

THE APPLICATION OF TREND GATHERING & TREATING, LP TO CONSTRUCT AND OPERATE A HYDROGEN SULFIDE GAS PIPELINE, 8" ORAND "A" HEADER TO WILLARD 1-3 COMPRESSOR, TEAGUE FIELD, FREESTONE COUNTY, TEXAS

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

DATE APPLICATION FILED: March 21, 2011

DATE REVIEWED: May 6, 2011

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 Orand "A" header to the Willard 1-3 compressor station in the Teague Field. The line will be 8 inches in diameter and approximately 1.39 miles long. The line will carry a maximum 5 MMCFD of gas containing 7,500 parts per million (ppm) of H₂S. The maximum operating pressure will be 1,200 psig. The normal operating pressure will be 40-60 psi.

The 100 ppm ROE is 973 feet and the 500 ppm ROE is 445 feet. The 500 ppm ROE and 100 ppm ROE includes portions of five public roads. The public roads include: FM 2570 (RR1124), County Roads 232 (Fryer Lane), 231 (Tanbark Dr.), Prairie 229 Rd and Blount Rd. There are 29 public structures within the 100 & 500 ppm ROE. These include 22 occupied public structures and 7 unoccupied public structures. The line will originate approximately 0.65 miles northeast of the intersection of FM 2570 and FM 488 and terminate approximately 0.3 miles east of FM 488. 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. The line will be equipped with high pressure relief valves set at 1,200 psi and located at the compressor station and piped to an emergency flare. The pipeline will be continuously monitored for any pressure fluctuations by Gas Control Service at their office. Any fluctuations in pressure will result in an automatic callout to Trend Gathering & Treating personnel.

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 March 17, 2011. The application was filed with the Freestone County Clerk on March 17, 2011.

FINDINGS OF FACT

1. On March 21, 2011, 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 March 17, 2011. The application was filed with the Freestone County Clerk on March 17, 2011.
3. Trend Gathering & Treating LP proposes construction of a gas gathering pipeline to transport produced gas from the Orand "A" header to the Willard 1-3 compressor station in the Teague Field.
 - a. The line will be 8 inches in diameter and approximately 1.39 miles long.
 - b. The line will carry a maximum 5 MMCFD of gas containing approximately 7,500 parts per million (ppm) of H₂S.
 - c. The maximum operating pressure will be 1,200 psig.
 - d. The 100 ppm ROE is 973 feet and the 500 ppm ROE is 445 feet.

- e. The public roads within the 100 & 500 ppm ROE include: FM 2570 (RR1124), County Roads 232 (Fryer Lane), 231 (Tanbark Dr.), Prairie 229 Rd and Blount Rd.
 - f. The proposed pipeline will be in a rural area, however there are 29 public structures along the route within the 100 & 500 ppm ROE. These include 22 occupied and 7 unoccupied structures.
- 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