

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

**Adrienne Sandoval**, Division Director  
**Oil Conservation Division**



## **MIDSTREAM OPERATIONS PLAN GUIDELINES**

August 13, 2021

The Oil Conservation Division's ("OCD") new waste rules, 19.15.27 and 19.15.28 NMAC, took effect on May 25, 2021. Pursuant to section 19.15.28.8(C)(1) NMAC, natural gas gathering system operators must implement an operations plan, including operational and best management practices, to minimize the waste of natural gas. A non-exclusive list of these practices is set forth in 19.15.28.8(C)(1) NMAC: routine maintenance programs; cathodic protection; corrosion control; liquids management; and integrity management. The operator should include any other practices that it intends to use to minimize natural gas waste. OCD will review the operations plan and may confer with the operator, including making recommendations or asking clarifying questions.

OCD is providing this guidance document in response to stakeholder requests for clarification on the elements for an operations plan. For a natural gas gathering system placed into service before or on May 25, 2021, operators must submit an Operations plan no later than August 23, 2021. For a natural gas gathering system placed into service after May 25, 2021, operators must submit an Operations plan no later than 60 days following the date the system is placed into service. For a natural gas gathering system to which an operator adds a new pipeline during the calendar year or changes its operations plan, operators must submit an updated operations plan no later than March 31 of the following year.

<b>Section</b>	<b>Description</b>
System Overview	<ul style="list-style-type: none"> <li>- General purpose overview of the gathering system (i.e. service area and intent of the lines, etc.)</li> <li>- High or low pressure</li> <li>- PHMSA/NMPPRC Regulated/Non-Regulated lines</li> <li>- Sweet or Sour Natural Gas</li> <li>- Above ground or buried lines</li> <li>- Installation date of lines(By Decade)</li> <li>- Construction material</li> </ul>
Routine Operations and Maintenance	<ul style="list-style-type: none"> <li>- Physical pipeline marking and identification</li> <li>- Right of Way patrols, Leak surveys</li> <li>- Pipeline Integrity (non-exclusive list)               <ul style="list-style-type: none"> <li>o Routine pipeline inspections</li> </ul> </li> <li>- Pipeline Pigging               <ul style="list-style-type: none"> <li>o Schedule</li> <li>o Pigging types and applications</li> </ul> </li> <li>- Pipeline maintenance program (non-exclusive list)               <ul style="list-style-type: none"> <li>o Depressurization procedures</li> <li>o Cathodic protection/anode installation</li> <li>o Pressure test and dewatering</li> </ul> </li> <li>- Pressure test guidelines and schedule</li> </ul>
Cathodic Protection, Corrosion Control and Liquids Management	<ul style="list-style-type: none"> <li>- Cathodic protection               <ul style="list-style-type: none"> <li>o Installation on new pipelines</li> <li>o Installation or retrofit on existing pipelines</li> <li>o Monitoring and testing program to ensure effective cathodic protection</li> </ul> </li> <li>- Chemical treatments</li> <li>- Fluid management – centralized vs. field dehydration</li> <li>- Tank Operations and Maintenance associated with the gathering system. How are the tanks managed to reduce venting and overflow events (i.e. tanks related to pigging, dehydration, etc.)</li> </ul>
Procedures to Reduce Releases	<ul style="list-style-type: none"> <li>- Procedures to reduce venting and flaring during maintenance, emergencies and malfunctions</li> <li>- Procedures for reporting scheduled maintenance and emergencies to upstream operators</li> <li>- Emergency response plan               <ul style="list-style-type: none"> <li>o Source elimination</li> <li>o Reporting to regulatory agencies</li> </ul> </li> </ul>