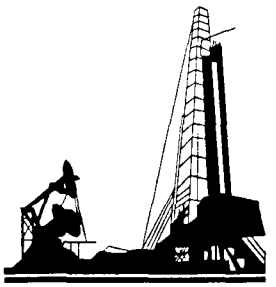
HIP - 57

GENERAL CORRESPONDENCE

YEAR(S):
1998

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505
(505) 827-7133
Fax: (505) 827-8177



(PLEASE DELIVER THIS FAX)

To: Charlie Allaben ~~(970) 259-8190~~ (970) 493-0213

From: Martyne Kicliny

Date: 11-2-98

Message: Hydro Test Permit

Page 1 of 4

If you have any trouble receiving this, please call:
(505) 827-7133

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

October 28, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. P-326-936-475

Mr. David Flaim
TransColorado Gas Transmission Company
P.O. Box 45360
Salt Lake City, UT 84145-0360

Re: Hydrostatic Test Water Discharge
New Pipeline
SE/4 of Section 14, Township 32 North, Range 12 West, NMPM,
San Juan County, New Mexico.

Dear Mr. Flaim:

The New Mexico Oil Conservation Division (OCD) has received the TransColorado Gas Transmission Company (TCGT) request, dated August 5, 1998, for authorization to discharge approximately 1,500,000 gallons of waste water from the hydrostatic test of a section of new pipeline. The proposed location for the discharge is into an unlined evaporation/infiltration pond located in SE/4 of Section 14, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico.

The location as indicated on the map submitted shows the pond location to be just outside of the vulnerable area (see attached map). Based on this location and on the information provided in your request, the **hydrostatic test water discharge is hereby approved** subject to the following conditions:

1. Permission will be obtained from the landowner(s) prior to discharge.
2. The test water will be discharged in a manner to prevent erosion.
3. The pipe must be new and never previously used for oil and/or gas transmission.
4. Fresh water will be used to conduct the test.
5. Evaporation/infiltration pond is outside the vulnerable area.
6. No discharged fluids will be allowed to enter a water of the U.S.

Pursuant to WQCC Regulation 3-106.B, this approval will allow TCGT 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.

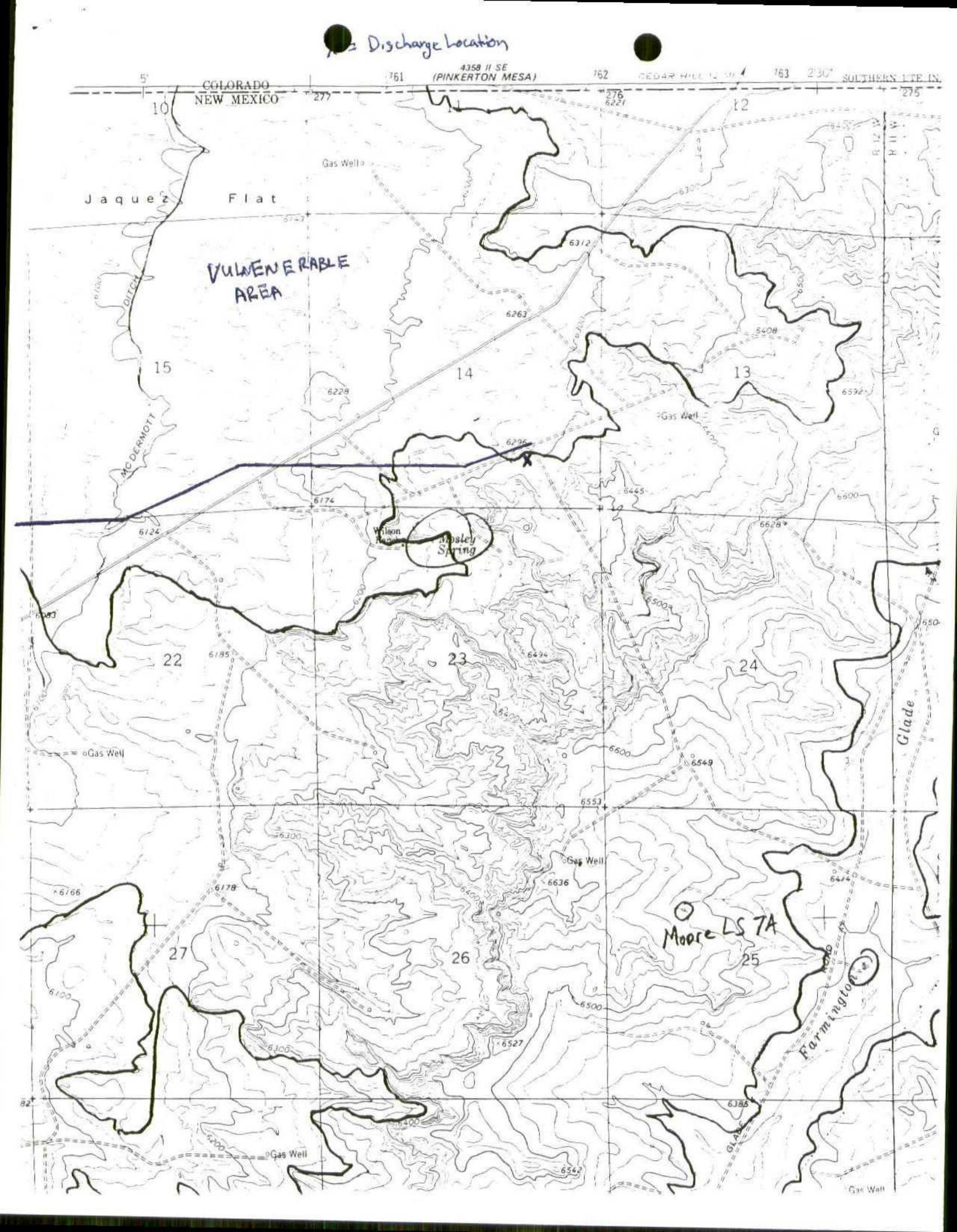
Please be advised that this approval does not relieve TCGT of liability should their operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve TCGT of liability for compliance with other laws and/or regulation.

If there are any questions, please call Martyne Kieling at (505) 827-7153.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: OCD Artesia Office


= Discharge Location
4358 II SE
(PINKERTON MESA)
COLORADO
NEW MEXICO
SOUTHERN UTE IN.
Jaquez Flat
VULNERABLE AREA
Gas Wells
McDERMOTT DITCH
Wilson Ranch
Mosley Spring
Glade
Farmington
Moore LS 7A
Gas Well
10
11
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27

TransColorado
Gas Transmission Company

August 5, 1998

New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attn: Martyne J. Kieling, Environmental Geologist

Re: TransColorado Natural Gas Pipeline
Hydrostatic Test Water Discharge Permit Application

Dear Ms. Kieling,

The TransColorado Gas Transmission Company (TransColorado) plans to construct, operate, and maintain a 272-mile natural gas pipeline that would extend from the Piceance Basin near Meeker, Colorado to an interconnection with a previously constructed 22.5 mile segment that terminates at a major interstate pipeline junction near Bloomfield, New Mexico. As we discussed in our telephone conversations, TransColorado plans to perform hydrostatic testing of the pipeline and discharge approximately 1.5 million gallons of water in New Mexico.

Attached is the information requested in the Oil Conservation Division Permit Application for discharge of greater than 100,000 gallons of hydrostatic test water from a new natural gas pipeline. If you have any questions regarding this correspondence, please contact Charlie Allaben of ENSR at (970) 493-8878.

Sincerely,
TransColorado Gas Transmission Company

David C. Flaim

David Flaim
Environmental Manager

Cc: Charlie Allaben/ENSR

Mailing Address:
PO Box 45360
Salt Lake City, UT 84145-0360

Phone 801 324 3802
Fax 801 324 3345

Street Address:
1140 West 200 South
Salt Lake City, UT 84104

Permit Application For Discharge Of Greater Than 100,000 Gallons Of Hydrostatic Test Water From The Transcolorado Natural Gas Pipeline

a) **Map showing location of the pipelines to be tested;**

The New Mexico portion of the pipeline route is presented on the attached maps (4).

b) **Description of the test;**

Upon completion of pipe lowering and backfilling of the trench, the pipe will be cleaned by forcing cleaning pigs through the pipeline using compressed air. After cleaning of the section of pipe to be tested, water will be pumped from the La Plata River or a nearby irrigation ditch into the pipe near the river crossing location shown on the attached map (Sheet 1 of 4). Water will be pumped into the pipe at a rate of 3.5 to 11 cfs until the entire test section is filled. The pipe will then be pressurized to at least 110 percent of the maximum allowable pipeline operating pressure. The pipeline section will remain pressurized for at least 8 hours. After completion of the test, the hydrostatic test water will be discharged to an evaporation/infiltration pond located just south of the western most portion of pipeline to be constructed, as shown on the attached site map (Sheet 4 of 4).

c) **Source and analysis of test water;**

Hydrostatic test water will be withdrawn from either the La Plata River in the SW¼ of the NE¼ of Section 22 in Township 32 North, Range 13 West or from the Hillside Ditch located to the northwest of the river crossing. No analytical testing has been performed on the river water.

d) **Point of discharge of the test water;**

The hydrostatic test water will be discharged to a storage pond located at the east end of the pipeline in the SE¼ of Section 14 in Township 32 North, Range 12 West. This pond was used for discharge of hydrostatic test water discharge in previous pipeline construction activities.

e) **Method and location for collection and retention of fluids and solids;**

All fluids and solids present in the hydrostatic test water will be discharged to the storage pond. Because the pipe is new, it is not anticipated that notable amounts of any fluids such as petroleum or other chemicals will be present in the discharge and any solids discharged to the pond are not anticipated to result in adverse environmental affects. Prior to hydrostatic testing, the pipe will be cleaned to remove rust and other inert materials. The cleaning will be performed without fluids and the solids will come out of the pipe in the form of dust.

f) **Depth of groundwater at discharge and collection/retention site;**

Local water well drillers that have installed wells in the vicinity of the proposed discharge location have indicated that no potable water is typically encountered in the storage pond area at depths of less than 700 feet below grade. Occasionally minor sources of water are encountered at depths of up to 450 feet below grade.

g) **Proposed method of disposal of fluids and solids after test completion including closure of any pits;**

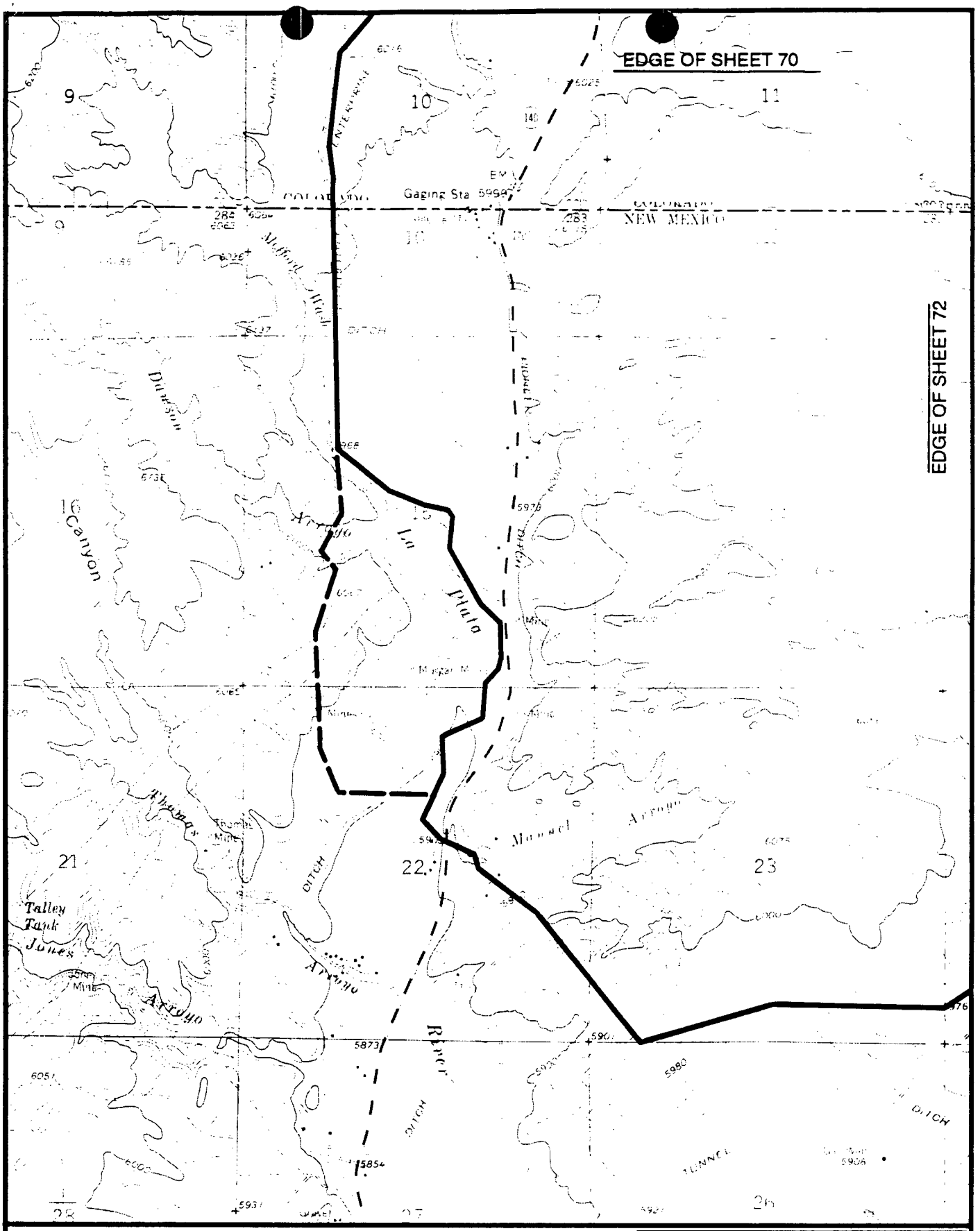
Any fluids or solids discharged from the pipe during hydrostatic test water discharge will be left in the retention pond.

h) **Identification of land owners at and adjacent to the discharge and collection/retention site;**

Kennon Decker owns the majority of the property in the immediate vicinity of the proposed discharge location and to the south and east. The State of New Mexico owns adjacent property to the north and west of the proposed discharge location.

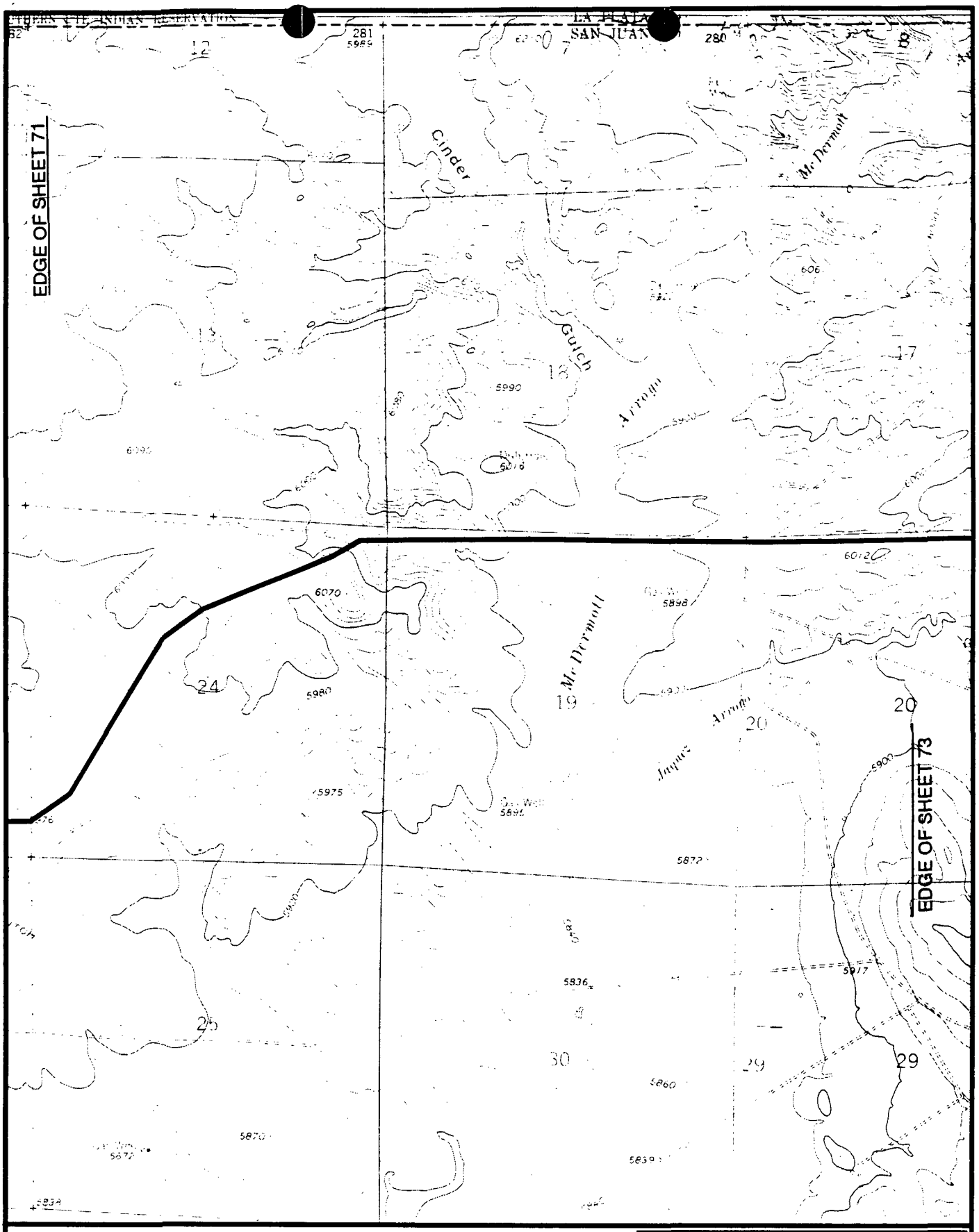
i) **Written permission from the landowner of the collection/retention site;**

A signed Option for Hydrostatic Test Water Discharge between TransColorado and Kennon Decker is attached.



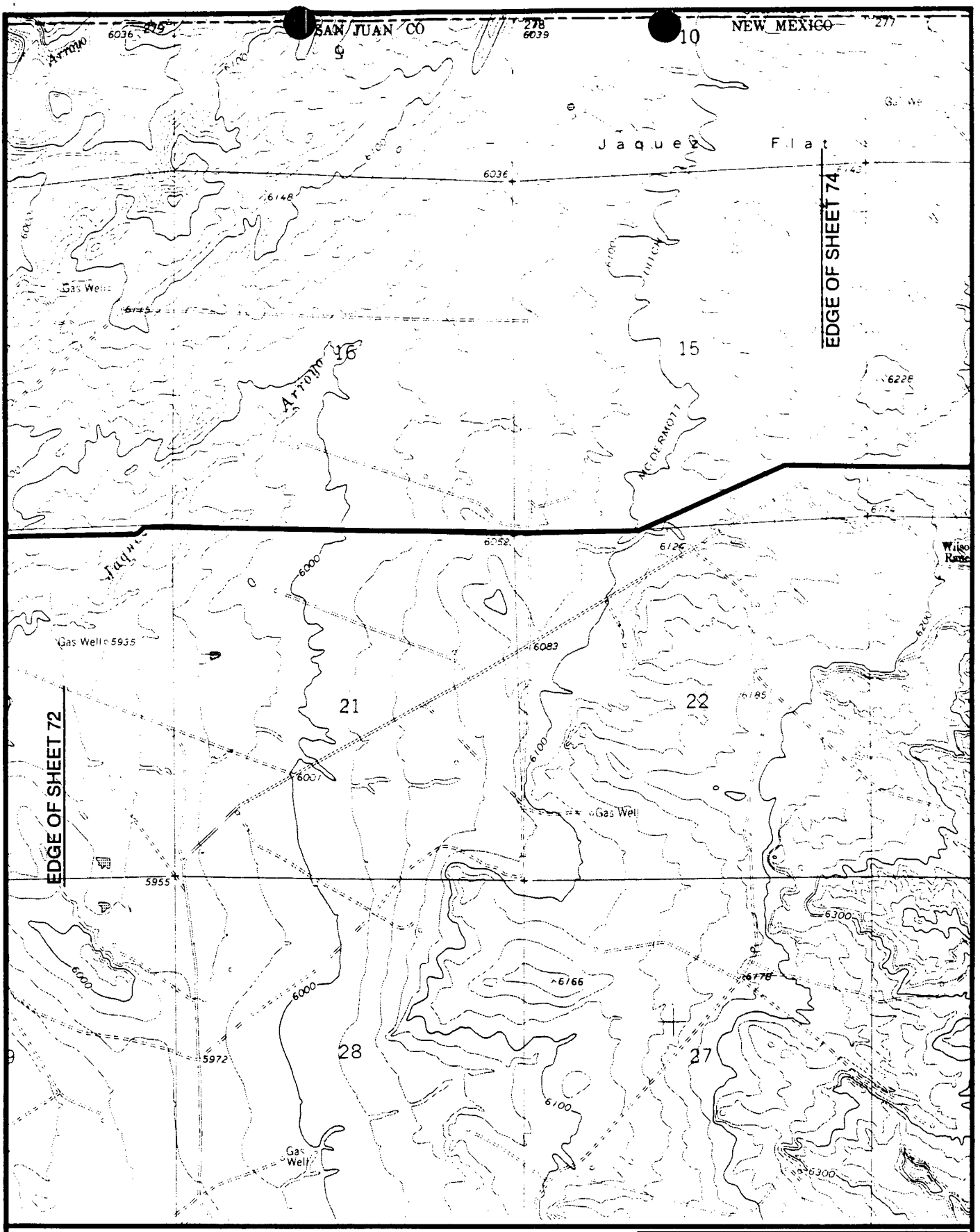
TransColorado

Pipeline Route in New Mexico
Sheet 1 of 4



TransColorado Gas Transmission Company

Pipeline Route in New Mexico
Sheet 2 of 4



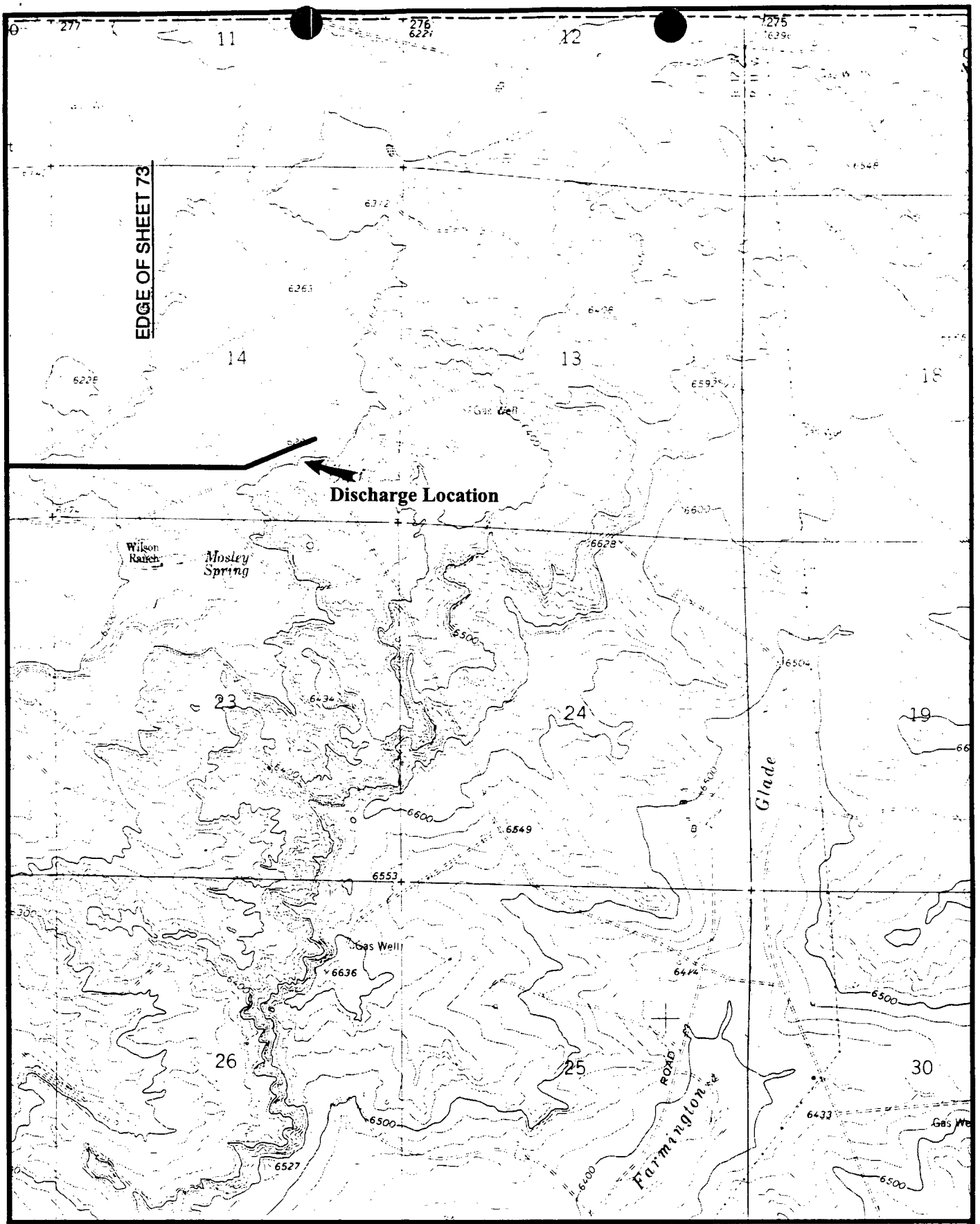
0 2000'

Scale in Feet

Scale 1:24,000

TransColorado Gas Transmission Company

Pipeline Route in New Mexico
Sheet 3 of 4



0 2000'
Scale in Feet

Scale 1:24,000

TransColorado

Pipeline Route in New Mexico
Sheet 4 of 4

OPTION FOR HYDROSTATIC TEST WATER DISCHARGE

KNOW ALL MEN BY THESE PRESENTS: The undersigned, the owner (GRANTOR) of the legal and equitable title to the following describe real estate situated in San Juan County, State of New Mexico, for and in consideration of the sum of Two Hundred and No/100 Dollars ($200.00) in hand paid by TRANSCOLORADO GAS TRANSMISSION COMPANY, a Colorado general partnership, whose address is 370 Van Gordon, Lakewood, CO 80228 (GRANTEE), the receipt of which is hereby acknowledged, does hereby grant unto the GRANTEE an option to discharge hydrostatic test water into an existing pond upon the following described real estate situated in San Juan County, State of New Mexico, to-wit:

TOWNSHIP 32 NORTH – RANGE 12 WEST

SECTION 14: Located in a portion of the Southeast-quarter (SE/4)

GRANTEE, its agents, contractors and assigns, shall have i) the right to discharge hydrostatic test water said existing pond, ii) the right to construct, operate, maintain, repair and remove a temporary water line from said pond to a point to be determined on the TransColorado Pipeline, and iii) along with the rights of ingress and egress to and from the said pond for and during the period of construction and clean-up of it's TransColorado Pipeline Project (Project).

It is understood and agreed between the parties hereto that this Agreement is entered into to ensure the ability of GRANTOR to facilitate GRANTEE's needs and desire to discharge hydrostatic test water and to construct, operate, maintain, repair and replace a temporary water line, and that this agreement may be assigned to a General Contractor who has submitted a successful bid for the project segment. At that time, the terms and conditions of any and all water discharge shall be negotiated and agreed to by GRANTOR and the successful bidder.

GRANTEE shall be responsible for obtaining any and all permits (local, State and/or Federal) that may be required for the discharge of hydrostatic test water.

GRANTEE, its employees, agents, contractors and assigns, shall have the right, if deemed necessary, to enter onto the above described premises to conduct a legal boundary survey (or other necessary surveys, including but not limited to environmental, archaeological and cultural) preparatory to such permit(s).

This Agreement is entered into this 24 day of July, 1998.

GRANTOR ***WITNESS***

Kennon Decker 521-66-0455

Kennon Decker

GRANTEE

TRANSCOLORADO GAS TRANSMISSION COMPANY,
a Colorado general partnership

Robert H. Craig

Robert H. Craig
Agent for TransColorado Gas Transmission Company

STATE OF Colorado §
§
COUNTY OF La Plata §

Before me the undersigned authority on the 24 day of July, 1998, personally appeared Kennon Decker known or identified to me, who acknowledged that he or she or they had read the foregoing Option for Hydrostatic Test Water Discharge, understands it's terms and has inspected it for the cons: expressed therein with full authority to do so.

Linda A. Lancaster
Public Notary

My Commission Expires: My Commission Expires 5/15/2001

EXHIBIT "A"

It is understood and agreed that when the pond is no longer used to discharge hydrostatic test water, then the South wall will be broken to allow wash water to run into the pond.

This Exhibit A is attached to and made a part of that certain Option for Hydrostatic Test Water Discharge. dated July 24, 1998, by and between Kennon Decker and TransColorado Gas Transmission Company.

SIGNED FOR IDENTIFICATION: Kennon Decker

Kennon Decker

MEMORANDUM OF CONVERSATION

✓ TELEPHONE ___ PERSONAL TIME 8:30 DATE 2/25/98

ORIGINATTING PARTY Charlie Allaben

OTHER PARTIES Marlyn Kicling

DISCUSSION Hydro Static test

Holding Pond Infiltration Discharge Pond. Analysis of water River Water Depends on Location of Infiltration Point + Depth to Gw /or connection to River. → River H_2O test For Major Cations Anions TDS See Hand Book.

If < 100ft to Gw Longer list See Gw Quality Standards.

If ?100ft to Gw No testing Necessary except For Major Cation Anions TDS.

CONCLUSIONS Sent Fax of Gw Quality Standards list

~~CHRIS EUSTICE~~ Marlyn Kicling

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 15, 1998

Mr. Charlie Allaben
ENSR
1601 Prospect Parkway
Fort Collins, CO 80525

RE: **New Mexico Hydrostatic Test Discharge Permits**

Dear Mr. Allaben:

Please find enclosed the information that you requested on January 15, 1998 regarding the New Mexico guidelines for hydrostatic tests permit applications.

If you have any questions please do not hesitate to contact me at (505) 827-7153.

Sincerely,

Martyne J. Kieling
Environmental Geologist

Please Deliver This Fax To:

Charlie Allaben

970-493-0213

From:

Martyne Kieling

Note: Some Abreviated Portion of this list

Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505
(505) 827-7131 Office
(505) 827-8177 Fax

Date: ~~XX~~ ~~4 Including Cover~~ ~~1/15/98~~ 2/24/98

Pages: ~~5 Including Cover~~ 4 Including Cover

Subject: Hydrostatic test Discharge Permit Info.

(If you have trouble receiving this fax, please call the phone number above.)

SUBPART III - PERMITTING AND GROUND WATER STANDARDS

3101. PURPOSE.

A. The purpose of this Subpart controlling discharges onto or below the surface of the ground is to protect all ground water of the state of New Mexico which has an existing concentration of 10,000 mg/l or less TDS, for present and potential future use as domestic and agricultural water supply, and to protect those segments of surface waters which are gaining because of ground water inflow, for uses designated in the New Mexico Water Quality Standards. This Subpart is written so that in general: [2-18-77]

1. if the existing concentration of any water contaminant in ground water is in conformance with the standard of Section 3103 of this Part, degradation of the ground water up to the limit of the standard will be allowed; and [2-18-77]

2. if the existing concentration of any water contaminant in ground water exceeds the standard of Section 3103, no degradation of the ground water beyond the existing concentration will be allowed. [2-18-77]

B. Ground water standards are numbers that represent the pH range and maximum concentrations of water contaminants in the ground water which still allow for the present and future use of ground water resources. [2-18-77]

C. The standards are not intended as maximum ranges and concentrations for use, and nothing herein contained shall be construed as limiting the use of waters containing higher ranges and concentrations. [2-18-77]

[3102] Reserved

3103. STANDARDS FOR GROUND WATER OF 10,000 mg/l TDS CONCENTRATION OR LESS.

The following standards are the allowable pH range and the maximum allowable concentration in ground water for the contaminants specified unless the existing condition exceeds the standard or unless otherwise provided in Section 3109.D. Regardless of whether there is one contaminant or more than one contaminant present in ground water, when an existing pH or concentration of any water contaminant exceeds the standard specified in Subsection A, B, or C, the existing pH or concentration shall be the allowable limit, provided that the discharge at such concentrations will not result in concentrations at any place of withdrawal for present or reasonably foreseeable future use in excess of the standards of this Section.

These standards shall apply to the dissolved portion of the

contaminants specified with a definition of dissolved being that given in the publication "Methods for Chemical Analysis of Water and Waste of the U.S. Environmental Protection Agency," with the exception that standards for mercury, organic compounds and non-aqueous phase liquids shall apply to the total unfiltered concentrations of the contaminants. [2-18-77, 11-17-83, 3-3-86, 12-1-95]

A. Human Health Standards-Ground water shall meet the standards of Subsection A and B unless otherwise provided. If more than one water contaminant affecting human health is present, the toxic pollutant criteria as set forth in the definition of toxic pollutant in Section 1101 for the combination of contaminants, or the Human Health Standard of Section 3103.A. for each contaminant shall apply, whichever is more stringent.

Non-aqueous phase liquid shall not be present floating atop of or immersed within ground water, as can be reasonably measured.

Arsenic (As)	0.1 mg/l
Barium (Ba)	1.0 mg/l
Cadmium (Cd)	0.01 mg/l
Chromium (Cr)	0.05 mg/l
Cyanide (CN)	0.2 mg/l
Fluoride (F)	1.6 mg/l
Lead (Pb)	0.05 mg/l
Total Mercury (Hg)	0.002 mg/l
Nitrate (NO_3 as N)	10.0 mg/l
Selenium (Se)	0.05 mg/l
Silver (Ag)	0.05 mg/l
Uranium (U)	5.0 mg/l
Radioactivity: Combined Radium-226 & Radium-228	30.0 pCi/l
Benzene	0.01 mg/l
Polychlorinated biphenyls (PCB's)	0.001 mg/l
Toluene	0.75 mg/l
Carbon Tetrachloride	0.01 mg/l
1,2-dichloroethane (EDC)	0.01 mg/l
1,1-dichloroethylene (1,1-DCE)	0.005 mg/l
1,1,2,2-tetrachloroethylene (PCE)	0.02 mg/l
1,1,2-trichloroethylene (TCE)	0.1 mg/l
ethylbenzene	0.75 mg/l
total xylenes	0.62 mg/l
methylene chloride	0.1 mg/l
chloroform	0.1 mg/l
1,1-dichloroethane	0.025 mg/l
ethylene dibromide (EDB)	0.0001 mg/l
1,1,1-trichloroethane	0.06 mg/l
1,1,2-trichloroethane	0.01 mg/l
1,1,2,2-tetrachloroethane	0.01 mg/l
vinyl chloride	0.001 mg/l

PAHs: total naphthalene plus monomethylnaphthalenes	0.03 mg/l
benzo-a-pyrene	0.0007 mg/l

[2-18-77, 1-29-82, 3-3-86, 12-1-95]

B. Other Standards for Domestic Water Supply

Chloride (Cl)	250.0 mg/l
Copper (Cu)	1.0 mg/l
Iron (Fe)	1.0 mg/l
Manganese (Mn)	0.2 mg/l
Phenols	0.005 mg/l
Sulfate (SO_4)	600.0 mg/l
Total Dissolved Solids (TDS)	1000.0 mg/l
Zinc (Zn)	10.0 mg/l
pH	between 6 and 9

[2-18-77]

C. Standards for Irrigation Use - Ground water shall meet the standards of Subsection A, B, and C unless otherwise provided.

Aluminum (Al)	5.0 mg/l
Boron (B)	0.75 mg/l
Cobalt (Co)	0.05 mg/l
Molybdenum (Mo)	1.0 mg/l
Nickel (Ni)	0.2 mg/l

[2-18-77]

3104. DISCHARGE PLAN REQUIRED.

Unless otherwise provided by this Part, no person shall cause or allow effluent or leachate to discharge so that it may move directly of indirectly into ground water unless he is discharging pursuant to a discharge plan approved by the secretary. When a plan has been approved, discharges must be consistent with the terms and conditions of the plan. In the event of a transfer of the ownership, control, or possession of a facility for which an approved discharge plan is in effect, the transferee shall have authority to discharge under such plan, provided that the transferee has complied with Section 3111 of this Part, regarding transfers. [2-18-77, 12-24-87, 12-1-95]

3105. EXEMPTIONS FROM DISCHARGE PLAN REQUIREMENT.

Sections 3104 and 3106 of this Part do not apply to the following: [2-18-77]

A. Effluent or leachate which conforms to all the listed numerical standards of Section 3103 and has a total nitrogen concentration of 10 mg/l or less, and does not contain any toxic pollutant. To determine conformance, samples may be taken by the

MEMORANDUM OF CONVERSATION

X TELEPHONE ___ PERSONAL TIME 10:00 DATE 1/15/98

ORIGINATTING PARTY Charlie Allaben

OTHER PARTIES Martyre

DISCUSSION Hydrostatic test Discharge permits Information
For a September test 7100,000 gal New pipe
Charlie Allaben (Consulting Firm)
ENSR ~~Inc~~.
1601 Prospect Parkway
Fort Collins, CO 80525

Phone 970-493-8878
Fax 970-493-0213

CONCLUSIONS Sent Fax a letter of Guidelines
1/15/98
2:24 pm

~~CHRIS EUSTICE~~ Martyre J Kirby.