



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL AND GAS DOCKET NO. 01-0294628

THE APPLICATION OF ACCESS MLP OPERATING, LLC (P-5 OPERATOR NO. 003389) TO CONSTRUCT AND OPERATE A HYDROGEN-SULFIDE GAS PIPELINE, THE 16-INCH TRUNKLINE, DILLEY RANCH GAS GATHERING SYSTEM, LA SALLE COUNTY, TEXAS

APPLICATION REVIEWED BY: Brian Fancher, P.G. – Technical Examiner
DATE APPLICATION FILED: December 12, 2014
DATE APPLICATION RECEIVED: December 19, 2014
DATE REVIEWED: December 19, 2014
CONFERENCE DATE: January 27, 2015

EXAMINERS' REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

The subject application is unopposed. Accordingly, a public hearing was not held to consider the matter. Access MLP Operating, LLC ("Access"), a subsidiary of Mockingbird Midstream Gas Services, LLC (P-5 Operator No. 572835), seeks authority to construct and operate the proposed 16" Trunkline sour-gas pipeline (the "Pipeline") in La Salle County, Texas (the "subject application"). The Pipeline is an extension of an existing rich gas gathering system that spans over numerous counties (T-4 Permit No. 08236). The Pipeline will carry up to 10,000 parts per million of hydrogen-sulfide gas ("H₂S"), and up to 40,000,000 cubic feet of natural gas per day (40,000 MCFGD). The subject application was made pursuant to 16 Tex. Admin. Code §§3.36, 3.70, and 3.106 ("Statewide Rules 36, 70, and 106").

The Commission's Oil and Gas Division has reviewed the subject application, and concluded that it satisfies the applicable requirements of Statewide Rules 36 and 106. The Commission's Pipeline Safety Division has also reviewed the subject application, with respect to Statewide Rule 70, and determined it satisfactory. Accordingly, the examiner recommends that the subject application be granted, as proposed by Access.

DISCUSSION OF THE APPLICATION AND GOVERNING RULES

On December 11, 2014, Access submitted its original application to the Commission's Oil and Gas Division, which included several forms that are required. Access's Form PS-79 (Application for a Permit to Construct a Sour-Gas Pipeline Facility), New Construction Report,

and Form H-9 (Certificate of Compliance, Statewide Rule 36) indicate that the Pipeline will be an extension of the existing rich gas gathering system (T-4 Permit No. 08236) and includes the following characteristics: (1) 16" outer diameter with 0.312" wall thickness; (2) 25,350 feet in length (4.801 miles); (3) constructed of API-5L-X-52 grade material; (4) maximum escape volume of 40,000 MCFGD; (5) 10,000 ppm of H₂S; and (6) a maximum operating pressure of 720 pounds per square inch ("psi").

On Tuesday, October 23, 2014, the subject application was published in the *The Frio-Nueces Current*, a newspaper having general circulation in La Salle County¹. A copy of the subject application was submitted with the La Salle County Clerk on December 8, 2014².

As proposed, the beginning of the Pipeline is located approximately 1.5 miles north-northeast of West Farm to Market Road 468, and 5.8 miles northwest of the center of Cotulla, Texas (*i.e.*, 28 30.01, -99 19.15 - North American Datum 83). From there, the Pipeline traverses northwesterly in a parallel sense between Farm to Market Roads 468 and 469. Through its course, the Pipeline crosses beneath Harvey Smith Road and Ayala Road, and ultimately ends a few hundred feet southeast of Johnson Ranch Road (28 33.8, -99 21.4 - North American Datum 83)

Access calculates the 100 and 500 ppm Radii of Exposure ("ROE") of H₂S, measured from the center of the Pipeline, are 4,282 feet and 1,957 feet, respectively³. That is, Access estimates that if the maximum escape volume (40,000 MCFGD) is released from any point along the Pipeline, then H₂S at concentrations of 100 ppm and 500 ppm will extend 1,753 feet and 801 feet, respectively, from the Pipeline⁴.

The Commission's Oil and Gas Division and Pipeline Safety Division have reviewed the subject application, and recommend approval. All pipeline materials will satisfy the requirements described in the latest editions of National Association of Corrosion Engineers (NACE) standard MR-01-075.

FINDINGS OF FACT

1. Access MLP Operating, LLC ("Access") seeks to construct its proposed 16" Trunkline sour-gas pipeline (the "Pipeline") in La Salle County, Texas, which is an extension of the existing rich gas gathering system (T-4 Permit No. 08236) ("the subject application").
2. Publication of the subject application was made in *The Frio-Nueces Current*, a newspaper having general circulation in La Salle County on October 23, 2014.
3. A copy of the subject application was submitted with the La Salle County Clerk on December 8, 2014.

¹ See Affidavit of Publication dated October 23, 2014.

² See Frio County Clerk cashier receipt dated December 8, 2014.

³ See Form H-9 dated December 5, 2014..

⁴ These estimations do not take wind direction or weather patterns into consideration.

4. The Pipeline will transport hydrogen sulfide gas (“H₂S”) composed of up to 10,000 parts per million of H₂S, with a maximum escape volume of 40,000,000 cubic feet of natural gas per day (40,000 MCFGD).
5. The Pipeline is located 5.8 miles northwest of Cotulla, Texas.
6. The Pipeline’s 100 ppm and 500 ppm radii of exposure extend 4,282 feet and 1,957 feet, respectively.
7. Materials used to construct the Pipeline will satisfy the latest editions of the National Association of Corrosion Engineers standard MR-01-075.
8. Material to be used in, and the method of construction and operation of the Pipeline, comports with the Commission’s applicable rules and safety standards.

CONCLUSIONS OF LAW

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas – Tex. Nat. Res. Code §81.051.
2. Legally sufficient notice has been provided to all affected persons - 16 Tex. Admin. Code §3.106.
3. Pipeline materials and construction of the Pipeline meets the NACE standards - 16 Tex. Admin. Code §3.36.
4. Access’s subject application meets the requirements set forth in 16 Tex. Admin. Code §§3.36, 3.70, and 3.106.

EXAMINER’S RECOMMENDATION

Based on the above findings of fact and conclusions of law, the examiner recommends that the application of Access MLP Operating, LLC, for Commission authority to construct and operate the proposed 16” Trunkline sour-gas pipeline be APPROVED.

Respectfully,



Brian Fancher, P.G.
Technical Examiner