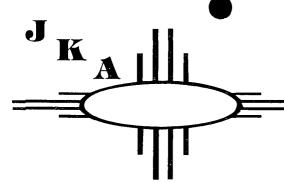
HIP - _____

GENERAL CORRESPONDENCE

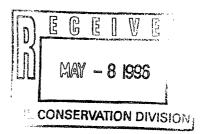
YEAR(S):



JK Associates Inc.

Professional Engineering Services

May 7, 1996



Mr. Chris Eustice, Environmental Geologist New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

RE: EMW Gas Association EMW 8" Mainline Expansion Project Hydrostatic Test Dewatering

Dear Mr. Eustice:

Pursuant to State of New Mexico Oil Conservation Division (OCD) Environmental Regulations Section 7c, JK Associates, Inc. submits on behalf of EMW Gas Association (EMW) this plan for the discharge of water used for hydrostatic testing of a new pipeline that will transport natural gas. The format for the information provided, a) through i), is as outlined by OCD Guidelines for Hydrostatic Test Dewatering, Section 7c.

The name, address and telephone number of the person in charge of the facility, as well as the owner /operator of the facility:

Person in charge:

Mr. Jerry Sanchez, Manager EMW Gas Association 405 5th Street Estancia, New Mexico 87016 505 384-2369 Owner/Operator

EMW Gas Association 405 5th Street Estancia, New Mexico 87016 505 384-2369

a) Map showing location of the pipeline to be tested:

Enclosed as Figure 1 is a map of the project location.

b) Description of the test:

EMW is constructing twenty two (22) miles of 8" pipeline (EMW 8" Mainline Expansion Project) between Estancia, New Mexico and Moriarty, New Mexico. The pipeline is a new project that will provide additional supplies of natural gas to EMW's growing service territory. The project is being constructed along section lines where Torrance County has provided easements for utilities. The majority of the land status is private. The new 8" pipeline will generally run in a north/south orientation some 3 miles west of New Mexico State Road #41. The project begins southwest of Estancia, New Mexico and ends in Moriarty, New Mexico. Hydrostatic testing of this project will be conducted in one phase with water being introduced and removed at the south end of the project.

The pipe for this project will be new, with no internal coatings. A certification has been requested of the manufacturer to ensure compliance with ordered specifications. Enclosed as Attachment #1 is a copy of the certification from the pipe manufacturer (Gevena Steel) for the project identifying no internal coatings.

After the pipe is buried in the ditch, the pipe will be cleaned by "pigging" (scouring) operations. This process utilizes cylindrical foam material (pigs) that are pushed through the entire pipeline to remove weld fragments and other residual solids left over from construction. The pipeline will be hydrostatically tested by transferring water from a local irrigation well directly into the pipeline. This test is done to ensure the structurally integrity of the new pipeline before being placed into natural gas service. After completion of the test, the water will be removed from the pipeline and placed upon adjacent farm land. The hydrostatic test will be occur over the entire length of the project as one unit. A total of approximately 322,300 gallons of water will be utilized and discharged for the test.

c) Source and analysis of test water:

The water for the hydrostatic test will be clean irrigation water from a local irrigation well located adjacent and near the south end of the project.

d) Point of discharge of the test water:

Water from the hydrostatic pipe test will be discharged directly onto adjacent farm lands. The point of discharge is shown on the map, Figure 1.

e) Method and location for collection and retention of fluids and solids:

Test water will be transferred from the pipeline directly to adjacent farm lands using large diameter hoses. Since the pipeline is constructed from new pipe without any internal coatings and the water supply is from an irrigation well, solids are not anticipated since the pipeline will be thoroughly cleaned ("pigged") before water is introduced for the test. Final retention of the water will be farm land which the irrigation well was originally intended.

f) Depth of ground water at discharge and collection/retention site:

The depth to water at the discharge collection/retention site has been provided by the land owner to be approximately 200 feet.

g) Proposed method of disposal of fluids and solids after the test completion including closure of any pits:

Since the pipeline is constructed from new pipe without any internal coatings and the water supply is from an irrigation well, solids are not anticipated since the pipeline will be thoroughly cleaned ("pigged") before water is introduced for the test. Final retention of the water will be farm land which the irrigation well was originally intended.

h) Identification of land owners at and adjacent to the discharge and collection/retention site:

Mr. Ramon C. Chavez owns the collection/retention site and the adjacent farm lands.

i) Written permission from the land owner of the collection/retention site:

Enclosed as Attachment #3 is a letter from Mr. Ramon C. Chavez accepting receipt of the proposed discharge water from the project's hydrostatic test.

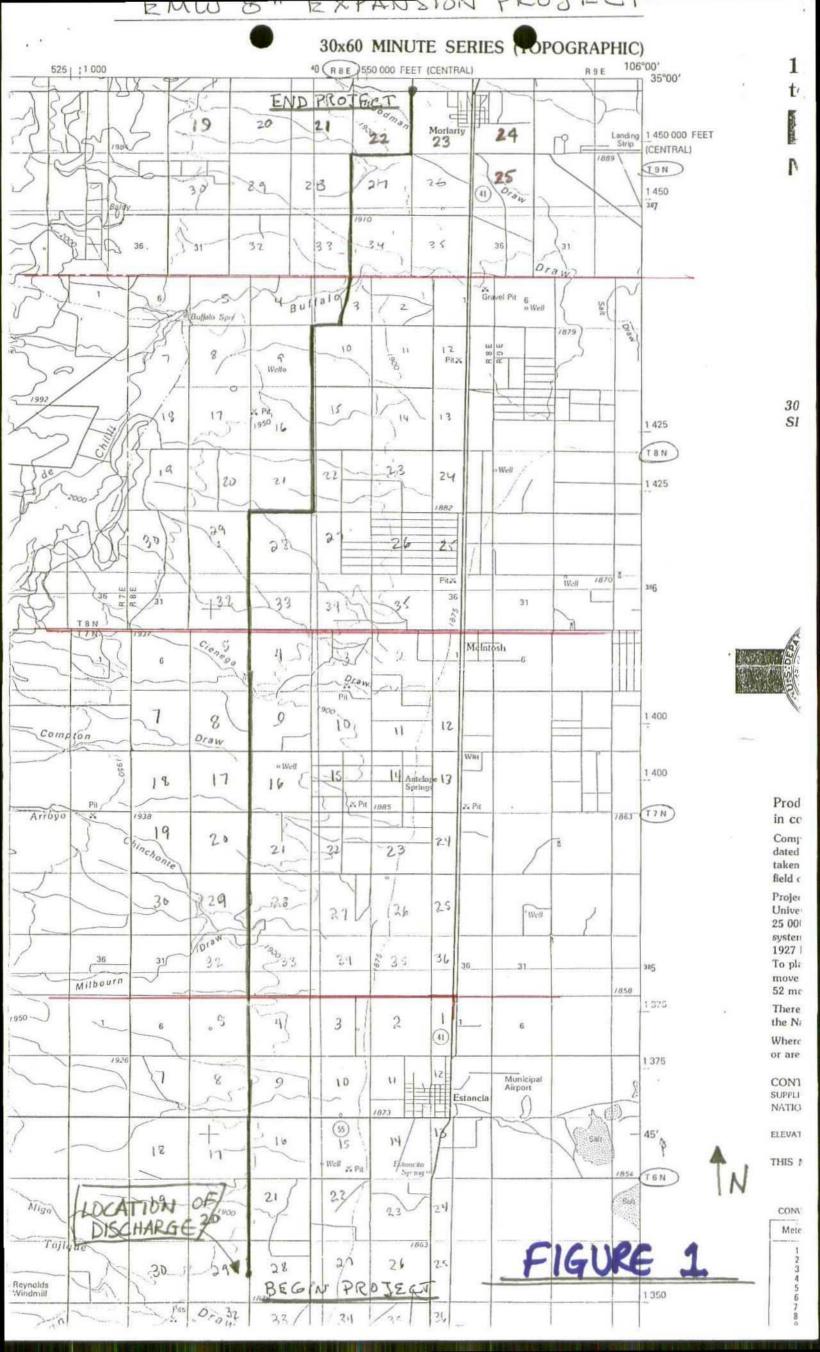
Should you have any questions or require additional information, please contact me at 505 229-4819.

Sincerely

Jon W. Jonøs, P.E

enclosures

cc: Mr. Jerry Sanchez, EMW Gas Association





ATTACHIMENT #1

April 29, 1996

EMW Gas Association P.O. Box 118 Estancia, NM 87016

To whom it may concern:

The 8-5/8" x 188" pipe you have ordered from Geneva Steel is new pipe with no internal coatings.

Thank you,

Stephen Ovier

Manager Pipe Sales

CC: Pioneer Steel & Tube



Mr. Jerry Sanchez, Manager EMW Gas Association PO Box 118 Estancia, New Mexico 87016

Dear Mr. Sanchez:

The following is provided in response to your verbal request concerning disposal of the water used to hydrotest the 22 mile EMW 8" Mainline project. The approximate 322,300 gallons of test water may be discharged to farm lands owned by me. The location for the discharge will be in Section 29, Township 6 North, Range 8 East, NMPM.

Prior to commencing the discharge, I would appreciate a notification from you of the date and approximate time.

Sincerely,

Ramon C. Chavez

Kamar & Chaus