HIP - 102

PERMITS, RENEWALS, & MODS



NEW MEXICO ENERGY, MRERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

May 8, 2006

Mr. Stephen W. Manning Parsons 8000 Centre Park Drive Suite 200 Austin, TX78754

Dear Mr. Manning:

The New Mexico Oil Conservation Division (NMOCD) has received the application, submitted on behalf of BP Pipelines (North America), Inc., dated April 21, 2006 for a temporary permit to discharge water used to hydrostatically test a used tank. The NMOCD reference for this permit is HI-102. This request is hereby approved with the following conditions and understandings:

- 1. The test water will be discharged in Section 19, Township 19 South, Range 25 East and the volume of the discharge will be 18,000 barrels. If the tank should fail the first hydrostatic test, a second test is hereby authorized with a discharge of an additional 18,000 barrels.
- 2. The test water will be discharged at a controlled rate and into a structure that will prevent erosion.
- 3. The test water will be obtained from the Gregory Rockhouse Ranch well located at coordinates N 32° 36.836', W 104° 30.946'.
- 4. Test water quality will be as shown in Table 1 of the application under heading 5.0 entitled "Source and Analysis of Test Water".
- 5. The discharged fluids will not be allowed to migrate to a water of the state or a water of the U.S.
- 6. Wastewater generated from the tank cleaning procedure will be properly disposed of at an NMOCD-approved facility.
- 7. After the test is complete, and prior to discharge, the test water will be sampled as described in section 6.0 of the application entitled "Predischarge Test Water Analysis". Such test water will not be discharged unless all of the discharge limits shown in Table 2 of the application are met. In addition to these discharge limits, discharged test water may not exceed a TPH concentration of 500 parts per million.
- 8. Landowners and adjacent landowners, shown in section 11.0 of the application have been notified and have given their permission for the discharge described herein.

Pursuant to WQCC Regulation 20 NMAC 6.2.3106.B, this approval will allow BP Pipelines (North America), Inc. to discharge without an approved discharge permit for a period not to exceed 120 days commencing May 8, 2006. Discharge must cease within the 120-day period, or a formal discharge

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permit will be required. Pursuant to WQCC Regulation 20 NMAC 6.2.3114, an application fee (\$100) and a temporary permit fee (\$150) are due at time of application. These fees have been received by the NMOCD. If this site is to be used for more than two discharges, Teppco must make a separate application for additional discharges.

This approval does not relieve BP Pipelines (North America), Inc. of responsibility should its operations result in pollution of surface water, groundwater, or the environment, nor does it relieve BP Pipelines (North America), Inc. of its responsibility to comply with any other federal, state or local regulations.

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

Sincerely,

Wayne Price Environmental Bureau Chief

Cc: NMOCD Artesia Office