



# RAILROAD COMMISSION OF TEXAS

## OFFICE OF GENERAL COUNSEL

**OIL & GAS DOCKET NO. 08-0267230**

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**THE APPLICATION OF DCP MIDSTREAM, LP TO CONSTRUCT AND OPERATE A HYDROGEN SULFIDE GAS PIPELINE, ECTOR COUNTY, TEXAS**

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**REVIEWED BY:** Donna K. Chandler

**DATE APPLICATION FILED:** August 27, 2010

**DATE REVIEWED:** October 15, 2010

### **EXAMINER'S REPORT AND RECOMMENDATION**

#### **STATEMENT OF THE CASE**

DCP Midstream, LP requests Commission authority pursuant to Statewide Rules 106, 70 and 36, to construct and operate a hydrogen sulfide (H<sub>2</sub>S) gas pipeline in Ector County. The proposed line is identified as the Cowden/Judkins line in the Goldsmith gathering system. The existing sour gas pipeline system is permitted under T-4 Permit No. 04825.

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**

DCP Midstream, LP proposes construction of a sour gas pipeline which will run from the Judkins booster plant to the Cowden booster plant. The line will be a part of the Goldsmith gathering system. The line will be 8 inches in diameter and will be 7.7 miles long. The line is approximately 9 miles southwest of Odessa, Texas.

The calculated 100 ppm radius of exposure is 1,684 feet; the calculated 500 ppm radius of exposure is 769 feet. These calculations are based on an H<sub>2</sub>S concentration of 9,000 ppm and a maximum escape volume of 10,000 MCFD. The 500 ppm radius includes a portion of FM Road 1601. Public areas within the 100 ppm radius of exposure include the National Meteor Crater/Meteor Crater Museum and the Burlington/Schlumberger Penwell Field office. There is also a residence within the 100 ppm radius of exposure. In accordance with the provisions of Rule 36(c)(9), the

contingency plan for the Goldsmith gathering system has been updated to incorporate the proposed new line.

The maximum allowable operating pressure of the line is 1,358 psig. The line will normally operate between 130 and 150 psig. Automatic shut downs of the line will be set at 50 psi and 170 psi. The line pressure will be monitored 24/7 at the Goldsmith facility by SCADA. DCP will have H<sub>2</sub>S monitors and alarms with automatic shutdown capability at each booster station.

All materials will satisfy the requirements described in the latest editions of NACE Standard MR 0175 and API RP-14E. The pipe will be API 5L X-52 grade steel pipe. The handling and installation of materials and equipment used in hydrogen sulfide service are to be performed in such a manner so as not to induce susceptibility to sulfide stress cracking under normal operating conditions. The line will be continuously chemically treated for corrosion protection. H<sub>2</sub>S 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 line will be buried at least 4 feet deeper than the lowest point of any road crossing and more than 4 feet below ground level along the rest of the right-of-way.

Notice of the application was published in a newspaper of general circulation in Ector County. The notice was published in *The Odessa American* on September 8, 2010. The application was filed with the Ector County Clerk on September 2, 2010.

#### **FINDINGS OF FACT**

1. On August 27, 2010, DCP Midstream, LP filed an application for a permit to construct a hydrogen sulfide gas pipeline in Ector County.
2. The notice of the application was published in a newspaper of general circulation in Ector County. The notice was published in *The Odessa American* on September 8, 2010. A copy of the application was filed with the Ector County Clerk on September 2, 2010.
3. No protest to the application was filed with the Commission and no hearing was held.
4. DCP proposes construction of an H<sub>2</sub>S gas pipeline in Ector County approximately 9 miles southwest of Odessa, Texas.
  - a. The 8 inch pipeline will run from the Judkins booster plant to the Cowden booster plant and will be a part of the Goldsmith gathering system.
  - b. The line will be 7.7 miles long.

5. Pipeline materials and construction will meet the NACE standards as required by Statewide Rule 36 for hydrogen sulfide service.
6. The line will be operated at a maximum pressure of 1,358 psig.
7. The maximum volume delivery design is 10,000 MCFD. The hydrogen sulfide concentration of the gas to be transported is 9,000 parts per million.
8. The 100 ppm radius of exposure is 1,684 feet and the 500 ppm radius of exposure is 769 feet.
  - a. Public areas within the 100 ppm radius of exposure include the National Meteor Crater/Meteor Crater Museum and the Burlington/Schlumberger Penwell Field office.
  - b. There is one residence within the 100 ppm radius of exposure.
  - c. The 500 ppm radius includes a portion of FM Road 1601.
9. The contingency plan for the Goldsmith gathering system has been updated to incorporate the proposed new line.
10. The pipeline will be constructed subject to Commission inspections for compliance with the appropriate Commission Rules.
11. The Commission's Deputy Director of Field Operations and the Commission's Gas Services Division and Safety Division have reviewed the application and recommend approval.

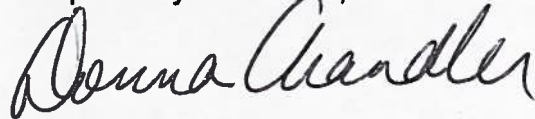
**CONCLUSIONS OF LAW**

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 DCP Midstream, LP to construct and operate the proposed sour gas pipeline, be approved as set out in the attached Final Order.

Respectfully submitted,

A handwritten signature in black ink that reads "Donna Chandler". The signature is written in a cursive style with a large initial "D".

Donna K. Chandler  
Technical Examiner