

**HITP - 27**

**GENERAL  
CORRESPONDENCE**

**YEAR(S):  
2012-2013**



March 20, 2012

**UPS NEXT DAY AIR** (Tracking Number 1Z F46 915 01 9009 7264)

Mr. Brad Jones  
New Mexico Energy, Minerals, and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED OGD  
2012 MAR 21 A P 01

Subject: Notice of Intent to Perform a Hydrostatic Test  
Cedar Canyon to BL-5 10-inch Pipeline Project  
Eddy County, New Mexico

Mr. Jones,

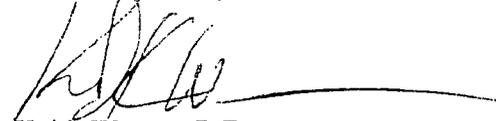
Enclosed for your consideration is a Notice of Intent (NOI) prepared by DCP Midstream, LP (DCP) for the completion of a hydrostatic test and subsequent test water disposal associated with our recently installed Magnum to Pecos Diamond pipeline. Approximately 37,000 feet of 10-inch steel pipeline will be hydrostatically tested in order to place this new natural gas gathering pipeline into service. The pipeline will be used to transmit field gas to DCP's Antelope Ridge Gas Plant for processing.

Upon completion of the hydrostatic test, the test water will be withdrawn from the pipeline and temporarily placed into eight 500-barrel frac tanks prior to being hauled for disposal. The withdrawal point for the test water will be approximately 10 miles northeast of Loving, New Mexico, on right-of-way purchased by DCP. DCP expects that approximately 3,950 barrels of water will be required for the test. Shortly after completion of testing, the test water will be hauled to Texas Lobo Trucking's Lost Tank Salt Water Disposal Well #1 for disposal. DCP plans on completing the hydrostatic test on or about May 19, 2012, and will dispose of the test water within 10 days of completion of the test.

This NOI was prepared following the information included in the New Mexico Oil Conservation Division (NMOCD) "Guidelines for Hydrostatic Test Dewatering", dated January 11, 2007, and following guidance provided by you during recent telephone conversations. A check for \$100.00 to cover the filing fee is included with this notice. The temporary permission fee (\$150.00) will be sent upon notification that the authorization to perform the hydrostatic test and to dispose of the test water has been approved.

Please contact me at (303) 605-1936 if you have questions regarding this Notice of Intent or any of the information provided herein.

Sincerely,  
DCP Midstream, LP



Keith Warren, P.E.  
Senior Environmental Engineer

Enclosures

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. 78217 dated 3/20/12

or cash received on \_\_\_\_\_ in the amount of \$ 100<sup>00</sup>

from DGP Midstream LP

for HITP-27

Submitted by: Lawrence Romic Date: 3/22/12

Submitted to ASD by: [Signature] Date: 3/22/12

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee  New Facility \_\_\_\_\_ Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 2012

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_