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PERMITS, RENEWALS, & MODS



NEW DEXICO ENERGY, MDERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

February 1, 2005

Mark E. Fesmire, P.E. Director Oil Conservation Division

Mr. Jim Thompson Transwestern Pipeline Co. 660 A E. Broadway, Suite 2 Bloomfield, NM 87413

Re:

Hydrostatic Test Water Discharge Permit HI-0095 Transwestern San Juan 2005 Expansion Project San Juan and McKinley Counties, New Mexico

Dear Mr. Thompson:

The New Mexico Oil Conservation Division (NMOCD) has received Transwestern Pipeline Company's (Transwestern) request, dated August 26, 2004, for authorization to discharge approximately 19,610,000 gallons of wastewater from the hydrostatic test of the new pipeline being constructed as part of Transwestern's San Juan 2005 Expansion Project. The test will be on approximately 72.6 miles of new 36-inch natural gas pipeline. The discharge points will be located in San Juan County and McKinley County, New Mexico.

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

- 1. The pipe must be new and never previously used for oil and/or gas transmission.
- 2. The test water (19,610,000 gallons) will be discharged at the points specified in your application referred to above and also shown in Transwestern's approved NPDES permit.
- 3. The test water will be discharged in a manner to prevent erosion.
- 4. Water to be used for the hydrostatic testing is non-contact cooling tower water, which you will obtain from the El Paso/Gulf Terra Chaco Gas Plant.
- 5. The fluids will not be allowed to migrate to a water of the state or a water of the U.S. except as specified in Transwestern's approved NPDES permit.
- 6. The landowner at the discharge site has been notified and written permission has been received.

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * http://www.emnrd.state.nm.us

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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 not been received. This permit will expire on June 30, 2005.

Please be advised that this approval does not relieve Transwestern of liability should their operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve Transwestern of responsibility for compliance with other federal, state or local regulations.

If there are any questions, please contact Ed Martin at (505) 476-3492 or emartin@state.nm.us

Sincerely,

Roger C. Anderson

Environmental Bureau Chief

cc: OCD Aztec Office