

HBP - 25

**GENERAL
CORRESPONDENCE**

**YEAR(S):
2011 - 2015**

FED/EX overnight to:

Brad Jones
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
(505) 476-3487

RECEIVED OCD

2012 FEB 10 A. 9: 58



February 9, 2012

Mr. Brad Jones
New Mexico Oil Conservation Division
1120 South St. Francis Dr.
Santa Fe, New Mexico 87505

Dear Mr. Jones,

**RE: Request for Renewal - Annual Temporary Permission to Discharge
Hydrostatic Test Water (HBP-025)
Enstor Grama Ridge Storage and Transportation, LLC
Grama Ridge Morrow Storage Unit
Lea County, New Mexico**

Pursuant to §20.6.2 NMAC, Enstor Grama Ridge Storage & Transportation, LLC (Enstor) requests the New Mexico Oil Conservation Division (OCD) to grant to Enstor a renewal of its annual temporary permission (ATP) to discharge hydrostatic test water at Enstor's Grama Ridge Morrow Storage Unit (Grama Ridge) in Lea County, New Mexico (OCD Permit No. HBP-025).

RESPONSES TO OCD GUIDELINES ATP CONDITIONS

In support of this request for the renewal of Enstor's annual temporary permission to discharge hydrostatic test water, Enstor provides the following information as specified by OCD's *GUIDELINES FOR HYDROSTATIC TEST DEWATERING* (Rev. Jan. 11, 2007):

- a. Each hydrostatic test dewatering event performed under a granted ATP will NOT exceed a volume of 25,000 gallons and will be utilized to test the new natural gas flowline(s) anticipated to be tested under a granted ATP
- b. Only municipal-sourced water obtained from the City of Eunice, New Mexico, or other OCD-approved sources.
- c. At least 72 hours prior to any dewatering event, the OCD will be provided oral or written notification.

20329 State Highway 249, Suite 400, Houston, TX 77070
Telephone (281) 374-3050
www.enstorinc.com

- d. No test water from any dewatering event will be allowed to enter any lake, perennial stream, river or their respective tributaries that may be seasonal.
- e. No dewatering event will occur:
 - 1. Where groundwater is less than ten feet (10') below ground surface.
 - 2. Within 200 feet of a watercourse, lakebed, sinkhole or playa lake.
 - 3. Within an existing wellhead protection area.
 - 4. Within, or within 500 feet of, a wetland.
 - 5. Within 500 feet of the nearest permanent residence, school, hospital, institution or church.
- f. Best management practices will be implemented to contain all test water from any dewatering event onsite; no impact to adjacent property will occur; and erosion will be controlled. All test water from any dewatering event will be removed from the new natural gas flowline and directly transferred into a holding tank stationed within a bermed and lined Water Removal Location. All water handling activities will be conducted within the Water Removal Location's lined containment berm. The water will be transferred from the holding tank into a tanker truck for transport to the Sundance Services, Inc. disposal facility - known locally as the Parabo SWD. NO discharge of water will occur during any dewatering event - all test water will be contained continuously within the tested flowline, the receiving tank or the transport tanker.
- g. No dewatering event will be allowed to cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsection A, B and C of Part 20.6.2.3103 NMAC. Prior to transfer to the Sundance facility, water in the holding tank will undergo characterization testing to insure it is not a hazardous waste, as defined by the Resource Conservation and Recovery Act.
- h. The landowner(s) of each proposed Water Removal Location and/or collection/retention or alternative discharge location will be properly notified of the activities prior to each proposed hydrostatic test event.
- i. Enstor will submit an annual report to 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:
 - 1. The location of hydrostatic test (Section/Township/Range or GPS coordinates).
 - 2. The date of each test.
 - 3. The volume of each test dewatering.

4. The source and quality of test water (laboratory analysis, if necessary).

I certify that I am authorized to make this request for renewal of the ATP; that this request was prepared by me or under my supervision and direction; and that the statements herein are true, correct, and complete to the best of my knowledge.

Pursuant to our telephone conversation on January 25, 2012, the filing fee, in the amount of \$100.00, and the temporary permission fee of \$150.00, are combined into one check, made payable to Water Quality Management Fund, and therefore to be applied toward this renewal request.

If there are any questions concerning this request or additional information is required, please do not hesitate to contact us at (281) 374-3062.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daryl W. Gee', with a long horizontal line extending to the right.

Daryl W. Gee
Director, Regulatory Affairs & Land Management
Daryl.gee@enstorinc.com

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. 2017312 dated 2/3/12

or cash received on _____ in the amount of \$ 100⁰⁰

from Easton Operating Co.

for HBP-25

Submitted by: LAWRENCE J. GARDNER Date: 2/13/12

Submitted to ASD by: [Signature] Date: 2/13/12

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2010

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. 2017312 dated 2/3/12

or cash received on _____ in the amount of \$ 150.⁰⁰

from Easter Operating Co.

for HBP-25

Submitted by: Lawrence Benicio Date: 2/13/12

Submitted to ASD by: Kevin Kan Date: 2/13/12

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other TEAR PERMISSION

Organization Code 521.07 Applicable FY 2012

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____



RECEIVED OGD

2011 FEB 18 A 11:10

February 17, 2011

Mr. Brad Jones
New Mexico Oil Conservation Division
1120 South St. Francis Dr.
Santa Fe, New Mexico 87505

Dear Mr. Jones,

**RE: Notice of Withdrawal and Intent to Rescind the following:
Request for Individual Temporary Permission for Hydrostatic Test
Dewatering
Notice of Intent to Dewater New 8-inch Diameter Natural Gas Flowline
Enstor Grama Ridge Storage and Transportation, LLC ("Enstor")
Grama Ridge Morrow Storage Unit ("Grama Ridge")
Lea County, New Mexico**

As referenced above, it is Enstor's intention to withdraw and rescind the Request for Temporary Permission for Hydrostatic Test Dewatering of a new 8-inch diameter natural gas flowline at Grama Ridge (the "Request"). The Request was dated January 25, 2011. This action is taken in response to your suggestion to withdraw the Request and submit instead a Request for Annual Temporary Permission to Discharge Hydrostatic Test Water (an "ATP"). That ATP accompanies this correspondence.

Pursuant to our telephone discussion, the filing fee in the amount of \$100.00, payable to the Water Quality Management Fund, which accompanied the NOI shall be applied toward the Request for Annual Temporary Permission referenced above.

Thank you for your attention to this matter, and we look forward to your prompt review of the ATP. Please feel free to contact me anytime at (281) 374-3062.

Sincerely,

Daryl W. Gee
Director, Regulatory Affairs & Land Management



February 17, 2011

Mr. Brad Jones
New Mexico Oil Conservation Division
1120 South St. Francis Dr.
Santa Fe, New Mexico 87505

Dear Mr. Jones,

**RE: Request for Annual Temporary Permission to Discharge Hydrostatic Test Water
Enstor Grama Ridge Storage and Transportation, LLC
Grama Ridge Morrow Storage Unit
Lea County, New Mexico**

Pursuant to §20.6.2 NMAC, Enstor Grama Ridge Storage & Transportation, LLC (Enstor) requests the New Mexico Oil Conservation Division (OCD) to grant to Enstor annual temporary permission (ATP) to discharge hydrostatic test water at Enstor's Grama Ridge Morrow Storage Unit (Grama Ridge) in Lea County, New Mexico. Grama Ridge is a subsurface natural gas storage facility occupying all of each of the following contiguous tracts:

Township 21 South, Range 34 East, NMPM

Sections 33 & 34

Township 22 South, Range 34 East, NMPM

Sections 3, 4, 9 & 10.

RESPONSES TO OCD GUIDELINES ATP CONDITIONS

In support of this request for annual temporary permission to discharge hydrostatic test water, Enstor provides the following information as specified by OCD's *GUIDELINES FOR HYDROSTATIC TEST DEWATERING* (Rev. Jan. 11, 2007):

- a. Each hydrostatic test dewatering event performed under a granted ATP will NOT exceed a volume of 25,000 gallons.

- b. Only municipal-sourced water obtained from the City of Eunice, New Mexico, or other OCD-approved sources, will be utilized to test the new natural gas flowline(s) anticipated to be tested under a granted ATP.
- c. At least 72 hours prior to any dewatering event, the OCD will be provided oral or written notification.
- d. No test water from any dewatering event will be allowed to enter any lake, perennial stream, river or their respective tributaries that may be seasonal.
- e. No dewatering event will occur:
 - 1. Where groundwater is less than ten feet (10') below ground surface.
 - 2. Within 200 feet of a watercourse, lakebed, sinkhole or playa lake.
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 - 4. Within, or within 500 feet of, a wetland.
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- g. No dewatering event will be allowed to cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsection A, B and C of Part 20.6.2.3103 NMAC. Prior to transfer to the Sundance facility, water in the holding tank will undergo characterization testing to insure it is not a hazardous waste, as defined by the Resource Conservation and Recovery Act.

- h. The landowner(s) of each proposed Water Removal Location and/or collection/retention or alternative discharge location will be properly notified of the activities prior to each proposed hydrostatic test event.

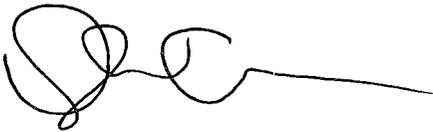
- i. Enstor will submit an annual report to OCD summarizing all tests of new pipe with less than 25,000 gallons per hydrostatic test event within 45 days after the temporary permission expiration date. The report will contain the following information:
 - 1. The location of hydrostatic test (Section/Township/Range or GPS coordinates).
 - 2. The date of each test.
 - 3. The volume of each test dewatering.
 - 4. The source and quality of test water (laboratory analysis, if necessary).

I certify that I am authorized to make this request for an ATP; that this request was prepared by me or under my supervision and direction; and that the statements herein are true, correct, and complete to the best of my knowledge.

The filing fee in the amount of \$100.00, payable to Water Quality Management Fund, remains on file with the OCD from a previous NOI submission, which was withdrawn, and therefore should be applied toward this request.

If there are any questions concerning this request or additional information is required, please do not hesitate to contact us at (281) 374-3062.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daryl W. Gee', with a long horizontal line extending to the right.

Daryl W. Gee
Director, Regulatory Affairs & Land Management