HIP - 88

GENERAL CORRESPONDENCE

YEAR(S): 2003

EEE 00J0518

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OFFICIAL RECEIPT

Date: 12-17-03

EEE0000518

Received From: [illegible]

_______________ Dollars

Center Code	Revenue Code	Amount	Work Order No.
5740		250.00	

Center Code	Revenue Code	Amount	Work Order No.

State Treasurer Deposit Number _______________

Total $ 250.00

Description: _______________

Signed: [illegible]

ASD-White Copy / Customer-Yellow Copy / Retained in Book-Pink Copy

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. 22068 dated 11/25/03

or cash received on 12-17-03 in the amount of $ 250.00

from Duke Energy Field Services

for HI-088
(Facility Name)

Submitted by: Marlyn Kieling (DP No.) Data: 12-17-03

Submitted to ASD by: Marlyn Kieling Data: 12-17-03

Received in ASD by: _____ Data: _____

Filing Fee X New Facility ____ Renewal ____

Modification ____ Other HI-088
(specify)

Organization Code 521.07 Applicable FY 2003

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment ____

DUKE ENERGY FIELD SERVICES 22068
RIGHT OF WAY ACCOUNT
P.O. BOX 5493
DENVER, CO 80217
PH. 303-595-3331

50-937-213

DATE 11/25/2003

Pay to the order of NMED Water Quality Management Fund $ 250.00

********** Two Hundred Fifty and No/100 ********** DOLLARS

Security Features Included. Details on Back.

JPMorgan
JPMorgan Chase Bank
6040 Tarbell Road
Syracuse, NY 13206

FOR Rio Arriba 009, Water Discharge permit

MP

⑈022068⑈ ⑆021309379⑆ 60 18 25 47 4⑈

NEW MEXICO ENVIRONMENT DEPARTMENT

REVENUE TRANSMITTAL FORM

	Description	FUND	CES	DFA ORG	DFA ACCT	ED ORG	ED ACCT	AMOUNT
1	CY Reimbursement Project _____ Tax ___	064	01		2329	900000	2329134	
5	Gross Receipt Tax	064	01		1696	900000	4169134	
3	Air Quality Title V	092	13	1300	9696	900000	4969014	
4	PRP Prepayments	248	14	1400	9696	900000	4969015	
2	Climax Chemical Co.	248	14	1400	9696	900000	4969248	
6	Circle K Reimbursements	248	14	1400	9696	900000	4969027	
7	Hazardous Waste Permits	339	27	2700	1696	900000	4169339	
8	Hazardous Waste Annual Generator Fees	339	27	2700	1696	900000	4169029	
10	Water Quality - Oil Conservation Division	341	29		2329	900000	2329029	250.00
11	Water Quality - GW Discharge Permit	341	29	2900	1696	900000	4169029	
12	Air Quality Permits	631	31	2500	1696	900000	4169031	
13	Payments under Protest	851	33		2919	900000	2919033	
*14	Xerox Copies	652	34		2349	900000	2349001	
15	Ground Water Penalties	652	34		2349	900000	2349002	
16	Witness Fees	652	34		2349	900000	2439003	
17	Air Quality Penalties	652	34		2349	900000	2349004	
18	OSHA Penalties	652	34		2349	900000	2349005	
19	Prior Year Reimbursement	652	34		2349	900000	2349006	
20	Surface Water Quality Certification	652	34		2349	900000	2349009	
21	Jury Duty	652	34		2349	900000	2349012	
22	CY Reimbursements (I.e. telephone)	652	34		2349	900000	2349014	
*23	UST Owner's List	783	24	2500	9696	900000	4969201	
*24	Hazardous Waste Notifiers List	783	24	2500	9696	900000	4969202	
*25	UST Maps	783	24	2500	9696	900000	4969203	
*26	UST Owner's Update	783	24	2500	9696	900000	4969205	
*28	Hazardous Waste Regulations	783	24	2500	9696	900000	4969207	
*29	Radiologic Tech. Regulations	783	24	2500	9696	900000	4969208	
*30	Superfund CERLIS List	783	24	2500	9696	900000	4969211	
31	Solid Waste Permit Fees	783	24	2500	9696	900000	4969213	
32	Smoking School	783	24	2500	9696	900000	4969214	
*33	SWQB - NPS Publications	783	24	2500	9696	900000	4969222	
*34	Radiation Licensing Regulation	783	24	2500	9696	900000	4969228	
*35	Sale of Equipment	783	24	2500	9696	900000	4969301	
*36	Sale of Automobile	783	24	2500	9696	900000	4969302	
*37	Lust Recoveries	783	24	2500	9696	900000	4969614	
*38	Lust Repayments	783	24	2500	9696	900000	4969615	
39	Surface Water Publication	783	24	2500	9696	900000	4969801	
40	Exxon Reese Drive Ruidoso - CAF	783	24	2500	9696	900000	4969242	
41	Emerg. Hazardous Waste Penalties NOV	957	32	9600	1696	900000	4164032	
42	Radiologic Tech. Certification	987	05	0500	1696	900000	4169005	
44	Ust Permit Fees	989	20	3100	1696	900000	4169020	
45	UST Tank Installers Fees	989	20	3100	1696	900000	4169021	
46	Food Permit Fees	991	26	2600	1696	900000	4169026	
43	Other							

TOTAL 250.00

* Gross Receipt Tax Required

** Site Name & Project Code Required

Contact Person: Roger Anderson Phone: 476-3490 Date: 12-17-03

Received in ASD By: _____ Date: _____ RT #: _____ ST #: _____

FSB025
Revised 07/07/00

Kieling, Martyne

From: Olson, William
Sent: Monday, December 15, 2003 9:05 AM
To: Kieling, Martyne
Subject: FW: Black Hills Hydrotest Permit

-----Original Message-----
From: Lynn C Ward [mailto:lcward@duke-energy.com]
Sent: Friday, December 12, 2003 1:07 PM
To: Olson, William
Subject: Re: Black Hills Hydrotest Permit

Mr. Olson,
I want to thank you again for taking the time to process the hydrostatic water discharge permit for Duke Energy. I spoke with the Construction Supervisor and they are planning to discharge the water into Mr. Celso's water tank. The approval on the part of Mr. Celso was included with the original request. Again, thank you for your help. If you have any questions, feel free to give me a call.

Sincerely,

Lynn Ward
Environmental Specialist
Duke Energy Field Services, LP
Western Division
432/620-4207 (office)
432/413-3601 (cell #)

Duke Energy®
Field Services

DUKE ENERGY FIELD SERVICES
3300 North A Street
Building 7
Midland, TX 79705

432 620 4000

HI-88

RECEIVED

DEC 0 8 2003

OIL CONSERVATION DIVISION

December 5, 2003

Ms. Martyn Kieling
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

RE: Request for Hydrostatic Testing Water Discharge Permit
Duke Energy Field Services, LP
Black Hills Project

Dear Ms. Kieling,

Duke Energy Field Services, LP is requesting a discharge permit for the purpose of discharging water resulting from the hydrostatic test of new pipe. The quantity of the water to be discharged is dependent on the scenario chosen and is described in the attached: Scenario 1 = 5,144 bbls (216,048 gallons); Scenario 2 = 8,338 bbls (350,196 gallons). The anticipated date of the discharge if Scenario 1 is selected is December 15, 2003 pending any construction problems. The anticipated dates of the discharge if Scenario 2 is selected are December 14th and 15th, 2003 pending any construction problems. The elements of this application are discussed in the attachment to follow.

In addition, I have enclosed a check payable to the NMED Water Quality Management Fund in the amount of $250.00. It is understood that this payment includes a nonrefundable filing fee of $100.00 and $150.00 for the temporary permission as specified in Table 2, 20NMAC6.2.3114.A.

If you have any questions or require additional information, please contact me at 432/620-4207.

Sincerely,
Duke Energy Field Services, LP

Lynn Ward

Lynn Ward
Environmental Specialist
Western Division

Cc: M. Betz
H. Temple
K. Char
File: Val Verde Gathering 2.2.3.3

LCWard@duke-energy.com

HYDROSTATIC TEST WATER DISCHARGE PERMIT REQUEST
Duke Energy Field Services, LP
Black Hills Project
San Juan County, New Mexico

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

The pipeline to be tested is composed of two joined segments, a new twelve (12) inch diameter pipeline , 22,000 feet in length joined to a new sixteen (16) inch diameter pipeline that is also 22,000 feet in length, for a total length of 44,000 feet (8.33 miles). The line will be set 48 inches below surface and have approximately 36 inches of cover. The line will extend from Section 24, Township 30N, Range 6W on the east end to Section 22, Township 30N, Range 7W on the west end, Rio Arriba County, New Mexico, and will be constructed entirely of new pipe. A map of the location of the pipeline to be tested is included as Figure 2a, 2b and 2c (Vicinity Map).

b) Description of the test;

Two scenarios are proposed for the testing and are described below. Determination of which method will be used is dependent on the ability of draining the hydro water from the testing of the twelve (12) inch line into the sixteen (16) inch line.

Scenario 1: Approximately 3,214 bbls (386,400 gallons) of clean, fresh water will be used to perform hydrostatic testing of the twelve (12) inch section of the new pipeline. Following the completion of the testing, the test water will be drained into the sixteen (16) inch section of pipeline. An additional 1,930 bbls (81,060 gallons) of clean, fresh water will be added in order to perform hydrostatic testing of the sixteen (16) inch section. Upon completion of the testing, the hydro water will be pumped into a clean frac tank located in close proximity to the discharge point, the NE/4 NE/4 of Section 29, Township 30N, Range 6W. The water will be discharged from the frac tank through hale bails, used as a silt trap, in order to reduce the discharge rate for the purposes of preventing erosion, and onto land surface owned by Mr. Celso Gomez.

The water for the testing will be obtained from the City of Bloomfield which is also used as the public water supply.

The water will be pumped into the twelve (12) inch line to a pressure of 1,325 psi and maintained for a time period of twenty-four (24) hours. The sixteen (16) inch line will be pressured to 1,235 psi and also maintained for a twenty-four (24) hour time period.

The anticipated date of discharge is December 15, 2003.

Scenario 2: (Will require two (2) separate discharges as follows) Approximately 3,205 bbls (134,640 gallons) of clean, fresh water will be used to perform hydrostatic testing of only the twelve (12) inch section of the new pipeline. Following the completion of the testing, the test water will be pumped into a frac tank located in close proximity to the discharge point. The containment in a frac tank will reduce the discharge rate for the purposes of preventing erosion. The hydro water from the frac tank will be discharged through hale bales to be used as a silt trap and onto land surface owned by the Mr. Celso Gomez.

The water will be pumped into the twelve (12) inch line to a pressure of 1,325 psi and maintained for a time period of twenty-four (24) hours.

The anticipated date of discharge is December 14, 2003.

Following completion of the hydro testing of the twelve (12) inch pipeline and the discharge, approximately 5,133 bbls (215,600 gallons) of clean, fresh water will be added to the sixteen (16) inch piping in order to perform hydrostatic testing. The sixteen (16) inch line will be pressured to 1,235 psi and maintained for a twenty-four (24) hour time period. Upon completion of the testing, the hydro water will again be pumped into a clean frac tank located in close proximity to the discharge point, in Section 29, Township 30N, Range 6W. The hydro water from the frac tank will be discharged through hale bales to be used as a silt trap and onto land surface owned by Mr. Celso Gomez.

The water for the testing will be obtained from the City of Bloomfield public water supply.

The anticipated date of discharge is December 15, 2003

c) Source and analysis of test water;

The test water will be obtained from the City of Bloomfield public water supply or the City of Aztec public water supply.

d) Point of discharge of the test water;

The test water will be discharged from the frac tanks to the ground surface in the NE/4 NE/4 of Section 29, Township 30N, Range 6W.

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

Please refer to the Description of the test, above.

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

The pipeline being tested is located in a named, dry wash, *Francis Creek,* which drains to Navajo Reservoir at a distance of approximately 2.25 miles as shown on Figure 4. The surface gradient of the wash at the discharge site is gently sloping westward at a rate of approximately 20 feet per 2,000 feet with local variation.

According to well records from the New Mexico Office of the State Engineer, two wells were completed in 1952 at locations southeast of the discharge site and in the same named, dry wash. The depth to groundwater according to the well logs was 77 to 80 feet below ground surface (bgs). Both wells were plugged and abandoned. The website reports are included as Figure 1a, 1b, and 1c. The approximate locations of the wells are included on Figure 2b based on the descriptions available.

Mr. Gomez maintains diversionary structures across the wash to capture rainfall during rainfall events. The proposed discharge site is on the east side of one of the diversionary structures in order to prevent runoff.

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

Solids will settle to the bottom of the frac tanks and be removed from the location. The water will be discharged from the frac tank through a filter and hale bales which will act as a silt screen, to the surface. Diversionary structures across the dry creek, maintained by the land owner, will be used to prevent the discharge from draining from Mr. Gomez's property.

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

The name of the land owner at the discharge location is Mr. Celso Gomez. The discharge location is NE?4 NE/4, Section 29, T30N, R6W. It is anticipated that the discharge will be maintained on site. Figure 3 is written permission received from Mr. Celso Gomez allowing the discharge of the test water.

New Mexico Office of the State Engineer
Well Reports and Downloads

Township: 30N Range: 06W Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All

Well / Surface Data Report | Avg Depth to Water Report | Water Column Report | Clear Form | WATERS Menu | Help

WELL / SURFACE DATA REPORT 11/26/2003

DB File Nbr	Use (acre ft per annum)	Diversion	Owner	Well Number	(qua (qua
SJ 00040	NOT	0	S.J. GOMEZ	SJ 00040	
SJ 00041	NOT	0	J.C. GOMEZ	SJ 00041	
SJ 00741	NOT	0	EL PASO NATURAL GAS COMPANY	SJ 00741	

Record Count: 3

Figure 1a

New Mexico Office of the State Engineer
Point of Diversion Summary

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
SJ 00040	30N	06W	28	3	2	3			

Driller Licence:
Driller Name: UNKNOWN
Drill Start Date: 05/17/1952
Log File Date: 11/17/1953
Pump Type:
Casing Size: 6.63
Depth Well: 420
Source: Shallow
Drill Finish Date: 05/24/1952
PCW Received Date:
Pipe Discharge Size:
Estimated Yield:
Depth Water:

Water Bearing Stratifications:	Top	Bottom	Description
	77	79	Other/Unknown
	285	291	Other/Unknown
	360	368	Other/Unknown
Casing Perforations:	**Top**	**Bottom**	
	77	420	

Figure 1b

New Mexico Office of the State Engineer
Point of Diversion Summary

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
SJ 00041	30N	06W	28	3	2	3			

Driller Licence:
Driller Name: UNKNOWN
Drill Start Date: 09/09/1952
Log File Date: 11/17/1953
Pump Type:
Casing Size: 6
Depth Well: 349
Source: Shallow
Drill Finish Date:
PCW Received Date:
Pipe Discharge Size:
Estimated Yield:
Depth Water:

Water Bearing Stratifications:	Top	Bottom	Description
	80	83	Other/Unknown
	284	298	Other/Unknown
	340	345	Other/Unknown
Casing Perforations:	**Top**	**Bottom**	
	64	83	
	263	283	
	318	328	
	333	348	

Figure 1c

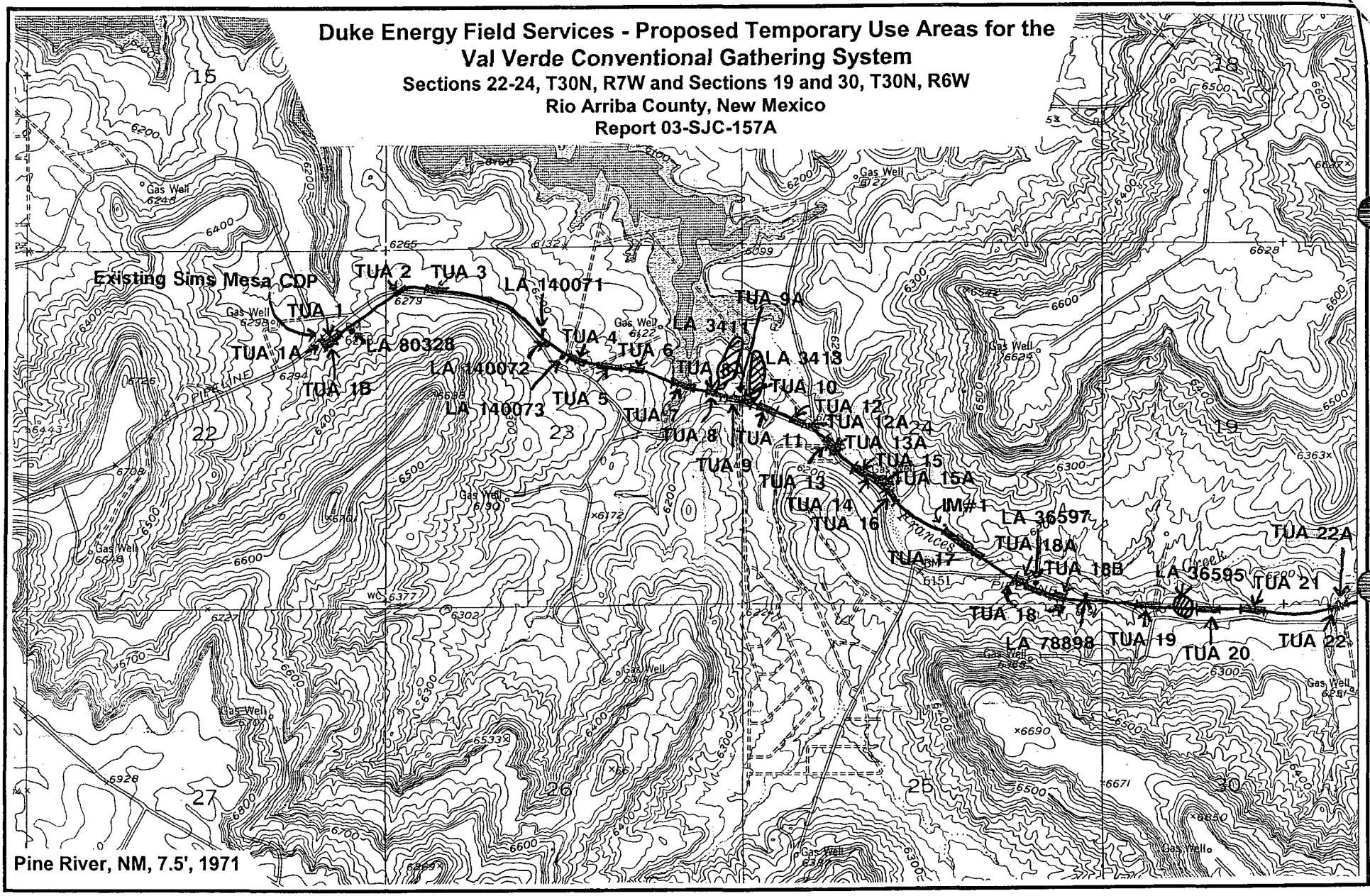


Figure 2a. Vicinity Map

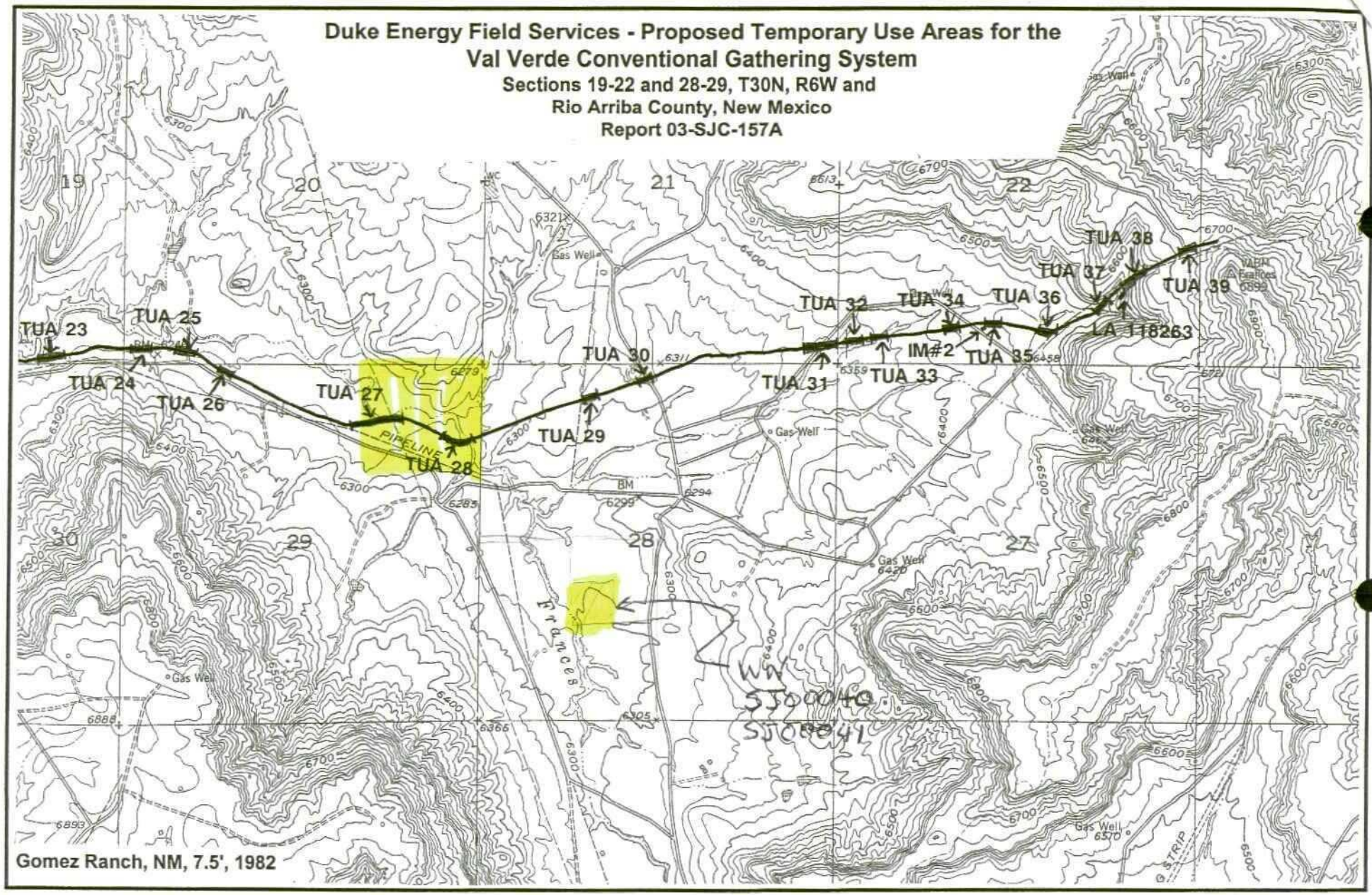


Figure 2b. Vicinity Map

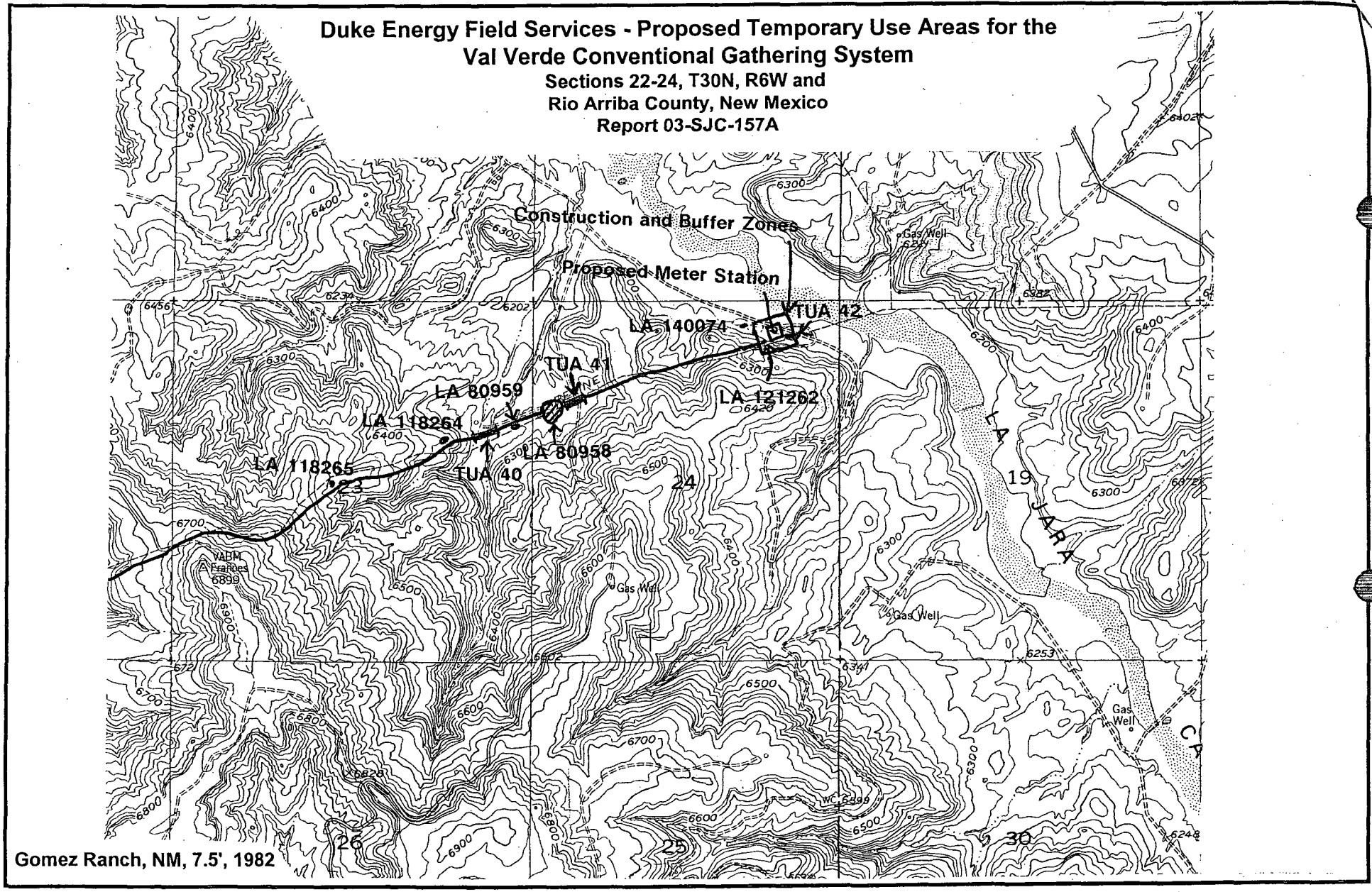
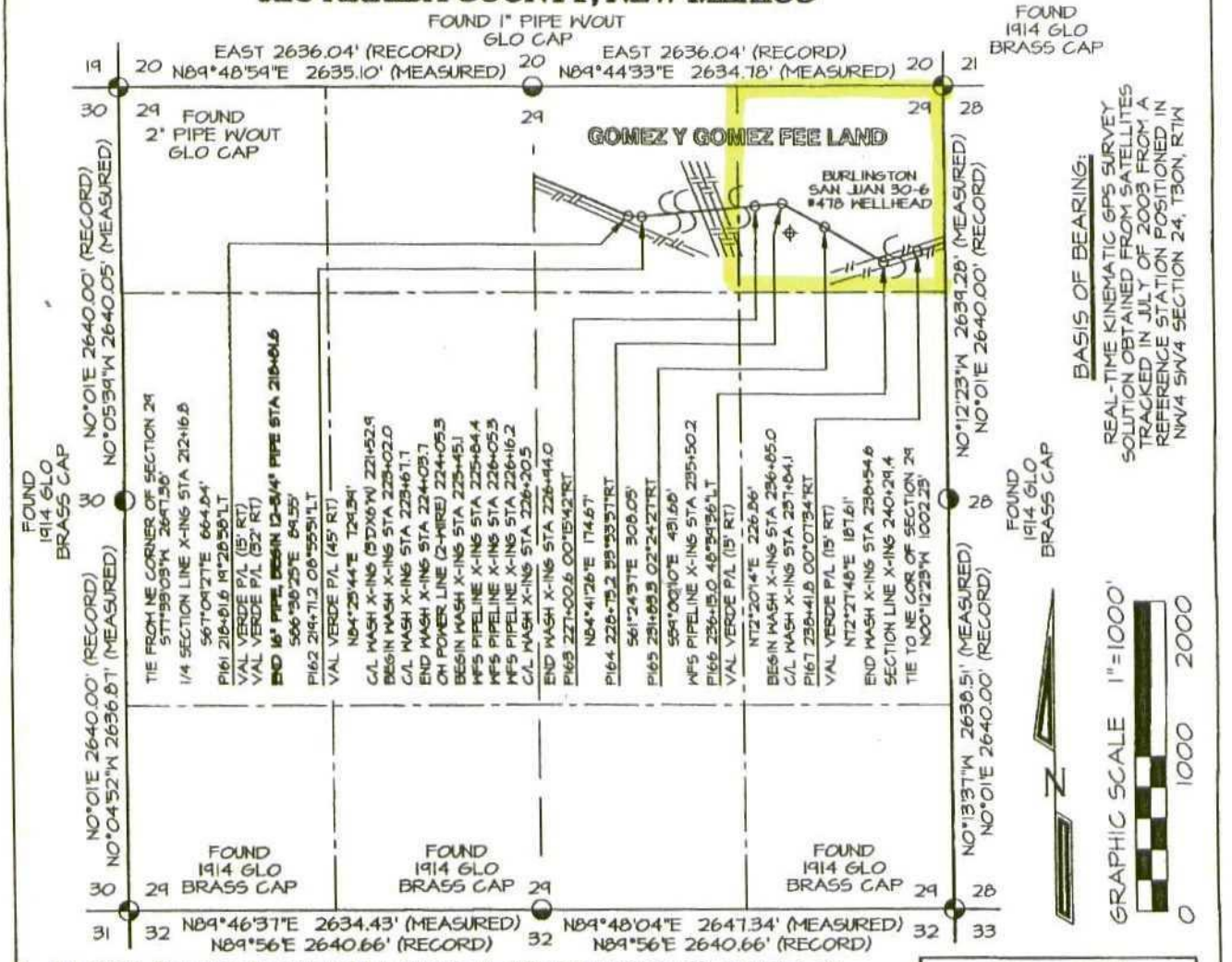


Figure 2c. Vicinity Map

Rio Arriba 9

PRELIMINARY SURVEY FOR 16" AND 12-3/4" O.D. STEEL PIPELINE FOR VAL VERDE CONVENTIONAL GATHERING SYSTEM LOCATED IN N/2 NE/4 SECTION 29, T30N, R6W, NMPM RIO ARRIBA COUNTY, NEW MEXICO



LEGAL DESCRIPTION

A STRIP OF LAND 40 FEET WIDE, LOCATED IN N/2 NE/4 SECTION 29, TOWNSHIP 30 NORTH, RANGE 6 WEST, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO, BEING 20 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT WHICH LIES S77°33'03"W 2697.38 FEET FROM NORTHEAST CORNER OF SAID SECTION 29, THENCE S67°09'27"E 664.84'; THENCE S86°38'25"E 89.55'; THENCE N84°25'44"E 729.39'; THENCE N84°41'26"E 174.67'; THENCE S61°24'37"E 308.05'; THENCE S59°00'10"E 431.68'; THENCE N72°20'14"E 226.86'; THENCE N72°27'48"E 187.61' TO THE END OF THIS PORTION OF THE SURVEY WHICH LIES S00°12'23"E 1002.23 FEET FROM NORTHEAST CORNER OF SAID SECTION 29.

SAID STRIP OF LAND BEING 2812.6 FEET OR 170.5 RODS IN LENGTH AND CONTAINING 2.58 ACRES, MORE OR LESS.

~ SURFACE OWNER ~ Gomez Y Gomez
~ GRAZING PERMITTEE ~ Celso Gomez
212+16.8 to 240+29.4
2812.6 FT / 170.5 RODS
2.58 Acres

I, Jason C. Edwards, a registered professional surveyor under the laws of the State of New Mexico, hereby certify that this plat was prepared from field notes of an actual survey meeting the minimum requirements of the standards for easement surveys and is true and correct to the best of my knowledge and belief.

JASON C. EDWARDS
Jason C. Edwards
New Mexico LS #15269

Date: July 31, 2003

JASON C. EDWARDS NEW MEXICO 15269 REGISTERED PROFESSIONAL SURVEYOR

Prepared for:
VAL VERDE GATHERING
#119 COUNTY ROAD 4900
BLOOMFIELD, NM 87413

Land Surveyor:
Jason C. Edwards
Mailing Address:
Post Office Box 6612
Farmington, NM 87499
Business Address:
111 East Pinon Street
Farmington, NM 87402
(505) 325-2654 (Office)
(505) 326-5650 (Fax)

SURVEYS, INC.

SHEET 15 OF 24 | CHECKED: JCE
FILENAME: 3062915 | DRAWN BY: SLE

2807 601

Figure 3

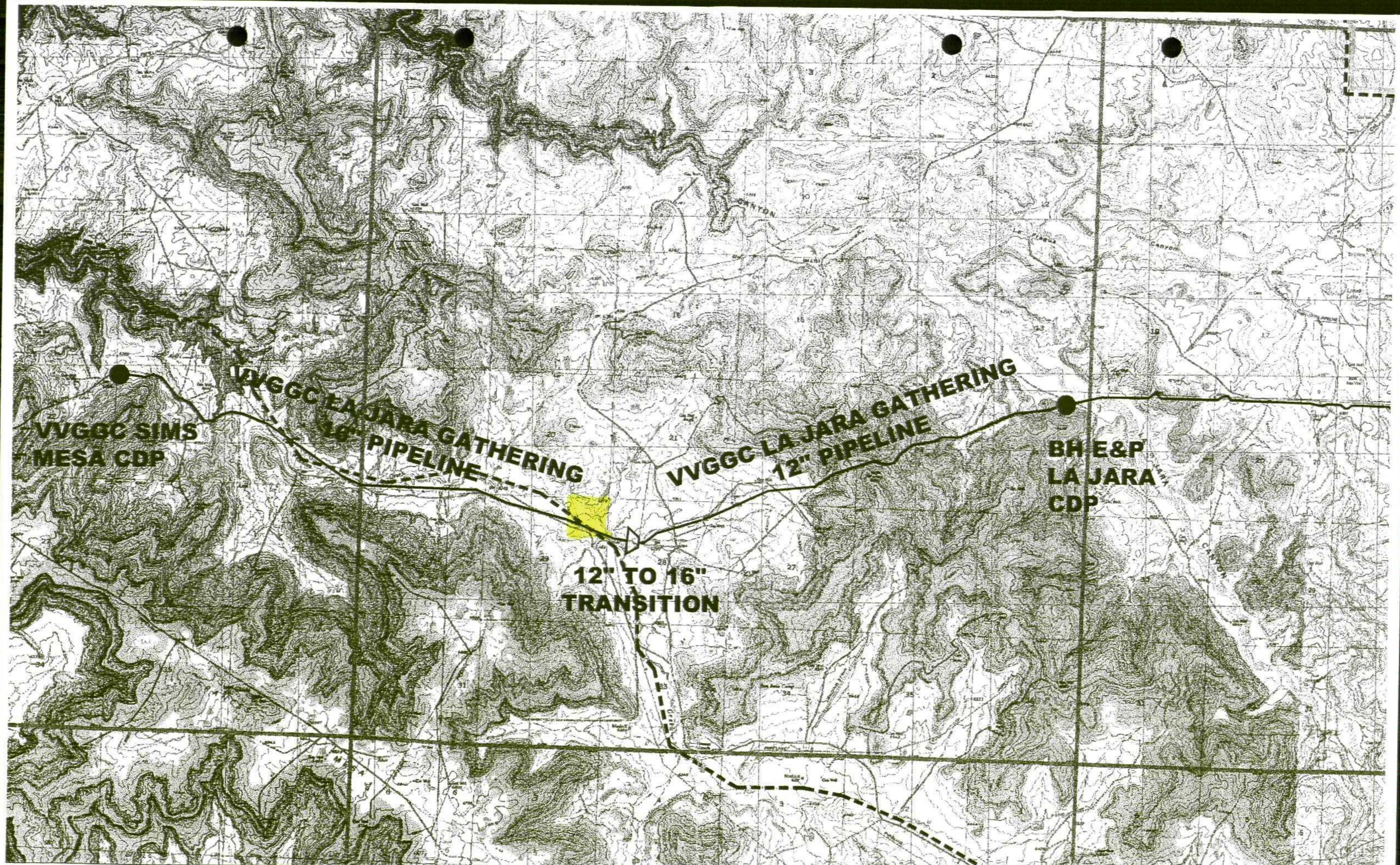

VVGGC SIMS
MESA CDP
VVGGC LA JARA GATHERING
16" PIPELINE
VVGGC LA JARA GATHERING
12" PIPELINE
BH E&P
LA JARA
CDP
12" TO 16"
TRANSITION

Figure 4

Duke Energy
Field Services

DUKE ENERGY FIELD SERVICES
3300 North A Street
Building 7
Midland, TX 79705

432 620 4000

November 25, 2003

Mr. Celso Gomez
Gomez y Gomez
GOMEZ RANCH
Blanco, New Mexico 87412

Re: Rio Arriba 9 Project
Rio Arriba, New Mexico

Dear Mr. Gomez:

Pursuant to our telephone conversation of this date, this letter will serve as your permission for Duke Energy Field Services, LP to discharge water from the Black Hills project onto your property which is described as follows:

NW/4 of NW/4 of Section 29, Twp 30 North, Range 6 West, NMPM
Rio Arriba County, New Mexico

The water being discharged is fresh water and will be used for hydrotesting Duke Energy's new constructed steel pipeline.

Please sign and date in the space provided below and return one copy in the enclosed self-addressed and stamped envelope.

Thank you for your assistance in this matter.

Larry D. Nash

LDN/ROW Manager

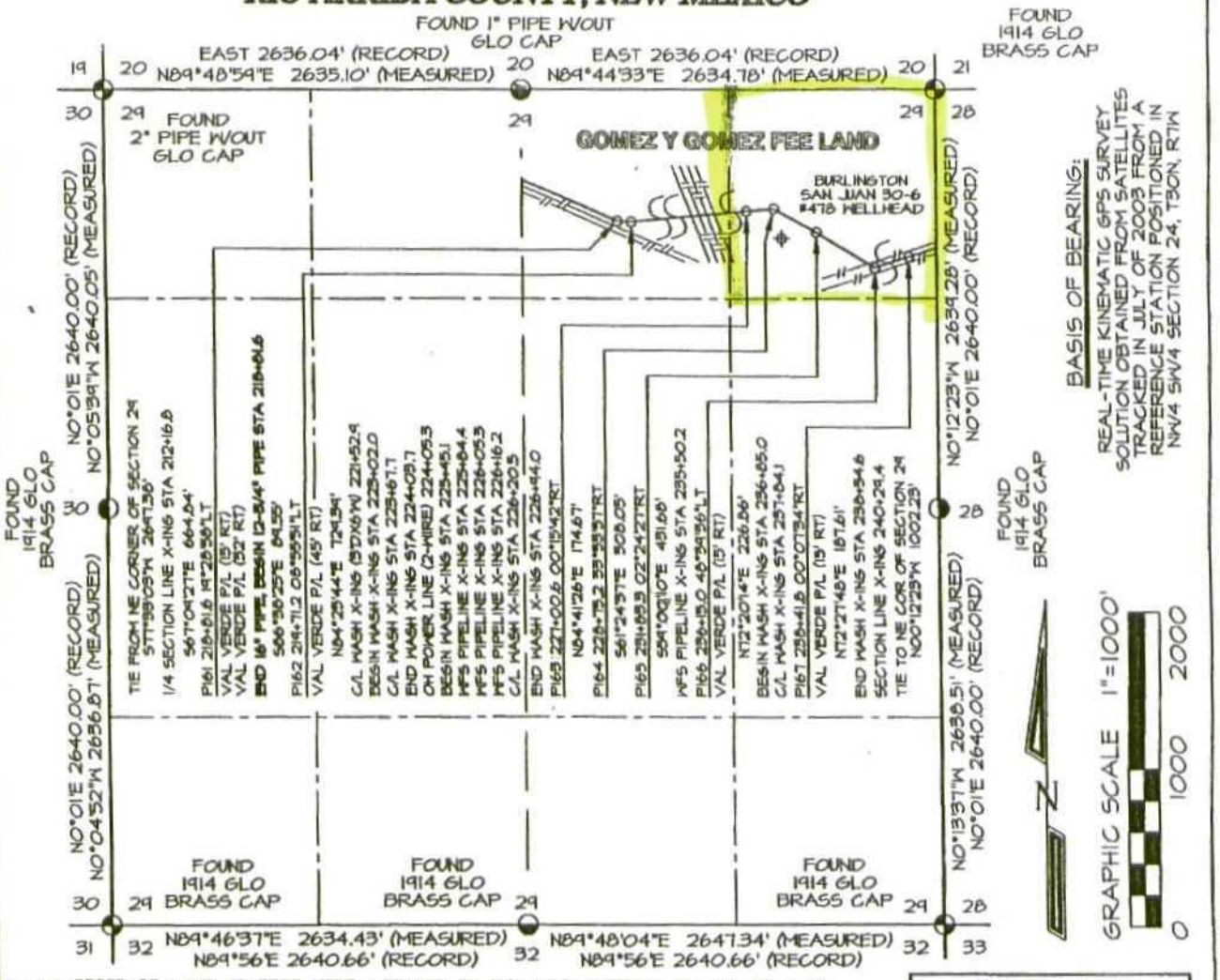
12-2-03
Date

Celso Gomez
Celso Gomez

RECEIVED
DEC - 4 2003

Rio Arriba 9

PRELIMINARY SURVEY FOR 16" AND 12-3/4" O.D. STEEL PIPELINE FOR VAL VERDE CONVENTIONAL GATHERING SYSTEM LOCATED IN N/2 NE/4 SECTION 29, T30N, R6W, NMPM RIO ARRIBA COUNTY, NEW MEXICO



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SAID STRIP OF LAND BEING 2812.6 FEET OR 170.5 RODS IN LENGTH AND CONTAINING 2.58 ACRES, MORE OR LESS.

~ SURFACE OWNER ~ Gomez Y Gomez
~ GRAZING PERMITTEE ~ Celso Gomez
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2812.6 FT / 170.5 RODS
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I, Jason C. Edwards, a registered professional surveyor under the laws of the State of New Mexico, hereby certify that this plat was prepared from field notes of an actual survey meeting the minimum requirements of the standards for easement surveys and is true and correct to the best of my knowledge and belief.

JASON C. EDWARDS
Jason C. Edwards
New Mexico LS #15269

Date: July 31, 2003

JASON C. EDWARDS NEW MEXICO 15269 REGISTERED PROFESSIONAL SURVEYOR

Prepared for:
VAL VERDE GATHERING
#119 COUNTY ROAD 4900
BLOOMFIELD, NM 87413

Land Surveyor:
Jason C. Edwards
Mailing Address:
Post Office Box 6612
Farmington, NM 87499
Business Address:
111 East Pinon Street
Farmington, NM 87402
(505) 325-2654 (Office)
(505) 326-5650 (Fax)

SURVEYS, INC.

CHECKED: JCE
DRAWN BY: SLE
SHEET 15 OF 24
FILENAME: BOK2415