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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

May 10, 1996

CERTIFIED MAIL RETURN RECEIPT NO. P-269-269-393

Mr. Jerry Sanchez, Manager EMW Gas Association 405 5th Street Estancia, New Mexico 87016

Re:

Hydrostatic Test Water Discharge

8" New Pipeline

Torrance County, New Mexico

Dear Mr. Sanchez:

The New Mexico Oil Conservation Division has received EMW Gas Association's request, dated May 7, 1996, for authorization to discharge approximately 322,300 gallons of waste water from the hydrostatic test of a section of new pipeline (8" line). The proposed location for the discharge is Sections 28 and 29, Township 6 North, Range 8 East, NMPM, Torrance County, New Mexico.

Based on the information provided in your request, the hydrostatic test water discharge is hereby approved subject to the following conditions:

- 1. Fresh water will be used to conduct the test.
- 2. The pipe must be new and never previously used for hydrocarbon transmission.
- 3. Permission will be obtained from the landowner(s) prior to discharge.
- 4. The test waters will be discharged to the surface in a manner that erosion will be minimal.
- 5. The test waters will be discharged in Sections 28 and 29, Township 6 North, Range 8 East, NMPM, Torrance County, New Mexico
- 6. The test waters will not be allowed to enter any stream, arroyo, lake(s), pond(s) or any surface water course.

Mr. Jerry Sanchez May 10, 1996 Pg. 2

Pursuant to WQCC Regulation 3106.B, this approval will allow EMW Gas Association to discharge without an approved discharge plan for a period not to exceed 120 days. If the site is to be used for more than one test discharge, formal reapplication must be made. If the discharge exceeds 120 days, a formal discharge plan must be submitted for review.

Please be advised that this approval does not relieve EMW Gas Association of liability should their operation result in pollution of surface water, ground water, or the environment. In addition, the New Mexico Oil Conservation Division approval does not relieve EMW Gas Association of liability for compliance with other laws and/or regulations.

Sincerely,

William J. LeMay

Director

xc: Jon W. Jones, JK Associates Inc.

Roy Johnson, OCD Santa Fe\Office