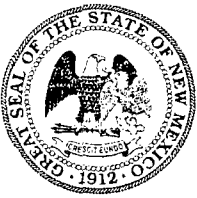


**HIP - 103**

**PERMITS,  
RENEWALS, &  
MODS**



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

July 24, 2006

Ms. Marcelle Fiedler  
Environmental Scientist II  
Public Service Company of New Mexico (PNM)  
Alvarado Square  
Albuquerque, New Mexico 87158-2104

Re: Request for Individual Permit to Hydrostatically Test (HST) & Discharge (HI-103)  
Sandoval County

Dear Ms. Fiedler:

The New Mexico Oil Conservation Division (NMOCD) has received your application, dated June 8, 2006, submitted on behalf of PNM, for an individual or temporary permit to discharge municipal water used to HST a new pipeline. The NMOCD reference for this permit is HI-103. This request is hereby approved with the following conditions and understandings:

1. The HST water (~284,000 gallons maximum) will be discharged at 35° 13' 51.58" N 106° 46' 17.57" of Section 13, Township 12 North, Range 2 East (just south of the intersection of Idalia Rd. & Isabel Rd. SW in Rio Rancho, NM), and will take place on or about August 28, 2006 and be completed by September 1, 2006.
2. The spent HST water will be discharged at a controlled rate and into a lined evaporation pond on PNM owned property.
3. The water has been used to hydrostatically test new pipe.
4. Fresh water will be used which you have obtained from the public water supply for the City of Bernalillo.
5. The discharged fluids will not be allowed to migrate to a water of the state or a water of the U.S and/or violate storm water runoff conditions.
6. PNM is the landowner at the site, and the discharge will be maintained within the boundaries of their property.

Pursuant to WQCC Regulation 20 NMAC 6.2.3106.B, this approval will allow PNM to discharge without an approved discharge permit for a period not to exceed 120 days commencing July 28, 2006. Discharge must cease within the 120-day period, or a formal discharge permit will be required. Pursuant to WQCC Regulation 20 NMAC 6.2.3114, an application fee (\$100) and a temporary permit fee (\$150) are due at time of application. To date, the temporary permit fee has been received by the NMOCD. If