

GW - 066

REPORTS

YEAR(S):

2007 - 2009

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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

October 11, 2007

Mr. Wayne Price
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

SCAN

Dear Mr. Price:

Subject: PNM Discharge Plans for Espejo Compressor Station (GW-066) and Redonda Compressor Station (GW-065), Mechanical Integrity Test Results

In accordance with Discharge Plan Approval Condition No. 10 for the Espejo and Redonda Compressor Stations, the enclosed results of underground process/wastewater pipeline mechanical integrity testing is hereby submitted to the New Mexico Oil Conservation Division (OCD) for your review and approval on behalf of Public Service Company of New Mexico (PNM). PNM conducted the tests on 9/24/07 and 9/25/07 at the Espejo and Redonda Stations respectively in accordance with the pressure test methods and procedures enclosed. A 72-hour prior notice was provided to your office by letter dated August 30, 2007.

Testing was conducted by TCT Construction of Aztec, New Mexico (505-334-2714). An inline "T" was installed at the high point of the underground pipeline system to permit attachment of a riser pipe, pressure gauge and valve to facilitate testing. Upon completion of the test the riser pipe was removed and a plug was installed in the top of the "T" (see Piping Diagram). Integrity testing at both facilities resulted in a "Passed Test" result on the initial test rounds. No leaks were identified. The TCT reports are enclosed.

Please contact me at (505) 241-4871 if you have any questions.

A handwritten signature in dark ink, appearing to read "John A. Ferraiuolo".

John A. Ferraiuolo
Environmental Technical Project Manager

Enclosures

cc: Kevin Lawrence, PNM
Charlie Perrin, OCD Aztec District 3

Hydrostatic Line Test Report

Client: Public Service Company of New Mexico
Facility: Espejo Compressor Station
Test Description: Underground Process/Wastewater Pipeline Mechanical Integrity Testing.
System Description: 2" underground PVC piping from 2 compressor pads and 1 storage shed pad to a partially buried holding tank.

Test Date: 9/24/2007

Contractor: TCT Construction
Tester: Tony Candelaria

Test Result: Test Passed

Test Requirements: Mechanical Integrity test on all underground process/wastewater pipelines in accordance with the State of New Mexico Energy, Minerals, and Natural Resources Department - Oil Conservation Division Best Management Practices minimum Requirements. Perform a hydrostatic pressure test on underground process/wastewater pipelines at 3 pounds per square inch for a period of one hour.

Test Data:

	Time (hr.)	Pressure (psi)
Start	1301	3+
	1310	3+
	1320	3+
	1330	3+
	1340	3+
	1350	3+
Finish	1401	3+

Note: Pressure was achieved by filling the 2" underground pipe system and an 8' X 2" diameter column with water. Air was allowed to bleed from the system with a series of valves. A 3 psi pressure above the static system load was measured with a gauge and valve below the water column.

Test pipe was filled with water to the top of the pipe and verified that it maintained the same level after the 1 hr. test.

Tony W. Candelaria
TCT Construction Signature

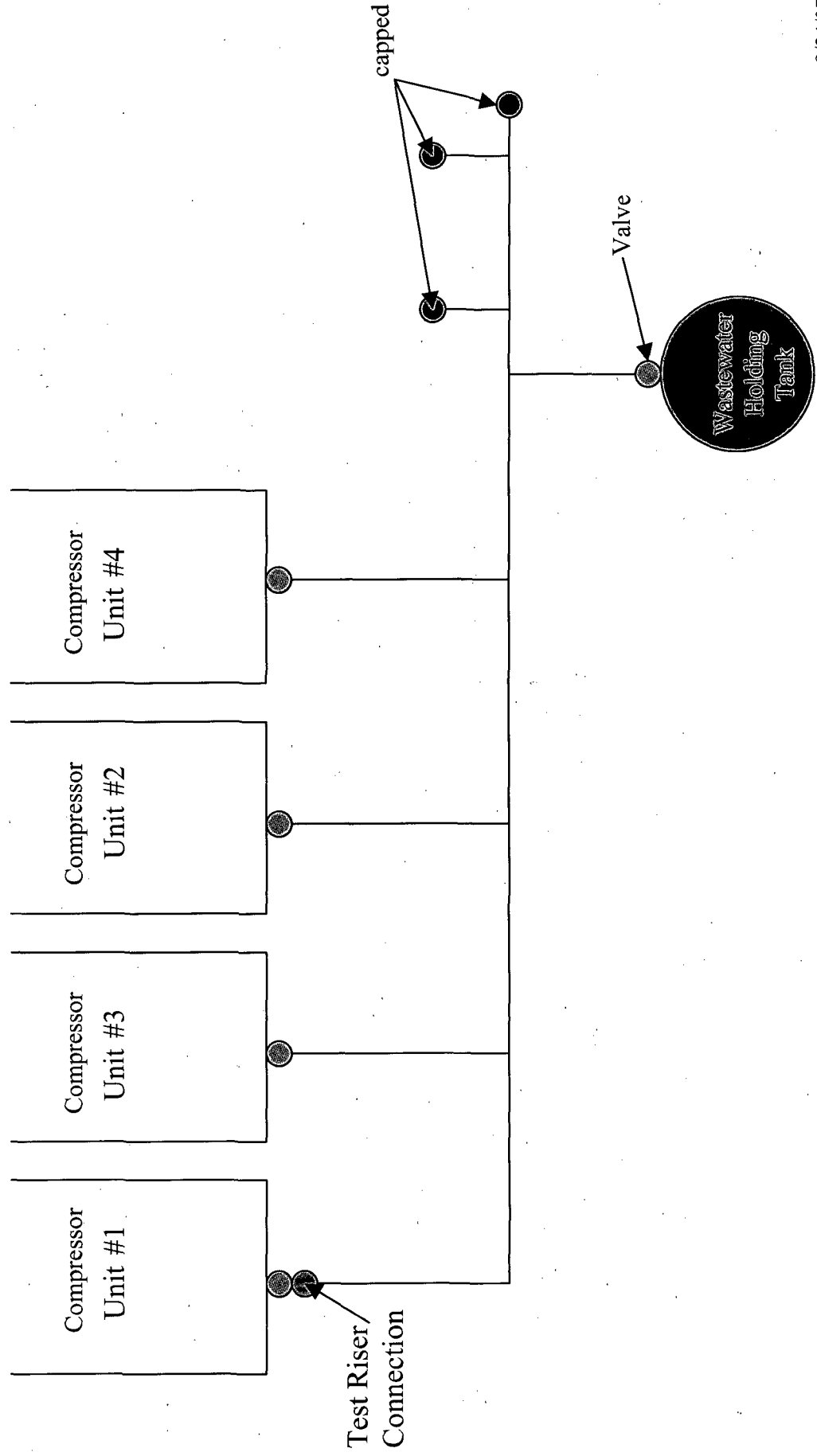
Tony W. Candelario
Printed Name

10-6-07
Date



Espejo Compressor Station

Underground Process/Wastewater Piping



Hydrostatic Line Test Report

Client: Public Service Company of New Mexico
Facility: Redonda Compressor Station
Test Description: Underground Process/Wastewater Pipeline Mechanical Integrity Testing.
System Description: 2" underground PVC piping from 2 compressor pads and 1 storage shed pad to a partially buried holding tank.

Test Date: 9/25/2007

Contractor: TCT Construction
Tester: Tony Candelaria

Test Result: Test Passed

Test Requirements: Mechanical Integrity test on all underground process/wastewater pipelines in accordance with the State of New Mexico Energy, Minerals, and Natural Resources Department - Oil Conservation Division Best Management Practices minimum Requirements. Perform a hydrostatic pressure test on underground process/wastewater pipelines at 3 pounds per square inch for a period of one hour.

Test Data:

	Time (hr.)	Pressure (psi)
Start	935	3
	945	3
	955	3
	1005	3
	1015	3
	1025	3
Finish	1035	3

Note: Pressure was achieved by filling the 2" underground pipe system and an 8" X 2" diameter column with water. Air was allowed to bleed from the system with a series of valves. A 3 psi pressure above the static system load was measured with a gauge and valve below the water column.

Test pipe was filled with water to the top of the pipe and verified that it maintained the same level after the 1 hr. test.

Tony W. Candelaria
TCT Construction Signature

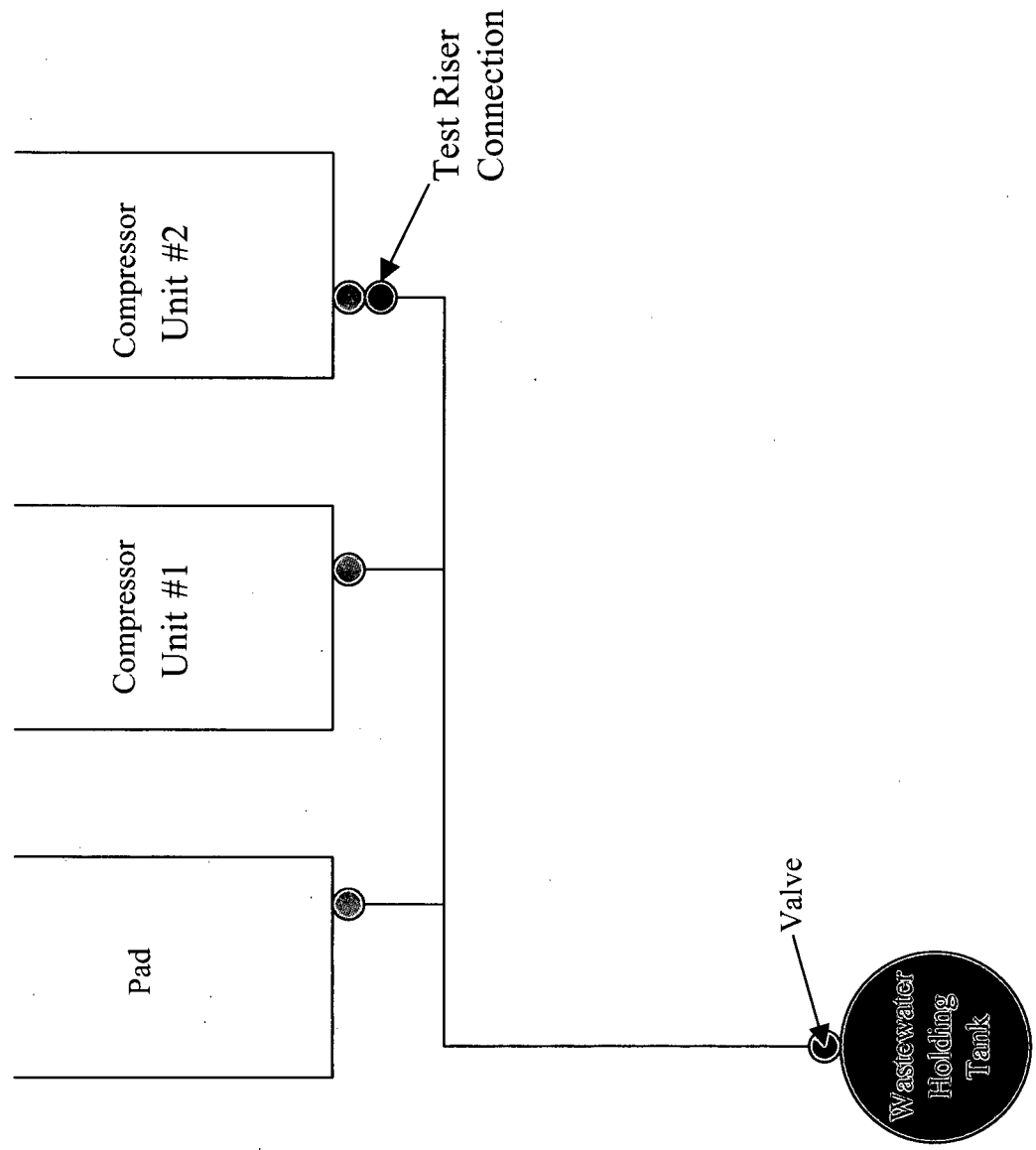
Tony W. Candelaria
Printed Name

10-6-07
Date



Redonda Compressor Station

Underground Process/Wastewater Piping



Public Service Company of New Mexico
Process and Wastewater Drain Line Pressure Test Procedure
Espejo and Redonda Compressor Stations

PNM will perform wastewater mechanical drain line integrity testing at facilities in accordance with the New Mexico Oil Conservation Division (NM-OCD) Ground Water Discharge Plan requirements.

The underground pipelines carrying fluids, process or wastewater will be isolated and filled with clean water to remove airspace. A water-filled riser of sufficient height to provide three pounds per square inch (psi) above normal operating pressure will be installed. The height of the water column will be noted. Each system will be considered not leaking when the height of the water column holds steady for a period of 60-minutes. If the water in the riser pipe drops during the test, valves, plugs, and other blocking methods will be checked and the test repeated. If the repeated test fails, the system will be classified as leaking.

Line leaks will be located using one of the following detection methods. Hydro detection will be employed, which consists of filling the system with water to locate areas of the system where the surface wets. This method is used first, due to the fact that the system is already filled with water and some leaks are quickly detectable. If the leaking area of the system is not located in a reasonable length of time, the system will be drained of water then filled with an inert gas. A specific gas detector will be used to locate the leak. In the event these methods fail, areas where leaks are most likely to occur, such as valves, unions and connections will be excavated for visual inspection. After a leak is located, soil around the leak will be sampled to determine the degree of impact. The leak will be repaired and the system re-checked for the possibility of multiple leaks.

Should any impacted soils be encountered, PNM's Environmental Services Department will develop a remediation plan for submittal to the OCD for review and concurrence in accordance with regulatory requirements.

8/30/07