HIP - 80

PERMITS, RENEWALS, & MODS



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

September 30, 2002

Lori Wrotenbery
Director
Oil Conservation Division

<u>CERTIFIED MAIL</u> RETURN RECEIPT NO. 7001-1940-0004-3929-8133

Mr. Wayne E. Roberts Plains All American Pipeline, L.P. P.O. Box 3371 Midland, TX 79702

Re:

Hydrostatic Test Water Discharge HI-080 Hobbs gathering system 8" Crude Oil Pipeline Discharge location: Section 15, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico

Dear Mr. Roberts:

The New Mexico Oil Conservation Division (OCD) has received Plains All American Pipeline, L.P. (Plains AAP) request, dated September 23, 2002, and supplemental information from phone conversation on September 24, 2002 for authorization to discharge approximately 63,000 gallons of waste-water from the hydrostatic test of the Hobbs gathering system 8" crude oil pipeline. The test will be on approximately 4.1625 miles of used 6-inch crude oil pipeline. The discharge point will be located in Section 15, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico

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

- 1. The test water (63,000 gallons) will be held in frac tanks to separate any oil from the water. The water will then be pumped to a filtration vessel where the test water will be filtered through a carbon/clay filter and then passed back to an equalization tank.
- 2. Filtered test water will be held in frac tanks subject to testing to determine the proper means of disposal. Analytical testing must include, major anions and cations (Ca, Mg, Na, K, HCO3, CO3, Cl, SO4), heavy metals (As, Ba, Cd, Pb, Hg, Se, Fe, Zn), aromatic and halogenated hydrocarbons screens, PAH (Polynuclear Aromatic Hydrocarbons), TDS, Fe, Mn, ph and conductivity.

- 3. The analytical results will be made available to the OCD along with a request for fluid disposal to the ground surface.
- 4. Only fresh water of less than 1,000 mg/l total dissolved solids from a water supply system or other potable source shall be used in the hydrostatic test.
- 5. The fluids will not be allowed to migrate to a water of the State or a water of the U.S.
- 6. Filter and any solids that accumulate in the filtration vessel will be subject to full hazardous waste characterization testing to determine the proper means of disposal.
- 7. The analytical results will be made available to the OCD along with a request for disposal of the filter and the accumulated solids.
- 8. The landowner at the collection /retention site must be notified and written permission must be received.

Pursuant to WQCC Regulation 20 NMAC 6.2.3106.B, this approval will allow Plains AAP to discharge without an approved discharge plan for a period not to exceed 120 days. Pursuant to WQCC Regulation 20 NMAC 6.2.3114 an application fee of one hundred dollars (\$100) is due at the time of the permit application submittal and a temporary permission permit fee of one hundred fifty dollars (\$150) is due upon receipt of this approval. The \$100 application fee and \$150 temporary permission fee have been received. 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 Plains AAP of liability should their operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve Plains AAP of responsibility for compliance with other federal, state or local regulations.

If there are any questions, please call Martyne Kieling at (505) 476-3488.

Sincerely,

Roger C. Anderson

Environmental Bureau Chief

RCA/mjk

xc: OCD Hobbs Office