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PERMITS, RENEWALS, & MODS



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

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Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 5, 2006

Mr. Richard Duarte El Paso Natural Gas Company 3801 Atrisco Blvd., NW Albuquerque, NM 87120

Re: Hydrostatic Test Water Discharge Permit HI-0104

El Paso Natural Gas Co. Pipeline # 1100 near Anthony, NM

Dona Ana County, New Mexico

Dear Mr. Duarte:

The New Mexico Oil Conservation Division (NMOCD) has received Metric Corporation's revised request, on the behalf of El Paso Natural Gas Company (EPNG), dated October 4, 2006, for authorization to discharge approximately 200,000 gallons of wastewater from a hydrostatic test of approximately 2.5 miles of used pipeline in Dona Ana County, New Mexico.

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

- 1. The pipeline section from milepost 220 + 1696 to milepost 222 + 4964, located in the SW ¼ of the SW ¼ of Section 14, Township 26 South, Range 3 East, will be cleansed prior to hydrostatic testing using "N-Spec 120 Cleaner". The pipeline will be cleansed with approximately 55 gallons of cleaner and mixed with about 500 gallons of water.
- 2. Rinsate from this cleansing will be collected in a 20,000 gallon Frac tank and transported to Mesa Oil Company for recycling.
- 3. Source of the hydrostatic test water will be obtained from the Anthony, NM municipal supply.
- 4. Prior to the test, EPNG will store the water to be utilized during the hydrostatic test in tanks supplied by Rain-for-Rent, a company located in Phoenix, AZ.
- 5. Hydrostatic test water generated from the test will be collected within each of the 20,000 gallon tanks supplied by Rain-for-Rent.
- 6. EPNG will secure a single composite water sample directly from the 20,000 gallon tanks supplied by Rain-for-Rent and immediately analyze it at a certified laboratory.
- 7. These test results will be sent to the NMOCD for review and subsequent approval or disapproval for the test water to be discharged along the EPNG pipeline right of way.

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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- 8. If final discharge of the test water is not approved by the NMOCD, EPNG will store the water in the Rain-for-Rent tanks and develop a separate disposal plan for evaluation and approval by the NMOCD.
- 9. If final discharge of the test water is approved, the fluids will not be allowed to migrate to a water of the state or a water of the U.S.
- 10. If final discharge of the test water is approved, the fluids will not be allowed to be discharged within a distance less than 1000 feet of a water source or less than 200 feet of a private domestic water source.
- 11. Landowner approval has been obtained for the discharge.

Pursuant to WQCC Regulation 3-106.B, this approval will allow EPNG 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. It is understood that the test will take place during the October 20, 2006 to October 30, 2006 time period.

This approval does not relieve EPNG of responsibility should its operation result in pollution of surface water, ground water, or the environment. In addition, NMOCD approval does not relieve EPNG of responsibility for compliance with other federal, state or local regulations.

If there are any questions, please call Brad A. Jones at (505) 476-3487.

Sincerely,

Wayne Price

Environmental Bureau Chief

LWP/baj

cc: Artesia OCD District Office, Artesia, NM

Loraine Gallegos, 990 Oak Grove Road, Savannah, TN 38372