

THE APPLICATION OF TREND GATHERING & TREATING, LP TO CONSTRUCT AND OPERATE A HYDROGEN SULFIDE GAS PIPELINE, IVY TO BOOTH 10", TEAGUE FIELD, FREESTONE COUNTY, TEXAS

APPLICATION REVIEWED BY: Andres J. Trevino, P.E.

DATE APPLICATION FILED: September 24, 2010

DATE REVIEWED: November 18, 2010

EXAMINER'S REPORT AND RECOMMENDATION
STATEMENT OF THE CASE

This is the unopposed application of Trend Gathering & Treating LP for Commission authority to construct and operate a hydrogen sulfide (H₂S) gas pipeline in Freestone County, pursuant to Statewide Rules 106, 70 and 36.

The Commission's Field Operations section has reviewed the application and has determined that the application complies with the applicable provisions of Rule 36. In addition, the Commission's Safety Division and Gas Services Division have reviewed the application. The examiner recommends approval of the application.

DISCUSSION OF THE EVIDENCE

Trend Gathering & Treating LP proposes construction of a gas gathering pipeline to transport produced gas from the Ivy wells to the Booth well in the Teague Field. The line will be 10 inches in diameter and approximately 2.1 miles long. The line will carry a maximum 21 MMCFD of gas containing 1,500 parts per million (ppm) of H₂S. The maximum operating pressure will be 1,200 psig. The normal operating pressure will be 50-60 psi.

The 100 ppm ROE is 873 feet and the 500 ppm ROE is 399 feet. The 500 ppm ROE and 100 ppm ROE includes portions of three public roads. The public roads include: County roads 611, 601 and US Hwy 84. There are 10 homes and public areas within the 100 & 500 ppm ROE. These areas include homes, both occupied and unoccupied and private retreats. The submitted contingency plan for the gathering line complies with the provisions of Rule 36(c)(9).

All materials will satisfy the requirements described in the latest editions of NACE Standard MR-0175-2003. The gathering line is constructed of API-5L X-52 grade steel pipe. 100% of the welds will be X-rayed. The line will be equipped with cathodic protection to prevent external corrosion. The line will be chemically treated as needed for internal

corrosion and monitored with corrosion coupons.

H₂S warning signs compliant with Rule 36(c)(6)(A) and (c)(6)(B) will be posted at all public road crossings as well as intervals along the pipeline frequent enough as to provide warning to avoid accidental rupture of the line by excavation. The signs will indicate poison gas, company name and emergency phone numbers.

The proposed line will comply with Statewide Rule 36(c)(8). Trend Gathering & Treating will use safety controls and automatic devices. This will also trigger closure of the block valves. Trend Gathering is an indirectly wholly owned subsidiary of XTO Energy. Four over pressure relief valves are set at 1,200 psig to prevent the over pressuring of the pipeline. Monitors at the compressor station will trigger audible, visual and dial- out alarms if an H₂S concentration of 20 ppm or greater is detected. The pipeline pressure will be monitored 24/7 by Gas Control at their office.

Trend Gathering & Treating LP published notice of the application in a newspaper of general circulation in Freestone County. The notice was published in *The Teague Chronicle* on September 23, 2010. The application was filed with the Freestone County Clerk on September 23, 2010.

FINDINGS OF FACT

1. On September 24, 2010, Trend Gathering & Treating LP filed an application for a permit to construct a hydrogen sulfide gas gathering pipeline in Freestone County.
2. Trend Gathering & Treating LP published notice of the application in a newspaper of general circulation in Freestone County. The notice was published in *The Teague Chronicle* on September 23, 2010. The application was filed with the Freestone County Clerk on September 23, 2010.
3. Trend Gathering & Treating LP proposes construction of a gas gathering pipeline to transport produced gas from the Ivy wells to the Booth well in the Teague Field.
 - a. The line will be 10 inches in diameter and approximately 2.1 miles long.
 - b. The line will carry a maximum 21 MMCFD of gas containing approximately 1,500 parts per million (ppm) of H₂S.
 - c. The maximum operating pressure will be 1,200 psig.
 - d. The 100 ppm ROE is 873 feet and the 500 ppm ROE is 399 feet.
 - e. The public roads within the 100 & 500 ppm ROE include: County Roads 611, 601 and US Hwy 84.

- f. The proposed pipeline will be in a rural area, however there are 10 public areas along the route within the 100 & 500 ppm ROE. These include occupied and unoccupied homes, intermittently occupied public and private retreats.
4. Pipeline materials and construction meet the NACE standards as required by Statewide Rule 36 for hydrogen sulfide service.
5. The submitted contingency plan for the line is in accordance and complies with the provisions of Rule 36(c)(9).
6. The pipeline will be constructed subject to Commission inspections for compliance with the appropriate Commission Rules pursuant to Statewide Rule 36(c)(6)(7)(8) and (13).
7. The Commission's Field Operations Section recommends approval. The Commission's Pipeline Safety Division and Gas Services Division have reviewed the application.

CONCLUSIONS OF LAW

1. Proper notice was timely given to all parties entitled to notice pursuant to applicable statutes and rules.
2. All things have occurred and have been accomplished to give the Commission jurisdiction in this case.
3. The application complies with Statewide Rules 36, 70 and 106.
4. Approving the application for a permit to construct and operate the proposed gas pipeline is consistent with the rules and safety standards adopted by the Commission.

EXAMINER'S RECOMMENDATION

The examiner recommends that the application of Trend Gathering & Treating LP for Commission authority pursuant to Statewide Rules 106, 70 and 36, to construct and operate the proposed hydrogen sulfide gas pipeline in Freestone County, be approved.

Respectfully submitted,

Andres J. Trevino, P.E.
Technical Examiner