HIP - 55

GENERAL CORRESPONDENCE

YEAR(S):
1997

PanEnergy™

RECEIVED
MAR - 6 1997

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Denver, Colorado 80217
370 17th Street, Suite 900
Denver, Colorado 80202
303 595-3331
Fax: 303 595-0480

March 5, 1997

State of New Mexico
Oil and Gas Conservation Division
2040 South Pacheco
Attn. Chris Eustice
Santa Fe, NW 87505

Re: Hydrostatic Test Water Discharge Application

Dear Mr. Eustice:

PanEnergy Field Services, Inc., (PanEnergy) is in the process of adding three pipeline segments to a natural gas gathering and processing system near Artesia, New Mexico (Figure 1). As part of the installation process the new pipeline segments have to be hydrotested. PanEnergy would like to receive permission from the State of New Mexico to discharge the test water to the ground surface at the PanEnergy Kathleen Compressor Station (Figure 2) which is located in the southeast quarter of Section 1, Township 18 South, Range 28 East, Eddy County, New Mexico. Information concerning the test and pipeline follows.

Type of pipe:	new, steel
Outside diameter:	8 5/8 inch (high pressure)
	8 5/8 inch (low pressure)
	4 ½ inch
Volume:	total 126,5000 gallons (see Attachment 1)
Source of water:	Morewest Water,
	Loco Hills, New Mexico
Transport:	OK Hot Oil Trucking
	Loco Hills, New Mexico
Length of pipe:	High pressure 32,463 feet
	low pressure 11,580 feet
	4 inch 5,507 feet

Discharge point: ground surface at natural gas compressor station, no surface water features located nearby, erosion will be controlled with straw bales.

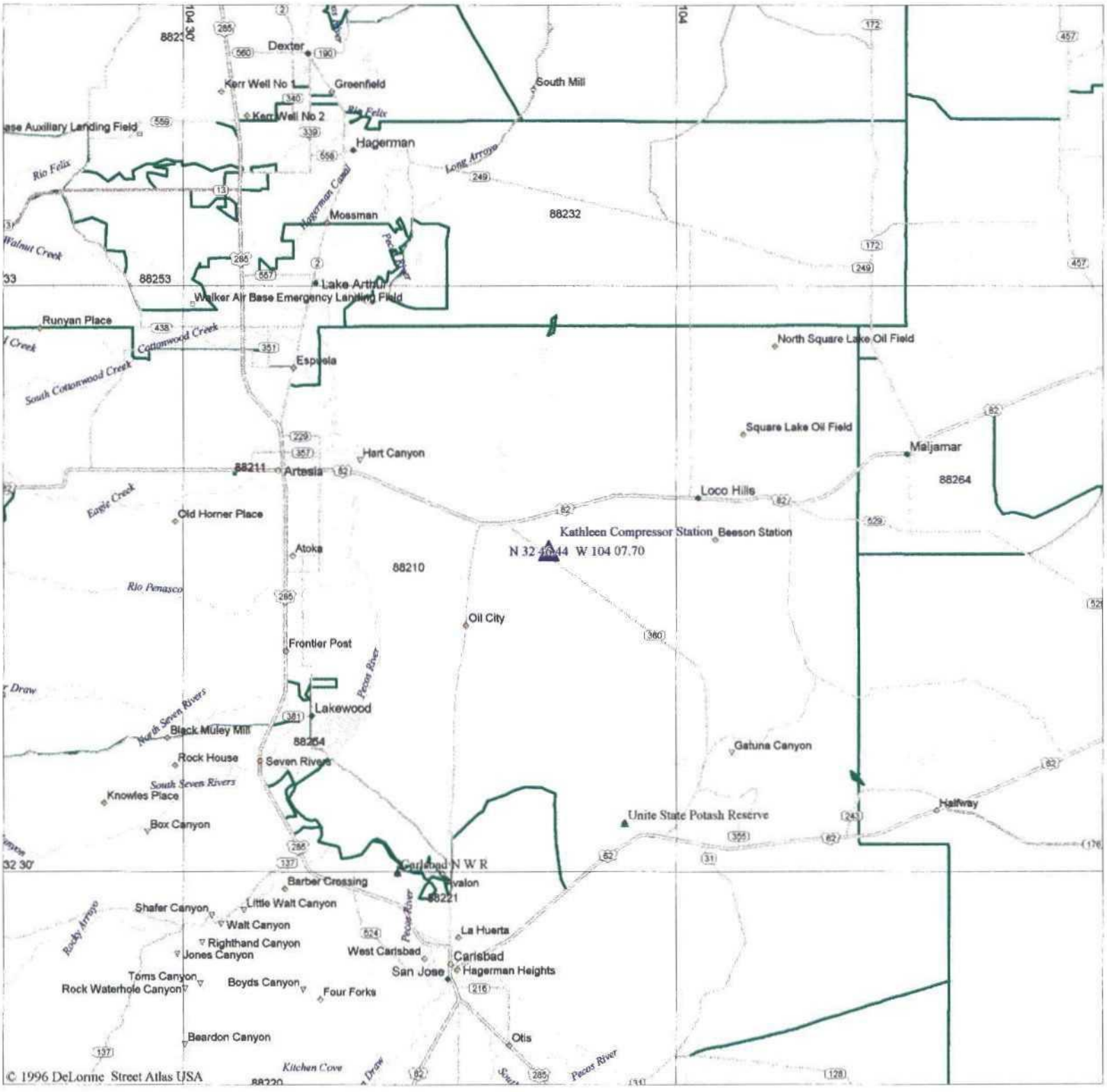
PanEnergy plans on conducting the hydrotest test during the third or fourth week of March, 1997. Discharge of the test waters would occur soon after. Therefore, your prompt attention to this matter would be greatly appreciated. If you have any questions or comments please do not hesitate to contact me at (303) 605-1716.

Sincerely,

Margaret A. Ash

FIGURES

Figure 1 - Site Location



Mag 10.00
Wed Mar 05 09:59 1997

Scale 1:500,000 (at center)

10 Miles

10 KM

Major Connector
Major Forest Road
State Route
Primary State Route
US Highway
Point of Interest

ATTACHMENT I

Hydrotest H2O

8" High pressure discharge line : 32,463 feet

8 5/8" OD X .188 X52 ⇒ ID = 8.249"

$V = \frac{\pi (8.249\,in * \frac{ft}{12\,in})^2}{4} * 32{,}463\,feet * \frac{7.4805\,gal}{ft^3} = 90{,}126\,gal$

8" low pressure gathering line : ≈ 11,550 feet (including each site reroute)

8 5/8" OD X .188 X42 ⇒ ID = 8.249"

$V = \frac{\pi (8.249\,in * \frac{ft}{12\,in})^2}{4} * 11{,}550\,ft * \frac{7.4805\,gal}{ft^3} = 32{,}066\,gal$

4" low pressure gathering line : ≈ 5507 feet

4½" OD X .156 X42 ⇒ ID = 4.188"

$V = \frac{\pi (4.188\,in * \frac{ft}{12\,in})^2}{4} * 5507\,feet * \frac{7.4805\,gal}{ft^3} = 3941\,gal$

TOTAL H2O TO BE DISCHARGED:

90,126 gal
32,066 gal
3,941 gal
126,133 gal ⇒ ESTIMATED H2O 126,500 gal REQUIREMENT

RELEASE H2O @ KATHLEEN STATION
SE¼ SECTION 1 R28E T18S
EDDY COUNTY, NEW MEXICO

PanEnergy Field Services, Inc.
Kathleen Compressor Hydrotest Calculations