ENERGY TRANSFER

ETC TEXAS PIPELINE Ltd

An ENERGY TRANSFER COMPANY

NMAC 19.15.28 Operation Plan

August 23, 2021

Table of Contents

1.0 Plan Introduction Elements

1.1 Purpose and Scope of Plan Coverage

The specific guidelines presented in this plan have been carefully thought out and prepared in accordance with and in consideration of safe pipeline operating practices. This plan has the full approval of management at a level with authority to commit the necessary resources to implement this plan. The overall objective of this plan is to maximize the gathering and containment of natural gas and thereby minimizing the loss of natural gas through fugitive venting and flaring.

1.2 General Purpose and Overview of the Gathering System

The New Mexico gathering system assets consists of natural gas gathering pipelines, compression, and treating in Eddy and Lea counties. The pipelines consist of high- and low-pressure Non-Regulated gathering pipelines that transport both sour and sweet natural gas. The pipelines are predominately buried with a mixture of steel and polyethylene pipe. Installation dates of the gathering system ranges from the 1930's to the 2020's.

1.3 Plan Revision

In accordance with NMAC 19.15.28.8 C.(1)(c), changes to this Operation Plan during the year will be submitted to the Division no later than March 31 of the following year.

Table 1: Revision Record

Date	Reason for Revision	Revision Completed By
August 23, 2021	Initial Operations Plan	Jake Krautsch

2.0 Routine Operations and Maintenance

2.1 Physical Pipeline Marking and Identification

Energy Transfer has a procedure that describes the requirements for the type and placement of signs along the pipeline ROW as well as fenced or otherwise enclosed boundaries of company facilities to aid in their identification and alert the general public of potential hazards.

2.2 Pipeline Inspections

2.2.1 Buried Pipe Inspection

Energy Transfer inspects buried pipe and coatings whenever any portion of a buried pipeline is exposed, found to be exposed, or removed. If the line is capable of in-line inspection tools, the Company would consider utilizing ILI in the event of a failure. The decision to assess a pipeline with these tools shall be based on the applicable threats and overall risk (probability and consequence) to the particular pipeline system and the ability of the technology to adequately detect and characterize the threats. In the context of this plan the consequence will consider the potential for unintended gas release as well as public safety.

2.2.2 Leak Surveys

Per NMAC 19.15.28 conduct weekly AVO (audio, visual and olfactory) inspections of the compressors, dehydrators and treatment facilities associated with a natural gas gathering system to confirm those components are operating properly and there are no leaks or releases except as allowed in Subsection B of 19.15.28.8 NMAC.

- During an AVO inspection the operator shall inspect all components, including flare stacks, thief hatches, closed vent systems, pumps, compressors, pressure relief devices, valves, lines, flanges, connectors, and associated piping to identify defects, leaks, and releases.

2.2.3 Annual Monitoring

Per NMAC 19.15.28 annual monitoring shall be performed of the entire length of a gathering pipeline using an AVO technique which could include but is not limited to ALARM technology, visual inspections, or other valid method to detect leaks and releases. Records shall be maintained for at least five years and upon the division's request, report the date and time of the monitoring, the method and technology used. Personnel conducting inspections shall be knowledgeable on the methods and technology being used.

2.3 Pipeline Pigging

As needed cleaners/pigs are ran in pipelines for the following primary purposes:

- To commission a pipeline
- To clean and/or distribute chemical inhibitors used to minimize internal corrosion
- To mechanically and/or chemically clean for maintenance requirements
- To maintain high flow efficiency
- To fill and dewater for hydrostatic testing or other operational purposes
- To dry the pipeline following hydrostatic testing
- To internally inspect the pipeline with electronic or mechanical technology
- To displace liquids or product from pipeline prior to maintenance activities

2.4 Depressurization Procedures

Energy Transfer shall flare rather than vent natural gas except when allowed by Subsection B of 19.15.28.8 or when it is technically infeasible or would pose a risk to safe operations or personnel safety and venting is a safer alternative than flaring.

2.5 Cathodic/Anode Installation

Operations Management in consultation with Area Corrosion Technicians and Corrosion Specialists will determine;

- Cathodic protection testing frequency for pipeline segments to include test points, rectifiers, bonds, and above ground appurtenances.
- Determination of need for and design of both impressed current and galvanic systems and proposed location choice of those systems as appropriate.
- External coating requirements for both above and below grade pipeline as applicable.
- Internal sampling and coupon locations along with testing frequency as applicable.
- Maintenance pigging type, frequency, and testing requirements for liquids/solids for piggable segments as appropriate.

2.6 Pressure Test

Pressure testing may be used for new or modified installations, to establish MAOP/MOP, class location changes, and uprating. All new and relocated pressure piping and facilities shall be pressure tested prior to being placed in-service as required by prevailing pipeline safety regulations.

3.0 Cathodic Protection, Corrosion Control, and Liquids Management

3.1 Cathodic Protection

For specific project requirements, the Project Manager shall consult with the Area Operations Management, Area Corrosion Technician, and Corrosion Specialist on the type and number of test sites required regarding the installation of pipelines and other appropriate cathodic protection requirements.

3.2 Chemical Treatments

Operations Personnel may elect to use biocides and inhibitors for internal mitigation dependent on pipeline conditions, test results from liquids/solids samples, MIC testing and corrosion coupon data as applicable.

3.3 Fluid Management

Operations Management in consultation with Area Corrosion Technicians and Corrosion Specialists will determine maintenance pigging type, frequency, and testing requirements for liquids/solids for piggable segments as appropriate.

3.4 Tank Operations

Tanks shall be installed and operated to meet required State and Federal environmental regulations and permits. Per NMAC 19.15.28 conduct weekly AVO (audio, visual and olfactory) inspections of all components associated with tanks located at compressor, dehydrator, and treaters.

4.0 Procedures to Reduce Releases

4.1 Procedures to Reduce Venting and Flaring During Maintenance, Emergencies, and Malfunctions

Energy Transfer shall maximize the gathering of natural gas by minimizing the waste of natural gas through venting and flaring. Energy Transfer may vent natural gas only as authorized in Subsection B of 19.15.28.8 NMAC. and shall flare rather than vent natural gas in all other circumstances except when flaring is technically infeasible or would pose a risk to safe operations or personnel safety and venting is a safer alternative than flaring.

4.2 Procedures for Reporting Scheduled Maintenance and Emergencies to Upstream Operators

4.2.1 Reporting scheduled maintenance, replacement or repair to Upstream Operators

No less than 14 days prior to the date of scheduled maintenance, replacement or repair of a natural gas gathering system, Energy Transfer shall provide written notification to each upstream operator whose natural gas is gathered by the system of the date and expected duration that the system will not gather natural gas.

4.2.2 Reporting Emergencies, Malfunctions, or Unplanned Maintenance to Upstream Operators

As soon as possible but no more than 12 hours after discovery of an emergency or malfunction, or the need for unscheduled maintenance of a natural gas gathering system, Energy Transfer shall provide verbal notification to each upstream operator whose natural gas is gathered by the system of the date and expected duration that the system will not gather natural gas, and shall provide written confirmation of the verbal notification, including the date, time, person, and telephone number to whom verbal notification was given no later than 24 hours after discover.

4.3 Emergency Response Plans

Energy Transfer has a Corporate Emergency Management Plan that outlines the plan for the Company to effectively manage emergency events. It is supplemental to other local emergency response plans if required and is maintained with appropriate resources to implement a professional emergency management organization.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
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

QUESTIONS

Action 43748

QUESTIONS

Operator: ETC Texas Pipeline, Ltd. 8111 Westchester Drive Dallas, TX 75225	OGRID: 371183
	Action Number: 43748
	Action Type: [NGGS] NGGS Operations Plan (NGGS-OP)

QUESTIONS

Verification	
Does the operator own the selected facility	Yes
Is the selected facility a natural gas gathering system	Yes

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ACKNOWLEDGMENTS

☑	I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Gathering System Operations Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.