

HBP - _____27_____

**GENERAL
CORRESPONDENCE**

**YEAR(S):
_____2017 - 2020_____**



2017 JUN -2

May 31, 2017

Mr. Brad Jones
Environmental Engineer
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, NM 87505

**RE: Renewal Request
Annual Temporary Permission to Discharge Hydrostatic Test Water (Permit No. HBP-027)
Encana Oil & Gas (USA) Inc, San Juan Basin Operations**

Mr. Jones

Pursuant to water Quality Control Regulations (WQCC) 20.6.2 NMAC, Encana Oil & Gas (USA) Inc. (Encana) is hereby submitting to the New Mexico Oil Conservation Division (OCD) its application for renewal of its Annual Temporary Permission to Discharge Hydrostatic Test Water associated with Encana operations in the San Juan Basin. OCD issued Permit No. HBP-027 on May 28, 2015 in response to Encana's May 22, 2016 renewal application for Annual Temporary Permission to Discharge Hydrostatic Test Water. Encana will be performing hydrostatic testing on new pipe only.

Consistent with Permit HBP-027 and as a part of its request for renewal of this permit, Encana will comply with conditions specified by OCD's Guidelines for Hydrostatic Test Dewatering (Rev. January 11, 2007), those being:

- a. the volume of water used for each hydrostatic test conducted subject to this permit will not exceed 25,000 gallons,
- b. public/municipal-sourced water or other OCD approved sources will be utilized for each test conducted subject to this permit,
- c. written or email notification will be provided to OCD At least 72 hours prior to each discharge event,
- d. hydrostatic test water from discharge events will not be allowed to enter any lake, perennial stream, river or ephemeral drainages,
- e. no discharge will occur
 - i. where groundwater is less than ten feet below ground surface
 - ii. within 200 feet of a watercourse, lakebed, sinkhole, or playa lake
 - iii. within an existing wellhead protection area
 - iv. within, or within 500 feet of, a wetland
 - v. within 500 feet of the nearest permanent residence, school, hospital, institution, or church,
- f. best management practices will be implemented to contain the discharge onsite, does not impact adjacent property and to control erosion,
- g. no discharge event will cause any fresh water supplies to be degraded or exceed standards as set forth in Subsection A, B, or C of 20.6.2.3103 NMAC,
- h. landowners of each proposed discharge and/or collection/retention or alternative discharge location will be properly notified of the activities prior to each proposed hydrostatic test event, and

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17th Street Suite 1700 Denver CO 80202 USA 303 623 2300 encana.com



- I an annual report summarizing all tests of new pipe with 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 will contain the following information
 - I the location of hydrostatic test (Section/Township/Range or GPS coordinates),
 - II the date of each test,
 - III The volume of each discharge,
 - IV The source and quality of test water (laboratory analysis, only when required)

In accordance with Section 3114 of 20 6 2 NMAC, attached is one check for the total amount of \$250.00 to cover both the filing and temporary permission fees, made payable to the Water Quality Management Fund as payment of the permit applicant filing fee and the temporary permission fee, respectively

Please contact me at 720 876 3513 if you have any questions concerning this request or additional information is required.

Best regards,

A handwritten signature in black ink, appearing to read "Paul Buck".

Paul Buck
Manager, Field Environmental, Western Operations

Attachment