



July 30, 2021

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

Dear Mr. Jones,

On behalf of Holly Energy Partners Operating L.P. (HEP), I am submitting this request for issuance of the 120-Day Temporary Permission to discharge hydrostatic test water resulting from the testing of new pipelines. The Oil and Gas Remittance Identifier (OGRID) number is 252505. The current Annual Temporary Permission permit for renewal, HBP-029, expires August 13, 2021 and will be terminated upon expiration under previous OGRID 252293. As required, HEP will submit the Annual Data Summary within 45 days for the Permit HBP-029 with the expiration date of August 13, 2021.

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 to Discharge Hydrostatic Test Water:

- 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 proposed discharge;
  - iii. the volume of the proposed discharge; and
  - iv. the source of hydrostatic test water;

- d. the discharge shall not enter any lake, perennial stream, river or their respective tributaries that may be seasonal;
- e. no discharge shall occur:
  - i. 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.W(8) 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 that 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 standard as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC;
- h. the landowner 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.

The checks 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 were processed through NMOCD under an incorrect submittal for HBP-029 in June of 2021 and should be applied to this request for permission. 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

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval  
Director, Oil Conservation Division



August 2, 2021

Ms. Melanie Nolan  
Holly Energy Partners - Operating, L.P.  
1602 W. Main  
Artesia, New Mexico 88210

**Re: Renewal of Annual Temporary Permission to Discharge Hydrostatic Test Water  
Holly Energy Partners - Operating, L.P. - OGRID 282505  
Permit: HBP - 041**

Dear Ms. Nolan:

The New Mexico Oil Conservation Division (OCD) has completed its review of Holly Energy Partners - Operating, L.P.'s (HEP) request, dated July 30, 2021, for a request for approval of a 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. OCD acknowledges receipt of the filing fee (\$100.00) and temporary permission fee (\$50.00) from an earlier submittal dated June 23, 2021. HBP-029 issued to Holly Energy Partners - Operating, L.P. - OGRID 252293 will expire on August 13, 2021.

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 does not exceed 25,000 gallons per hydrostatic test;
2. water from a public/municipal water supply or other OCD approved sources (upon a written request to OCD) is used for each 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;

Holly Energy Partners - Operating, L.P.  
Permit: HBP-041  
August 2, 2021  
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- c. the volume of the proposed discharge; and
  - d. the source of hydrostatic test water;
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 issuance. **This temporary permission will expire on November 30, 2021.** 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

Holly Energy Partners - Operating, L.P.  
Permit: HBP-041  
August 2, 2021  
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temporary permission may be revoked or suspended for violation of any applicable provisions and/or conditions of this approval.

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@state.nm.us](mailto:brad.a.jones@state.nm.us).

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*

**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Monday, August 2, 2021 11:26 AM  
**To:** Nolan, Melanie  
**Subject:** RE: HEP Corrected 120-Day Temporary Permission to Discharge Hydrostatic Test Water.  
**Attachments:** 2021 0802 HBP-041 Holly Energy Partners - Operating, L.P. 120-day TP signed.pdf

Melanie,

Please see the attached approval. OCD appreciates your assistance and patience in getting everything resolved. You will also be receiving an email from OCD E Permitting referencing this email and the attached approval. If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Brad Jones

**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@state.nm.us](mailto:brad.a.jones@state.nm.us)  
[www.emnrd.nm.gov](http://www.emnrd.nm.gov)

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**From:** Nolan, Melanie <Melanie.Nolan@hollyenergy.com>  
**Sent:** Friday, July 30, 2021 3:00 PM  
**To:** Jones, Brad A., EMNRD <brad.a.jones@state.nm.us>  
**Subject:** RE: HEP Corrected 120-Day Temporary Permission to Discharge Hydrostatic Test Water.

The permit application has been submitted via the portal. Have a great weekend.

**Melanie Nolan**  
Environmental Specialist/EHS Department

**Holly Energy Partners**  
**O** 575-748-8972  
**M** 214-605-8303  
[Melanie.Nolan@hollyenergy.com](mailto:Melanie.Nolan@hollyenergy.com)  
[www.hollyenergy.com](http://www.hollyenergy.com)

1602 W. Main, Artesia, New Mexico, 88210



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**From:** Nolan, Melanie  
**Sent:** Friday, July 30, 2021 11:34 AM  
**To:** 'brad.a.jones@state.nm.us' <[brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)>  
**Subject:** HEP Corrected 120-Day Temporary Permission to Discharge Hydrostatic Test Water.

Mr. Jones,

We finally got our OGRID situation with HEP corrected. All information in Portal has been updated to reflect the correct company name, Holly Energy Partners – Operating, LP.  
Can you please review attached before I submit via portal?  
The checks for payments were sent out under previous application before the error was discovered and I believed processed?

I appreciate your help and patience with this issue

**Melanie Nolan**  
Environmental Specialist/EHS Department

**Holly Energy Partners**  
O 575-748-8972  
M 214-605-8303  
[Melanie.Nolan@hollyenergy.com](mailto:Melanie.Nolan@hollyenergy.com)  
[www.hollyenergy.com](http://www.hollyenergy.com)

1602 W. Main, Artesia, New Mexico, 88210



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June 23, 2021

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

Previous Permit Number: HBP-029

Dear Mr. Jones,

On behalf of Holly Energy Partners Operating L.P. (HEP), I am submitting this request for issuance of the 120-Day Temporary Permission to discharge hydrostatic test water resulting from the testing of new pipelines. The Oil and Gas Remittance Identifier (OGRID) number is 252293. The current Annual Temporary Permission permit for renewal, HBP-029, expires August 13, 2021. As required, HEP will submit the Annual Data Summary within 45 days of the August 13, 2021 expiration date.

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 Annual Temporary Permission:

1. The volume does not exceed 25,000 gallons per hydrostatic test;
2. Water must come from a public/municipal water supply or other OCD approved sources;
3. Email or written notification must be provided to OCD 72 hours prior to each hydrostatic discharge;
4. The discharge does not 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 ft. bgs.
  - B. within 200 ft of a watercourse, lakebed, sinkhole or playa lake;
  - C. within an existing wellhead protection area;

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2828 N. Harwood, Suite 1300

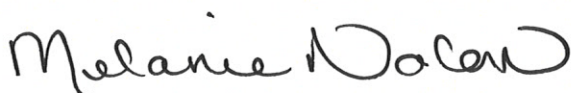
Dallas, TX 75201

214-871-3555



- D. within, or within 500 ft of a wetland; or
  - E. within 500 ft from the nearest permanent residence, school, hospital, institution or church
6. 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;
7. The discharge does not cause any fresh water supplies to be degraded or to exceed standard as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC;
8. HEP shall report all unauthorized discharges, spills, leaks, and releases of hydrostatic test water and conduct corrective action pursuant to OCD Rule 19.15.29 NMAC;
9. The landowner 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;
10. Submit a report, summarizing all hydrostatic test wastewater discharges of less than 25,000 gallons per hydrostatic test event, will be submitted to OCD within 45 days after the temporary permission expiration date.

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



VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

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

64-1278/611

7000069189

06/18/2021

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.

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

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

64-1278/611

7000069188

06/18/2021

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



AUTHORIZED SIGNATURE

Bank of America N.A.



**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**

CONDITIONS  
  
Action 39010

CONDITIONS

Operator: HOLLY ENERGY PARTNERS - OPERATING, LP 1602 W. Main St. Artesia, NM 88210	OGRID: 282505
	Action Number: 39010
	Action Type: [UF-HP] HBP Permission (HBP)

CONDITIONS

Created By	Condition	Condition Date
bjones	OCD has sent your approval in a seprate email. If you have any questions regarding this matter, please do not hesitate to contact me.	8/2/2021