

HI - 107

**PERMITS,
RENEWALS, &
MODS**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

September 10, 2007

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

**Re: Hydrostatic Test Discharge Permit HI-107
El Paso Natural Gas Company Pipeline No. 3222
Discharge Location: Sections 1, 2, and 3, Township 29 North, Range 14 West and
Section 6, Township 29 North, Range 13 West, NMPM,
San Juan County, New Mexico**

Dear Mr. Duarte:

The New Mexico Oil Conservation Division (OCD) has received the El Paso Natural Gas Company's (EPNG) revised notice of intent (NOI) submitted on El Paso's behalf by Kleinfelder West, Inc., dated July 31, 2007, for authorization to discharge approximately 250,000 gallons of wastewater from a hydrostatic test of approximately 7 miles of Pipeline No. 3222, a natural gas pipeline that extends between Farmington and Bloomfield, 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. EPNG will be testing the pipeline section from milepost 6 to milepost 13, approximately 7 miles of Pipeline No. 3222, a natural gas pipeline that extends between Farmington and Bloomfield, in San Juan County, New Mexico.
2. The pipeline will be cleansed prior to hydrostatic testing by a method of chemical cleanse utilizing "N-Spec 120". The cleaning methods will generate approximately 500 gallons of chemical cleaning fluid waste.
3. The chemical cleaning fluid waste will be collected and temporarily stored in a frac-tank prior to testing. Best management practices will be implemented to prevent the release of any waste material. Secondary containment will be constructed for temporary storage of the chemical cleaning fluid waste material. Test results will determine the proper method of recycle, disposal or treatment of the waste.
4. Source of the hydrostatic test water will be obtained from the City of Farmington, NM municipal supply.
5. Hydrostatic test water generated from the test will be collected and temporarily stored within thirteen 20,000 gallon temporary tanks. Secondary containment will be constructed for temporary storage of the hydrostatic test wastewater. Best management practices will be implemented to prevent the release of any hydrostatic test wastewater.

6. EPNG will secure a composite sample consisting of 13 discrete samples; each discrete sample obtained from each temporary tank and immediately analyzes it at a certified laboratory.
7. All analyzes of samples from wastewater generated from the test must not exceed the standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC.
8. Test results will be sent to the OCD for review and subsequent approval or disapproval for the test water to be discharged along the EPNG pipeline right of way.
9. If final discharge of the test water is not approved by the OCD, ENPG will transport the hydrostatic test water to Key Energy Services Class I injection well for disposal.
10. If final discharge of the wastewater is approved, the discharge shall occur along the pipeline right-of-way located within Sections 1, 2, and 3, Township 29 North, Range 14 West and Section 6, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.
11. If final discharge of the wastewater is approved, no hydrostatic test water generated from the test will be discharged to groundwater or be allowed to exit the right of way.
12. If final discharge of the wastewater is approved, no discharge shall occur:
 - a. where ground water is less than 10 feet below ground surface.
 - b. within 200 feet of a watercourse, lakebed, sinkhole or playa lake;
 - c. within an existing wellhead protection area;
 - d. within, or within 500 feet of a wetland; or
 - e. within 500 feet from the nearest permanent residence, school, hospital, institution or church;

It is understood that the hydrostatic test will begin approximately September 10, 2007. **This permit will expire in 120 calendar days from the proposed start date of September 10, 2007.**

Please be advised that OCD approval of this permit does not relieve EPNG of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve EPNG of responsibility for compliance with any other federal, state, or local laws and/or regulations

If there are any questions regarding this matter, please do not hesitate to contact Brad A. Jones at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,



Wayne Price
Environmental Bureau Chief

LWP/baj

Cc: OCD District III Office, Aztec
Bernard Bockisch, Project Manager, Kleinfelder West, Inc., Albuquerque, NM