HITP - _23_

GENERAL CORRESPONDENCE

YEAR(S): _2011-2012_

Jones, Brad A., EMNRD

From:	Campbell, Lawrence (Larry) [Larry.Campbell@energytransfer.com]
Sent:	Monday, November 07, 2011 12:22 PM
To:	Jones, Brad A., EMNRD
Subject:	Hydrostatic Water Disposal, Thoreau
Attachments:	thoreau hydrostatic water disposal noi.pdf

Brad, see attached for noi letter requising disposal of the hydrostatic water at the Key injection well in Farmington,
 NM.I



ENERGY TRANSFER PARTNERS Transwestern Pipeline Company

November 7, 2011

Submitted via email

Mr. Brad Jones New Mexico Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87504

Re: Transwestern Pipeline Company, Hydrostatic Test Water Discharge, Notice of Intent (NOI), Thoreau Compressor Station, GW-080, Additional Information

Dear Mr. Jones:

On November 3, 2011, Transwestern Pipeline Company requested an Individual Discharge Permit, in accordance with the January 11, 2007 Oil Conservation Division (NMOCD) Guidelines For Hydrostatic Test Dewatering and Section 1201 of 20.6.2 NMAC to discharge hydrostatic test water at the above referenced Transwestern facility located in McKinley County. Upon further investigation and the constraints involved in an onsite discharge, Transwestern has decided to pursue the option of disposing of the test water into an injection well owned and operated by Key Energy Services (KES) in Farmington, NM.

Upon completion of the hydrostatic testing activity, a single composite sample will be collected of the 2,650 gallons of hydrostatic water from the frac tank which will temporarily store the water. Because the hydrostatic testwater is classified as a nonexempt waste, Transwestern will test this water for the following parameters to verify the nonhazardous status and to comply with the permit requirements of the KES Class I injection well:

Reactivity Corrosivity Ignitability BTEX PCBs TCLP-toxicity The selection of sampling parameters above will ensure compliance with the Water Quality Control Commissions (WQCC) standards for the State of New Mexico.

Transwestern will also incorporate "generator knowledge" of the wastewater to determine if additional hazardous constituents are known to be present in the pipeline and may therefore, also be present in the hydrostatic water. For this reason, Transwestern will also test for PCBs. In the event the hydrostatic test water is found to be unsuitable or exceeds the RCRA and or permit limits of the Key Class I well for down-hole injection, Transwestern will manifest the wastewater as a hazardous waste or toxic waste and transport the water to a RCRA or TSCA permitted treatment, storage and disposal (TSD) facility. The appropriate documentation (hazardous waste manifest, sampling results and applicable documentation) will be submitted to the NMOCD by Transwestern, should the analytical testing show the water to exceed the limits of the Key injection well permit.

Based upon historical data collected from previous hydrostatic test events on the Transwestern pipeline system, the water quality of the water is expected to be in compliance with not only the WQCC but also the Key UIC permit limits established by the NMOCD.

Transwestern has previously submitted a \$100.00 filing fee made payable to the Water Quality Control Commission. Should you require additional information concerning this NOI, contact the undersigned at our Roswell Technical Operations office at (575) 625-8022.

Sincerely,

Larry Campbell Sr. Environmental Specialist File

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ENERGY TRANSFER PARTNERS **Transwestern Pipeline Company**

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November 3, 2011

UPS Tracking No. 1Z 875 525 02 4676 6248

Mr. Brad Jones New Mexico Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87504

Re: Transwestern Pipeline Company, Hydrostatic Test Water Discharge Notice of Intent (NOI), Thoreau Compressor Station, GW-080

Dear Mr. Jones:

By this letter, Transwestern Pipeline Company is requesting an Individual Discharge Permit, in accordance with the January 11, 2007 Oil conservation Division Guidelines For Hydrostatic Test Dewatering and Section 1201 of 20.6.2 NMAC to discharge hydrostatic test water at the above referenced Transwestern facility located in McKinley County.

The information submitted for this NOI is presented below and follows the Individual Discharge Permit requirements as stated in the 2007 Guidelines document.

a. <u>The name and address of the proposed discharger</u>. Transwestern Pipeline Company, 6381 North Main Street, Roswell, New Mexico, 88201.

- b. <u>The location of the discharge, including a street address, if available, and</u> <u>sufficient information to locate the facility with respect to surrounding</u> <u>landmarks.</u> The discharge location is the Thoreau Compressor Station, 174 Castlerock Rd, Thoreau, 87323.
- c. <u>Legal description of the discharge location</u>. GPS and legal coordinates are N 35 25.33.8 W 108 14 10.7 (WGS84), SE/4 section 20, T14N, R13W.

<u>Maps (site specific and regional) indicating the location of the pipeline to be</u> <u>tested and the proposed discharge location</u>. A 7.5 minute USGS map and site map showing the discharge location is presented in **Attachment A** of this NOI.

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- <u>A demonstration of compliance to the following siting criteria or justification</u> for any exceptions to items I through v. of the Guidelines document. By this NOI, Transwestern is attesting that the discharge activity will not be within 200 feet of a water course, lakebed, sinkhole or playa lake, within an existing wellhead protection area or 100- year floodplain, within 500 feet of a wetland, within the area overlying a subsurface mine or within 500 feet from the nearest permanent residence, school, hospital, institution or church.
- f. <u>A brief description of the activities that produce the discharge</u>. Transwestern will be placing into service an additional scrubber at the facility with associated elbows, flanges and piping. Under regulations mandated by the USDOT and FERC, Transwestern is required to complete hydrostatic testing of all pipeline and appurtenances prior to bringing any pipeline into service.
- g. <u>The method and location for collection and retention of fluids and solids</u>. Upon completion of the hydrostatic testing, Transwestern will collect all water from the testing (2,650 gallons) and temporarily store into a 500 bbl frac tank for testing. The water will be tested prior to discharge. Once testing is complete and determined that the water is not contaminated and will not contribute contamination to the soil, the water will be discharged from the frac tank.
- h. <u>A brief description of best management practices to be implemented to</u> <u>contain the discharge onsite and to control erosion</u>. All water discharges from this activity will be discharged onto plastic to reduce erosion from the water that is leaving the frac tank and discharged through hale /straw bales that surround the water discharge point to remove any residual constituents from the water. Once the water has been filtered through the hale/straw bales, the discharge rate will be adjusted and maintained to ensure that the water discharge does not create additional erosion after passing through the hale/straw bales. At no time will the water be allowed to exist off the Thoreau property onto the adjacent property.
 - <u>A request for approval of an alternate treatment, use, and or discharge</u> <u>location (other than the original discharge site), if necessary</u>. Not applicable. The location presented in this NOI will be the location for all discharge activities covered under this activity.
 - <u>A proposed hydrostatic test wastewater sampling plan</u>. The 2,650 gallons of water that is being stored in the frac tank will be sampled prior to discharge.

Samples of all phases or layers (oil/water) will be individually collected and sampled for the following parameters:

PCBs Oil and Grease TPH (mro) BTEX

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Only after analytical testing confirms that the constituents listed above do not exceed RCRA TSCA or WQCC standards will be water from the tank be discharged. Should the discharge water exceed the standards for the parameters listed above, Transwestern will not conduct the discharge and comply with the applicable disposal requirements for the appropriate regulation.

- A proposed method of disposal of fluids and solids after test completion, including closure of any pits, in case the water generated from the test exceeds the standards as set forth in Subsections A, B, and C of t20.6.2.3.103 (WQCC regulations). Upon conclusion of the discharge activity, any solids that are collected on the plastic will be disposed of at an approved OCD disposal location. Refer to item j above for management of the liquids from the discharge activity.
- <u>A brief description of the expected quality and volume of the discharge</u>. The source of water for the discharge activity will be received from the onsite water well at the facility. This well supplies water not only to the employees which live at the Thoreau Compressor Station but also the local residents in the approximate area. This water supply source is permitted by the New Mexico Environment Department under permit no. WSS 618-17. The expected volume of water to be discharged is approximately 2,650 gallons.
- m. <u>Geological characteristics of the subsurface at the proposed discharge site</u>. Refer to Attachment B for the characteristics of the subsurface geology underlying the Thoreau Compressor Station. This information was taken from the discharge plan application submitted in June of 2011 for the Thoreau Compressor Station.
- n. <u>The depth to and total dissolved solids concentration of the ground water most</u> <u>likely to be affected by the discharge</u>. Refer to **Attachment B** for a description of the groundwater depth and water quality of the groundwater of the area.
- o. <u>Identification of landowners at and adjacent to the discharge and</u> <u>collection/retention site</u>. The facility is owned and operated by Transwestern Pipeline company. The adjacent landowner is the Navajo Nation.

Enclosed with this NOI find check no. 541017974 made payable to the Water Quality Control Commission in the amount of \$100.00 to cover the filing fee. Should you require additional information concerning this activity, contact the undersigned at our Roswell Technical Operations office at (575) 625-8022.

Sincerely, arry cin

Larry Campbell Sr. Environmental Specialist File

Attachment A





Attachment B

11(B). Transwestern has no below grade tanks at this facility. As an internal requirement, Transwestern conducts monthly visual tank and containment inspections for all tanks and containments that are storing chemical or hydrocarbon liquids at the facility. This applies to tanks other than domestic water. Should a leak or release occur to the area outside of the containment (failure of the SPCC plan), immediate measures are taken to stop the release and implement cleanup and rememdiation of the impacted soils. Liquids released into the containment area are transferred back into the original tank or transferred into a waste tank and properly disposed.

For the integrity of the underground piping, Transwestern conducts the five (5) year drainline testing program for all underground process and drain lines as required by the NMOCD in GW-080.

In the event chemical or hydrocarbon liquids contact the soil, Transwestern immediately excavates the contaminated soil and performs the appropriate analytical testing to determine disposition. The contamination soil is excavated and confirmation sampling/excavation is continued until the contamination in the soil has been removed. Transwestern employs the 1993 NMOCD document entitled "GUIDLEINES FOR REMEDIATION OF LEAKS, SPILLS AND RELEASES" (Attachment E) for sampling and cleanup guidelines of all chemical and hydrocarbon spills and releases which have occurred on Transwestern property. The contaminated soil is then taken to the Gandy Corporation commercial landfill in Tatum, NM for proper disposition.

11(C). Not applicable. Transwestern does not use an injection well for onsite effluent disposal.

12. Site characteristics

12(A)(1). There are no naturally occurring or intermittent small arroyos or drainage systems that occur on the facility. Several small and minor naturally occurring channels dissect area adjacent to the site which carry intermittent surface water events seasonally from the facility. Three (3) domestic wells are located onsite at the facility and provide domestic water to the facility and to the local residents. Current (5/2011) groundwater depth in these water wells is at approximately 310 feet.

According to a 1989 well inventory survey, 86 water wells exist within an approximate ten (10) miles radius of the facility and are screened in the Sonsela Aquifer including the three (3) water wells on the Transwestern property (see below for Regional groundwater description).

12(A)(2). The groundwater aquifer depth occurs at approximately 375 feet. Chemical characteristics of this groundwater is 21 mg/l chlorides and 380 mg/l TDS. The facility receives its drinking water from 3 onsite water wells. Refer to **Attachment F** for the last analytical report from the water wells.

The regional groundwater flow direction is to the south. The principal water bearing aquifers are the Sonsela Sanstone, the Upper Chinle formation (650 ft) and the San Andres-Glorieta Aquifer (1200 ft). The deeper San Andres is the principal water bearing aquifer of the region supplying water for irrigation, industrial and domestic use.

A shallow perched water table is present at approximately 50 ft which flows in a southwesterly direction. Transwestern is currently performing a remediation and groundwater sampling program in this shallow aquifer to remove contaminants which have entered this aquifer from historic activities at the facility. This remediation program has been approved by the NMOCD.

12(A)(3). The soil types in and around the immediate vicinity of the facility are classified as fine loamy Aridic Haplastalfs of which shale and sandstone are the primary parent materials. These soils are deep (greater than 60 inches) and rated as having moderately high water holding capacities and moderately slow infiltration rates.

12(A)(4). There is no record of flooding on the 40 acres of this property. Flood protection is achieved by the use of curbs and berms at the facility and the natural dip in gradient to the south. There is approximately 40 feet of relief from the north property line to the south. There are no bodies of water located within the vicinity of the facility.

13. Other Compliance Information

The Thoreau Compressor Station uses the documents presented in Attachments D through F and the Corporate Environmental Policy and Guidelines to demonstrate and ensure compliance with all applicable rules administrated by the NMOCD. The Thoreau Compressor Station is committed to complying with NMOCD Rule 116 and WQCC Section 1203 for reporting and remediating any spills, leaks and releases which might occur at the facility.

Upon facility closure, Rule 116 and WQCC Section 1203 will be employed to ensure that the abandonment and closure of the facility will not violate WQCC standards of Section 3103. Financial assurance is maintained by the construction bond Transwestern submitted to the State of New Mexico prior to facility construction in 1959. This bond money is designed to be used as needed for post closure activities related to site restoration which includes soil contamination sampling and excavation and post closure maintenance and monitoring.

Because it is impossible to predict and develop a future plan which will address all contingencies and requirements related to site closure at a future date, at such time