge report was submitted on March 10th, 2026, for the previous permit. Attached is a check for \$150 to cover the filing and temporary permission fees. Please feel free to call me at (505) 697-3306 if you have any questions. I appreciate your timely review of this application.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sydney Cobb", with a long, sweeping horizontal line extending to the right.

Sydney Cobb
Environmental Scientist
NMGC

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 610950

CONDITIONS

Operator: NEW MEXICO GAS COMPANY, INC. P.O. Box 97500 Albuquerque, NM 87199	OGRID: 277930
	Action Number: 610950
	Action Type: [UF-HP] HBP Permission (HBP)

CONDITIONS

Created By	Condition	Condition Date
joel.stone	OCD emailed the renewal approval of HBP-22 to the operator on August 11, 2026. The emailed approval is attached to this renewal request.	8/11/2026