HBP - _37_

PERMITS, RENEWALS, & MODS

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

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Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Division Director Oil Conservation Division



August 21, 2019

Mr. John Preble Salt Creek Midstream, LLC 20329 State Highway 249, 4th Floor Houston, Texas 77070

Re: Request for an Annual Temporary Permission to Discharge Hydrostatic Test Water

Salt Creek Midstream, LLC

Permit: HBP-037

Dear Mr. Preble:

The Oil Conservation Division (OCD) has received Salt Creek Midstream LLC's (SCM) request, dated August 20, 2019, received by OCD on August 21, 2019, for an annual temporary permission to discharge small quantities of hydrostatic test wastewater generated from the testing of new crude and/or new natural gas pipelines throughout the State of New Mexico. Also, OCD acknowledges receipt of the filing fee (\$100.00) with the August 20, 2019 submittal. This approval will not become effective until OCD receives the temporary permission fee of \$150.00 pursuant to 20.6.2.3114 NMAC. Please make the check payable to the Water Quality Management Fund.

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

- 1. the volume does not exceed 25,000 gallons per hydrostatic test;
- water from a public/municipal water supply or other OCD approved sources (upon specific request to OCD) is used for each test;
- email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event;
- 4. the discharge does not enter any lake, perennial stream, river or their respective tributaries that may be seasonal;
- 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;

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- 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;
- 7. 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 New Mexico Water Quality Control Commission Regulations);
- 8. SCM shall report all unauthorized discharges, spills, leaks and releases of hydrostatic test water and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and release notification pursuant to OCD Rule 29 (19.15.29 NMAC);
- 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
- 10. an annual report, summarizing each test of new pipeline with less than 25,000 gallons per hydrostatic test event, 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 (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).

Annual temporary permissions shall expire one (1) year after issuance. This temporary permission will expire August 21, 2020. Renewal requests for annual temporary permission to discharge shall be submitted forty-five (45) days prior to the expiration date. An annual 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 SCM of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve SCM 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 contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,

Brad A. Jones

Environmental Engineer

BAJ/baj

cc: OCD District Offices