

**Jones, Brad, EMNRD**

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**From:** Jones, Brad, EMNRD  
**Sent:** Thursday, May 4, 2023 8:23 AM  
**To:** Nolan, Melanie  
**Subject:** Renewal approval for HBP-041 - Holly Energy Partners - Operating, L.P.  
**Attachments:** 2023 0504 HBP-041 Holly Energy Partners - Operating, L.P. 120-day TP renewal approval signed.pdf

Melanie,

Please see the attached. It's a copy of your 120-day temporary permission renewal approval for HBP-041. If you have any questions regarding this matter, please do not hesitate to contact me.

Brad

**Brad A. Jones** • Environmental Scientist Specialist - Advanced  
Environmental Bureau  
EMNRD - Oil Conservation Division  
1220 S. Saint Francis Drive | Santa Fe, New Mexico 87505  
(505) 469-7486 | [brad.a.jones@emnrd.nm.gov](mailto:brad.a.jones@emnrd.nm.gov)  
[www.emnrd.nm.gov](http://www.emnrd.nm.gov)

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Dylan Fuge  
Acting Director, Oil Conservation  
Division



**BY ELECTRONIC MAIL ONLY**

May 4, 2023

Ms. Melanie Nolan  
Holly Energy Partners - Operating, L.P.  
1602 W. Main  
Artesia, New Mexico 88210  
[Melanie.Nolan@hollyenergy.com](mailto:Melanie.Nolan@hollyenergy.com)

**Re:     Renewal of Temporary Permission to Discharge Hydrostatic Test Water  
          Holly Energy Partners - Operating, L.P. - OGRID 282505  
          Permit: HBP - 41**

Ms. Nolan:

The Oil Conservation Division (OCD) has completed its review of Holly Energy Partners - Operating, L.P.'s (HEP) request, dated May 1, 2023, to renew the 120-day temporary permission to discharge small quantities of hydrostatic test wastewater generated from the testing of new transmission pipelines of oil and gas or products thereof throughout the State of New Mexico, which expires on June 20, 2023. OCD acknowledges receipt of the filing fee (\$100.00) and temporary permission fee (\$50.00) within a separately mailed submittal received by OCD on May 4, 2023.

Based on the information provided in the request, *temporary permission is hereby granted to HEP for the discharge of the hydrostatic test wastewater generated from all new pipeline hydrostatic tests* an operator may perform during the approved 120-day period with the following understandings and conditions:

1. the volume of the discharge is less than 25,000 gallons per hydrostatic test;
2. water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is used for each hydrostatic test;
3. email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. The notice shall contain the following information:
  - a. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of the proposed discharge;
  - c. the volume of the proposed discharge; and
  - d. the source of hydrostatic test water;

Holly Energy Partners - Operating, L.P.

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May 4, 2023

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4. no discharge shall enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;
5. no discharge shall occur:
  - a. where ground water is less than 10 feet below ground surface.
  - b. within 200 feet of a watercourse (19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (19.15.2.7.P(4) NMAC);
  - c. within an existing wellhead protection area (19.15.2.7.W(8) NMAC);
  - d. within 500 feet of a wetland (19.15.2.7.W(9) NMAC); or
  - e. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;
6. no discharge shall occur to a surface water body without obtaining a National Pollution Discharge Elimination Systems (NPDES) permit from the US EPA, NMED, and OCD prior to the discharge;
7. best management practices must be implemented to contain the discharge onsite, to ensure that the discharge does not impact adjacent property, and to control erosion;
8. the discharge does not cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC (the Water Quality Regulations);
9. HEP shall report all unauthorized discharges, spills, leaks, and releases of hydrostatic test wastewater and conduct corrective action pursuant to the Water Quality Regulations of 20.6.2.1203 NMAC and release notification pursuant to OCD Rule 29 (19.15.29 NMAC);
10. the landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test event; and
11. a report, summarizing each test of new pipeline with less than 25,000 gallons per hydrostatic test per discharge event performed within the approved 120-day period, shall be submitted to OCD within 45 days after the temporary permission expiration date and shall contain the following information:
  - a. the location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - b. the date of each discharge;
  - c. the volume of each discharge; and
  - d. the source and quality of test water (laboratory analysis, if necessary).

This temporary permission shall expire 120-days after June 20, 2023. **This temporary permission will expire on October 18, 2023.** Renewal requests for a 120-day temporary permission to discharge shall be submitted forty-five (45) days prior to the expiration date. A 120-day temporary permission may be revoked or suspended for violation of any applicable provisions and/or conditions of this approval.

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Please be advised that approval of this request does not relieve HEP of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve HEP of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If there are any questions, please do not hesitate to contact me at (505) 469-7486 or [brad.a.jones@emnrd.nm.gov](mailto:brad.a.jones@emnrd.nm.gov).

Respectfully,

A handwritten signature in blue ink, appearing to read 'Brad A. Jones', with a stylized flourish at the end.

Brad A. Jones  
*Environmental Specialist*



May 1<sup>st</sup>, 2023

Mr. Brad Jones, Environmental Engineer  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RE: Holly Energy Partners Operating, L.P. Request for 120-Day Temporary Permission to Discharge  
Hydrostatic Test Water OGRID 282505  
Permit Number: HBP-041

Dear Mr. Jones,

On behalf of Holly Energy Partners Operating L.P. (HEP), I am submitting this request for renewal of the 120-Day Temporary Permission to discharge hydrostatic test water resulting from the testing of new pipelines for HEP.

Discharges will be done in a manner to control erosion and prevent sediment discharging from the site. Methods of controlling sediment include: filter bags, detention basins, utilizing a water truck to spray test waters for dust suppression on the right-of-way, working the test water into the trench spoils to aid with compaction, placing the water in the trench and allowing it to soak or evaporate.

HEP acknowledges that conditions below must be satisfied for the use of the 120-Day Temporary Permission:

- a. the volume of the discharge is less than 25,000 gallons per hydrostatic test;
- b. water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is used for each hydrostatic test;
- c. email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. Each notice shall contain the following information:
  - i. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
  - ii. the date of the proposed discharge;
  - iii. the volume of the proposed discharge; and
  - iv. the source of hydrostatic test water;
- d. the discharge will not enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;

- e. no discharge shall occur:
  - i. where ground water is less than 10 feet below ground surface.
  - ii. within 200 feet of a watercourse (defined in 19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (defined in 19.15.2.7.P(4) NMAC);
  - iii. within an existing wellhead protection area (defined in 19.15.2.7.W(8) NMAC);
  - iv. within 500 feet of a wetland (defined in 19.15.2.7.W(9) NMAC); or
  - v. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;
- f. best management practices must be implemented to contain the discharge onsite, to ensure the discharge does not impact adjacent property, and to control erosion;
- g. the discharge does not cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC;
- h. the landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test discharge event; and
- i. A report, summarizing all hydrostatic test wastewater discharges of less than 25,000 gallons per hydrostatic test event, will be submitted to the OCD within 45 days after the temporary permission expiration date and shall contain the following information:
  - i. the location of each hydrostatic test water discharge (Section/Township/Range or GPS coordinates);
  - ii. the date of each discharge;
  - iii. the volume of each discharge; and
  - iv. the source and quality of test water (laboratory analysis, if necessary).

Enclosed is a check for the \$100.00 filing fee and \$50.00 for the temporary permission fee made out to the Water Quality Management Fund – New Mexico Oil Conservation Division. If you have any questions or comments, please feel free to contact me.



Melanie Nolan  
Environmental Specialist I  
Holly Energy Partners  
1602 W. Main  
Artesia, NM 88210  
Office: (575) 748-8972  
Cell: (214) 605-8303  
Fax: (575) 748-4052

HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

Check Date	04/24/2023
Check Amount	\$ 50.00
Vendor No	5008181
Payment Document	2000003934
Company Code	7070

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
04/20/2023	042023-DISCHG	APR 2023 TEMP PERM FEE-DISCHG HYDRO	50.00	0.00	50.00

Payment document	Check number	Date	Currency	Payment amount
2000003934	7000072640	04/24/2023	USD	*****50.00*

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK.

HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.

HOLLY ENERGY PARTNERS-OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

64-1278/611 7000072640  
04/24/2023

PAY EXACTLY

\*\*\*\*\*50.00\*USD

VOID AFTER 180 DAYS

PAY \*\*\* FIFTY and 00 /100 USD\*\*\*

TO THE  
ORDER OF WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

AUTHORIZED SIGNATURE

Bank of America N.A.



HOLLY ENERGY PARTNERS OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

Check Date 04/26/2023  
Check Amount \$ 100.00  
Vendor No 5008181  
Payment Document 2000003991  
Company Code 7070

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
04/20/2023	042023-FILINGFE	APR 2023 FILING FEE	100.00	0.00	100.00

Payment document	Check number	Date	Currency	Payment amount
2000003991	7000072648	04/26/2023	USD	*****100.00*

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HOLLY ENERGY PARTNERS OPERATING LP  
2828 N. Harwood St., Suite 1300  
Dallas TX 75201-1507

64-1278/611 7000072648  
04/26/2023

PAY EXACTLY

\*\*\*\*\*100.00\*USD

VOID AFTER 180 DAYS

PAY \*\*\* ONE HUNDRED and 00 /100 USD\*\*\*

TO THE  
ORDER OF WATER QUALITY MANAGEMENT FUND  
c/o OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225

Bank of America N.A.

AUTHORIZED SIGNATURE



ORIGIN ID: ROWA (575) 748-8972  
 MELANIE NOLAN  
 HOLLY ENERGY PARTNERS  
 1602 W. MAIN

SHIP DATE: 01MAY23  
 ACTWGT: 1.00 LB  
 CAD: 107928066/NET4610

ARTESIA, NM 88210  
 UNITED STATES US

BILL SENDER

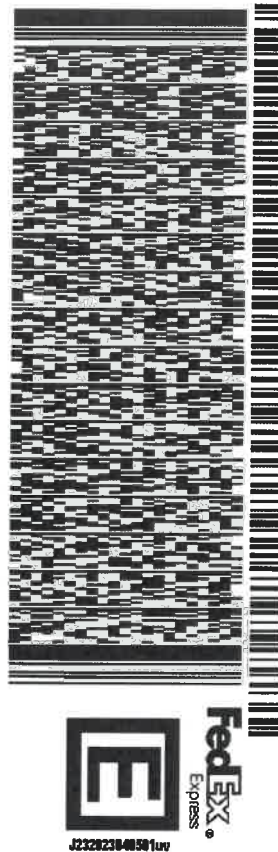
TO OIL CONSERVATION DIVISION  
 WATER QUALITY MANAGEMENT FUND  
 1220 S. ST. FRANCIS DRIVE

SANTA FE NM 87505

REF: ANNUAL REPORT

INV: (505) 478-3460  
 PO. DEPT.

583.G/2BC3/FE2D



WED - 03 MAY 4:30P

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**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 212136

CONDITIONS

Operator: HOLLY ENERGY PARTNERS - OPERATING, LP 1602 W. Main St. Artesia, NM 88210	OGRID: 282505
	Action Number: 212136
	Action Type: [UF-HP] HBP Permission (HBP)

CONDITIONS

Created By	Condition	Condition Date
bjones	OCD emailed the renewal approval of HBP-41 to Melanie Nolan (HEP) on May 4, 2023. The approved email is attached to this request. If you have any questions regarding this matter, please do not hesitate to contact me.	5/4/2023