

HITP - 2

**TEMPORARY
PERMISSION**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL J. CLARDSON

Governor

Joan Narukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 5, 2007

Ms. Beverly J. Cox
ConocoPhillips Company
Wingate Fractionating Plant
PO Box 119
Rebooth, NM 87322

**Re: Hydrostatic Test Water Discharge - Temporary Permission
ConocoPhillips Company Wingate Fractionating Plant – GW 54
Sections 16, Township 15 North, Range 17 West, NMPM
McKinley County, New Mexico**

Dear Ms. Cox:

The New Mexico Oil Conservation Division (OCD) has received ConocoPhillips Company's (ConocoPhillips) revised request, dated June 4, 2007, for temporary permission to generate approximately 3,900 gallons of wastewater from a hydrostatic test of approximately 1494 feet of old pipeline and dispose of the wastewater at an OCD approved facility – Basin Disposal. The proposed discharge collection location is the Wingate Refractory Plant located in Section 16, Township 15 North, Range 17 West, NMPM, McKinley County, New Mexico - approximately 1 mile east of Gallup, New Mexico.

Based on the information provided in the request, **temporary permission is hereby granted** for the collection and disposal of the hydrostatic test water generated from the old pipeline test with the following understandings and conditions:

1. the discharge collection will occur at the following location: 68 El Paso Circle, Gallup, New Mexico;
2. the source of the hydrostatic test water will be obtained from a municipal/public water supply;
3. approximately 3,900 gallons of hydrostatic test water generated from the test will be discharged within the existing easement right of right;
4. no hydrostatic test water generated from the test will be discharged to groundwater or be allowed to exit the right of way;
5. the discharge does not enter any lake, perennial stream, river or their respective tributaries that may be seasonal;

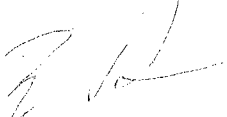
6. no discharge shall occur:
 - i. where ground water is less than 10 feet below ground surface;
 - ii. within 200 feet of a watercourse, lakebed, sinkhole or playa lake;
 - iii. within an existing wellhead protection area;
 - iv. within, or within 500 feet of a wetland; or
 - v. within 500 feet from the nearest permanent residence, school, hospital, institution or church;
7. best management practices must be implemented to contain the discharge onsite, 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 New Mexico Water Quality Control Commission Regulations);
9. the landowner(s) of the proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to the proposed hydrostatic test event; and
10. ConocoPhillips shall report all unauthorized discharges, spills, leaks and releases of hydrostatic test water and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC).

It is understood that the hydrostatic test will occur sometime during the period of June 5, 2007 through August 5, 2007. **This temporary permission will expire in 120 calendar days.**

This approval does not relieve ConocoPhillips of responsibility should its operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve ConocoPhillips of responsibility for compliance with other federal, state or local regulations.

If there are any questions regarding this matter, please do not hesitate to contact Brad A. Jones at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,



Wayne Price
Environmental Bureau Chief

LWP/baj

cc: OCD District IV Office, Santa Fe, NM

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. 1101 dated 5/18/07

or cash received on _____ in the amount of \$ 250⁰⁰

from ConocoPhillips Company San Juan Basin Gas Plant

for GW-54

Submitted by: Lawrence Rensen Date: 6/11/07

Submitted to ASD by: Lawrence Rensen Date: 6/11/07

Received in ASD by: _____ Date: _____

Filing Fee ☒ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 52107 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

DEBRA GOMEZ CONOCOPHILLIPS P.O. BOX 119 REHOBOTH NM 87322		1101
DATE <u>May 18, 2007</u>		56-1551/441
PAY TO THE ORDER OF <u>Water Quality Management Fund</u>		\$ <u>500.00</u>
<u>Five hundred dollars and ⁰⁰/₁₀₀</u>		DOLLARS <input checked="" type="checkbox"/>
JPMorganChase JPMorgan Chase Bank, N.A. Columbus, OH		Valid Up To 5000 Dollars
MEMO <u>GW 035 - \$250</u> <u>GW 054 - \$250</u>		<u>Rebbie Gomez</u>
11011155111528723061580311101		



San Juan Business Unit
Beverly J. Cox
Environmental Specialist
P.O. Box 4289
Farmington, NM 87499
505-324-6194
beverly.j.cox@conocophillips.com

May 17, 2007

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

Subject: Temporary Permission to Discharge, existing discharge permit #054

Dear Mr. Jones

ConocoPhillips Company by this letter submits this notice of intent to discharge in accordance with Sec. 1201, 20.6.2 NMAC; and seeks temporary permission to discharge as described herein. A check for the filing fee of \$100.00 and temporary approval fee of \$150 is attached.

The proposed action is a hydrostatic test of a short section of pipeline located at the Wingate Fractionating Plant (Wingate Plant) using fresh water meeting WQCC groundwater standards. A 1494 ft. section of pipeline from the pig receiver to the Wingate Plant will be tested.

Hydrostatic test water from the pipeline will be certified RCRA exempt waste, and will be eligible for disposal accordingly. Copies of certifications will be provided to OCD, if required.

Wingate Plant has recently submitted an application for renewal of their discharge plan, and details on this request for permission are duplicated from the application.

a. The proposed discharger is:

ConocoPhillips Company
Wingate Plant
PO Box 119
Rehoboth, NM 87322

Discharge Permit # 054

b.,c.,d. The water will be captured at the Wingate Plant located in portions of section 9, 10, 15, 16, and 17, T15N, R 17W. The facility is approximately 1 mile east of Gallup, NM.

e.,g.,h. The water will be captured at the plant in 250 barrel tanks, and hauled to Basin Disposal. No discharge to groundwater is expected to occur.

The Wingate Fractionator has a written procedure in place to perform the hydro testing of the section of pipeline from the pig receiver to the plant. In addition to the operational procedure the point of water injection will be monitored as the line is filled. There is a valve on the pipeline and a valve on the pump that can be shut off in the event of a release. During the process of filling the line, the line pressure will be monitored and above ground valves will be monitored for leaks. During the dewatering process, the line will be monitored at the dewatering point and the collection tanks. There are valves on the pipeline at the discharge point and on the tanks that can be closed should a leak occur. The tanks receiving the test water and the discharge point are in the fenced boundaries and are situated in close proximity to a spill collection ditch. Where the conditions allow, there will be containment pans placed under the valve/hose connections to collect any drips that may occur.

f. The pipe to be hydro-tested is approximately 1494 feet in length. The approximate volume of water discharged is 3900 gallons.

i. Since the location of the pipe to be tested and the location of capture is the property of ConocoPhillips, no alternate discharge locations are contemplated.

j.,k.,l. Subsequent to the test, ConocoPhillips will sample the water as per Basin Disposal's requirements. The water is expected to meet Basin Disposal's requirements.

m.,n. Since the test water will be contained in steel tanks and disposed of off-site, no discharge to groundwater is expected.

o. Landowners are

ConocoPhillips Company
PO Box 119
Rehoboth, NM 87322
(817) 390-8686

The Navajo Tribal Council
PO Box 701
Window Rock, AZ 86515
(928) 871-7160

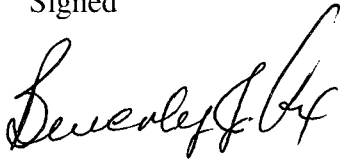
ConocoPhillips understands that a follow-up letter stating the volume and method of disposal will be required subsequent to the test.

Wingate Plant requests that permission for additional hydrostatic testing of this nature be added to the renewed discharge permit.

Your attention is appreciated; ConocoPhillips proposes to conduct this test the first week of June, 2007.

I certify that the above is true and correct to my knowledge and belief based on reasonable inquiry.

Signed

A handwritten signature in black ink, appearing to read "Beverly J. Cox", written in a cursive style.

Beverly J. Cox



San Juan Business Unit
P.O. Box 4289
Farmington, NM 87402-4289
(505) 326-9700

May 31, 2007

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

Subject: Temporary Permission to Discharge at Wingate Fractionating Plant, existing discharge permit #054

Dear Mr. Jones

ConocoPhillips Company by this letter submits this notice of intent to discharge in accordance with Sec. 1201, 20.6.2 NMAC; and seeks temporary permission to discharge as described herein. A check for the filing fee of \$100.00 and temporary approval fee of \$150 has already been submitted.

Wingate Plant has recently submitted an application for renewal of their discharge plan, and details on this request for permission are duplicated from the application.

The actions to be taken are described below, in the format of the guidelines for Hydrostatic Test Dewatering:

a. *Name and Address of Proposed Discharger*

The proposed discharger is:

ConocoPhillips Company
Wingate Plant
PO Box 119
Rehoboth, NM 87322

Discharge Permit # 054

b. *The location of the discharge, including a street address, if available, and sufficient information to locate the facility with respect to surrounding landmarks*

May 31, 2007

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

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The proposed discharger is:

ConocoPhillips Company
Wingate Plant
PO Box 119
Rehoboth, NM 87322

Discharge Permit # 054

b. *The location of the discharge, including a street address, if available, and sufficient information to locate the facility with respect to surrounding landmarks*

The water will be captured at the Wingate Plant. The Wingate Fractionating Plant is located at 68 El Paso Circle, approximately 1 mile east of Gallup, NM.

c. *Legal description (Section/Township/Range) of the discharge location*

The tank storage location will be in section 16, T15N, R 17W.

d. *Maps (site specific and regional) indicating the location of the pipelines to be tested and the proposed discharge location*

A copy of a 7.5 minute map is attached showing the location of the plant. Also attached is a scan of an aerial photo of the Wingate Plant, and a scan of the overall pipeline map showing the location of the pipeline as it leaves the plant. The length of pipeline to be tested is 1494 ft, the scale on the maps is 1 in = 12,000 ft. The pipeline sections are not within the footprint of the existing groundwater discharge permits for either facility.

e. *A demonstration of compliance to the following siting criteria or justification for any exceptions:*

- i. *within 200 feet of a watercourse, lakebed, sinkhole or playa lake*
- ii. *within an existing wellhead protection area or 100-year floodplain*
- iii. *within or within 500 feet of, a wetland*
- iv. *within the area overlying a subsurface mine; or*
- v. *within 500 feet from the nearest permanent residence, school, hospital, institution or church*

To the best of our knowledge and belief, the potential discharge point for this action will not be located within 200 feet of a watercourse, lakebed, sinkhole or playa lake; will not be located within an existing wellhead protection area or 100-year floodplain; within or within 500 feet of a wetland; within the area overlying a subsurface mine; or within 500 feet from the nearest permanent residence, school, hospital, institution or church. A copy of a portion of a 7.5 minute map showing the 500 ft radius from the point of potential discharge is attached to demonstrate this.

f. *A brief description of the activities that produce the discharge*

The proposed action is a hydrostatic test of a short section of pipeline located at the Wingate Fractionating Plant using fresh water meeting WQCC groundwater standards. A 1494 ft. section of pipeline from the Wingate Plant to the pig receiver will be tested.

g. *The method and location of collection and retention of fluids and solids*

At the Wingate Fractionation Plant, the facility will store the waste material from the test in a tank located within a lined bermed area. The material will be stored

in a 210 bbl (8820 gal) tank located in a bermed area (25 x 50 x 1.5 feet) with an impermeable liner. The berm will contain approximately 14,025 gallons, which is more than sufficient to contain $1 \frac{1}{3}$ the volume of the tank plus tank displacement. The material generated will be stored here no longer than the time required to obtain a vacuum trucks to remove it from the tank.

- h. *A brief description of the best management practices to be implemented to contain the discharge onsite and to control erosion*

The Wingate Fractionation Plant has a written procedure in place to perform the hydro testing of the section of pipeline from the plant to the pig launcher. In addition to the operational procedure the point of water injection will be monitored as the line is filled. There is a valve on the pipeline and a valve on the pump that can be shut off in the event of a release. During the process of filling the line, the line pressure will be monitored and above ground valves will be monitored for leaks. During the dewatering process, the line will be monitored at the dewatering point and the vacuum truck. There are valves on the pipeline at the discharge point and on the truck that can be closed should a leak occur. Where the conditions allow, there will be containment pans placed under the valve/hose connections to collect any drips that may occur.

- i. *A request for approval of an alternative treatment, use, and/or discharge location (other than the original discharge site), if necessary*

Since the location of the pipe to be tested and the location of capture is the property of ConocoPhillips, no alternate discharge locations are contemplated.

- j. *A proposed hydrostatic test wastewater sampling plan*

Since the waste will be immediately disposed of as RCRA exempt waste by Basin disposal, no sampling plan is required. The Facility will fill out the C-138 forms for the collection to enable transport as RCRA-exempt waste.

- k. *A proposed method of disposal of fluids and solids after test completion, including closure of any pits, in case the water generated from test exceeds the standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC*

Hydrostatic test water from the pipeline will be certified RCRA exempt waste, and will be eligible for disposal accordingly. The waste will be removed and disposed of by Basin Disposal as soon as possible. Copies of certifications will be provided to OCD, if required.

The tank storage area will be dismantled after the test water has been removed. The liner will be removed, and the berm will be flattened and removed elsewhere.

l. *A brief description of the expected quality and volume of the discharge*

The pipe to be hydro-tested is approximately 1494 feet in length. The approximate volume of water discharged is 3900 gallons.

m. *Geological characteristics of the subsurface at the proposed discharge site*

A copy of the portion of the geological information from the discharge permit application is attached for your review.

n. *The depth to and total dissolved solids concentration of the ground water most likely to be affected by the discharge*

A copy of the portion of the geological information from the discharge permit application is attached for your review.

o. *Identification of landowners at and adjacent to the discharge and collection/retention site*

ConocoPhillips Company
PO Box 119
Rehoboth, NM 87322
(817) 390-8686

The Navajo Tribal Council
PO Box 701
Window Rock, AZ 86515
(928) 871-7160

ConocoPhillips understands that a follow-up letter stating the volume and method of disposal will be required subsequent to the test.

Your attention is appreciated; ConocoPhillips proposes to conduct this test the first week of June, 2007.

I certify that the above is true and correct to my knowledge and belief based on reasonable inquiry.

Sincerely



Beverly J. Cox
Environmental Specialist