HUNGRY HORSE, LLC

3709 S. Eunice HWY P.O. Box 1058 Hobbs, NM 88241 Office: 575-393-3386 Fax: 575-391-4585 info@hungry-horse.com DIRT WORK * ON-SITE REMEDIATION SOIL TESTING * EXCAVATION * ELECTRICAL

12Mar18

APPROVED By Olivia Yu at 8:43 am, Mar 15, 2018

To: Katherine Boyer, HollyFrontier Transportation Reference: Remediation Work Plan Amendment 2 Operator: HollyFrontier Transportation Location: Hobbs Truck Station #529 Address: 413 W Arco Road, Hobbs, New Mexico 88240 GPS: 32.6527 -103.1395 Legals: NW1/4 Sec, 22,T19S, R3BE NMOCD approves of the proposed remediation plan for 1RP-4926 and grants backfill approval. See email correspondence for clarifications.

This amendment to the Remediation Work Plan for the above referenced site dated 11Jan18, is submitted in response to HollyFrontier Transportation's request for the installation of a synthetic liner prior to the setting the tanks inside the battery.

The proposal is to conduct the backfill of the excavated area and reconstruction of the earthen berms with fresh caliche as per the submitted and approved work plan. A synthetic liner will be installed with the entirety of the floor and earthen berms covered with the liner. A 1"-3" layer of crushed rock will be placed on top of the liner with the tank rings (filled with crushed rock) and tanks positioned for operation.

Vernon K. Black, Hungry Horse, LLC

HUNGRY HORSE, LLC

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DIRT WORK * ON-SITE REMEDIATION SOIL TESTING * EXCAVATION * ELECTRICAL

11Jan18

To: Katherine Boyer, HollyFrontier Transportation **Reference: Remediation Work Plan Operator: HollyFrontier Transportation** Location: Hobbs Truck Station #529 Address: 413 W. Arco Road, Hobbs, New Mexico 88240 GPS: 32.6527 -103.1395 Legals: NW1/4 Sec. 22, T19S, R38E

This remediation Work Plan is submitted in response to the unplanned release of crude oil from two above ground tanks into an unlined bermed containment area. All released fluids remained inside the berms except for approximately 2-4 gallons underneath the LACT unit.

Site Information

The HollyFrontier Transportation (HFT) Hobbs truck Station # 529 is located at the above referenced address. This address is 1.1 miles south of the intersection of Highway 18 (Eunice Highway) and the South Hobbs By-pass and .7 miles west on Arco Road. The surrounding properties are all oil and gas related business such as truck yards, shops, above ground crude storage tanks, and truck unloading stations. The nearest residential property is approximately 1125' east/northeast of the #529 Truck Station.

There are no know surface bodies of water within 1000' of this site. There is one known water well 495' northeast of the site. Information from the New Mexico Office of the State Engineer indicates the average depth to groundwater to be 63' (see attached document). Based upon this information, the New Mexico Oil Conservation Division assigns a Site Ranking Score of "30".

Work Conducted to Date

Upon discovery of the release, the LACT unit was re-activated lowering the crude oil levels in the tanks. A vacuum truck was dispatched to the site to recover all free standing liquids. The chain link fence has been removed, both tanks and surface equipment have been removed. The tanks and surface equipment will be steam cleaned and repainted before being placed back into service. The LACT has been disconnected and moved.

Remediation Proposal

I propose to mechanically excavate the impacted area until no visible evidence and no odoriferous evidence of hydrocarbons exist. At this point of the excavation 6 soil samples from the floor, 1 from each end, and 2 from each side wall will be obtained and analyzed for TPH, BTEX, and Chlorides. Upon receipt of lab analysis' indicating contaminant levels are at or below NM OCD closure levels, the excavated area will be backfilled and put back into operation.

HUNGRY HORSE, LLC

All excavated material will be stockpiled on site and on plastic pending a soil analysis. A composite soil sample from the stockpiled material will be collected and lab analysis conducted as per HFT and disposal facility requirements. Upon receipt of satisfactory analysis, the impacted soil will be transported to a division approved facility for disposal.

Vernon K. Black, Hungry Horse, LLC

District 1 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec. NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 8750. State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division

Form C-141 Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe,											the start of the s	
			Rele	the second se	THE OWNER AND ADDRESS OF	Color and the state of the second	orrective A	ction				
						OPERA'	FOR	D	Initia	al Report		Final Report
1. IL II Francisco Transportation LLC						Contact: Katharine E. Boyer						
111 AL2 West Area Dd Hobbs NM 88240						Telephone No. 214-954-6515 Cell: 918-510-6326						
Facility Na					1	Facility Typ	e: Crude Unlo	bad Statio	n			
		rprise Crude	Pipeline	Mineral (Owner:	API No. N/A						
Surface Ow	net Linter	prise crude	ripenne				FASE					
		1				South Line	Feet from the	East/We	est Line	County		
Unit Letter	Unit Letter Section Township Range Feel N/A					South Line	N/A Lea					
		L	Lat	itude: 32.652	259	Longit	ude: -103.13	981				
				NAT	TURE	OF REL	EASE					
Type of Release: Crude Oil						Volume of Release: App. 97 Volume Recovered: 35BBLS BBL						
Source of Release: The Xealibur truck driver did not read tank gauges before unloading his truck and overfilled one of the receiving						Date and Hour of Occurrence 12/23/2017 @ 4: 17 AM MT Date and Hour of Discovery 12/23/2017 @ 04:17 MT					^	
aboveground tanks at the facility. Was Immediate Notice Given?						If YES, To Whom? Oil Conservation Division- Hobbs, New Mexico New Mexico Environmental Department						
By Whom? HollyFrontier Transportation LLC on behalf of Xcalibur						Date and Hour 12/23/2017 @ approximately 5:30 PM MT						
Was a Wate	rcourse Rea	iched?] Yes 🛛] No		If YES, V	olume Impacting	the Water	course.			<u> </u>
If a Watercourse was Impacted, Describe Fully.* N/A					RECEIVED By Olivia Yu at 3:50 pm, Jan 11, 2018					8		
Describe Ca	use of Prob	lem and Rem	edial Actio	on Taken.*								ed that there

An Xcalibur driver called the HollyFrontier Transportation (HF Transportation) Hotline on December 23th, at 4:17 AM MT and communicated that there had been a spill of crude oil at the HF Transportation 571 Unload Station located just South of Hobbs, NM that occurred at 4:17 AM MT that morning. The HF Transportation operator arrived at 8:20 AM MT to investigate the spill. The spill consisted of approximately 97 BBLs of crude oil that had overflowed from an aboveground tank during delivery, all of which was contained within the secondary tank containment berm. One to five gallons of crude spraved outside the containment.

Upon further investigation, the primary root cause of the release was found to be that the driver had not properly checked the aboveground tank level to ensure sufficient capacity remained in the tank to allow for the entire delivery to be unloaded into the tank.

As noted above, the spill was confined within the secondary tank containment berm, and remedial actions were subsequently initiated and are underway by Xcalibur.

Describe Area Affected and Cleanup Action Taken.*

The spill was largely contained inside the tank berm, with only one to five gallons of crude sprayed outside of the containment. Xcalibur is currently undertaking clean-up of the spill and keeping HF Transportation informed of clean-up progress. The small spill outside of the tank berm has been remediated.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

signature: Hatharine & Boyer	OIL CONSERVATION DIVISION Approved by Environmental Specialist:						
Printed Namé: Katharine E. Boyer	Approval Date: 1/11/2018 Exp	iration Date:					
Title: EHS Manager-Asphalt Logistics E-mail Address: Katharine.Boyer@HollyFrontier.com	Conditions of Approval:	Attached					
Date: 1/09/2018 Phone: 214-954-6515	see attached directive						
Attach Additional Sheets If Necessary	1RP-4926	402					
fAB1636537055	nOY1801157	402					
	pOY1801159	315					

New Mexico Office of the State Engineer Water Column/Average Depth to Water

POD has been replaced & no longer serves a water right file.)		O=orphar C=the file closed)	(quarters are 1=NW 2=NE 3=SW 4 (quarters are smallest to largest)						E 3=SW argest)	4=SE) (NAD83 UTM in meters)		(1	(In feet)		
			POD		0	0	0							W	ater
	- 11 - 12	Cale	Sub-	County	64	Q 16	4	Sec	Tws	Rng	x	Y	Depth Well Dept	hWater Co	lumn
	POD Number	Code	L	LE	04	10	1	22	195	38E	674392	3613938*	130	130	0
	L 11587		L	LE	2	4	1	22	195	38E	674692	3613842*	136		
	L 11593		L	LE	1	2	1	22	19S	38E	674486	3614245*	125		
	L 13312 POD1		L	LE	2	1	1	22	195	38E	674215	3614161	60	45	15
	L 13312 POD2		L	LE	2	ļ	1	22	19S	38E	674228	3614159	60	45	15
	L 13312 POD3		L	LE	2	1	1	22	19S	38E	674228	3614159	60	53	7
	L 13312 POD4		L	LE	2	1	1	22	19S	38E	674235	3614168	63	44	19
												Average Depth to	Water:	63 fee	et
												Minimu	m Depth:	44 fee	et
												Maximur	n Depth:	130 fee	et

PLSS Search:

Range: 38E Township: 19S Q4: NW Section(s): 22

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

1/11/18 1:59 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

HollyFrontier Transportation Hobbs Truck Station # 529 Proposed Sample Points



As proposed in the work plan, 6 sample points from the floor, 2 from each side wall, 1 from each end will be selected as noted above. Confirmation samples below each floor sample will be obtained and analyzed for the same contaminants. GPS points will be obtained at the time of sampling and provided with lab analysis.

HollyFrontier Hobbs Truck Station #529 GPS Coordinates for Sample Points

Bottom of Excavation

SP1	N 32.65274	W 103.13960
SP2	N 32.65276	W 103.13964
SP3	N 32.65275	W 103.13960
SP4	N 32.65275	W 103.13965
SP5	N 32.65227	W 103.13958
SP6	N 32.65279	W 103.13962
SP7	N 32.65281	W 103.13956
SP8	N 32.65282	W 103.13962

Walls of Excavation

North Wall	N 32.65287	W 103.13958
South Wall	N 32.65267	W 103.13902
West Wall SP1	N 32.65270	W 103.13965
West Wall SP2	N 32.65280	W 103.13964
East Wall SP1	N 32.65270	W 103.13955
East Wall SP2	N 32.65278	W 103.13954

Note: Sample Points are not plotted on the map or overhead photo due to it being such a small work area.

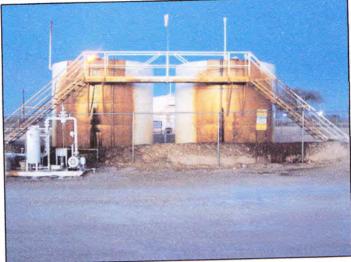
HollyFronter Transportation Truck Station # 529 413 W Arco Road Hobbs, New Mexico 88240

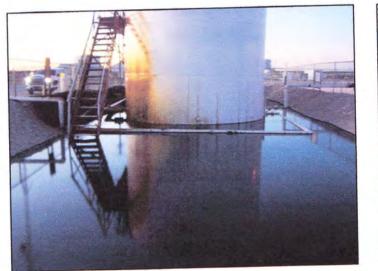


Impacted area is outlined in RED and is approximately 36' x 71'.

HollyFrontier Transportation Hobbs Truck Station # 529













Holly Frontier Transportation Hobbs Truck Station #529











