HITP - _18_

GENERAL CORRESPONDENCE

YEAR(S): _2011_

ConocoPhillips

Wingate Plant
P.O. Box 119
Rehoboth, NM 87322
phone 505.863.1045

May 26, 2011

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

Subject: Submittal of a Notice of Intent to Perform a Hydrostatic Test
Bisti Pipeline - Operator ID 31506
McKinley County, New Mexico

Mr. Jones,

ConocoPhillips Company (COPC) Wingate Fractionator is pleased to submit this Notice of Intent (NOI) for a hydrostatic test of our Bisti Pipeline and a request for permission for this discharge activity. COPC Wingate intends to dispose of our E&P exempt hydrostatic test water in a Class II injection well (20.6.2.5002 B.(2) NMAC) owned by Basin Disposal, in Bloomfield, New Mexico: therefore, no surface discharge of the hydrostatic test water is planned.

COPC would like to conduct this testing and requested discharge during the annual shutdown of our San Juan and Wingate plants in June of this year. Your prompt review of this matter is respectfully requested.

ConocoPhillips is required by Department of Transportation Part 195- Transportation of Hazardous Liquids by Pipeline, to hydrostatically test sections of a pipeline system that cannot be tested by other means. The Bisti Pipeline, owned and operated by ConocoPhillips and located in Northwest New Mexico, is on a 5 year interval for inspection and testing. ConocoPhillips has completed Smart pigging of all sections that can be examined by this technology.

There are two remaining sections of the Bisti Pipeline that need to be hydrostatically tested to complete the DOT 195 requirements and also satisfy the requirements of the Bisti Pipeline Integrity Management Plan (IMP). To comply with the requirements of the IMP and DOT 195 these pipeline sections must be hydrostatically tested in 2011.

The section of pipe addressed in this NOI is located just outside the city limits of Gallup, New Mexico and runs from the Wingate Fractionator metering skid to the Bisti Pipeline pig catcher. COPC Wingate would like to commence testing this section of pipeline on June 6, 2011. Dewatering of the line would begin on or about June 8, 2011. Approximately 1235 ft.

of 8" pipe will be isolated, evacuated of product, and tested. We expect to generate approximately 3200 gallons of hydrostatic test water (76 bbls).

COPC Wingate has included the required information for the NOI as stated in the 'Guidelines for Hydrostatic Test Dewatering" dated January 11, 2007. Attached to the NOI are the following:

- Background Information
- Notice of Intent
- Appendix A, Map showing COPC Bisti Pipeline route
- Appendix B, Section of pipeline undergoing hydrostatic test, storage tank and dewatering location
- Appendix C, Certification of siting criteria
- Appendix D, Wellhead protection information within 1,000 feet of the temporary tank location and dewatering area
- Appendix E, Mine information within 1,000 feet of temporary storage tank location / dewatering area
- Appendix F, Federal Emergency Management Administration Flood Insurance Rate maps for area of temporary storage tank location / dewatering area
- Appendix G, Geologic time scale
- Appendix H, Number of landowners adjacent / near the dewatering / storage tank location

Please apply previous check for $100 dated May 5, 2011 to this NOI. Should you have any questions, contact Kim Kamps at (505) 863-1023 or Gary Smith at (505) 863-1003.

Regards,

Kim Kamps
Compliance Coordinator
ConocoPhillips Wingate Fractionator

Background Information

The Bisti Pipeline is an existing 8" raw LPG pipeline that was constructed in 1953 from COPC's San Juan Gas Plant in Bloomfield, New Mexico to COPC's Wingate Fractionator Plant in Gallup, New Mexico. PBC from the San Juan Gas Plant is sent to Wingate Plant for fractionation in Propane, Butanes, and Natural Gasoline. The Enterprise Chaco Plant puts additional PBC into the Bisti Pipeline at a pump station approximately 19 miles from the pipeline start at the San Juan Gas Plant. The hydrostatic test water that will be generated is E&P exempt based on the definition in 40CFR 261.4(b)(5).

Notice of Intent Plan

COPC is submitting this NOI plan as outlined in NMOCD Guidance document "Guidelines for Hydrostatic Test Dewatering," (Revised January 11, 2007). The NOI plan includes the following items:

Item a: name and address of the proposed discharger

Legally Responsible Party	Mr. Lane Ayers Manager, San Juan Gas Plants ConocoPhillips Company PO Box 217 Bloomfield, NM 87413
Local Representative	Kim Kamps Compliance Coordinator ConocoPhillips Wingate Fractionator PO Box 119 Rehoboth, NM 87322
Operator	
Physical Address	ConocoPhillips Company Wingate Fractionator #68 El Paso Circle Gallup, NM 87301
Mailing Address	ConocoPhillips Company Wingate Fractionator PO Box 119 Rehoboth, NM 87322

Item b: Location of the discharge, including a street address, if available, and sufficient information to locate the facility with respect to surrounding landmarks.

The discharge location is within the Wingate Fractionator Plant grounds (wholly owned by COPC) located at #68 El Paso Circle, Gallup, New Mexico. COPC will be hydrostatically

testing approximately 1235 feet of 8" line that runs from the Wingate Fractionator metering skid to the pig catcher. All of this section of piping is located within 16/15N/17W.

Item c: Legal description of the discharge location

Dewatering of the line and storage of the water in a temporary tank will occur inside the Wingate Fractionator Plant just outside the city limits of Gallup at #68 El Paso Circle, Gallup, NM 87301.

Section 16, Township 15N, Range 17W

Item d: Maps (site-specific and regional) indicating the location of the pipelines to be tested

Appendix A contains a regional map showing the route of the pipeline from the San Juan Gas Plant to the Wingate Plant. Appendix B is a site-specific map showing details of the hydrostatic test dewatering area and the section of pipeline that will be tested.

Item 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 1,000 feet of 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**
v. **Within 500 feet from the nearest permanent residence, school, hospital, institution or church.**

According to Kim Kamps, COPC Wingate Fractionator's Compliance Coordinator, evidence of some of the above listed features was present within the required radius limits of the proposed hydrostatic test dewatering area. Ms. Kamps conducted a site survey to look for the presence of watercourses, lakebeds, sinkholes, playa lakes, wells, springs, wetlands, residences, schools, hospitals, institutions, mines, and churches. Exceptions to the siting criteria are stated in the Certification of Siting Criteria included in Appendix C.

A search for surrounding water wells was completed to satisfy a portion of this requirement. The NMOCD Pit Rule Mapping Portal database was used for this search. The search was conducted on May 25, 2011. According to the database search, no springs or wells are located within 1,000 feet of the temporary tank staging area. Appendix D shows the information generated from the database.

Mr. John Kretzmann at EMNRD was contacted to assess the presence of abandoned subsurface mines in the vicinity of the storage/dewatering area. According to Mr. Kretzmann, there is no record of any abandoned subsurface mines in the vicinity. A search for any active or inactive mines in the vicinity of the storage/dewatering area was also

conducted using the NM Tech Pit Rule Mapping Portal database. The search was conducted on May 25, 2011 and no active or inactive mines in the vicinity were noted. Appendix E contains information from the database and Mr. Kretzmann's response.

Federal Emergency Management (FEMA) flood insurance rate maps were generated from the FEMA website to search for 100-year floodplains in the proposed hydrostatic test dewatering / storage area. According to the maps, the dewatering / storage area is not located within a 100-year floodplain. The FEMA flood insurance rate map for this area is included in Appendix F.

Item f: A brief description of the activities that produce the discharge

COPC is required by DOT Part 195- Transportation of Hazardous Liquids by Pipeline, to hydrostatically test sections of a pipeline system that cannot be tested by other means. The Bisti Pipeline, owned and operated by ConocoPhillips and located in Northwest New Mexico, is on a 5 year interval for inspection and testing. ConocoPhillips has completed Smart pigging of all sections that can be examined by this technology. There are two remaining sections of the Bisti Pipeline that need to be hydrostatically tested to complete the DOT 195 requirements and also to satisfy the requirements of the Bisti Integrity Management Plan (IMP). To comply with the requirements of the IMP and DOT 195 these pipeline sections must be hydro tested in 2011.The hydrostatic test section of pipe addressed in this NOI is located between the Wingate Fractionator meter skid and the Bisti Pipeline pig catcher.

The source water for the hydrostatic test is from the fire water system at the Wingate Fractionator. This water originally is drawn from 4 groundwater wells belonging to COPC. The test water will not be discharged to the surface, but will be collected into a temporary tank for eventual transfer to truck for disposal at Basin Disposal's (Bloomfield, NM) Class II well.

Item g: The method and location for collection and retention of fluids and solids

It is the intention that no test waters will be discharged to the ground. All hydrostatic test water will be transferred to a 210 bbl steel walled temporary tank via hoses and/or flexible pipe using drip pans under the connection points. This tank will have secondary containment of not less than 130% of the volume of the tank (273 bbls). Secondary containment will be a dirt berm lined with 6 mil poly. The temporary tank will be located not more than 130 feet from the point of connection to the pipeline. Solids are not anticipated to be produced from the hydrostatic testing.

Item h: a brief description of best management practices to be implemented to contain the discharge onsite and to control erosion

COPC Wingate intends to discharge the hydrostatic test water into a steel walled tank for temporary storage. The temporary tank will be located within a lined bermed area a described above in item g. Test waters will be transferred, as soon as practical, from the

temporary tank to a vacuum truck for transport to Basin Disposal's Class II well. Any connections from tank to truck will have a drip pan in place during the transfer.

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

Not Applicable

Item j: A proposed hydrostatic test wastewater sampling plan

COPC will not analyze the hydrostatic test water because it is E&P exempt based on the definition in 40CFR 261.4(b)(5).

Item k: A proposed method of disposal of fluids and solids after test completion, including closure of any pits, in case the water generated from the test exceeds the 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)

All fluids will be collected in a temporary storage tank prior to transport to Basin Disposal's Class II well in Bloomfield, New Mexico. No generation of solid waste is anticipated.

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

This hydrostatic test is expected to generate approximately 3200 gallons (76 bbl) of water. This water is E&P exempt per 40CFR 261.4(b)(5) and will be disposed of properly in a Class II well.

Item m: Geological characteristics of the subsurface at the proposed discharge site.

Regional Features
The hydrostatic test dewatering area is located within the southern portion of the San Juan Basin. The San Juan Basin is a Northwest trending asymmetric Laramide depression at the eastern edge of the Colorado Plateau. The basin covers approximately 22,000 square miles in Northwestern New Mexico and edges toward southern Colorado, Utah, and Arizona. The basin contains more than 15,000 feet of sedimentary section and includes the aquifers of the basin which generally are coincident with the varying geologic units mapped within the San Juan Basin. The sedimentary section is overlying Precambrian granite and metamorphic rock in the basement of the basin.

Site Geology
The hydrostatic test dewatering area is located on the Chinle Formation within the southern portion of the San Juan Basin. The Chinle Formation is a Triassic formation consisting of non marine deposits of claystone, shale, siltstone, and sandstone from stream channel, flood-plain, Eolian and Lacustrine environments. The approximate maximum thickness of the Chinle Formation is 1,600 feet.

Regional Hydrology

The sediment fill in the San Juan Basin is composed of both marine and continental deposition and its present configuration is largely a result of mid-Tertiary Laramide tectonic events. The sequence of deposits reflects a shift from largely continental deposition in Triassic (± 250-200 million years ago (mya)) and Jurassic (±200-144 mya) times to marine deposition in Cretaceous time (±144-66.4 mya), then back to continental deposition in Tertiary time (±66.4- 1.6 mya) (refer to Appendix G for geologic time scale of San Juan Basin). The basic hydrogeologic components of the San Juan Basin include:

- Structural and bedrock features: The basin is flanked by a number of complex uplifts such as the Nacimiento uplift to the east, the San Juan Mountains to the north, the Defiance uplift to the west and the Zuni uplift to the south. Within the basin several monoclines are present that separate the deep interior of the basin. Subsurface structural relief within the basin varies: about 2,500 ft along the Chaco slope; 3,000 ft in the central basin; and 4,000 ft along the Hogback monocline at the four corners platform. With respect to the Nacimiento uplift and San Juan uplift, the structural relief within the basin is 14,000 ft and 20,000 ft respectively.
- Hydrostratigraphic units: The mappable bodies of the basin fill are grouped on the basis or origin and position within the stratigraphic sequence. In the San Juan Basin structural basin, the terms "aquifer" and "confining unit" have been associated for the most part with the formal name of the geologic unit that forms the significant part of the aquifer. Time-stratigraphic classes include units both marine and continental deposition. Transmissivity values vary greatly throughout the basin. Conditions that most affect transmissivity are the percentage of sand and degree of sorting within each aquifer and the aquifer thickness.

Local Groundwater Hydrology

Locally, the facility sits upon the Chinle Formation. The Chinle Formation is associated with the Chinle confining unit. The total dissolved solids sum of constituents for the Chinle confining unit is 725 milligrams per liter. No one anion is dominant in the water of Triassic units including the Chinle confining unit. The specific conductance of water within this unit is approximately 1320 microsiemens per centimeter at 25 degrees Celsius.

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

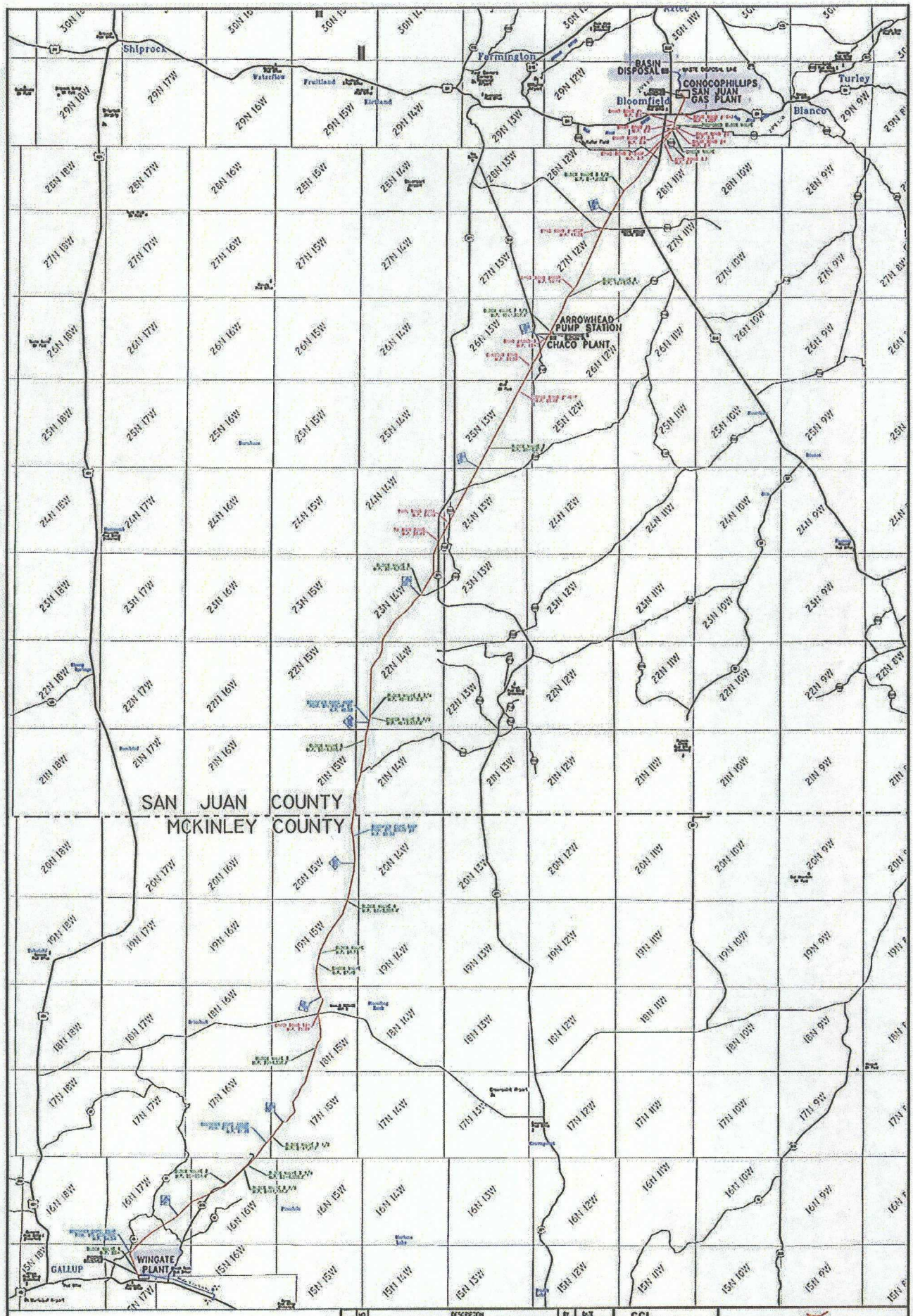
The dewatering site lies along the south side of an east-west trending alluvial drainage formed by the south fork of the Rio Puerco River. The site is approximately 6,590 feet above mean sea level (amsl), and lies on Quaternary-aged alluvium. Groundwater at the site has been encountered during drilling at approximately 20 feet below ground surface (bgs), rising to approximately 8 feet bgs in well casing, suggesting confined aquifer conditions. Groundwater flow direction has been noted to be predominantly to the northwest according to data gathered during sampling events. TDS measurements from existing monitoring wells outside the plant boundaries range from 600 – 850 mg/L (from 2010 Annual Groundwater Monitoring Report, GWDP no. GW-054).

Item o: identification of landowners at and adjacent to the discharge and collection / retention site.

The number of landowners adjacent /near the dewatering and storage tank location is shown in Appendix H.

APPENDIX A

Map Showing COPC Bisti Pipeline Route



NO	DESCRIPTION	BY	DATE
1	ISSUE FOR REVIEW	P.V.	1/25/10
2	RECTIFIERS, BONDS, BLOCK & CHECK VALVES ADDED	P.V.	2/11/10
3	COUNTY HIGHWAYS ADDED	P.V.	2/26/10
4	ADDITIONAL COUNTY ROADS ADDED	P.V.	3/3/10

REVISION

CCI
CHENAULT CONSULTING INC.
PO BOX 328
BLOOMFIELD, NM 87413
(505) 325-7707

ConocoPhillips

BISTI 8" PRODUCTS LINE

DWG #: BISTI MAPPING BASE VALVES DWG

SHT 1 OF 1

APPENDIX B

Section of Pipeline Undergoing Hydrostatic Test, Storage Tank & Dewatering Location


S Fork Rd
S Fork Rd
S Fork Rd
S Fork Rd
S Fork Rd
S Fork Rd
El Paso
Offices
Padre Canyon Rd
Padre Canyon Rd
Padre Canyon Rd
Padre Canyon Rd
Padre Canyon Rd
Hydro Test Section
Frac Tank
Map
Traffic

APPENDIX C

Certification of Siting Criteria

Certification of Siting Criteria – Bisti Pipeline Discharge McKinley County, New Mexico

I, Kim Kamps, have performed a site visit to look for the presence of the items described below and have confirmed that these items were not observed within the specified distance, for each item listed below, of the edge of the pipeline right of way where the water storage tank will be located. The water storage tank will be located #68 El Paso Circle, Gallup, New Mexico; inside the Wingate Fractionator Facility fence near the inlet feed skid. There are no exceptions to this list.

i. Within 200 feet of a watercourse, lakebed, sinkhole, or playa lake: Tank will be within 50 feet of an existing drainage ditch whose contents ultimately discharge into a tributary of the Rio Puerco River.
ii. Within 1,000 feet of an existing wellhead protection area or 100 year floodplain; This information is included as part of the NOI.
iii. Within 500 feet of, or inside of, a wetland; No
iv. Within the area overlying a subsurface mine; No
v. Within 500 feet of the nearest permanent residence, school, hospital, institution or church; An El Paso Natural Gas Company office building is within 500 feet.

On behalf of ConocoPhillips Company, I state that the above information is complete and true to the best of my knowledge.

Kim Kamps _____ 5/23/11

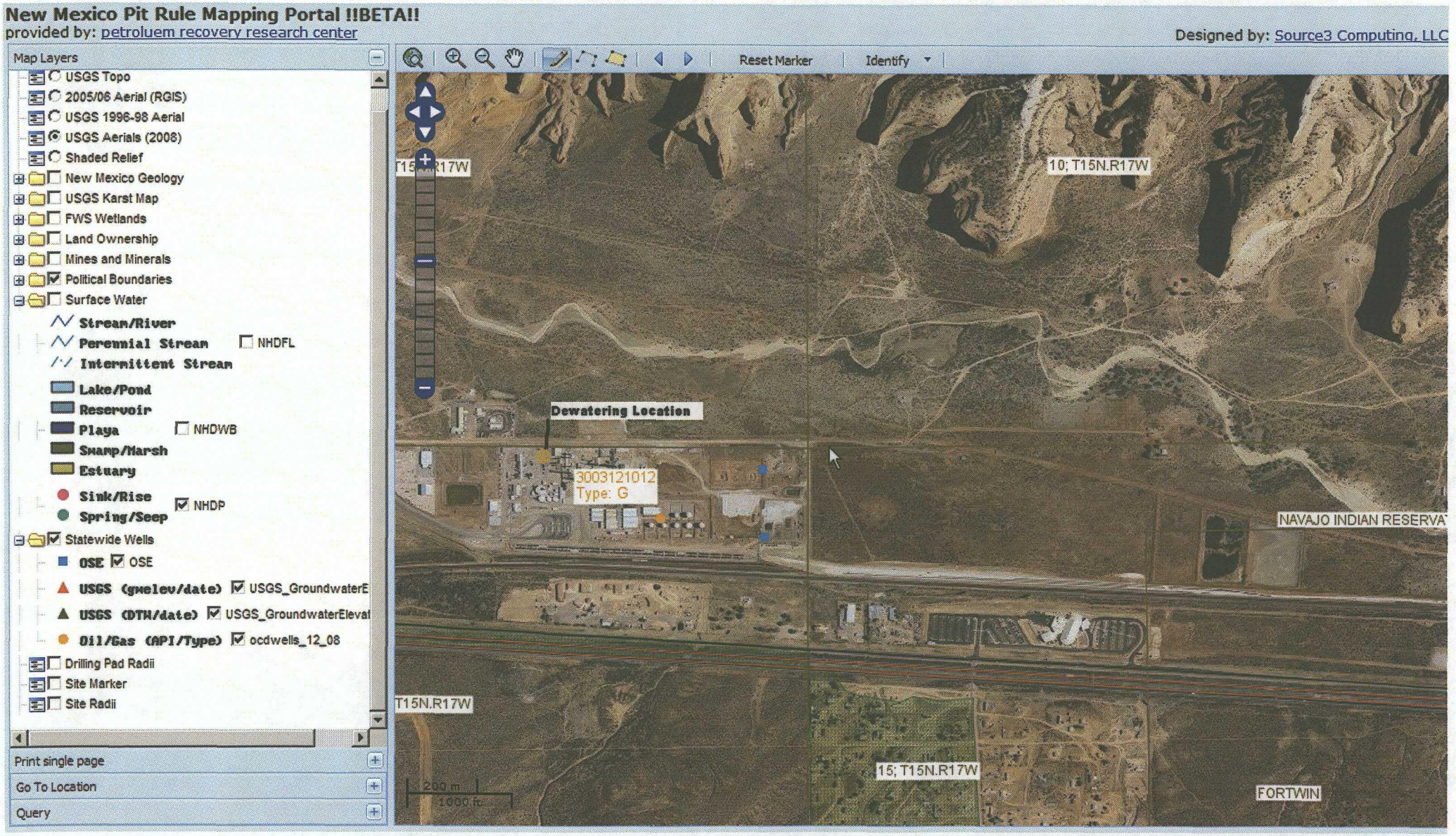
Compliance Coordinator, Wingate Fractionator Date

APPENDIX D

Wellhead Protection Information within 1,000 Feet of the Temporary Tank and Dewatering Location

New Mexico Pit Rule Mapping Portal !!BETA!!
provided by: petroluem recovery research center

Designed by: Source3 Computing, LLC



APPENDIX E

Mine Information Within 1,000 Feet of Temporary Storage Tank / Dewatering Location

Kamps, Kim

To: Kamps, Kim
Subject: FW: Subsurface Mines --- Conoco Phillip's San Juan and Wingate Plants

Good morning Jane,

Based on the location coordinates you provided below, I have searched our records and did not find any known underground mines within 1,000 feet of either location.

If you have any questions, please let me know.

James R. Smith
Abandoned Mine Land Program
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Ph: 505-476-3422
Fax: 505-476-3402
Cell: 505-690-8071
JamesR.Smith@state.nm.us

From: Kretzmann, John, EMNRD
Sent: Wednesday, May 25, 2011 9:45 AM
To: Smith, James R, EMNRD
Cc: Tompson, Mike, EMNRD
Subject: FW: Subsurface Mines --- Conoco Phillip's San Juan and Wingate Plants

James,

Please check our records for known underground mines in this area and respond.

Thanks.

John K.

From: Jane Romero-Kotovsky [mailto:JRomero@TrinityConsultants.com]
Sent: Wednesday, May 25, 2011 9:39 AM
To: Kretzmann, John, EMNRD
Subject: Subsurface Mines --- Conoco Phillip's San Juan and Wingate Plants

Hi John,

Per our conversation earlier, I am writing to request information on the locations of any subsurface mines within 1000 ft of the location of storage of water from a hydrostatic test.

The test will occur on a stretch of pipeline between Conoco Phillips' San Juan and Wingate plants. The disused test water will be stored at both locations prior to final disposal. As part of the requirements for completing a Notice of Intent for this test, OCD requires locations of subsurface mines within 1000 ft of each site. The lat/long DMS coordinates (NAD 27) of each facility are:

San Juan: 36• 43' 54.38" N, 107• 57'34.72" W

Wingate: 35• 29' 22.91" N, 108• 25' 31.23" W

Please feel free to contact me if you have any questions about our request. I appreciate your assistance in this matter.

Thanks,
Jane Romero Kotovsky
Trinity Consultants
8220 Louisiana NE, Suite A
Albuquerque, NM 87113
Phone: (505) 266-6611
Fax: (505) 266-7738
http://www.trinityconsultants.com

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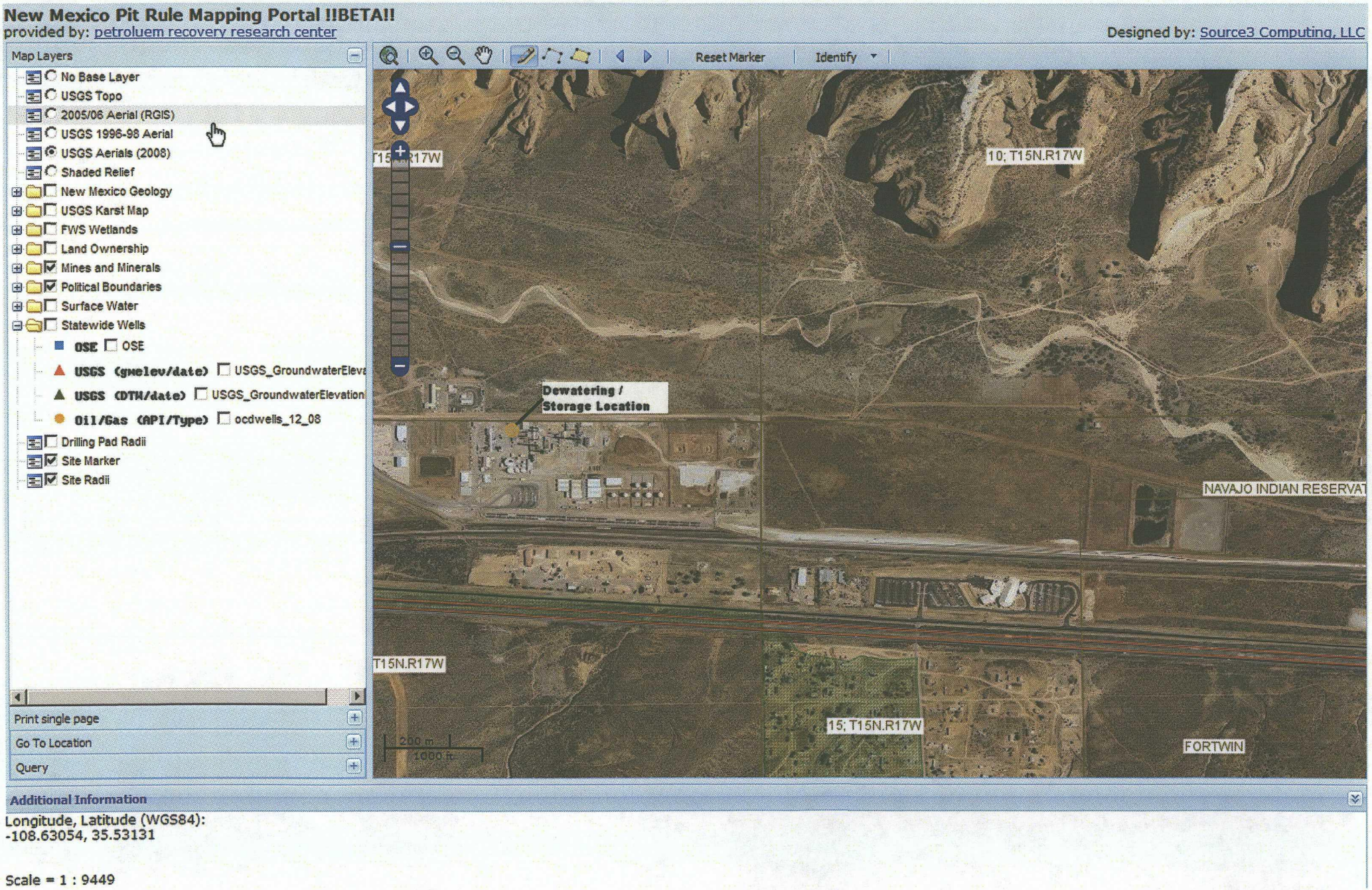
New Mexico Pit Rule Mapping Portal !!BETA!!

provided by: petroluem recovery research center

Designed by: Source3 Computing, LLC



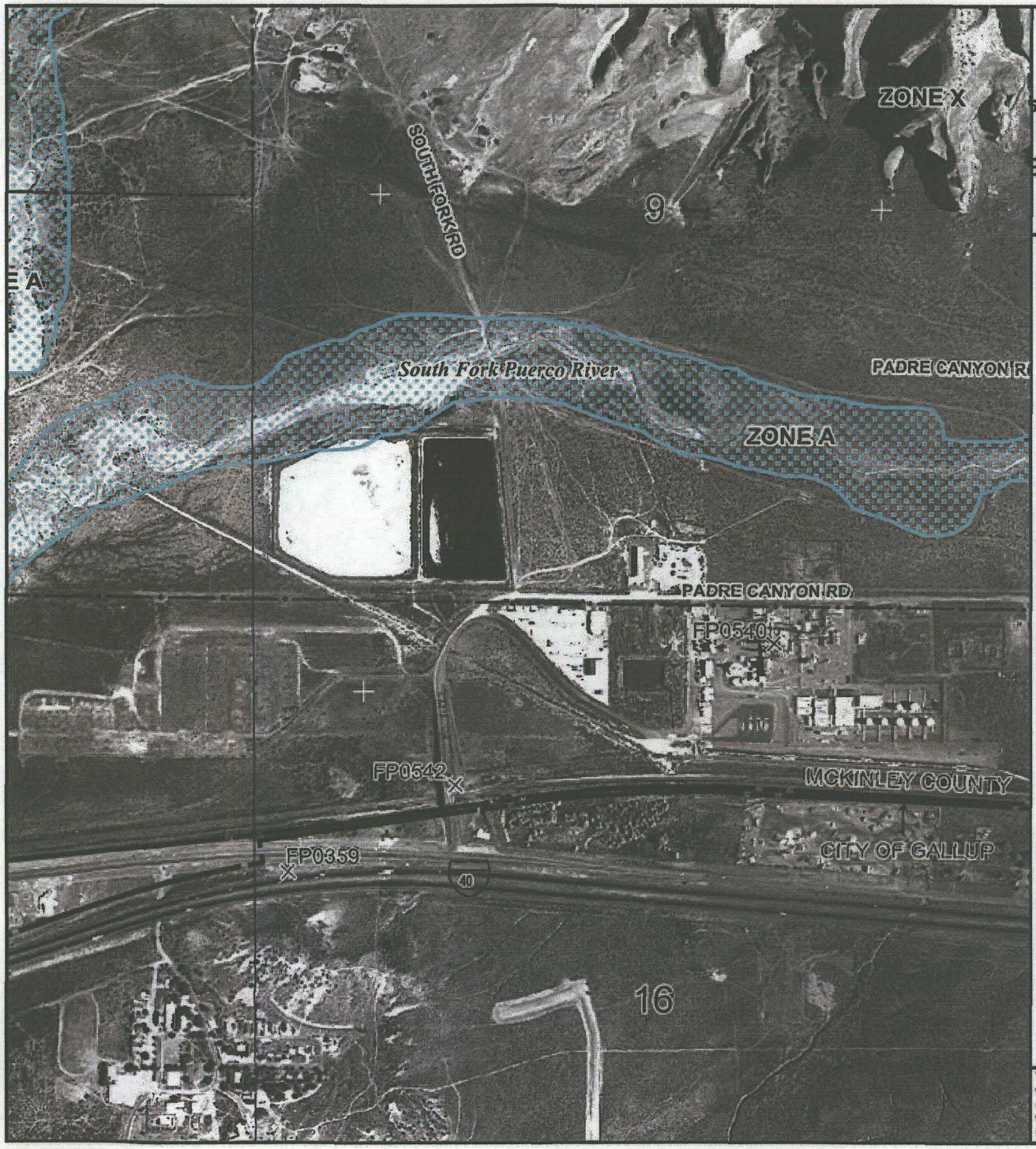
Additional Information

Longitude, Latitude (WGS84):
-108.63054, 35.53131

Scale = 1 : 9449

APPENDIX F

Federal Emergency Management Administration Flood Insurance Rate Maps for the Dewatering and Temporary Storage Tank Area



MAP SCALE 1" = 1000'

500 0 1000 2000 FEET

0 300 600 METERS

NFIP

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 1545E

FIRM

FLOOD INSURANCE RATE MAP

MCKINLEY COUNTY, NEW MEXICO AND INCORPORATED AREAS

PANEL 1545 OF 3025

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
GALLUP, CITY OF	350042	1545	E
MCKINLEY COUNTY, UNINCORPORATED AREAS	350039	1545	E

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.

MAP NUMBER
35031C1545E

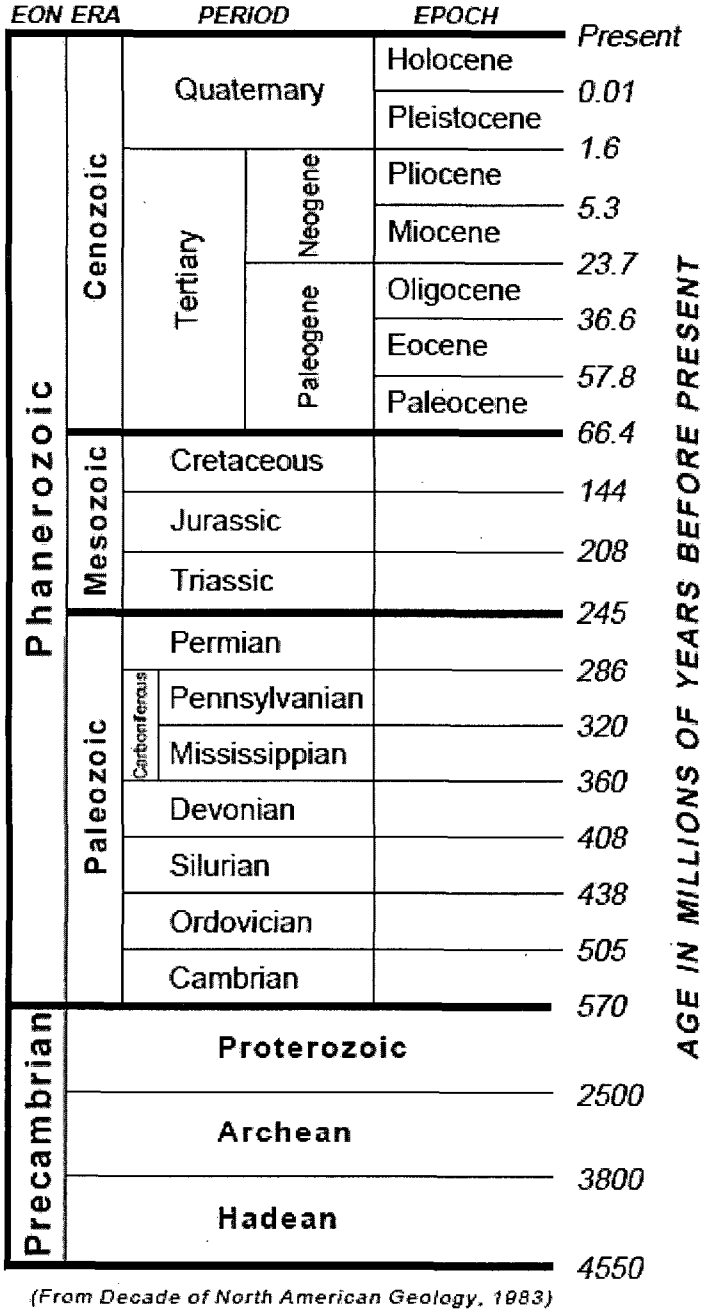
EFFECTIVE DATE
FEBRUARY 17, 2010

Federal Emergency Management Agency

APPENDIX G

Geologic Time Scale

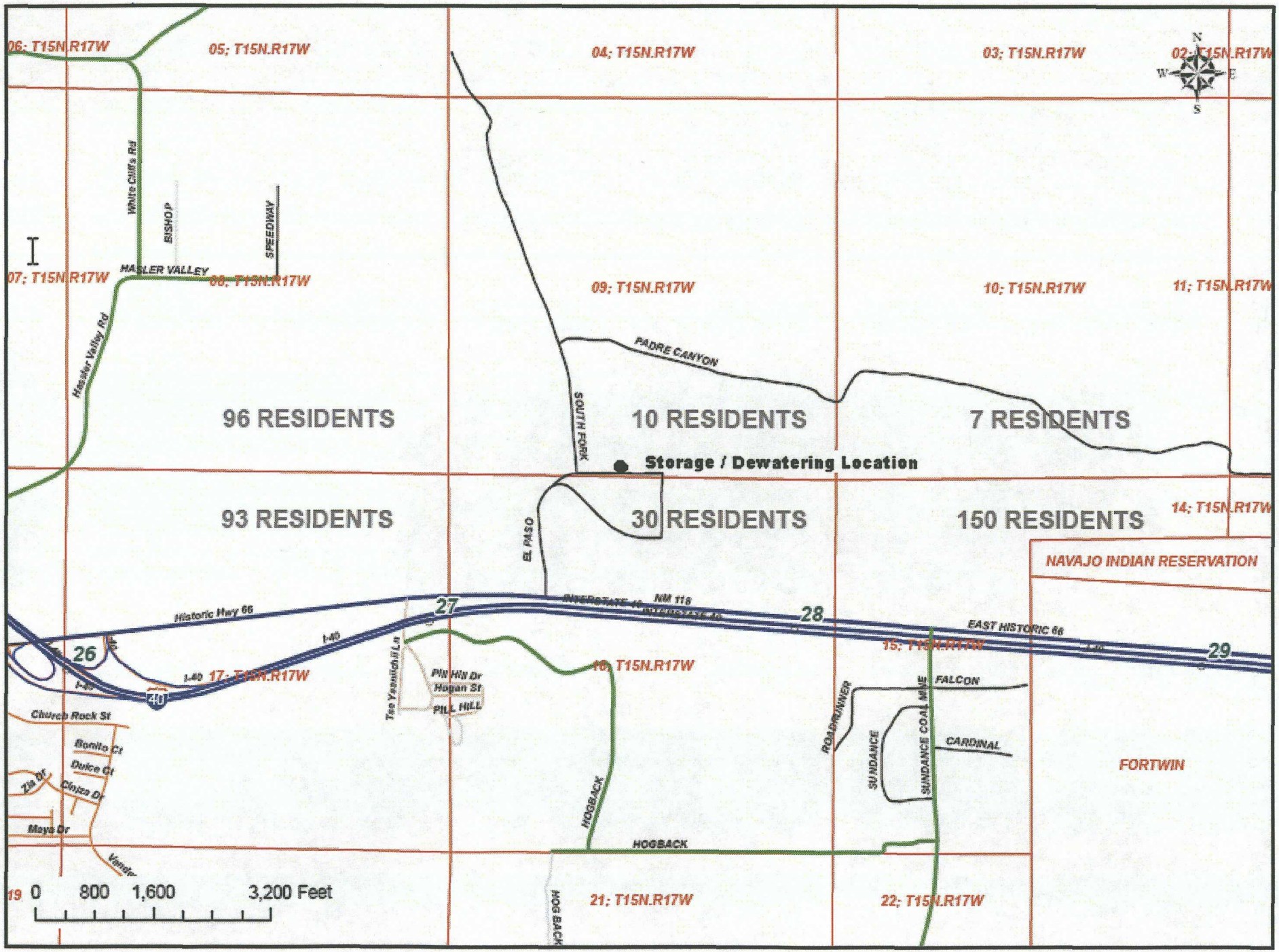
GEOLOGIC TIME SCALE



(From Decade of North American Geology, 1983)

APPENDIX H

Number of Landowners Adjacent / Near the Dewatering & Storage Tank Location


06; T15N.R17W
05; T15N.R17W
04; T15N.R17W
03; T15N.R17W
02; T15N.R17W
N
W
E
S
White Cliffs Rd
BISHOP
SPEEDWAY
HASLER VALLEY
07; T15N.R17W
08; T15N.R17W
09; T15N.R17W
10; T15N.R17W
11; T15N.R17W
Hasler Valley Rd
PADRE CANYON
SOUTH FORK
96 RESIDENTS
10 RESIDENTS
7 RESIDENTS
Storage / Dewatering Location
93 RESIDENTS
30 RESIDENTS
150 RESIDENTS
14; T15N.R17W
EL PASO
NAVAJO INDIAN RESERVATION
Historic Hwy 66
NM 118
27
28
EAST HISTORIC 66
29
26
I-40
40
17; T15N.R17W
16; T15N.R17W
15; T15N.R17W
Tse Yaanitohi Ln
PIN HIN Dr
Hogan St
PILL HILL
FALCON
ROADRUNNER
SUNDANCE
SUNDANCE COAL MINE
CARDINAL
FORTWIN
Church Rock St
Bonito Ct
Dulce Ct
Ziia Dr
Cinza Dr
Maya Dr
Venida
HOGBACK
HOG BACK
19
0
800
1,600
3,200 Feet
21; T15N.R17W
22; T15N.R17W