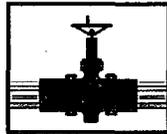


GW - 289

**PERMITS,
RENEWALS,
& MODS
Application**



PLAINS
MARKETING, L.P.

December 8, 2008

2008 DEC 9 PM 1 14

Mr. Wayne Price, Environmental Bureau Chief
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Approval of Discharge Permit Renewal (GW-289)
Loco Hills Crude Station
SE/4 NE/4 Section 23, Township 17 South, Range 31 East, NMPM
Lea County, New Mexico**

Mr. Price:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, and the Oil Conservation Division (OCD) approval/renewal of the subject discharge permit, Plains Marketing, L. P. (Plains) hereby submits the signed copy of the Attachment to the Discharge Permit along with payment in the amount of \$1,200.00 to cover the associated permit fee.

If you have any questions, please feel free to contact me at the numbers below or by email at weroberts@paalp.com.

On behalf of Plains, I wish to thank you and the OCD staff for your cooperation during this discharge permit review.

Sincerely,

Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Hwy. 158
Midland, TX 79706
432.686.1767 office
432.413.2574 cell
432.686.1770 fax

Attachments

Cc: OCD District I Office, Hobbs



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



November 19, 2008

Wayne E. Roberts
Plains Marketing, L.P.
3705 E. Hwy 158
Midland, TX 79706

Re: Discharge Permit Renewal (GW-289)
Loco Hills Crude Station
SE/4 NE/4 Section 23, Township 17 South, Range 31 East, NMPM,
Lea County, New Mexico,

Dear Mr. Roberts:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Plains Marketing, L.P.** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the OCD Santa Fe Office within 30 days of receipt of this letter, including the permit fee.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Edward J. Hansen of my staff at (505-476-3489) or E-mail at edwardj.hansen@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Wayne Price
Environmental Bureau Chief

WP:ejh

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for a crude oil pump station is \$1200.00.** Please submit this amount along with signed permit. Checks should be made payable to: **New Mexico Water Quality Management Fund.**
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on February 3, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its March 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class

II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance and Yard Areas: The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or

depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking

water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions: N/A

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Plains
Midland, TX

Company Name-print name above

Wayne E. Roberts
Company Representative- print name

Wayne E. Roberts
Company Representative- Signature

Title Dir. Env. & Reg. Comp.

Date: 12-08-2008

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 12/3/08

or cash received on _____ in the amount of \$ 1200⁰⁰

from PLAINS Pipeline LP

for GW-289

Submitted by: LAURENCE ROMERO Date: 12/10/08

Submitted to ASD by: LAURENCE ROMERO Date: 12/10/08

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



November 19, 2008

Wayne E. Roberts
Plains Marketing, L.P.
3705 E. Hwy 158
Midland, TX 79706

Re: Discharge Permit Renewal (GW-289)
Loco Hills Crude Station
SE/4 NE/4 Section 23, Township 17 South, Range 31 East, NMPM,
Lea County, New Mexico,

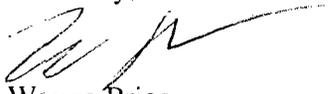
Dear Mr. Roberts:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **Plains Marketing, L.P.** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the OCD Santa Fe Office within 30 days of receipt of this letter, including the permit fee.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Edward J. Hansen of my staff at (505-476-3489) or E-mail at edwardj.hansen@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,



Wayne Price
Environmental Bureau Chief

WP:ejh

Attachments-1
xc: OCD District Office



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for a crude oil pump station is \$1200.00.** Please submit this amount along with signed permit. Checks should be made payable to: **New Mexico Water Quality Management Fund.**
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depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

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C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

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B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

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water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions: N/A

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

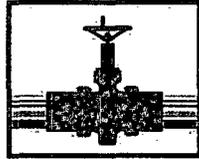
Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title _____

Date: _____



PLAINS

PIPELINE, L.P.

March 20, 2008

Mr. Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505

Re: Discharge Permit Renewal

**Loco Hills Crude Station (GW#289)
SE/4 NE/4 Section 23, Township 17 South, Range 31 East, NMPM,
Lea County, New Mexico,**

**Discharge Permit Renewal
Lea Crude Station (GW-351)
NW/4 Section 28, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico,**

Dear Mr. Price:

Plains Pipeline, L. P. (Plains) hereby submits documentation to satisfy the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC for the above-referenced permit renewals. Plains proposes that the records accomplish and demonstrate to the NMOCD our full cooperation with the notification process. NMOCD will now provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest. The publication date of March 14, 2008 will mark the beginning of the 30-day comment period.

Should any requests for hearings arise, or if there are any questions regarding this matter, please do not hesitate to contact me at (432) 686-1767 or by E-mail at weroberts@paalp.com. Alternatively, you can contact Camille Reynolds at (505) 441-0965.

Thanks & Best Regards,

Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Hwy. 158
Midland, TX 79706
432.686.1767 office
432.413.2574 cell
432.686.1770 fax

Cc: Camille Reynolds
Rebecca Esparza
Charles Manis
File

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

PUBLISHER

of the Hobbs News-Sun, a news-
paper published at Hobbs, New
Mexico, do solemnly swear that
the clipping attached hereto was
published in the regular and
entire issue of said paper, and not
a supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated

MARCH 14, 2008

and ending with the issue dated

MARCH 14, 2008

Kathi Bearden

PUBLISHER

Sworn and subscribed to before
me this 19TH day of

MARCH, 2008

Dora Montz

Notary Public.

My Commission expires

February 07, 2009

(Seal)



OFFICIAL SEAL
DORA MONTZ
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires: _____

This newspaper is duly qualified to
publish legal notices or advertise-
ments within the meaning of
Section 3, Chapter 167, Laws of
1937, and payment of fees for said
publication has been made.

49101441-000 49687535
PLAINS ALL AMERICAN
3705 EAST HIGHWAY 158
PO BOX 3119
MIDLAND, TX 79702

**NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

Plains Marketing, L.P. Wayne E. Roberts, 432-686-1767, 3705 E. Hwy 158, Midland, Texas 79706, has submitted discharge permit renewal applications for the following Crude Oil Pump stations. The station(s) receives, store, and transfers crude oil from various leases in Eddy and Lea Counties, New Mexico. Crude oil products, waste oil and water may be stored in above ground tanks prior to being transported off-site to OCD approved facilities. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-289) Loco Hills Crude Oil Pump Station located in the NW/4 of Section 28; Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Ground water most likely to be affected in the event of an accidental discharge is at a depth exceeding 400 feet with a total dissolved solids concentration of approximately 3000 mg/l.

(GW-351) Lea Crude Oil Pump Station located in the SW/4 NW/4 of Section 23, Township 17 South, Range 31 East, NMPM, Lea County, New Mexico. Ground water most likely to be affected in the event of an accidental discharge is at a depth of 30 feet with a total dissolved solids concentration of approximately 1600 mg/l.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en Idioma español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Departamento Del Energía, Minerales y Recursos Naturales de Nuevo México), oil Conservación División (Adepto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 07th day of March 2008.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Friday, February 15, 2008 3:13 PM
To: Jeffrey P Dann
Cc: Williams, Chris, EMNRD; Johnson, Larry, EMNRD
Subject: Discharge Permits -Attention Wayne Roberts
Attachments: Renewal WQCC Notice Regs.pdf; Discharge Plan App Form.pdf; Guidelines For Discharge Plans.pdf; PN Flow Chart.20.6.2renewal.pdf

Please forward to Mr. Wayne Roberts: I would like a return E-mail from Mr. Roberts indicating he has received the notice.

Dear Discharge Permit (GW-289) Holder:

The New Mexico Oil Conservation Division's (NMOCD) records indicate that your *discharge permit has expired*. New Mexico Water Quality Control Commission regulations (WQCC) Section 3106.F (20.6.2.3106.F NMAC) specifies that if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. You may be operating without a permit. Please submit a permit renewal application, identifying any changes and updates, with a filing fee (20.6.2.3114 NMAC) of \$100.00 by February 29, 2008. Please make all checks payable to the **Water Quality Management Fund** and addressed to the OCD Santa Fe Office. There is also a discharge plan permit fee, based on the type of facility, which OCD will assess after processing your application. An application form and guidance document is attached in order to assist in expediting this process.

In accordance with the public notice requirements (Subsection A of 20.6.2.3108 NMAC) of the newly revised (July 2006) WQCC regulations, "...to be deemed administratively complete, an application shall provide all of the information required by Paragraphs (1) through (5) of Subsection F of 20.6.2.3108 NMAC and shall indicate, for department approval, the proposed locations and newspaper for providing notice required by Paragraphs (1) through (4) of Subsection B or Paragraph (2) of Subsection C of 20.6.2.3108 NMAC." You are required to provide the information specified above in your permit renewal application submittal. Attached are a flow chart and the regulatory language pertaining to the new WQCC public notice requirements for your convenience. After the application is deemed administratively complete, the revised public notice requirements of 20.6.2.3108 NMAC must be satisfactory demonstrated to OCD. OCD will provide public notice pursuant to the revised WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

The Oil Conservation Division's (OCD) records indicate that the following discharge plans will expire this year:

GW-351 Lea Station

Expiration Date: 08/01/2008

New Mexico Water Quality Control Commission regulations (WQCC) Section 3106.F (20.6.2.3106.F NMAC) specifies that if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

2/15/2008

Please submit a permit renewal application, identifying any changes and updates, with a filing fee (20.6.2.3114 NMAC) of \$100.00 at least 120 days before the discharge plan expires. Please make all checks payable to the **Water Quality Management Fund** and addressed to the OCD Santa Fe Office. There is also a discharge plan permit fee, based on the type of facility, which OCD will assess after processing your application. An application form and guidance document is attached in order to assist in expediting this process.

In accordance with the public notice requirements (Subsection A of 20.6.2.3108 NMAC) of the newly revised (July 2006) WQCC regulations, "...to be deemed administratively complete, an application shall provide all of the information required by Paragraphs (1) through (5) of Subsection F of 20.6.2.3108 NMAC and shall indicate, for department approval, the proposed locations and newspaper for providing notice required by Paragraphs (1) through (4) of Subsection B or Paragraph (2) of Subsection C of 20.6.2.3108 NMAC." You are required to provide the information specified above in your permit renewal application submittal. Attached are a flow chart and the regulatory language pertaining to the new WQCC public notice requirements for your convenience. After the application is deemed administratively complete, the revised public notice requirements of 20.6.2.3108 NMAC must be satisfactory demonstrated to OCD. OCD will provide public notice pursuant to the revised WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505
E-mail wayne.price@state.nm.us
Tele: 505-476-3490
Fax: 505-476-3462



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 07, 2008

Mr. Wayne E. Roberts
Plains Marketing, L.P.
3705 E. Hwy 158
Midland, Tx 79706

Re: **DRAFT** Discharge Permit Renewal
Loco Hills Crude Station (GW-289)
SE/4 NE/4 Section 23, Township 17 South, Range 31 East, NMPM,
Lea County, New Mexico,

Dear Mr. Roberts:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the Plains Marketing, L.P. (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**.

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact me at (505-476-3490) or E-mail wayne.price@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

Attachments-1

xc: OCD District Office

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division (“OCD”) has received the required \$100.00 filing fee. ***The flat fee for a crude oil pump station is \$1200.00. Please submit this amount along with the signed certification item 23 of this document after the final permit is issued in approximately 45 days.***
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on February 03, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.***
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its March 2008 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-

approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance and Yard Areas: The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or

depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-

regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions: N/A

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written

notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title _____

Date: _____

NOTICE OF PUBLICATION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

Plains Marketing, L.P. Wayne E. Roberts, 432-686-1767, 3705 E. Hwy 158, Midland, Texas 79706, has submitted discharge permit renewal applications for the following Crude Oil Pump stations. The station(s) receives, store, and transfers crude oil from various leases in Eddy and Lea Counties, New Mexico. Crude oil products, waste oil and water may be stored in above ground tanks prior to being transported off-site to OCD approved facilities. The discharge permit addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

(GW-289) Loco Hills Crude Oil Pump Station located in the NW/4 of Section 28, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Ground water most likely to be affected in the event of an accidental discharge is at a depth exceeding 400 feet with a total dissolved solids concentration of approximately 3000 mg/l.

(GW-351) Lea Crude Oil Pump Station located in the SW/4 NW/4 of Section 23, Township 17 South, Range 31 East, NMPM, Lea County, New Mexico. Ground water most likely to be affected in the event of an accidental discharge is at a depth of 30 feet with a total dissolved solids concentration of approximately 1600 mg/l.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

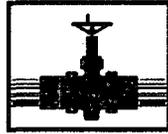
Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservacio'n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 07th day of March 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director



PLAINS
MARKETING, L.P.

RECEIVED

2008 MAR 5 PM 2 57

March 3, 2008

Mr. Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505

**Re: Groundwater Discharge Plan Renewal Submittal, Loco Hills Station
GW-289
Lea County, New Mexico**

Dear Mr. Price:

Enclosed please find the Discharge Plan Renewal Application for Plains Marketing, L. P.'s Loco Hills Station in Eddy County, NM. Also enclosed is the Discharge Plan Application form, the draft public announcements, and the \$100 filing fee.

If you have any questions or comments about this information, please do not hesitate to call me at 432-686-1767. Alternatively, you can contact Rebecca Esparza at 713-646-4625.

Thanks & Best Regards,

Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Hwy. 158
Midland, TX 79706
432:686.1767 office
432.413.2574 cell
432.686.1770 fax
[email:weroberts@paalp.com](mailto:weroberts@paalp.com)

Loco
Hills

Cc: Camille Reynolds
Rebecca Esparza

wer/Enclosures

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised June 10, 2003
Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Crude Oil Pump Station

2. Operator: Plains Marketing, L. P.

Address: P. O. Box 4648, Houston, TX 77210-4648

Contact Person: Wayne E. Roberts, Director, Env/Reg Compliance Phone: (432) 686-1767

3. Location: SW ¼, NE ¼ Section 23 Township 17S Range 31E

Submit large-scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

6. Attach a description of all materials stored or used at the facility.

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.

8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.

10. Attach a routine inspection and maintenance plan to ensure permit compliance.

11. Attach a contingency plan for reporting and clean-up of spills or releases.

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

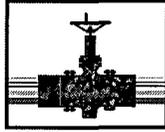
Name: Wayne E. Roberts

Title: Director, Env/Reg Compliance

Signature: 

Date: February 21, 2008

E-mail Address: weroberts@paalp.com



PLAINS MARKETING, L.P.

1. Type of Operation:
Crude Oil Pump Station

2. Name of Operator or Legally Responsible Party and Local Representative:

Operator: Plains Marketing, L. P.
P. O. Box 4648
Houston, TX 77210-4648

Corporate contact: Rebecca Esparza
Environmental Specialist
713-646-4625

Local Contact: Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Highway 158
Midland, TX 79706
432.686.1767 office
432.413.2574 cell
432.686.1770 fax

3. Location

SW ¼ of NE ¼ Section 23 Township 17 South Range 31 East

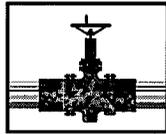
4. Facility Landowner Information

United States Department of the Interior
Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

The Plains Marketing, L. P. Loco Hills Station is a crude oil pumping station, operated by Plains Marketing, L. P. Incoming oil can be delivered by either pipeline or truck, and outgoing oil is delivered into existing pipelines owned by Plains Marketing, L. P. and Plains Pipeline, L. P.

5. Facility description

The facility is located in the SW 1/4 of Section 23, Township 17 South and Range 31 East; located just south of Hwy 82 east of Maljamar. Oil is received at the facility from field gathering pipeline and delivered into Tanks #68417 and #68418. Deliveries are remotely controlled by Plains' Midland Control Center using automated control valves and two booster pumps. Additionally, oil is received by truck at the "Truck Loading Area" and delivered into four 470-barrel storage tanks. The facility is fenced and locked and locked except when personnel are on site. All storage tanks are inside a bermed with capacity sufficient to contain the volume of the largest tank plus accumulated rainwater. Additional facility maps and details are provided in the attached Loco Hills SPCC Plan



6. Materials Stored or Used at the Facility

The only commodity product stored at the facility is light crude oil, stored in the six tanks described above. The crude oil has an average API gravity of 40. Other materials used or stored from time to time include steel replacement pipe, crankcase oil (55 gallon drums, for crude oil pumps), and potentially small volumes methyl and/or isopropyl alcohol to prevent freezing of lines.

7. Source of Effluent and Solid Wastes

Solid Wastes include:

- Small quantities of trash, and construction waste periodically
- Potentially crude stained soils
- Paraffin and grease associated with pipeline maintenance activities (pigging)

Effluent sources include:

- Small quantities of crude oil collected in concrete basins
- Used crankcase oil
- Storm water

There are no restroom facilities requiring a septic discharge.

8. Description of Current Liquid and Solid Waste Collection/Storage/Disposal

Refuse generated during periods of construction or pipeline maintenance are managed using dumpsters, and disposed of properly at an approved solid waste landfill, and scrap metal is recycled. Pipeline liquids and/or solids are collected using buckets, drip pans, containment, vacuum trucks or other equipment, and either re-injected into the pipeline or hauled to an approved disposal site.

There are no continuous waste streams resulting from operations, no water discharges, no surface impoundments or treatment. Crude stained or contaminated soils are promptly cleaned up, and either hauled to an approved land farm or remediated on site with concurrence of the New Mexico OCD.

9. Proposed Modifications to Existing Collection/Treatment/Disposal Systems

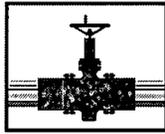
There are no proposed modifications to collection/treatment/disposal systems or procedures. This is a renewal of an existing Discharge Plan with no modification to operations or procedures

10. Routine Inspection and Maintenance Plan

Facility has no process water discharges, only occasional non-contact storm water discharge owing to the arid climate. Any storm water contained within the tank berm areas is inspected for visual sheen prior to discharge.

The facility is inspected daily by company personnel who gauge the storage tanks. During their visits, the Gaugers visually inspect containment areas, roads, ditches and perimeter to determine if oil is present. The surface area around valves and pumps, piping and miscellaneous equipment is inspected for leaks. During deliveries or transfers of products to trucks, company personnel are present at the site to inspect for spills and prevent overfilling.

Tank integrity will be verified routinely by visual inspection, and periodically by internal inspection following API 653 guidelines and schedules.



PLAINS
MARKETING, L.P.

Pipeline integrity is verified annually by pressure testing to 125% of the designed working pressure. Functionality of remote operated valve equipment subject to DOT jurisdictional requirements is verified annually.

11. Contingency Plan

Plains' Spill Prevention, Control and Countermeasure Plan identifies potential releases and volumes, and identifies administrative and engineering controls designed to prevent the release of any contaminants. It is included as an attachment to this document.

12. Geological/Hydrological Information

Plains made inquiry with the New Mexico State Engineer's Office, District Two, inquiring as to distribution, depth and quality of groundwater in proximity to this facility. The Engineer's office indicate there was no information available with regards to water levels, and only limited information was available regarding water quality. This application is a renewal for an existing Discharge Plan and there is believed to be no change in hydrologic condition subsequent to the prior approval.

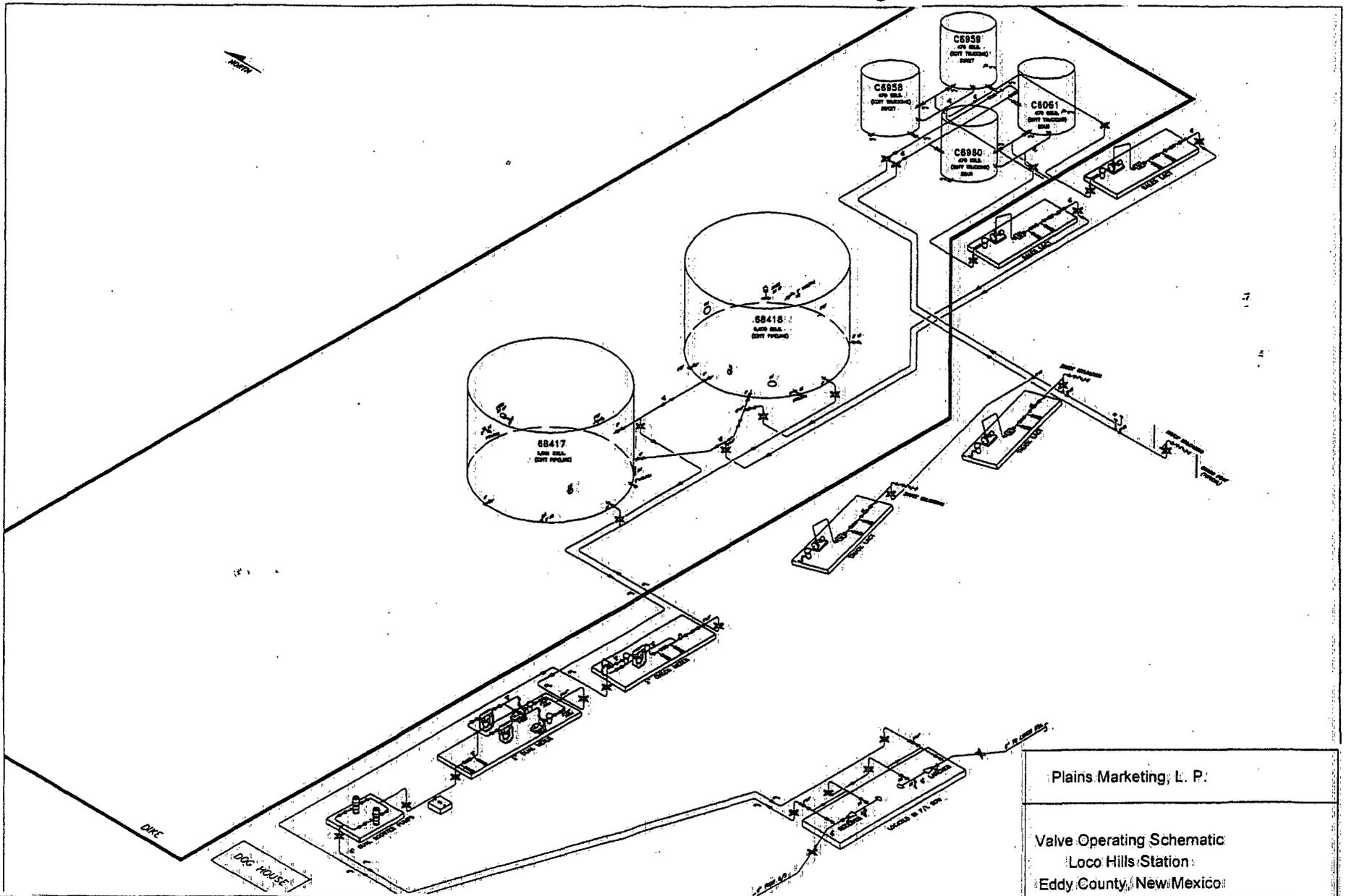
From a hydrologic standpoint no sustainable water bodies are identified within two miles, and although there is a draw adjacent to the facility the area is not considered flood-prone (no flooding identified within the past 30 years). Water is supplied to users in the area via pipeline from the Ogallala aquifer, originating in an area approximately 10 to 15 miles east and north of the station.

Geologically the area has been categorized as the Maljamar Area, a term long used to describe an area 18 miles wide (north by south) by 30 miles long (east by west), and including Townships 18 -18 S, Ranges 30 - 34 E, inclusive. The geology is describe in Bulletin 9, New Mexico School of Mines as follows:

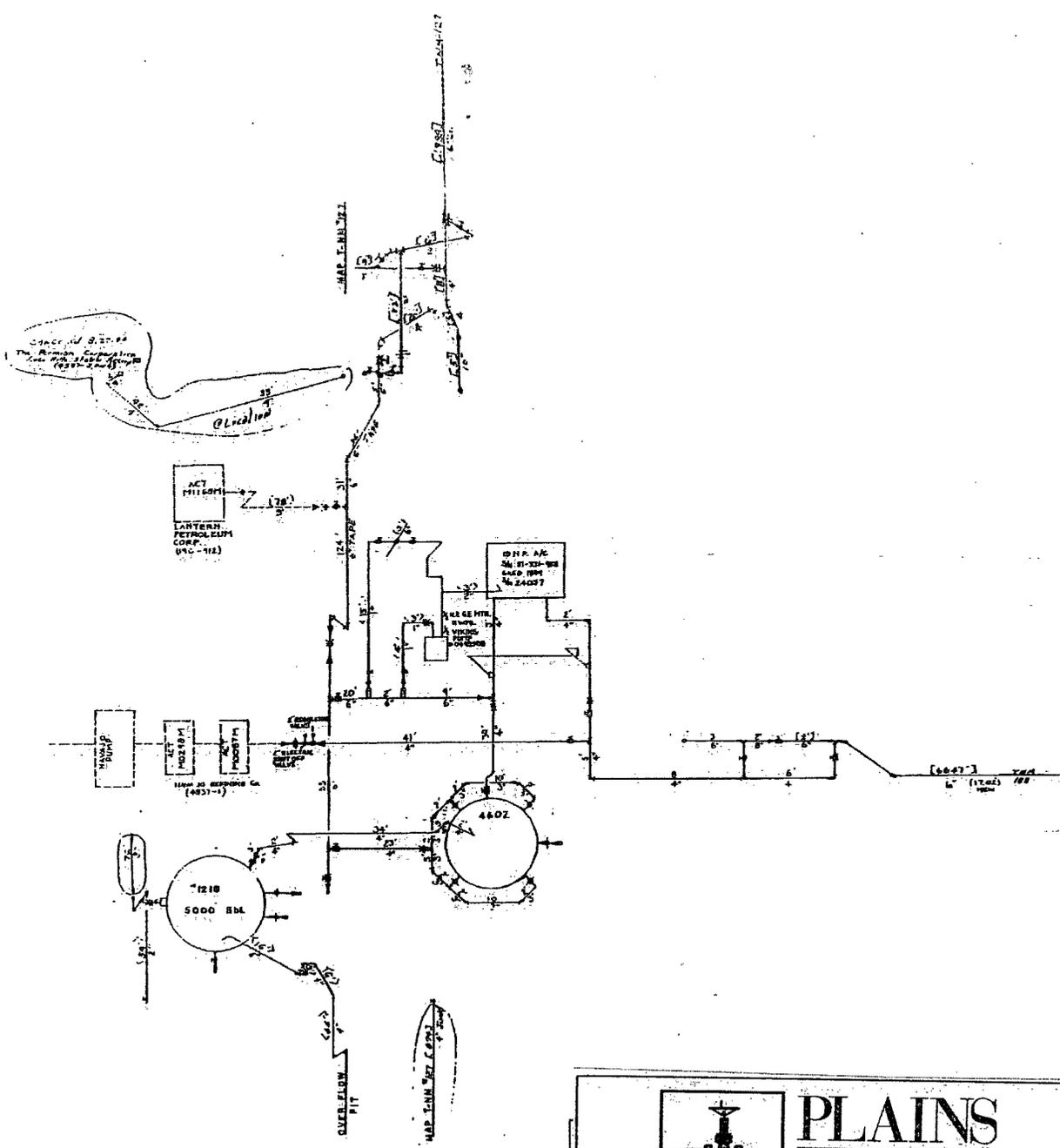
Logs of wells drilled in the area, shows the "Red Sand" to be the one bed that can be identified in all of the wells. The "Red Sand" occurs in the anhydrite zone some 300 feet above the main lime zone, which is probably the equivalent of the basal Carlsbad (White Lime) - Upper San Adres lime series of the Hobbs field. On the basis of elevation of the "Red Sand" the structure of the Maljamar area appears to be a general long eastward-plunging anticlinal ridge showing no westward closure. Oil and gas accumulation most commonly, though not always, occurs along this structural ridge, and is limited to relatively small local areas where porosity is greatest.

13. Facility Closure Plan

Facility retirement is not anticipated during the term of the proposed Discharge Plan. However, at some point in the future it may be shut down and reclaimed. At that time a site assessment will be conducted, and the facility will be closed and decommissioned consistent the closure plan requirements described in the New Mexico Water Quality Control Commission (WQCC) Title 20.6.6.2 Section 3107.A.I 1 regulations. Delineation and remediation (if required) would proceed with the "NMOCD Guidelines for Remediation of Leaks, Spills, and Releases, August 13, 1993" and the NMOCD approved General Work Plan for Remediation of Plains Pipeline Spills, Leaks and Releases in New Mexico.



Plains Marketing, L. P.	
Valve Operating Schematic Loco Hills Station Eddy County, New Mexico	
Dwg. No. LH-VOS	REV 2/08



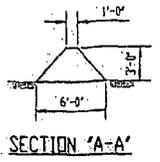
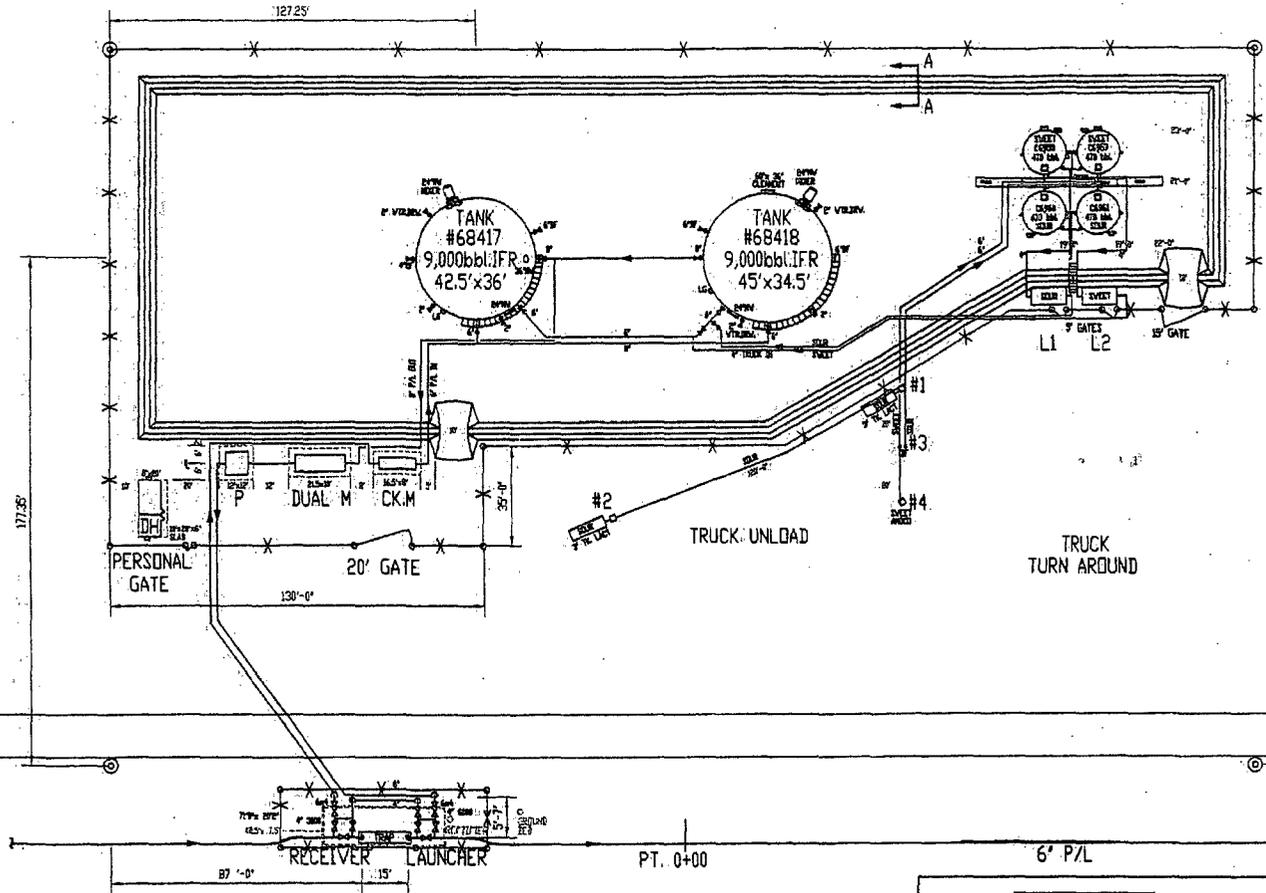
PLAINS
MARKETING, L.P.

Piping Diagram
Loco Hills Station
Eddy County, New Mexico

Dwg. No. LH- Station

REV
2/08

U.S. HIGHWAY 82



STATION ROAD
LEASE ROAD

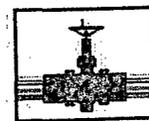
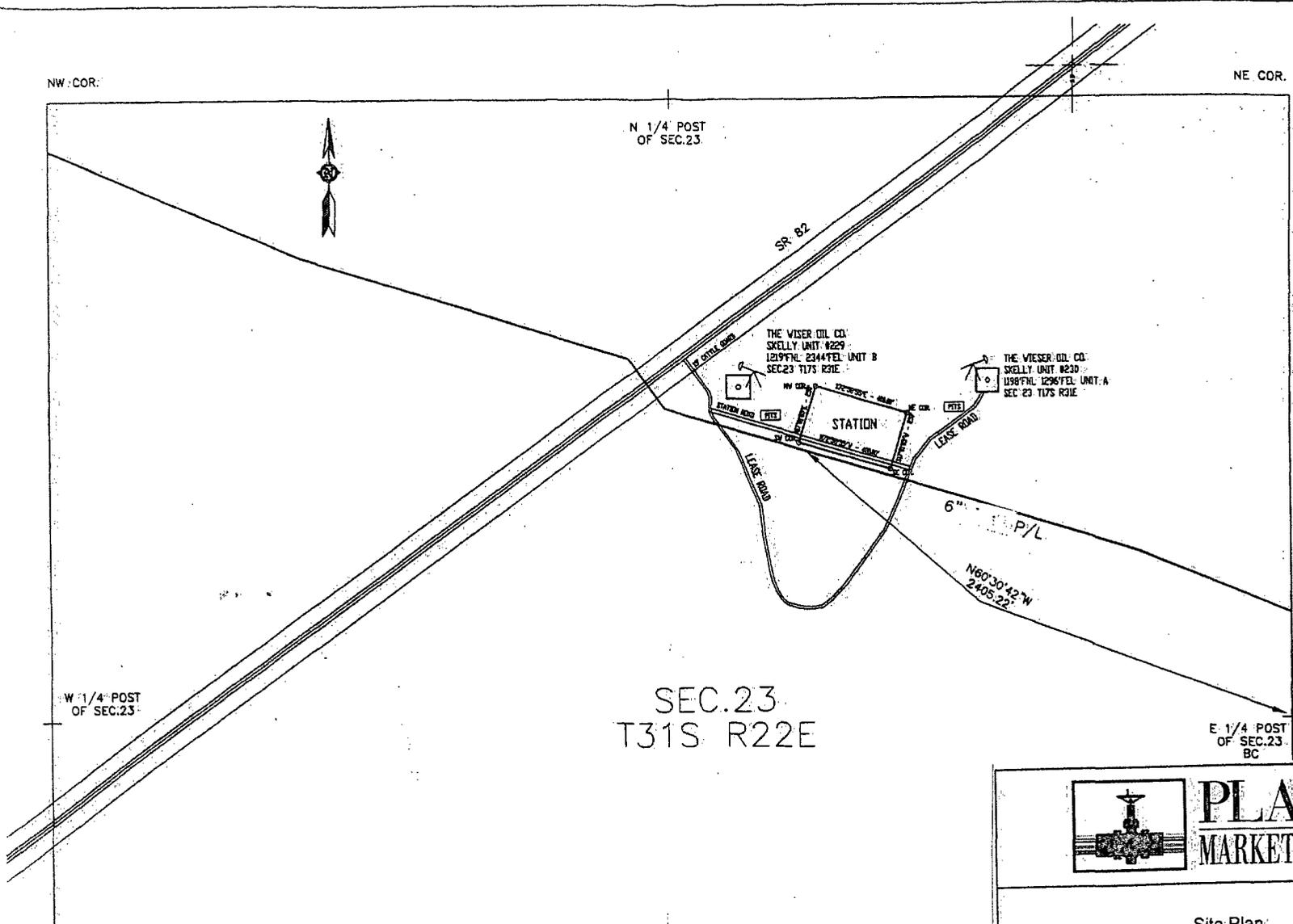


PLAINS
MARKETING, L.P.

Plot Plan
Loco Hills Station
Eddy County, New Mexico

Dwg. No. LH - PP

REV.
2/08



PLAINS
MARKETING, L.P.

Site Plan:
Loco Hills Station
Eddy County, New Mexico

Dwg. No. LH - SP

REV.
2/08



NFPA 704 (Section 16)

AMERADA HESS CORPORATION**MATERIAL SAFETY DATA SHEET****Crude Oil (Sweet)****MSDS No. 6607****1. CHEMICAL PRODUCT and COMPANY INFORMATION (rev. Jan-99)**

Amerada Hess Corporation
1 Hess Plaza
Woodbridge, NJ 07095-0961

EMERGENCY TELEPHONE NUMBER (24 hrs): CHEMTREC (800) 424-9300
COMPANY CONTACT (business hours): Corporate Safety (732) 750-6000

SYNONYMS: Crude Petroleum; Sweet Crude
See Section 16 for abbreviations and acronyms.

2. COMPOSITION and INFORMATION ON INGREDIENTS (rev. Jan-99)

INGREDIENT NAME	EXPOSURE LIMITS	CONCENTRATION PERCENT BY WEIGHT
Petroleum Oil CAS NUMBER: 8002-05-9	OSHA PEL-TWA: 5 mg/m ³ as mineral oil mist ACGIH TLV-TWA: 5 mg/m ³ as mineral oil mist* *1997 NOIC: sum of 15 NTP-listed polynuclear aromatic hydrocarbons 0.005 mg/m ³ , A1	100
Benzene CAS NUMBER: 71-43-2	OSHA PEL-TWA/STEL: 1 / 5 ppm ACGIH TLV-TWA: 0.5 / 2.5 ppm, A1, skin US Coast Guard: same as OSHA	Variable AP 0.1 to 1.0

A natural product derived from various oil production field primarily consisting of a complex combination of paraffinic and aromatic hydrocarbons and small amounts of nitrogen and sulfur compounds.

3. HAZARDS IDENTIFICATION (rev. Jan-99; Tox-99)

**EMERGENCY OVERVIEW
CAUTION!**

**FLAMMABLE LIQUID - SLIGHT TO MODERATE IRRITANT - EFFECTS CENTRAL NERVOUS SYSTEM
- HARMFUL OR FATAL IF SWALLOWED**

High fire hazard. Keep away from heat, spark, open flame, and other ignition sources.

If ingested, do NOT induce vomiting, as this may cause chemical pneumonia (fluid in the lungs). Contact may cause eye, skin and mucous membrane irritation. Avoid prolonged breathing of vapors or mists. Inhalation may cause irritation, anesthetic effects (dizziness, nausea, headache, intoxication), and respiratory system effects.

Long-term exposure may cause effects to specific organs, such as to the liver, kidneys, blood, nervous system, and skin. Contains benzene, which can cause blood disease, including anemia and leukemia.

EYES

Contact with eyes may cause moderate to severe irritation.

SKIN

Practically non-toxic if absorbed following acute (single) exposure. May cause skin irritation with prolonged or repeated contact. Liquid may be absorbed through the skin in toxic amounts if large areas of skin are exposed repeatedly. Rare, precancerous warts on the forearms, backs of hands and scrotum have been reported from prolonged or repeated skin contact.

INGESTION

The major health threat of ingestion occurs from the danger of aspiration (breathing) of liquid drops into the lungs, particularly from vomiting. Aspiration may result in chemical pneumonia (fluid in the lungs), severe lung damage, respiratory failure and even death.

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Ingestion may cause gastrointestinal disturbances, including irritation, nausea, vomiting and diarrhea, and central nervous system (brain) effects similar to alcohol intoxication. In severe cases, tremors, convulsions, loss of consciousness, coma, respiratory arrest, and death may occur.

INHALATION

Excessive exposure may cause irritations to the nose, throat, lungs and respiratory tract. Central nervous system (brain) effects may include headache, dizziness, loss of balance and coordination, unconsciousness, coma, respiratory failure, and death.

CHRONIC and CARCINOGENICITY

Similar products produced skin cancer and systemic toxicity in laboratory animals following repeated applications. This product contains polynuclear aromatic hydrocarbons which have been shown to be carcinogenic in laboratory animals after repeated and prolonged skin contact. The significance of these results to human exposures has not been determined - see Section 11, Toxicological Information.

Contains benzene, a regulated human carcinogen. Benzene has the potential to cause anemia and other blood diseases, including leukemia, after repeated and prolonged exposure.

MEDICAL CONDITIONS AGGRAVATED BY EXPOSURE

Irritation from skin exposure may aggravate existing open wounds, skin disorders, and dermatitis (rash). Pre-existing, chronic respiratory disease, liver or kidney dysfunction, or central nervous system disorders may be aggravated by exposure.

4. FIRST AID MEASURES (rev. Jan-99; Tox-99)

EYES

In case of contact with eyes, immediately flush with clean, low-pressure water for at least 15 min. Hold eyelids open to ensure adequate flushing. Seek medical attention.

SKIN

Remove contaminated clothing. Wash contaminated areas thoroughly with soap and water or waterless hand cleanser. Obtain medical attention if irritation or redness develops. Thermal burns require immediate medical attention depending on the severity and the area of the body burned.

INGESTION

DO NOT INDUCE VOMITING. Do not give liquids. Obtain immediate medical attention. If spontaneous vomiting occurs, lean victim forward to reduce the risk of aspiration. Monitor for breathing difficulties. Small amounts of material which enter the mouth should be rinsed out until the taste is dissipated.

INHALATION

Remove person to fresh air. If person is not breathing provide artificial respiration. If necessary, provide additional oxygen once breathing is restored if trained to do so. Seek medical attention immediately.

5. FIRE FIGHTING MEASURES (rev. Oct-94)

FLAMMABLE PROPERTIES:

FLASH POINT: < 73 to > 200 °F (< 23 to > 93 °C)
AUTOIGNITION TEMPERATURE: N/D
OSHA/NFPA FLAMMABILITY CLASS: 1B (flammable liquid)
LOWER EXPLOSIVE LIMIT (%): N/D
UPPER EXPLOSIVE LIMIT (%): N/D

FIRE AND EXPLOSION HAZARDS

Flash point and explosive limits are highly dependent on the crude oil source. Treat as an OSHA/NFPA flammable liquid unless otherwise indicated. Vapors may be ignited rapidly when exposed to heat, spark, open flame or other source of ignition. When mixed with air and exposed to an ignition source, flammable vapors can burn in the open or explode in confined spaces. Being heavier than air, vapors may travel long distances to an ignition source and flash back. Runoff to sewer may cause fire or explosion hazard.

AMERADAHESSE CORPORATION

MATERIAL SAFETY DATA SHEET

Crude Oil (Sweet)

MSDS No. 6607

EXTINGUISHING MEDIA

SMALL FIRES: Any extinguisher suitable for Class B fires, dry chemical, CO₂, water spray, fire fighting foam, or Halon.

LARGE FIRES: Water spray, fog or fire fighting foam. Water may be ineffective for fighting the fire, but may be used to cool fire-exposed containers.

FIRE FIGHTING INSTRUCTIONS

Small fires in the incipient (beginning) stage may typically be extinguished using handheld portable fire extinguishers and other fire fighting equipment.

Firefighting activities that may result in potential exposure to high heat, smoke or toxic by-products of combustion should require NIOSH/MSHA- approved pressure-demand self-contained breathing apparatus with full facepiece and full protective clothing.

Isolate area around container involved in fire. Cool tanks, shells, and containers exposed to fire and excessive heat with water. For massive fires the use of unmanned hose holders or monitor nozzles may be advantageous to further minimize personnel exposure. Major fires may require withdrawal, allowing the tank to burn. Large storage tank fires typically require specially trained personnel and equipment to extinguish the fire, often including the need for properly applied fire fighting foam.

See Section 16 for the NFPA 704 Hazard Rating.

6. ACCIDENTAL RELEASE MEASURES (rev. Jan-99)

ACTIVATE FACILITY'S SPILL CONTINGENCY OR EMERGENCY RESPONSE PLAN.

Evacuate nonessential personnel and remove or secure all ignition sources. Consider wind direction; stay upwind and uphill, if possible. Evaluate the direction of product travel, diking, sewers, etc. to confirm spill areas.

Carefully contain and stop the source of the spill, if safe to do so. Protect bodies of water by diking, absorbents, or absorbent boom, if possible. Do not flush down sewer or drainage systems, unless system is designed and permitted to handle such material. The use of fire fighting foam may be useful in certain situations to reduce vapors.

Take up with sand or other oil absorbing materials. Carefully shovel, scoop or sweep up into a waste container for reclamation or disposal. Response and clean-up crews must be properly trained and must utilize proper protective equipment.

7. HANDLING and STORAGE (rev. Jan-99)

HANDLING PRECAUTIONS

Handle as a flammable liquid. Keep away from heat, sparks, and open flame! Electrical equipment should be approved for classified area. Bond and ground containers during product transfer to reduce the possibility of static-initiated fire or explosion.

STORAGE PRECAUTIONS

Keep away from flame, sparks, excessive temperatures and open flame. Use approved vented containers. Keep containers closed and clearly labeled. Empty product containers or vessels may contain explosive vapors. Do not pressurize, cut, heat, weld or expose such containers to sources of ignition.

Store in a well-ventilated area. This storage area should comply with NFPA 30 "Flammable and Combustible Liquid Code". Avoid storage near incompatible materials. The cleaning of tanks previously containing this product should follow API Recommended Practice (RP) 2013 "Cleaning Mobile Tanks In Flammable and Combustible Liquid Service" and API RP 2015 "Cleaning Petroleum Storage Tanks".

WORK/HYGIENIC PRACTICES

Emergency eye wash capability should be available in the near proximity to operations presenting a potential splash exposure. Use good personal hygiene practices. Avoid repeated and/or prolonged skin

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exposure. Wash hands before eating, drinking, smoking, or using toilet facilities. Do not use as a cleaning solvent on the skin. Do not use gasoline or solvents (naphtha, kerosene, etc.) for washing this product from exposed skin areas. Waterless hand cleaners are effective. Promptly remove contaminated clothing and launder before reuse. Use care when laundering to prevent the formation of flammable vapors which could ignite via washer or dryer. Consider the need to discard contaminated leather shoes and gloves.

Naturally Occurring Radioactive Materials (NORM):

Industry experience indicates that this material may contain small amounts of naturally-occurring uranium, thorium, and their decay products (NORM) which can accumulate in oil production and process equipment, particularly the equipment handling the water associated with crude oil production. Scales, other deposits, and sludges from this equipment may have a significant accumulation of NORM. Gamma radiation above background may be detected external to equipment contaminated with NORM. Production equipment should be assessed for external gamma radiation; access may need to be restricted in accordance with OSHA 29 CFR 1910.96 during operation. Such equipment should also be assumed to be internally contaminated with long half-life decay products that emit alpha radiation, which is a hazard if inhaled or ingested. Unless measurements indicate otherwise, steps should be taken to minimize skin and inhalation exposure to NORM dusts/mists by wearing personal protective clothing [such as disposable Tyvek ® (DuPont)], utilizing respiratory protection (minimum of HEPA filter), and practicing good personal hygiene. Please refer to API Bulletin E2, "Bulletin on Management of Naturally Occurring Radioactive Materials in Oil and Gas Production," April 1, 1992, for additional information on managing NORM.

8. EXPOSURE CONTROLS and PERSONAL PROTECTION (rev. Jan-99)

ENGINEERING CONTROLS

Use adequate ventilation to keep vapor concentrations of this product below occupational exposure and flammability limits, particularly in confined spaces.

EYE/FACE PROTECTION

Safety glasses or goggles are recommended where there is a possibility of splashing or spraying

SKIN PROTECTION

Gloves constructed of nitrile, neoprene, or PVC are recommended. Chemical protective clothing such as of E.I. DuPont Tyvek QC®, Saranex®, TyChem® or equivalent recommended based on degree of exposure. Note: The resistance of specific material may vary from product to product as well as with degree of exposure. Consult manufacturer specifications for further information

RESPIRATORY PROTECTION

A NIOSH/ MSHA-approved air-purifying respirator with organic vapor cartridges or canister may be permissible under certain circumstances where airborne concentrations are or may be expected to exceed exposure limits or for odor or irritation. Protection provided by air-purifying respirators is limited. Refer to OSHA 29 CFR 1910.134, ANSI Z88.2-1992, NIOSH Respirator Decision Logic, and the manufacturer for additional guidance on respiratory protection selection.

Use a positive pressure, air-supplied respirator if there is a potential for uncontrolled release, exposure levels are not known, in oxygen-deficient atmospheres, or any other circumstance where an air-purifying respirator may not provide adequate protection.

9. PHYSICAL and CHEMICAL PROPERTIES (rev. Oct-94)

APPEARANCE

Variable depending on its source; typical is a thick, dark yellow to brown or greenish black liquid

ODOR

A characteristic, petroleum/asphalt-type odor

AMERADA HESS CORPORATION

MATERIAL SAFETY DATA SHEET

Crude Oil (Sweet)

MSDS No. 6607

BASIC PHYSICAL PROPERTIES

The properties of crude oil are highly variable depending on its source.

BOILING RANGE: AP 100 - 1000+ °F
VAPOR PRESSURE: Variable
VAPOR DENSITY (air = 1): 3 - 5 typical
SPECIFIC GRAVITY (H₂O = 1): AP 0.7 to 0.9 (varies)
PERCENT VOLATILES: Variable
EVAPORATION RATE: Variable
SOLUBILITY (H₂O): Insoluble to slightly soluble

10. STABILITY and REACTIVITY (rev. Oct-94)

STABILITY: Stable. Hazardous polymerization will not occur.

CONDITIONS TO AVOID and INCOMPATIBLE MATERIALS

Avoid high temperatures, open flames, sparks, welding, smoking and other ignition sources. Keep away from strong oxidizers.

HAZARDOUS DECOMPOSITION PRODUCTS:

Carbon monoxide, carbon dioxide and non-combusted hydrocarbons (smoke).

11. TOXICOLOGICAL PROPERTIES (rev. Jan-99; Tox-99)

CHRONIC EFFECTS AND CARCINOGENICITY

Carcinogenicity: OSHA: NO IARC: NO NTP: NO ACGIH: 1997 NOIC: A1
Dermal carcinogenicity: positive - mice

Studies have shown that similar products produce skin tumors in laboratory animals following repeated applications without washing or removal. The significance of this finding to human exposure has not been determined. Other studies with active skin carcinogens have shown that washing the animal's skin with soap and water between applications reduced tumor formation.

This product contains benzene. Human health studies indicate that prolonged and/or repeated overexposure to benzene may cause damage to the blood-forming system (particularly bone marrow), and serious blood disorders such as aplastic anemia and leukemia. Benzene is listed as a human carcinogen by the NTP, IARC, OSHA and ACGIH.

MUTAGENICITY (genetic effects)

Some crude oils and crude oil fractions have been positive in mutagenicity studies.

12. ECOLOGICAL INFORMATION (rev. Jan-99)

Keep out of sewers, drainage and waterways. Report spills and releases, as applicable, under Federal and State regulations.

13. DISPOSAL CONSIDERATIONS (rev. Jan-99)

Consult federal, state and local waste regulations to determine appropriate disposal options.

14. TRANSPORTATION INFORMATION (rev. Jan-99)

PROPER SHIPPING NAME: PETROLEUM CRUDE OIL
HAZARD CLASS / PACKING GROUP: 3; determine flash point to accurately classify packing group
DOT IDENTIFICATION NUMBER: UN 1267
DOT SHIPPING LABEL: FLAMMABLE LIQUID

15. REGULATORY INFORMATION (rev. Jan-99)

U.S. FEDERAL, STATE and LOCAL REGULATORY INFORMATION

This product and its constituents listed herein are on the EPA TSCA Inventory. Any spill or uncontrolled release of this product, including any substantial threat of release, may be subject to federal, state and/or

AMERADA HESS CORPORATION

MATERIAL SAFETY DATA SHEET

Crude Oil (Sweet)

MSDS No. 6607

local reporting requirements. This product and/or its constituents may also be subject to other regulations at the state and/or local level. Consult those regulations applicable to your facility/operation.

CLEAN WATER ACT (OIL SPILLS)

Any spill or release of this product to "navigable waters" (essentially any surface water, including certain wetlands) or adjoining shorelines sufficient to cause a visible sheen or deposit of a sludge or emulsion, must be reported immediately to the National Response Center (1-800-424-8802) or, if not practical, the U.S. Coast Guard with follow-up to the National Response Center, as required by U.S. Federal Law. Also contact appropriate state and local regulatory agencies as required.

CERCLA SECTION 103 and SARA SECTION 304 (RELEASE TO THE ENVIRONMENT)

The CERCLA definition of hazardous substances contains a "petroleum exclusion" clause which exempts crude oil, refined, and unrefined petroleum products and any indigenous components of such. However, other federal reporting requirements (e.g., SARA Section 304 as well as the Clean Water Act if the spill occurs on navigable waters) may still apply.

SARA SECTION 311/312 - HAZARD CLASSES

<u>ACUTE HEALTH</u>	<u>CHRONIC HEALTH</u>	<u>FIRE</u>	<u>SUDDEN RELEASE OF PRESSURE</u>	<u>REACTIVE</u>
X	X	X	--	--

SARA SECTION 313 - SUPPLIER NOTIFICATION

This product contains the following toxic chemicals subject to the reporting requirements of section 313 of the Emergency Planning and Community Right-To-Know Act (EPCRA) of 1986 and of 40 CFR 372:

INGREDIENT NAME (CAS NUMBER)	CONCENTRATION WT. PERCENT
Benzene (71-43-2)	0.1 to 1.0

CANADIAN REGULATORY INFORMATION (WHMIS)

Class B, Division 2 (flammable liquid)
Class D, Division 1B (Very toxic by other means)

16.	OTHER INFORMATION	(rev. Jan-99)
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NFPA® HAZARD RATING	HEALTH: 1 Slight
	FIRE: 3 High
	REACTIVITY: 0 Negligible
HMIS® HAZARD RATING	HEALTH: 1* Slight
	FIRE: 3 High
	REACTIVITY: 0 Negligible

*Chronic

SUPERSEDES MSDS DATED: 10/25/94

ABBREVIATIONS:

AP = Approximately < = Less than > = Greater than
N/A = Not Applicable N/D = Not Determined ppm = parts per million

ACRONYMS:

ACGIH American Conference of Governmental Industrial Hygienists	CERCLA Comprehensive Emergency Response, Compensation, and Liability Act
AIHA American Industrial Hygiene Association	DOT U.S. Department of Transportation
ANSI American National Standards Institute (212)642-4900	[General info: (800)467-4922]
API American Petroleum Institute (202)682-8000	EPA U.S. Environmental Protection Agency
	HMIS Hazardous Materials Information System
	IARC International Agency For Research On Cancer

AMERADA HESS CORPORATION

MATERIAL SAFETY DATA SHEET

Crude Oil (Sweet)

MSDS No. 6607

MSHA	Mine Safety and Health Administration	SARA	Superfund Amendments and Reauthorization Act of 1986 Title III
NFPA	National Fire Protection Association (617)770-3000	SCBA	Self-Contained Breathing Apparatus
NIOSH	National Institute of Occupational Safety and Health	SPCC	Spill Prevention, Control, and Countermeasures
NOIC	Notice of Intended Change (proposed change to ACGIH TLV)	STEL	Short-Term Exposure Limit (generally 15 minutes)
NTP	National Toxicology Program	TLV	Threshold Limit Value (ACGIH)
OPA	Oil Pollution Act of 1990	TSCA	Toxic Substances Control Act
OSHA	U.S. Occupational Safety & Health Administration	TWA	Time Weighted Average (8 hr.)
PEL	Permissible Exposure Limit (OSHA)	WEEL	Workplace Environmental Exposure Level (AIHA)
RCRA	Resource Conservation and Recovery Act	WHMIS	Canadian Workplace Hazardous Materials Information System
REL	Recommended Exposure Limit (NIOSH)		

DISCLAIMER OF EXPRESSED AND IMPLIED WARRANTIES

Information presented herein has been compiled from sources considered to be dependable, and is accurate and reliable to the best of our knowledge and belief, but is not guaranteed to be so. Since conditions of use are beyond our control, we make no warranties, expressed or implied, except those that may be contained in our written contract of sale or acknowledgment.

Vendor assumes no responsibility for injury to vendee or third persons proximately caused by the material if reasonable safety procedures are not adhered to as stipulated in the data sheet. Additionally, vendor assumes no responsibility for injury to vendee or third persons proximately caused by abnormal use of the material, even if reasonable safety procedures are followed. Furthermore, vendee assumes the risk in their use of the material.



SPILL PREVENTION CONTROL & COUNTERMEASURES PLAN

LOCO HILLS STATION

FACILITY INFORMATION

Name of Facility:	Loco Hills Station
Type of Facility:	Onshore / Non-production
Location of Facility:	Eddy County, New Mexico
Latitude/Longitude:	32° 49.404' N / 103° 49.309' W
Name and Address of Facility Owner or Operator:	Plains All American Pipeline, LP 333 Clay Street Suite 1600 Houston, TX 77002
Designated Personnel Accountable for Oil Spill Prevention at the Facility:	District Manager Gary Crutcher

40 CFR, 112.7

(d) IMPRACTICABILITY DETERMINATION

- See Appendix 1 - General Provisions

(e) INSPECTIONS, TESTS, AND RECORDS

- Refer to Figures 10 and 11
- Inspection records maintained on file in the Company office

(f) PERSONNEL, TRAINING, AND DISCHARGE PREVENTION PROCEDURES

(1) PERSONNEL TRAINING

- Employees are trained in safe operation of the facility to prevent spills
- Records of employee training are maintained at Corporate Headquarters
- Non-Company personnel (contractors) are required to meet with Company personnel prior to working at the facility
- Proper operation of vehicles to prevent damage to piping is addressed when applicable

(2) DESIGNATED PERSON

- Refer to title block above for the "Designated Personnel Accountable for Oil Spill Prevention at the Facility"

(3) SPILL PREVENTION BRIEFINGS

- Employees review spill prevention procedures and the SPCC Plan at least annually
- Spill events are reviewed and discussed in safety meetings
- Employees are instructed in applicable pollution control laws, rules, and regulations

(g) SECURITY

(1) FENCES AND GATES

- The facility is fully fenced and locked when unattended, or equivalent security measures are provided. Refer to Appendix 1, General Provisions, for details. Operations personnel routinely inspect inside diked areas for discharged oil when loading/unloading

(2) DRAIN VALVES

- Tank drain valves are closed and locked when in non-operating status

(3) CONTAINER VALVES/DRAINS

- Starter controls on all pumps not operating or in standby status are locked in the off position and are accessible only to authorized personnel

(4) LOADING / UNLOADING CONNECTIONS

- Pipeline connections are capped or blank-flanged when not in service for an extended period of time

(5) FACILITY LIGHTING

- Operational areas are well illuminated and adequate for facility operations, or facility lighting is commensurate with the type and location of the facility

(h) FACILITY TANK CAR AND TANK TRUCK LOADING/UNLOADING RACK

(1) RACK AREA DRAINAGE

- Not applicable. Refer to Appendix 1, General Provisions, for details

(2) INTERLOCKED WARNING LIGHT OR PHYSICAL BARRIER

- A sign is posted at the unloading area, warning drivers to fully disconnect prior to departure

(3) TRUCK DRAIN/OUTLET EXAMINATION

- All trucks are inspected for leaks prior to transfer operations and departure

(i) BRITTLE FRACTURE EVALUATION REQUIREMENTS

- Evaluations conducted as necessary

40 CFR, 112.8

(b) FACILITY DRAINAGE

(1) DRAINAGE FROM DIKED AREAS

- Diked areas are drained by opening a manually operated valve or using a manually operated pump and hose

(2) DRAIN VALVES

- Drain valves are manual open/closed type

(3) FACILITY DRAINAGE SYSTEM FROM UNDIKED AREAS

- Facility drainage from undiked areas is indicated on the plot plan

(4) DIVERSION SYSTEM

- Not Applicable

(5) TREATED DRAINAGE WATERS

- Not Applicable

(c) BULK STORAGE CONTAINERS

(1) CONTAINER CONSTRUCTION AND MATERIALS

- Tanks are welded steel or bolted construction in accordance with applicable local codes and API standards
- All containers are compatible with products stored in them

(2) SECONDARY CONTAINMENT

- All storage tanks are inside of secondary containment
- The dimensions of the containment area are as indicated in the plot plan

(3) RAINWATER DRAINAGE

- Secondary containment drain valves remain closed and sealed except when draining
- Water that must be drained from the containment area is inspected for sheen prior to drainage
- If oil is present, it is disposed of properly

(4) BURIED METALLIC STORAGE TANKS

- Not Applicable

(5) PARTIALLY BURIED METALLIC STORAGE TANKS

- Not Applicable

(6) ABOVEGROUND CONTAINERS

- Aboveground containers are inspected on a regular schedule per industry standards.
- Records of inspections and tests are maintained by the company
- Aboveground containers are tested after material repairs

(7) INTERNAL HEATING COILS

- Not Applicable

(8) FAIL SAFE ENGINEERING

- Tanks are gauged prior to and after transfer from truck, or
- Tanks are equipped with high level alarms

(9) EFFLUENT TREATMENT FACILITIES

- Not Applicable

(10) VISIBLE DISCHARGES

- Visible oil leaks are documented and necessary repairs are made promptly

(11) MOBILE/PORTABLE STORAGE CONTAINERS

- Not Applicable

(d) FACILITY TRANSFER OPERATIONS, PUMPING, AND FACILITY PROCESSES

(1) BURIED PIPING

- Buried piping at the facility is properly coated and cathodically protected

(2) OUT OF SERVICE PIPING

- Pipelines that are taken out of service for extended periods of time are disconnected, drained, inerted and blind flanged or plugged

(3) PIPING SUPPORTS

- All pipe supports are designed to minimize abrasion, corrosion, and allow for expansion and contraction

(4) ABOVEGROUND VALVE, PIPING AND APPURTENANCE INSPECTIONS

- All aboveground valves, flanges, joints, hoses, piping, catch pans, pipe and metal supports, locking of valves and metal surfaces are inspected annually along with the tank inspections

(5) VEHICULAR TRAFFIC

- Aboveground piping at this facility is located in areas inaccessible to vehicle traffic

40 CFR, Part 112.7 (b)(c) POTENTIAL SPILL SOURCES

Source	Major Type of Failure/Rate of Flow	Total Quantity (gal)	Direction of Flow	Product Stored	Secondary Containment Volume (gal/Type)
Aboveground Fixed Containers					
68417	Leak/Rupture	382,200	Northwest	Crude	635,376/1
68418	Leak/Rupture	382,200	Northwest	Crude	635,376/1
34144	Leak/Rupture	19,740	Northwest	Crude	635,376/1
34155	Leak/Rupture	19,740	Northwest	Crude	635,376/1
C6958	Leak/Rupture	19,740	Northwest	Crude	635,376/1
C6959	Leak/Rupture	19,740	Northwest	Crude	635,376/1
Truck or Rail Loading/Unloading Rack					
N/A					
Other Potential Spill Sources					
N/A					

Containment Type: 1-Earthern Berm and Floor 2-Concrete Berm and Floor 3-Metal Berm and Floor
*Sufficient freeboard determined based on 25-year, 24-hour rainfall event

40 CFR, Part 112, App. C (3.0), ATTACHMENT C-II CERTIFICATION & APPLICABILITY OF SUBSTANTIAL HARM

Does the facility transfer oil over-water to or from vessels and does the facility have a total oil storage capacity greater than or equal to 42,000 gallons? **No**

Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and, within any storage area, does the facility lack secondary containment that is sufficiently large to contain the capacity of the largest above ground oil storage tank plus sufficient freeboard to allow for precipitation? **No**

Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and is the facility located at a distance [as calculated using the appropriate formula in Appendix C-III (59 FR 34105) or a comparable formula] such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments? **No**

Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and is the facility located at a distance (as calculated using the appropriate formula in Appendix C or a comparable formula) such that a discharge from the facility would shut down a public drinking water intake? **No**

Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and has the facility experienced a reportable oil spill in an amount greater than or equal to 10,000 gallons within the last 5 years? **No**

CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals responsible for obtaining information, I believe that the submitted information is true, accurate, and complete.

Signature: Wayne E. Roberts
Name: Wayne Roberts
Title: Director, Environmental & Regulatory Compliance, Southwest Division
Date: 3/8/04

40 CFR, Part 112.3(d) CERTIFICATION

I hereby certify that I have examined the Facility, and being familiar with the provisions of 40 CFR, Part 112 and LAC, 33 Part IX, Chapter 9, attest to the following:

- I am familiar with the requirements of this part
- I or my agent has visited and examined the facility
- The Plan has been prepared in accordance with good engineering practice, including consideration of applicable industry standards, and with the requirements of this part
- Procedures for required inspections and testing have been established
- The Plan is adequate for the facility

(Seal)

Printed Name of Registered Professional Engineer:

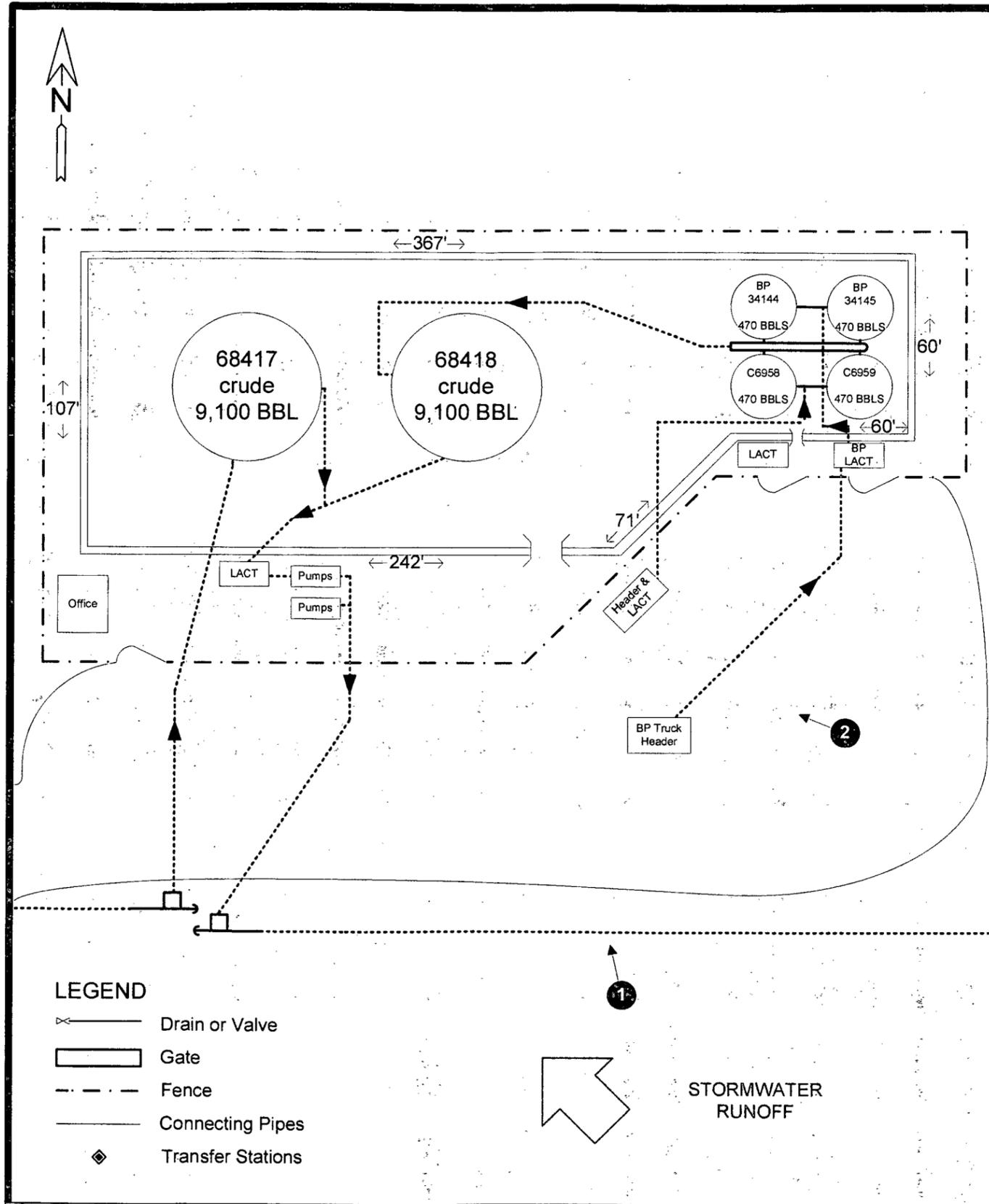
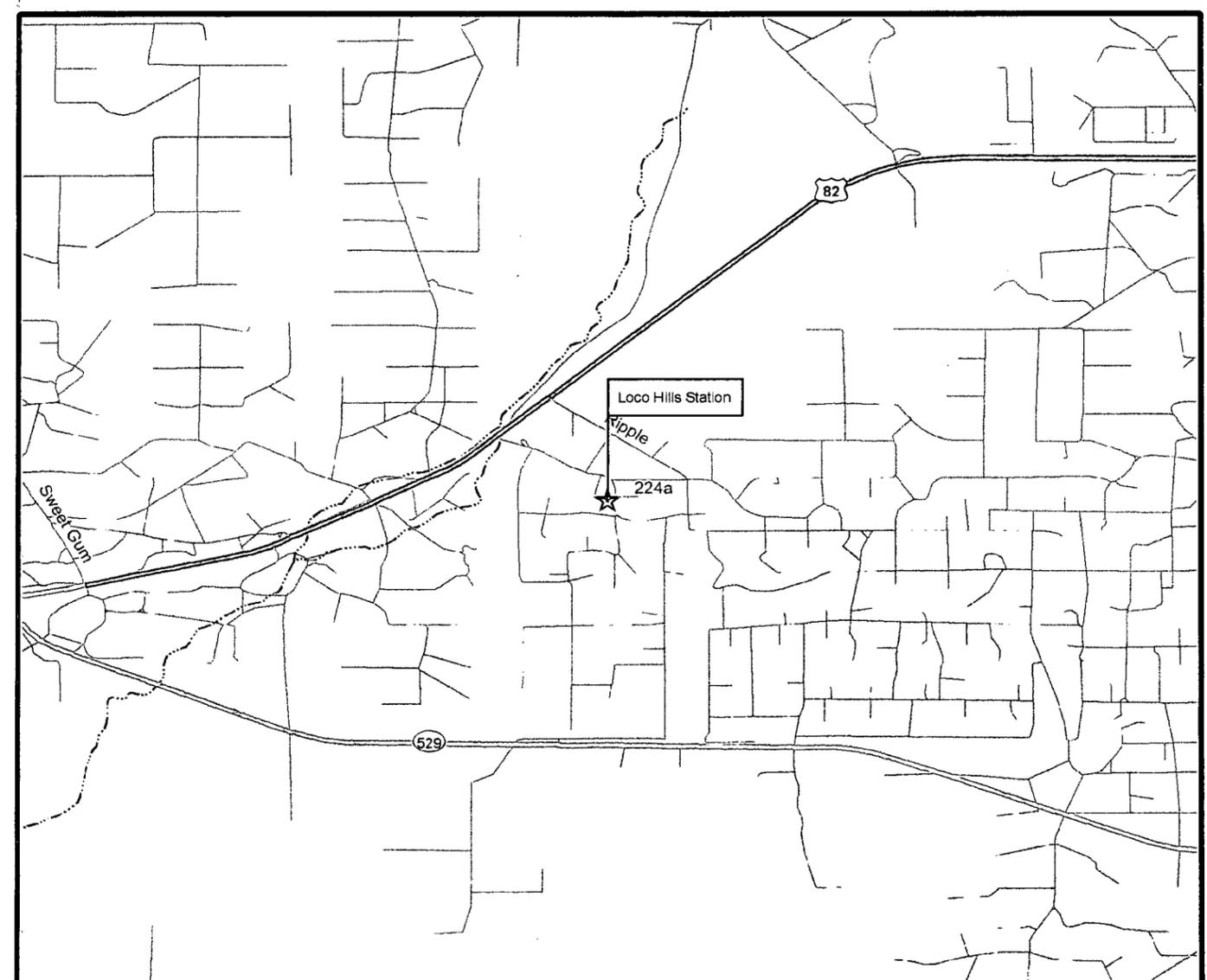
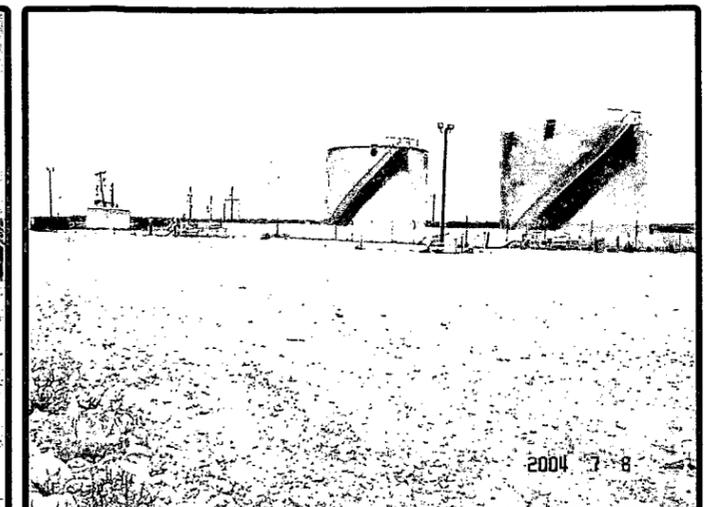
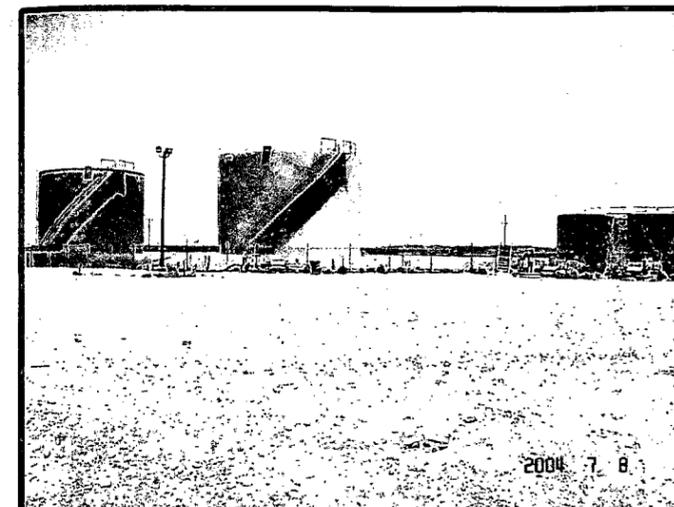
Gilbert C. Schutz

Signature of Registered Professional Engineer:

Gilbert C. Schutz

Date: 3/8/04

Registration No.: TX 24445



SPILL PREVENTION CONTROL AND COUNTERMEASURES PLAN

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**Site-Specific Facility Information
Facility Plot Plan**

FIGURE 1 - RESPONSE ACTIONS

<p>PERSON DISCOVERING SPILL</p> <ul style="list-style-type: none">• Notify Qualified Individual
<p>QUALIFIED INDIVIDUAL</p> <ul style="list-style-type: none">• Assume role of On-Scene Incident Commander• Evaluate health and safety hazards/review MSDS• If safe, direct source control• If safe, direct deployment of company response equipment• If unable to call in information to EH&S Personnel for entry into the online spill reporting system (SRS), complete the Oil Spill Report Form (FIGURE 4). Enter information into SRS as soon as possible thereafter.• Mobilize spill response contractors• Notify EH&S Director
<p>EH&S DIRECTOR</p> <ul style="list-style-type: none">• Assess incident and assume role of IC, if necessary• Mobilize additional spill response contractors• Document response actions• Notify required agencies• Notify management

SOURCE CONTROL AND MITIGATION

This section provides general guidance for spill mitigation. Each situation is unique and must be treated according to the circumstance present. In every situation, however, personnel safety must be assessed as the first priority. The potential for ignition and/or toxic exposure must be promptly evaluated.

FIGURE 2 - SPILL MITIGATION PROCEDURES

TYPE	MITIGATION PROCEDURE
Failure of Transfer Equipment	<ol style="list-style-type: none"> 1. Terminate transfer operations and close block valves. 2. Drain product into containment areas, if possible. 3. Notify tank truck operator. 4. Eliminate sources of vapor cloud ignition by shutting down all engines and motors. 5. Keep all tank trucks out of the area.
Tank Overfill/Failure	<ol style="list-style-type: none"> 1. Shut down or divert source of incoming flow to tank. 2. <i>Transfer fluid to another tank with adequate storage capacity, if possible.</i> 3. Ensure that dike discharge valves are closed. 4. Monitor diked containment area for leaks and potential capacity limitations. 5. Begin transferring spilled product to another tank as soon as possible.
Piping Rupture/Leak (under pressure and no pressure)	<ol style="list-style-type: none"> 1. Shut down pumps. Close the closest block valves on each side of the rupture. 2. Drain the line back into tank trucks or contained areas, if possible. Alert nearby personnel of potential safety hazards. 3. If piping is under pressure, and there is a leak in piping, relieve pressure by draining into containment area or back to a tank, if possible, then repair line according to established procedures. Shut down sources of vapor cloud ignition and evacuate personnel, if necessary, until the leak is controlled.
Explosion/Fire	<ol style="list-style-type: none"> 1. Personnel safety is the first priority. Evacuate non-essential personnel or personnel at risk of injury. 2. Notify local fire and police departments. 3. Attempt to divert or stop flow of product to the hazardous area, if it can be done safely. 4. <i>Shut down engines and motors. Eliminate sources of vapor cloud ignition.</i> 5. Control fire before taking steps to contain spill.
Manifold Failure	<ol style="list-style-type: none"> 1. Terminate transfer operations immediately. 2. Isolate the damaged area by closing block valves on both sides of the leak/rupture. 3. Shut down engines and motors. Eliminate sources of vapor cloud ignition. 4. Drain fluids back into containment areas, if possible.

SPILL VOLUME ESTIMATING

Early in a spill response, estimation of spill volume is required in order to:

- Report to agencies
- Determine liquid recovery requirements
- Assess manpower and equipment requirements
- Determine disposal and interim storage requirements

In the event that actual spill volumes are not available, it may be necessary to estimate this volume. Some methods to estimate this volume are:

- For tank overfills, the total volume would be limited to the elapsed time multiplied by the pumping rate.
- In the event that a more accurate method is not available, an estimate of spill size can be made by visual assessment of the surface area and thickness. Be aware that these factors may yield inaccurate results because:
 - Interpretation of sheen color varies with different observers
 - Appearance of a slick varies depending upon amount of available sunlight, sea state and viewing angle
 - Different products may behave differently, depending upon their properties

FIGURE 3 - OIL THICKNESS ESTIMATIONS

STANDARD FORM	APPROX. FILM THICKNESS		APPROX. QUANTITY OF OIL IN FILM	
	inches	Mm		
Barely Visible	0.0000015	0.00004	25 gallons/mile ²	44 liters/km ²
Silvery	0.000003	0.00008	50 gallons/mile ²	88 liters/km ²
Slightly Colored	0.000006	0.00015	100 gallons/mile ²	179 liters/km ²
Brightly Colored	0.000012	0.0003	200 gallons/mile ²	351 liters/km ²
Dull	0.00004	0.001	666 gallons/mile ²	1,168 liters/km ²
Dark	0.00008	0.002	1,332 gallons/mile ²	2,237 liters/km ²
Thickness of light oils: 0.0010 inches to 0.00010 inches				
Thickness of heavy oils: 0.10 inches to 0.010 inches				

FIGURE 5 – NOTIFICATIONS

AFFILIATION	PHONE NUMBER	NAME OF PERSON CONTACTED	TIME CONTACTED
COMPANY PERSONNEL			
Division Manager	(432) 686-1777 (office) (432) 413-3497 (cell) (432) 756-3105 (home)	Allen Schafer	
Assistant Division Manager	(432) 686-1707 (office) (432) 413-9831 (cell) (432) 694-2847 (home)	Roddy Hughes	
Division Director, Env. & Reg Compliance	(432) 686-1767 (office) (432) 413-2574 (cell) (432) 683-5987 (home)	Wayne Roberts	
Environ & Reg Compliance Spec	(432) 683-3680 (office) (432) 553-1797 (cell) (432) 697-7547 (home)	Bradford Fivecoat	
Environ & Reg Compliance Spec	(505) 396-3341 (office) (505) 441-0965 (cell) (505) 392-9670 (home)	Camille Reynolds	
Environ & Reg Compliance Spec	(432) 682-5392 (office) (432) 238-9841 (cell) (432) 683-3647 (home)	Jimmy L. Bryant	
Environ & Reg Compliance Spec	(432) 686-1769 (office) (432) 557-5865 (cell) (432) 697-5223 (home)	Daniel Bryant	
Permian Pipeline East District Manager	(432) 687 6900 (office) (432) 559 0840 (cell) (432) 684-3899 (home)	Howard Thomas	
Permian Pipeline North District Manager	(806) 592-7629 (office) (806) 543-8050 (cell) (806) 592-2860 (home)	Gary Crutcher	
Permian Pipeline South District Manager	(432) 527 3497 (office) (432) 940 3953 (cell) (432) 586 9398 (home)	Charles Manis	
FEDERAL NOTIFICATIONS			
National Response Center (NRC)	(800) 424-8802 (202) 267-2675		
EPA, Region VI	(214) 665-6428 (866) 372-7745		
STATE NOTIFICATIONS - Texas			
State Emergency Response Commission (SERC)	(512) 463-7727 (512) 452-2791		
Texas Dept of Public Safety	(806) 273-2448 (512) 424-2000		
Texas Railroad Commission	(512) 463-6835		

FIGURE 4 - OIL SPILL REPORT FORM

Plains Oil Spill Report Form (SRS Data collection)											
Southern & Southwestern Divisions Environmental & Regulatory Compliance											
Company:											
Division		District		County		State					
Regulatory Jurisdiction:		Inter/Intra		TK/PL		Non-regulated gathering	TRRC	DOT/OPS			
Pipeline System:				Pipeline Segment:							
Date discovered:(mm/dd/yyyy)				Location/GL Code:							
Discovered By:Name			Company			Time Discovered: (00:00)					
Reported To:						Time Reported:(00:00)					
Reported By:						Time Reported: (00:00)					
Person Making Report:						Date and Time Reported to EH&S:					
Lat/Lon:	Degrees	Minutes	Seconds		Lat/Lon:	Decimal Degrees					
N					N						
W					W						
Section		TWP		Range		Block		Survey	Other		
General Location and Driving Directions: (include name of nearest town)											
Landowner:					Telephone Number:						
Quantity Released (Barrels)			Quantity Recovered (Barrels)			Fire, Explosion, or injury?					
Did spill reach water?			If Yes, Identify Water Impacted:								
Dimensions of Spill Site:					Depth of contamination:						
Cause of Spill: Check All That Apply											
Adverse Weather		External Corrosion		Operator Error		Undetermined					
Control Center Error		Internal Corrosion		Pipe Seam Failure		Weld Failure					
Equipment Failure		Maintenance		Third Party - Fill out Damage Report						Other (explain)	
Tank		Tank Number:									
Truck Number:		Drivers Name:									
Brief description of incident (indicate failure mode and source of release, pipeline, tank, truck, etc.):											
Weather Conditions:											
Sunny	Cloudy	Raining		Temperature:		Wind Speed:		Wind direction:			
Pipeline Information:											
Size of Pipe:		Wall thickness:		Grade:		Coating:		C P:			
MOP		Normal Operating Pressure:		Year Installed:		Depth of cover:					
Cleaning Pigs Run :		If Yes, Frequency:				Chemical Injected into Segment:					
Please E-mail to your Environmental Representative as soon after spill is found as possible (no more than 48 hours) so this information can be entered into the SRS reporting system. Also copy Brad Fivecoat on any pipeline spills so additional information can be entered into SRS for our annual reporting.											
Email: mailto:werober@paalp.com			Email: mailto:blfivecoat@paalp.com			Email: mailto:smharris@paalp.com					
Email: mailto:cireynolds@paalp.com			Email: mailto:dmbryant@paalp.com								

FIGURE 5 – NOTIFICATIONS, CONTINUED

AFFILIATION	PHONE NUMBER	NAME OF PERSON CONTACTED	TIME CONTACTED
LOCAL NOTIFICATIONS – Texas			
Andrews County LEPC	Call 911 for all emergency releases		
Andrews County Sheriff's Dept.			
Crane County LEPC			
Crane County Sheriff's Dept.			
Gaines County LEPC			
Gaines County Sheriff's Dept.			
Loving County LEPC			
Loving County Sheriff's Dept.			
Pecos County LEPC			
Pecos County Sheriff's Dept.			
Reeves County LEPC			
Reeves County Sheriff's Dept.			
Ward County LEPC			
Ward County Sheriff's Dept.			
Winkler County LEPC			
Winkler County Sheriff's Dept.			
Yoakum County LEPC			
Yoakum County Sheriff's Dept.			
STATE NOTIFICATIONS – New Mexico			
New Mexico State Police	911		
NM Oil Conservation Division	(505) 476-3440		
LOCAL NOTIFICATIONS –New Mexico			
Chavez County LEPC	(505) 624-6770 x129		
Chavez County Sheriff's Dept.	(505) 624-6500		
Eddy County LEPC	(505) 887-9511		
Eddy County Sheriff's Dept.	(505) 887-7551		
Lea County LEPC	(505) 396-8608		
Lea County Sheriff's Dept.	(505) 396-3611		
SPILL RESPONSE CONTRACTORS			
Garner Environmental Services	(800) 424-1716		
Eagle	(800) 336-0909		
Llano Permian	(432) 522-2133		

WASTE MANAGEMENT

Initial oil handling and disposal needs may be overlooked in the emergency phase of a response, which could result in delays and interruptions of cleanup operations. Initially, waste management concerns should address:

- Equipment capacity
- Periodic recovery of contained oil
- Adequate supply of temporary storage capacity and materials

A general flow chart for waste management guidelines, a checklist for containment and disposal, and temporary storage methods are provided below.

FIGURE 6 - WASTE MANAGEMENT FLOW CHART

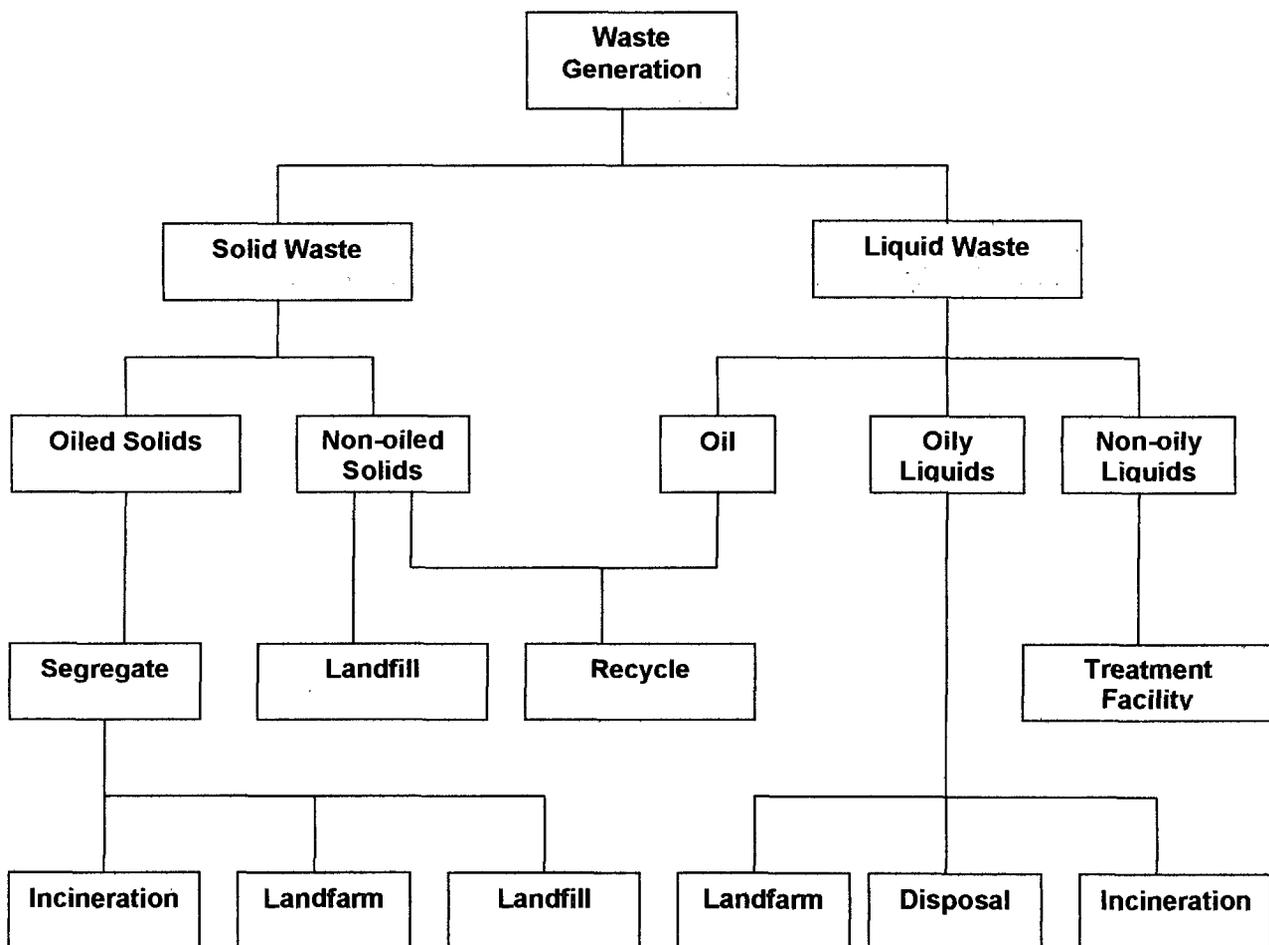


FIGURE 7 - GENERAL WASTE CONTAINMENT AND DISPOSAL CHECKLIST

CONSIDERATION	YES/NO/NA
Is the material being recovered a waste or reusable product?	
Has all recovered waste been containerized and secured so there is no potential for further leakage while the material is being stored?	
Has each of the discrete waste streams been identified?	
Has a representative sample of each waste stream been collected?	
Has the sample been sent to an approved laboratory for the appropriate analysis, (i.e. hazardous waste determination)?	
Has the appropriate waste classification and waste code number(s) for the individual waste streams been received?	
Has a temporary EPA identification number and generator number(s) been received, if they are not already registered with EPA?	
Have the services of a registered hazardous waste transporter been contracted, if waste is hazardous?	
If the waste is nonhazardous, is the transporter registered?	
Is the waste being taken to an approved disposal site?	
Is the waste hazardous or Class I nonhazardous?	
If the waste is hazardous or Class I nonhazardous, is a manifest being used?	
Is the manifest properly completed?	
Are all federal, state, and local laws/regulations being followed?	
Are all necessary permits being obtained?	
Has a Disposal Plan been submitted for approval/review?	
Has PPE and waste-handling procedures been included in the Site Safety and Health Plan to protect the health and safety of waste handling personnel?	

FIGURE 8 - TEMPORARY STORAGE METHODS

CONTAINMENT	PRODUCT						CAPACITY
	OIL	OIL/ NATEF	OIL/ SOIL	OIL/ DEBRIS (Small)	OIL/ DEBRIS (Medium)	OIL/ DEBRIS (Large)	
Drums	X	X	X				0.2-0.5 yd ³
Bags		X	X	X			1.0-2.0 yd ³
Boxes		X	X	X			1-5 yd ³
Open top rolloff	X	X	X	X	X	X	8-40 yd ³
Roll top rolloff	X	X	X	X	X	X	15-25 yd ³
Vacuum box	X	X					15-25 yd ³
Frac tank	X	X					500-20,000 gal
Poly tank	X	X					200-4,000 gal
Vacuum truck	X	X	X				2,000-5,000 gal
Tank trailer	X	X					2,000-4,000 gal
Barge	X	X					3,000+gal
Berm, 4 ft		X	X	X	X	X	1 yd ³
Bladders	X	X					25 gal-1,500 gal

FIGURE 10 - INSPECTION PROCEDURES

A. ROUTINE VISUAL INSPECTIONS

- Visually inspect all tank trucks for proper operation including gauges, sight glasses, level controls and pressure controls.
- Visually inspect tank connections for leaks.
- Visually inspect valves and packing for leaks.
- Inspect drains and sumps for accumulation of oil and proper operation of level controls and pumps.
- Inspect tank seams for leaks, including drips, puddles or discolored area.
- Inspect all tank and piping surfaces for signs of external corrosion.
- Inspect base of tanks for evidence of leaks, including drips, puddles or discolored areas.
- Check piping for leaks, including drips, puddles or discolored areas.
- Visually inspect vent system outlets to ensure that they are not obstructed.
- Inspect secondary containment for cracks or holes. Special attention should be given to seams and locations where piping goes through the deck, curbing or dikes.

B. ANNUAL INSPECTIONS

- Visually inspect drains for the accumulation of oil.
- Visually inspect sumps for the accumulation of oil.
- Visually inspect diked/curbed areas for the accumulation of oil.
- Visually inspect drip pans on lift stations for the accumulation of oil.
- Inspect valves and valve glands for proper operation and ensure complete valve closure (leak proof).
- Check for proper operation of sump level controls and pumps.
- Visually examine the outside of the tank for signs of corrosion, damaged paint surfaces and signs of leaking.
- Systems such as high/low level sensors or switches must be inspected and physically activated to ensure proper operation.
- Inspect pipelines for signs of leaking or damage.
- Inspect flanges for signs of leaking or damage.
- Inspect joints for signs of leaking or damage.

C. RECORD KEEPING

All inspections, except routine, are to be documented on the forms provided in the Plan and retained at the District Office. Records shall be maintained for a period of three (3) years. The following is a list of documentation forms available in the Plan:

- Annual Inspection Record (**FIGURE 11**).
- Secondary Containment Drainage Log (**FIGURE 14**).

FIGURE 11 - ANNUAL INSPECTION RECORD

Facility Name:			County/Parish:	State:	Division:	District:
S	U	NA	INSPECTION ITEM			
TANKS						
			1. Examine the outside of each tank for signs of corrosion, damaged paint surfaces, and leaks.			
			2. Check base of each tank for evidence of leaks, drips, puddles, and discolored areas.			
			3. Inspect tank connections for leaks.			
			4. Examine each tank mixer for leaks, and check drip pan on tank mixer for accumulation of oil and staining.			
			5. Confirm that water draws are closed and locked.			
			6. Activate and check each tank-level system (for example: high/low level sensors or switches) for proper operation.			
			7. Examine vent system outlets on each tank to ensure that they are unobstructed.			
PIPING						
			8. Check piping (pipe, flanges, valves, etc) for leaks, damage, and corrosion.			
			9. Activate valves and valve glands to check for proper operation and complete valve closure.			
			10. Confirm that valves are closed and locked.			
			11. Confirm that LACT prover loop and control panel are closed and locked.			
FIREWALL (Secondary Containment)						
			12. Inspect firewall for cracks, holes, and overall integrity. Give special attention to seams and locations where piping goes through the firewall or other containment structures, and check that firewall is free of trees, shrubs, and other damaging vegetation.			
			13. Examine inside of firewall for accumulation of oil and staining.			
			14. Check outfall of firewall drains for accumulation of oil and staining.			
			15. Confirm that firewall drain valve is closed and locked.			
OTHER						
			16. Examine sumps and sump drains for accumulation of oil and staining.			
			17. Inspect sumps for proper operation of level controls and pumps.			
			18. Confirm truck unload box is closed and locked.			
			19. Visually inspect tank trucks for proper operation including gauges, sight glasses, level controls and pressure controls.			
Description of Unsatisfactory Items (Item No. and Description):						

Corrective Actions for Unsatisfactory Items (Item No. and Corrective Action):						

S Satisfactory
 U Unsatisfactory
 NA Not Applicable

Inspector Name _____
 Inspector Signature _____
 Inspection Date _____

FIGURE 12 - SPCC PLAN REVIEW AND EVALUATION LOG

In accordance with 40 CFR 112.5(b), the SPCC Plan must be reviewed and evaluated every 5 years. As a result of this review and evaluation, the SPCC Plan must be amended within six months of the review to include more effective prevention and control technology if the technology has been field-proven at the time of the review and will significantly reduce the likelihood of a discharge.

I have completed review and evaluation of the SPCC Plan for (facility name) _____ on (date) _____, and
(will/will not) _____ amend the Plan as a result.

Signature: _____

Title: _____

Date: _____

I have completed review and evaluation of the SPCC Plan for (facility name) _____ on (date) _____, and
(will/will not) _____ amend the Plan as a result.

Signature: _____

Title: _____

Date: _____

I have completed review and evaluation of the SPCC Plan for (facility name) _____ on (date) _____, and
(will/will not) _____ amend the Plan as a result.

Signature: _____

Title: _____

Date: _____

(Reproduce this form as necessary)

FIGURE 15 – EPA/SPCC CROSS REFERENCE

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.7 General Requirements for Spill Prevention, Control, and Countermeasures Plans	
(a) General Requirements.	
(1) Include a discussion of your facility's conformance with the requirements listed in this part	Facility Specific 11 x 17
(3) Describe in your Plan the physical layout of the facility and include a facility diagram	Facility Specific 11 x 17 and Plot Plan
(i) The type of oil in each container and its storage capacity	Facility Specific 11 x 17
(ii) Discharge prevention measures	Facility Specific 11 x 17
(iii) Discharge or drainage controls	Facility Specific 11 x 17
(iv) Countermeasures for discharge	Facility Specific 11 x 17
(v) Methods of disposal	Waste Management
(vi) Contact list and phone numbers	Figure 5
(4) Unless you have submitted a response plan, provide information and procedures to report a discharge	Figure 1 and Figure 5
(5) Unless you have submitted a response plan, describe procedures you will use when a discharge occurs	Figure 1, Figure 2, Figure 5, Appendix 1
(b) Prediction of the direction, rate of flow, and total quantity of oil which could be discharged from the facility as the result of each type of major equipment failure.	Facility Specific 11 x 17 and Plot Plan
(c) Provide appropriate containment.	Facility Specific 11 x 17
(d) If you determine that the installation of any of the structures or pieces of equipment is not practicable, you must clearly explain in your Plan why such measures are not practicable; for bulk storage containers, conduct both periodic integrity testing of the containers and periodic integrity and leak testing of the valves and piping; and, unless you have submitted a response plan under 112.20, provide in your Plan the following:	Facility Specific 11 x 17
(1) An oil spill contingency plan following the provision of part 109 of this chapter	Appendix 1
(2) A written commitment of manpower, equipment, and materials	Appendix 1
(e) Inspections, tests, records.	Facility Specific 11 x 17
(c) Personnel, training, and discharge prevention procedures.	Facility Specific 11 x 17
(1) Oil-handling personnel training	Facility Specific 11 x 17
(2) Person accountable for discharge prevention	Facility Specific 11 x 17
(3) Schedule and conduct discharge prevention briefings	Facility Specific 11 x 17

FIGURE 15 – EPA/SPCC CROSS REFERENCE, CONTINUED

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.7 General Requirements for Spill Prevention, Control, and Countermeasures Plans, Continued	
(g) Security (excluding oil production facilities).	
(1) Facility fencing	Facility Specific 11 x 17
(2) Master flow, drain valves, and other valves remain in closed position	Facility Specific 11 x 17
(3) Lock the starter control on each oil pump in "off" position	Facility Specific 11 x 17
(4) Securely cap or blank-flange the loading/unloading connections	Facility Specific 11 x 17
(5) Provide facility lighting	Facility Specific 11 x 17
(i) Discovery of discharges occurring during hours of darkness	Facility Specific 11 x 17
(ii) Prevention of discharges occurring through acts of vandalism	Facility Specific 11 x 17
(h) Facility tank car and tank truck loading/unloading rack (excluding offshore facilities).	
(1) Catchment basin, treatment facility, or quick drainage system	N/A
(2) Provide vehicular disconnect warning system	N/A
(3) Inspect for discharges of the lower most drain	N/A
(i) Aboveground container brittle fracture evaluation.	Facility Specific 11 x 17
(j) Discussion of conformance with the applicable requirements.	Facility Specific 11 x 17
112.8 Spill Prevention, Control, and Countermeasure Plan requirements for onshore facilities (excluding production facilities).	
(b) Facility drainage.	
(1) Restrain drainage from diked storage areas except where facility systems are designed to control such discharge	Facility Specific 11 x 17
(2) Use valves of manual, open-and-closed design, for the drainage of diked areas	Facility Specific 11 x 17
(3) Design facility drainage systems from undiked areas with a potential for a discharge to flow into ponds, lagoons, or catchment basins designed to retain oil or return it to the facility	Facility Specific 11 x 17
(4) Equip the final discharge of all ditches inside the facility with a diversion system that would, in the event of an uncontrolled discharge, retain oil in the facility	N/A

FIGURE 15 – EPA/SPCC CROSS REFERENCE, CONTINUED

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.8 Spill Prevention, Control, and Countermeasure Plan requirements for onshore facilities (excluding production facilities), Continued.	
(5) Where drainage waters are treated in more than one treatment unit and such treatment is continuous, and pump transfer is needed, provide two "lift" pumps and permanently install at least one of the pumps	N/A
(c) Bulk storage containers	
(1) Not use a container for the storage of oil unless its material and construction are compatible with the material stored and conditions of storage such as pressure and temperature	Facility Specific 11 x 17
(2) Provide a secondary means of containment for the entire capacity of the largest single container and sufficient freeboard to contain precipitation	Facility Specific 11 x 17
(3) Not allow drainage of uncontaminated rainwater from the diked area into a storm drain or discharge of an effluent into an open watercourse, lake, or pond, bypassing the facility treatment system unless you:	Facility Specific 11 x 17
(i) Normally keep the bypass valve sealed closed	Facility Specific 11 x 17
(ii) Inspect the retained rainwater to ensure that its presence will not cause a discharge as described in §112.1(b)	Facility Specific 11 x 17
(iii) Open the bypass valve and reseal it following drainage under responsible supervision; and	Facility Specific 11 x 17
(iv) Keep adequate records of such events, for example, any records required under permits issued in accordance with §§122.41(j)(2) and 122.41 (m)(3) of this chapter	Facility Specific 11 x 17
(4) Protect completely buried metallic storage tanks from corrosion	N/A
(5) Protect partially buried and bunkered tanks from corrosion	N/A
(6) Test each aboveground container for integrity on a regular schedule	
(7) Control leakage through defective internal heating coils	N/A
(8) Engineer or update each container installation in accordance with good engineering practice to avoid discharges. You must provide at least one of the following devices:	Facility Specific 11 x 17
(i) High liquid level alarms with an audible or visual signal	Facility Specific 11 x 17
(ii) High liquid level pump cutoff devices	Facility Specific 11 x 17

FIGURE 15 – EPA/SPCC CROSS REFERENCE, CONTINUED

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.8 Spill Prevention, Control, and Countermeasure Plan requirements for onshore facilities (excluding production facilities), Continued.	
(iii) Direct audible or code signal communication between the container gauger and the pumping station	Facility Specific 11 x 17
(iv) A fast response system	Facility Specific 11 x 17
(v) Regularly test liquid level sensing devices to ensure proper operation	Facility Specific 11 x 17
(9) Observe effluent treatment facilities frequently enough to detect possible system upsets that could cause a discharge as described in §112.1(b)	N/A
(10) Promptly correct visible discharges which result in a loss of oil from the container	Facility Specific 11 x 17
(11) Position or locate mobile or portable oil storage containers to prevent a discharge	N/A
(d) Facility transfer operations, pumping, and facility process.	
(1) Provide protection of buried piping that is installed or replaced on or after August 16,2002	Facility Specific 11 x 17
(2) Cap or blank-flange the terminal connection at the transfer point	Facility Specific 11 x 17
(3) Properly design pipe supports to minimize abrasion and corrosion and allow for expansion and contraction	Facility Specific 11 x 17
(4) Regularly inspect all aboveground valves, piping and appurtenances	Facility Specific 11 x 17
(5) Warn all vehicles entering the facility to be sure that no vehicle will endanger aboveground piping or other oil transfer operations	Facility Specific 11 x 17
112.9 Spill Prevention, Control, and Countermeasure Plan requirements for onshore oil production facilities.	
(b) Oil production facility drainage.	
(1) Close and seal at all times drains of dikes or drains of equivalent measures, except when draining uncontaminated rainwater. Prior to drainage, you must inspect the diked area	N/A
(2) Regularly inspect field drainage systems, oil traps, sumps or skimmers for an accumulation of oil	N/A
(c) Oil production facility bulk storage containers	
(1) Not use a container for the storage of oil unless its material and construction are compatible with the material stored and the conditions of storage	N/A

FIGURE 15 – EPA/SPCC CROSS REFERENCE, CONTINUED

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.9 Spill Prevention, Control, and Countermeasure Plan requirements for onshore oil production facilities, Continued.	
(2) Provide a secondary means of containment for the entire capacity of the largest single container and sufficient freeboard to contain precipitation	N/A
(3) Regularly visually inspect each container	N/A
(4) Engineer or update new and old tank battery installations in accordance with good engineering practice to prevent discharges. You must provide at least one of the following:	N/A
(i) Container capacity adequate to assure that a container will not overflow if a pumper/gauger is delayed in making regularly scheduled rounds	N/A
(ii) Overflow equalizing lines between containers	N/A
(iii) Vacuum protection adequate to prevent container collapse	N/A
(iv) High level sensors to generate and transmit an alarm signal to the computer	N/A
(d) Facility transfer operations, oil production facility	N/A
(1) Regularly inspect all aboveground valves and piping associated with transfer operations	N/A
(2) Inspect saltwater (oil field brine) disposal facilities	N/A
(3) Have a program of flowline maintenance	N/A
112.10 Spill Prevention, Control, and Countermeasure Plan requirements for onshore oil drilling and workover facilities.	
(b) Position or locate mobile drilling or workover equipment so as to prevent a discharge as described in §112.1(b).	N/A
(c) Provide catchment basins or diversion structures to intercept and contain discharges.	N/A
(d) Install a blowout prevention (BOP) assembly and well control system before drilling.	N/A
112.11 Spill Prevention, Control, and Countermeasure Plan requirements for offshore oil drilling, production, or workover facilities.	
(b) Use oil drainage collection equipment to prevent and control small oil discharges.	N/A
(c) Provide adequately sized sump and drains. Employ a regularly scheduled preventive maintenance inspection and testing program.	N/A

FIGURE 15 – EPA/SPCC CROSS REFERENCE, CONTINUED

EPA SPCC REQUIREMENTS (40 CFR 112.7-15)	LOCATION
112.11 Spill Prevention, Control, and Countermeasure Plan requirements for offshore oil drilling, production, or workover facilities, Continued.	
(d) At facilities with areas where separators and treaters are equipped with dump valves which predominantly fail in the closed position and where pollution risk is high, specially equip the facility to prevent the discharge of oil. You must prevent the discharge of oil by:	N/A
(1) Extending the flare line to a diked area if the separator is near shore;	N/A
(2) Equipping the separator with a high liquid level sensor that will automatically shut in wells producing to the separator; or	N/A
(3) Installing parallel redundant dump valves.	N/A
(e) Equip atmospheric storage or surge containers with high liquid level sensing devices.	N/A
(f) Equip pressure containers with high and low pressure sensing devices.	N/A
(g) Equip containers with suitable corrosion protection.	N/A
(h) Prepare and maintain at the facility a written procedure within the Plan for inspecting and testing pollution prevention equipment and systems.	N/A
(i) Conduct testing and inspection of pollution prevention equipment and systems on a scheduled periodic basis.	N/A
(j) Describe in detailed records surface and subsurface well shut-in valves and devices in use for each well sufficiently to determine their method of activation or control.	N/A
(k) Install a BOP assembly and well control system during workover operations	N/A
(l) Equip all manifolds (headers) with check valves on individual flowlines.	N/A
(m) Equip the flowline with a high pressure sensing device and shut-in valve at the wellhead if the shut-in well pressure is greater than the working pressure of the flowline and manifold valves up to and including the header valves. Alternatively you may provide a pressure relief system for flowlines.	N/A
(n) Protect all piping appurtenances from corrosion.	N/A
(o) Adequately protect sub-marine piping appurtenances against environmental stresses and other activities.	N/A
(p) Maintain sub-marine piping appurtenances in good operating condition. Periodically schedule inspections or tests and maintain records.	N/A

APPENDIX 1 - GENERAL PROVISIONS

Security

Fences and Gates

Generally, facilities are fenced and locked when unattended. Facilities that have experienced vandalism or that are located in sensitive areas are fully fenced and locked. However, if fencing a facility is impractical or infeasible, other equivalent security measures are provided. Equivalent security measures include locking all valves, lighting, and frequent random visits by operational personnel. Locking includes such measures as a physical locking device; removal of the valve handle, bull plugs or caps; or locking the truck unloading header box.

Facility Tank Car and Tank Truck Loading/Unloading Rack Rack Area Drainage

No rail tank cars are loaded/unloaded at any facilities. Secondary containment is provided for truck racks; however, typical crude oil headers are not considered truck racks. Tank trucks with a maximum capacity of 180 barrels load/unload crude oil at this facility. A catchment basin that holds approximately $\frac{3}{4}$ barrel (31 gallons) is available at the headers to catch any oil spillage when the tank truck hose is connected or disconnected from the loading connection. The driver of the truck remains with the tank truck during the time of loading and unloading. If there is an oil spill at the truck loading site, the oil would be contained on the property. If there is a rupture in the tank truck loading hose, the spill would likely be minor because the truck driver remains at the site and would immediately shut off the valve and/or pump. Any oil spill would likely stay in the truck loading area and would be contained with equipment and materials available either on-site, in the truck, or through the on-call district oil spill response personnel. A spill to the ground would flow in the direction indicated on the facility plot plan. The low volume of potential spill would likely be absorbed into the ground. Because the drivers attend the operation, any spill would be contained before reaching a sensitive area. The drivers have access to mobile communications at all times for contacting the dispatch office and/or obtaining manpower and equipment.

Piping/Sales LACT

The oil is pumped from the storage tank through piping and a sales LACT to a third party pipeline. It is highly unlikely that a leak would occur while pumping the crude oil. The sales LACT is activated and shut off by a level switch on the storage tanks. Should a spill progress out of the LACT unit area, it would likely flow in the direction indicated on the facility plot plan.

To help alleviate the possibility of an oil spill in the loading and piping/LACT unit area, the District Manager will ensure the procedures in the Oil Spill Contingency Plan are followed.

The Oil Spill Contingency Plan and a written commitment of manpower, equipment, and materials follow:

Oil Spill Contingency Plan

This contingency plan has been designed to reduce the potential for an oil spill and to provide guidelines for the reporting and clean-up of an oil spill at the storage tank or elsewhere on the site. The District Manager will ensure that the following procedures are followed:

1. The truck driver will properly use the on-site catchment basin at the loading site to catch any oil spillage when the tank truck hose is connected/disconnected from the loading connection.
2. The truck driver will remain with the truck at all times while loading/unloading.
3. If a catchment basin is not present, the truck driver will carry a 5-gallon bucket and sorbent material on the tank truck to be utilized if needed to catch any leakage during loading or unloading.
4. The truck driver will gauge the tank to ensure sufficient capacity in the truck tank before unloading.
5. The truck driver will make a visual inspection of all equipment, piping, valves, etc. for possible leakage.
6. The truck driver will ensure that ground cables are attached from the tank trailer to ground prior to loading/unloading.
7. The truck driver will have communications in the truck to utilize for emergencies.
8. The truck drivers will be briefed on personnel and phone numbers to notify in case of emergency.
9. The truck driver will remove the contents of catchment basin if near full capacity prior to departure.
10. The truck driver will not depart from the loading/unloading area prior to disconnecting the loading hose.
11. An annual inspection will be made and recorded on a form as shown in **Figure 11**, which shall be filed and retained for three years with the SPCC Plan at the corporate office.
12. In the event of a spill, the division management personnel will be contacted and informed of the spill.
13. In the event of a spill, the division management personnel will ensure timely, efficient, coordinated and effective action to contain and clean up the spill and minimize the damage resulting from the spill.

Written Commitment of Manpower, Equipment, and Materials

Plains will commit the manpower, equipment, and materials required to expeditiously control and remove any harmful quantity of oil discharged.

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 9-7-04,

or cash received on _____ in the amount of \$ 1,250.00

from Plains Pipeline

for Loco Hills Pump Station GW-289

Submitted by: [Signature] (Facility Name) Date: 10-1-04 (DP No.)

Submitted to ASD by: _____ Date: _____

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal

Modification _____ Other _____

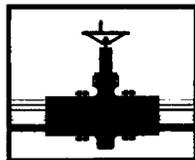
(optional)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

	Plains Pipeline, L.P. P.O. Box 4648 Houston, TX 77210-4648	Fleet Maine, N.A. South Portland, ME	No. [REDACTED]
CHECK DATE		CHECK NUMBER	
07-SEP-04		144585	
PAY		One Thousand Two Hundred Fifty and NO/100 Dollars	
TO THE ORDER OF		NEW MEXICO STATE OF WATER QUALITY MANAGEMENT FUND 1220 SOUTH ST. FRANCIS DRIVE OIL CONSERVATION DIVISION SANTA FE, NM 87505	
		Void After 180 Days	
		<u>[Signature]</u> <u>[Signature]</u>	
		\$*****1,250.00	



PLAINS
MARKETING, L.P.

September 8, 2004

CERTIFIED MAIL RETURN RECEIPT

7002 3150 0001 6639 4793

RECEIVED

SEP 10 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Mr. Robert C. Anderson
Environmental Bureau Chief
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Renewal of Discharge Permit GW-289
Loco Hills Oil Pump Station

Dear Mr. Anderson:

We received your letter in regards to the above subject matter and have enclosed the signed Discharge Permit Approval Conditions (with corrections). In review of your letter we have noted the GW-289 should be for Loco Hills rather than Lea Station. The correction has been made to the original Discharge Permit Approval Conditions document. Another change has been noted on your letter in regards to Plains Marketing purchasing Link Energy LLC.

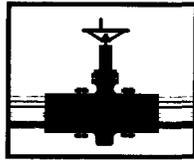
The original signed Discharge Permit Approval Conditions, a Notification of Company Name Change due to Merge, and a check in the amount of \$1,250.00 for the application and flat fee for this pump station are enclosed. Please be advised that as of April 1, 2004 Plains Marketing purchased Link Energy LLC. Any and all future correspondence should be addressed to Plains Marketing at the address listed below.

Should you have any questions, please do not hesitate to contact me at (713) 646-4417 or Mr. Doug Kennedy at (713) 646-4610.

Sincerely,

Ms. Teddie Melton
Administrative Specialist/Analyst
Environmental, Health and Safety

Enclosure(s)



PLAINS
MARKETING, L.P.

August 26, 2004

Mr. Roger Anderson
NMOCD, Environmental Bureau
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: Notification of Company Name Change due to Merger
Transfer of Groundwater Discharge Permits from Link Energy to Plains**

Dear Mr. Anderson:

Effective April 1, 2004 and pursuant to a Plan of Merger among Link Energy, Plains, and other related parties; Link, Plains and certain related parties merged pursuant to the multiple survivor merger provisions of Section 2.11 of the Texas Revised Limited Partnership Act. Under the Plan, Link, Plains and certain of the other parties to the merger were the surviving entities. Link assets now belong to Plains.

In accordance with this merger, all registrations and permits for Link assets are being transferred to Plains' name. Therefore, please re-issue all groundwater discharge permits belonging to Link Energy to Plains Marketing. Plains is committed to adhering to all applicable state and federal water quality laws.

Additionally, attached please find the fee payment in the amount of \$1250 for Permit No. GW-289. Please note that this permit was approved August 17, 2004 under the name Lea Crude Oil Pump Station. This permit is actually for the **Loco Hills Station**. Please amend this permit when re-issuing.

If there is anything else you need regarding the above notifications, please do not hesitate to contact me at 713-646-4625. Thank you for your assistance.

Sincerely,

Rebecca E. Esparza
Environmental & Regulatory Compliance Specialist

ATTACHMENT TO THE DISCHARGE PERMIT GW-289 APPROVAL

Plains Marketing **Link Energy LLC, Lea Crude Oil Pump Station** *Lea Hills Crude Oil Pump Station*

DISCHARGE PERMIT APPROVAL CONDITIONS

August 17, 2004

1. Payment of Discharge Permit Fees: A \$50.00 filing fee has been received by the OCD. Filing fees are \$100 and the remainder is due. There is a required flat fee of \$ 1200.00 for Crude Pump Stations. The total fees due for this facility is therefore \$1250. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: *Plains Marketing* ~~Link Energy LLC~~ will abide by all commitments submitted in the discharge permit renewal application dated March 31, 2003 including attachments and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks, sumps and pits must be tested annually, except systems that have secondary containment with leak detection. These systems with leak detection shall have a monthly inspection of the leak detection to determine if the primary containment is leaking. Results of tests and inspections shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Any system found to be leaking shall be reported pursuant to Item # 12. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.

12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD District Office.
13. Waste Disposal: All wastes will be disposed of at an OCD approved facility . Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge permit, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.
15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
16. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
17. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure permit will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

Plains Marketing

Plains Marketing

18. Certification: ~~Link Energy LLC~~ by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. ~~Link Energy LLC~~ further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: ~~Link Energy LLC~~ *Plains Marketing*

DOUGLAS S KENNEDY
Company Representative- print name

Douglas Kennedy Date 9 8 04
Company Representative- Sign

Title MANAGER - PERMEDIATION



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

August 17, 2004

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 3929 9871

Mr. Bill Von Drehle
Link Energy LLC
P.O. Box 4666
Houston, TX 77210-4666

Re: Renewal of Discharge Permit GW-289
Lea Crude Oil Pump Station

Dear Mr. Von Drehle:

The groundwater discharge permit GW-289 for the Link Energy LLC, Lea Crude Oil Pump Station, located in the SW/4 NW/4 of Section 23, Township 17 South, Range 31 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter.**

The original discharge plan was approved on February 03, 1998. The discharge permit renewal application dated March 31, 2003, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge permit is renewed pursuant to Section 3109.C. Please note Section 3109.G., which provides for possible future amendment of the permit. Please be advised that approval of this permit does not relieve Link Energy LLC of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Link Energy LLC of its responsibility to comply with any other governmental authority's rules and regulations.

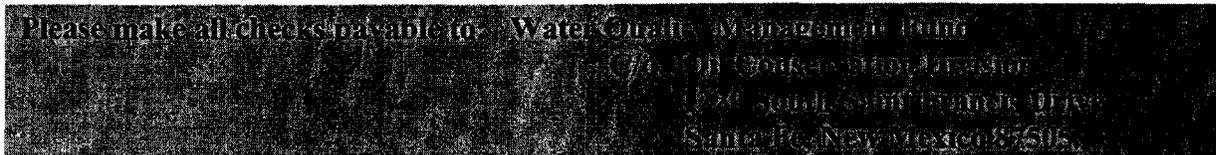
Please be advised that all exposed pits, including lined pits and open top tanks (exceeding 16 feet in diameter) shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Mr. Bill Von Drehle
August 17, 2004
Page 2

Please note that Section 3104. of the regulations requires that "when a permit has been approved, discharges must be consistent with the terms and conditions of the permit." Pursuant to Section 3107.C., Link Energy LLC is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire February 03, 2008** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit application for the Link Energy LLC , Lea Crude Oil Pump Station, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge permit will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$1200.00 for Crude Pump Stations



If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Handwritten signature of Roger C. Anderson

Roger C. Anderson
Environmental Bureau Chief
RCA/lwp
Attachment-1
Xc: OCD Artesia Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-289 APPROVAL
Link Energy LLC , Lea Crude Oil Pump Station
DISCHARGE PERMIT APPROVAL CONDITIONS
August 17, 2004

1. Payment of Discharge Permit Fees: A \$50.00 filing fee has been received by the OCD. Filing fees are \$100 and the remainder is due. There is a required flat fee of \$ 1200.00 for Crude Pump Stations. The total fees due for this facility is therefore \$1250. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: Link Energy LLC will abide by all commitments submitted in the discharge permit renewal application dated March 31, 2003 including attachments and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

7. **Labeling:** All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks, sumps and pits must be tested annually, except systems that have secondary containment with leak detection. These systems with leak detection shall have a monthly inspection of the leak detection to determine if the primary containment is leaking. Results of tests and inspections shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Any system found to be leaking shall be reported pursuant to Item # 12. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
9. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
10. **Class V Wells:** No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. **Housekeeping:** All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.

12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD District Office.
13. Waste Disposal: All wastes will be disposed of at an OCD approved facility . Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge permit, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.

14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.
15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.
16. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.
17. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure permit will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

Mr. Bill Von Drehle

August 17, 2004

Page 6

18. **Certification: Link Energy LLC** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **Link Energy LLC** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **Link Energy LLC**

Company Representative- print name

Date _____
Company Representative- Sign

Title _____

ATTACHMENT TO THE DISCHARGE PLAN GW-289
EOTT ENERGY OPERATING LIMITED PARTNERSHIP
EOTT ENERGY PIPELINE LIMITED PARTNERSHIP
LOCO HILLS PUMP STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(February 3, 1998)

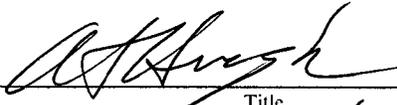
1. Payment of Discharge Plan Fees: The \$50.00 filing fee must be submitted. The \$575.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part Commitments: EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part will abide by all commitments submitted in the discharge plan application dated October 21, 1997.
3. Waste Disposal: All wastes shall be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous by characteristics may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
6. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.

7. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
8. Labeling: All tanks, drums and containers should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
16. Certification: EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. EOTT further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

EOTT ENERGY OPERATING LIMITED PARTNERSHIP
EOTT ENERGY PIPELINE LIMITED PARTNERSHIP

by 
Title
DIRECTOR, ENV. & SAFETY



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

February 3, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-357-869-916

Mr. Al Hugh
EOTT Energy Operating Limited Partnership
EOTT Energy Pipeline Limited Partnership
P.O. Box 4666
Houston, Texas 77210-4666

**RE: Discharge Plan GW-289
Loco Hills Pump Station
Eddy County, New Mexico**

Dear Mr. Hugh:

The ground water discharge plan GW-289, for the EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Partnership (EOTT) Loco Hills Pump Station located in the SW/4 NW/4 of Section 23, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan application dated October 21, 1997 is approved effective February 3, 1998. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 10 working days of receipt of this letter.**

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F, which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve EOTT of liability should operations result in pollution of surface water, ground water, or the environment.

Please be advised that all exposed pits, including lined pits and open tanks (tanks exceeding 16 feet in diameter), shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Mr. Al Hugh
February 3, 1998
Page 2

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. EOTT is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on February 3, 2003, and EOTT should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan renewal application for the EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part Loco Hills Pump Station is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$575.00 for crude oil pump stations. The OCD has not received the filing fee. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



Kathleen A. Garland
Acting Director

KAG/wjf
Attachment

xc: OCD Hobbs Office

Z 357 869 916

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to <i>Al Hugh</i>	
Street & Number <i>EOIT</i>	
Post Office, State, & ZIP Code <i>Houston</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>GW-289</i>	

PS Form 3800, April 1 1995

ATTACHMENT TO THE DISCHARGE PLAN GW-289
EOTT ENERGY OPERATING LIMITED PARTNERSHIP
EOTT ENERGY PIPELINE LIMITED PARTNERSHIP
LOCO HILLS PUMP STATION
DISCHARGE PLAN APPROVAL CONDITIONS
(February 3, 1998)

1. Payment of Discharge Plan Fees: The \$50.00 filing fee must be submitted. The \$575.00 required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part Commitments: EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part will abide by all commitments submitted in the discharge plan application dated October 21, 1997.
3. Waste Disposal: All wastes shall be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous by characteristics may be disposed of at an OCD approved facility upon proper waste characterization per 40 CFR Part 261.
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10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than domestic waste sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
12. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.
13. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
14. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

15. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
16. Certification: EOTT Energy Operating Limited Partnership and EOTT Energy Pipeline Limited Part, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. EOTT further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

EOTT ENERGY OPERATING LIMITED PARTNERSHIP
EOTT ENERGY PIPELINE LIMITED PARTNERSHIP

by _____
Title

EOTT ENERGY LLC

P.O. BOX 4666
HOUSTON, TEXAS 77210-4666

June 26, 2003

State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505
Attn: Wayne Price

RECEIVED

JUN 30 2003

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Re: Discharge Plan Renewal - Loco Hills Station
Eddy County New Mexico

Dear Mr. Price

On behalf of EOTT Energy, thank you and New Mexico OCD for your patience while awaiting submittal of the enclosed permit renewal. As I explained by phone, my earlier review and conclusion that no renewal was required was based upon my noting that no discharge was planned for this facility. Previously there was consideration of hydrostatic discharge waters, and I had concluded that was what necessitated the prior Discharge Plan.

Enclosed please find a check in the amount of \$ 50.00, and I understand that I will be invoiced at the time a revised plan is forwarded. There have been no significant changes to the facility since the last approval, and EOTT has not changed the nature of its operations. As a result, I have submitted information at a similar level of detail as was provided in the last submittal. If you require any additional information in order to renew the Discharge Plan for this facility, please call me at (713) 993-5047.

Sincerely,

Wm. R. Von Drehle

Wm. R. Von Drehle
Director Environmental Services
EOTT Energy LLC

1. Type of Operation

Crude Oil Pump Station

2. Name of Operator or Legally Responsible Party and Local Representative

Operator: EOTT Energy LLC
P.O. Box 4666
Houston, TX 77210-4666

Corporate Contact - Bill Von Drehle
Director Environmental Services
713-993-5047

Local Contact Frank Hernandez
Environmental Specialist, Western Region
3112 West U.S. Hwy 82
Lovington, NM 88260
Phone: 505-631-3095

3. Location

SW ¼ of N/E 1/4 Section 23 Township 17 South Range 31 East

4. Facility Landowner Information

United States Department of the Interior
Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

The EOTT Energy Loco Hills Station is a crude oil pumping station, operated by EOTT Energy LLC. Incoming oil can be delivered by either pipeline or truck, and outgoing oil is delivered into existing pipelines owned by EOTT Energy Pipeline Limited Partnership.

5. Facility Description

The facility is located in the SW 1/4 of Section 23, Township 17 South and Range 31 East, locate just south of Hwy 82 east of Maljamar. Oil is received at the facility from field gathering pipeline and delivered into Tanks #68417 and #68418. Deliveries are remotely controlled by EOTT's Midland Control Center using automated control valves and two booster pumps. Additionally, oil is received by truck at the "Truck Loading Area" and delivered into four 470 barrel storage tanks. The facility is fenced and locked and locked accept when personnel are on site. All storage tanks are inside a bermed with capacity sufficient to contain the volume of the largest tank plus accumulated rainwater. Additional facility maps and details are provided in the attached Loco Hills SPCC Plan.

6. Materials Stored or Used at the Facility

The only commodity product stored at the facility is light crude oil, stored in the six tanks described above. The crude oil has an average API gravity of 40. Other materials used or stored from time to time include steel replacement pipe, crankcase oil (55 gallon drums, for crude oil pumps), and potentially small volumes methyl and/or isopropyl alcohol to prevent freezing of lines.

7. Source of Effluent and Solid Wastes

Solid Wastes include:

- Small quantities of trash, and construction waste periodically
- Potentially crude stained soils
- Paraffin and grease associated with pipeline maintenance activities (pigging)

Effluent sources include:

- Small quantities of crude oil collected in concrete basins
- Used crankcase oil
- Stormwater

There are no restroom facilities requiring a septic discharge.

8. Description of Current Liquid and Solid Waste Collection/Storage/Disposal

Refuse generated during periods of construction or pipeline maintenance are managed using dumpsters, and disposed of properly at an approved solid waste landfill, and scrap metal is recycled. Pipeline liquids and/or solids are collected using buckets, drip pans, containment, vacuum trucks or other equipment, and either reinjected into the pipeline or hauled to an approved disposal site.

There are no continuous waste streams resulting from operations, no water discharges, no surface impoundments or treatment. Crude stained or contaminated soils are promptly cleaned up, and either hauled to an approved landfarm or remediated on site with concurrence of the New Mexico OCD.

9. Proposed Modifications to Existing Collection/Treatment/Disposal Systems

There are no proposed modifications to collection/treatment/disposal systems or procedures. This is a renewal of an existing Discharge Plan with no modification to operations or procedures.

10. Routine Inspection and Maintenance Plan

Facility has no process water discharges, only occasional non-contact stormwater discharge owing to the arid climate. Any stormwater contained within the tank berm areas is inspected for visual sheen prior to discharge.

The facility is inspected daily by company personnel who gauge the storage tanks. During their visits Gaugers visually inspect containment areas, roads, ditches and perimeter to determine if oil is present. The surface area around valves and pumps, piping and miscellaneous equipment is inspected for leaks. During deliveries or transfers of products to trucks, company personnel are present at the site to inspect for spills and prevent overfilling.

Tank integrity will be verified routinely by visual inspection, and periodically by internal inspection following API 653 guidelines and schedules.

Pipeline integrity is verified annually by pressure testing to 125% of the designed working pressure. Functionality of remote operated valve equipment subject to DOT jurisdictional requirements, is verified annually.

11. Contingency Plan

EOTT's Spill Prevention, Control and Countermeasure Plan identifies potential releases and volumes, and identifies administrative and engineering controls designed to prevent the release of any contaminants. It is included as an attachment to this document.

12. Geological/Hydrological Information

EOTT made inquiry with the New Mexico State Engineer's Office, District Two, inquiring as to distribution, depth and quality of groundwater in proximity to this facility. The Engineer's office indicate there was no information available with regards to water levels, and only limited information was available regarding water quality. This application is a renewal for an existing Discharge Plan and there is believed to be no change in hydrologic condition subsequent to the prior approval.

From a hydrologic standpoint no sustainable water bodies are identified within two miles, and although there is a draw adjacent to the facility the area is not considered flood-prone (no flooding identified within the past 30 years). Water is supplied to users in the area via pipeline from the Ogallala aquifer, originating in an area approximately 10 to 15 miles east and north of the station.

Geologically the area has been categorized as the Maljamar Area, a term long used to describe an area 18 miles wide (north by south) by 30 miles long (east by west), and including Townships 18 - 18 S, Ranges 30 - 34 E, inclusive. The geology is describe in Bulletin 9, New Mexico School of Mines as follows:

Logs of wells drilled in the area, shows the "Red Sand" to be the one bed which can be identified in all of the wells. The "Red Sand" occurs in the anhydrite zone some 300 feet above the main lime zone, which is probably the equivalent of the basal Carlsbad (White Lime) - Upper San Adres lime series of the Hobbs field. On the basis of elevation of the "Red Sand" the structure of the Maljamar area appears to be a general long eastward-plunging anticlinal ridge showing no westward closure. Oil and gas accumulation most commonly, though not always, occurs along this structural ridge, and is limited to relatively small local areas where porosity is greatest.

13. Facility Closure Plan

The facility is not anticipated to be retired during the term of the proposed Discharge Plan, however at some point in the future it may be shut down and reclaimed. At that time a site assessment will be conducted, and the facility will be closed and decommissioned consistent the closure plan requirements described in the New Mexico Water Quality Control Commission (WQCC) Title 20.6.6.2 Section 3107.A.11 regulations. Delineation and remediation (if required) would proceed with the "NMOCD Guidelines for Remediation of Leaks, Spills, and Releases, August 13, 1993" and the NMOCD approved "General Work Plan for Remediation of E.O.T.T. Pipeline Spills, Leaks and Releases in New Mexico, July 20, 2000

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised January 24, 2001

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Crude Oil Pump Station
2. Operator: EOTT Energy LLC

Address: P.O. Box 4666, Houston Texas 77210-4666

Contact Person: Wm. R. Von Drehle (Director Environmental) Phone: (713) 993 - 5047
3. Location: SW 1/4 , NW 1/4 Section 23 Township 17 S Range 31 E
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
14. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Wm. R. Von Drehle

Title: Director Environmental, EOTT Energy

Date: March 31, 2003

Signature: Wm. R. Von Drehle

Attachments

4 Landowner Information: U.S. Department of Interior
Bureau of Land Management
620 Green Street
Carlsbad, NM 88220

5 Facility Description EOTT Energy's Loco Hills Station is a crude oil pump station that receives, stores and transfers crude oil from various leases in Eddy and Lea Counties, New Mexico. Oil is received at the facility via pipeline and trucking operations. The station covers approximately 2 acres.

There is one 6000 barrel tank (out of service) and one 750 barrel crude oil tank (in service) at this facility. The tanks are in side a berm that has been verified to contain the capacity of the largest All tanks are inside a berm that is capable of containing a release of the largest tank (total volume released).

#6 Materials Stored or Used at the Facility:

New replacement pipe may be temporarily stored at the facility, anywhere inside the fenced area.

Crankcase oil, i.e. Spyrex 85-140, for the crude oil pumps is stored in a single 55 gallon drum in the pump area.

EOTT may at some time elect to install small storage tanks designed to contain Methanol (methyl alcohol) or Isopropyl Alcohol. This is used to inject into the pipeline to avoid freezing, and would be stored in the pump area, either in drums or in 400 gallon fiberglass tanks.

Naptha (less than 420 gallons) may be temporarily stored on site, to be used for cleaning at the facility, but will be situated in the containment area except when in use.

#7 Sources and Quantities of Effluent and Waste Solids Generated at this Facility:

Loco Hills Station is an all-electric facility, and there are no fuels stored or consumed during normal operation. There is no process water discharge at the facility. There is no anticipated effluent release of crude oil, recognizing that in the event of a release from a tank, the material would be contained.

Other effluent sources which might result are as follows:

- Small quantities of crude oil collected in catchment basins under pumps and valves.
- Used pump crankcase oil
- Stormwater

There are no restroom facilities requiring sewerage management or discharge.

Waste Solids may include:

- Small quantities of trash generated as a result of maintenance and/or construction
- Crude Oil contaminated Soils
- Paraffin and grease from pipeline maintenance activities, i.e. pipeline pigging.

Crude oil contains compounds that are inherently "hazardous", owing primarily to the presence of benzene, however crude oil contaminated soils are typically characterized as RCRA "non-hazardous" in accordance with CFR 40 Part 261 Subpart C analytical procedures (TCLP). Refer to Analytical Reports included in Attachment VI. In the event that crude contaminated soils were generated, they would be managed and disposed in accordance with New Mexico OCD guidelines.

#8 Description of Current Liquid and Solid Waste Collection/Storage/Disposal Procedures:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised January 24, 2001

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

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Name: Wm. R. Von Drehle

Signature: Wm. R. Von Drehle

Title: Director Environmental, EOTT Energy

Date: June 25, 2003

Majamar Sta

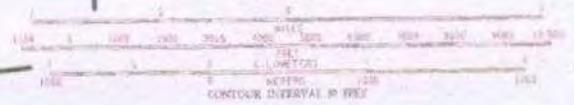
Loco Hills Sta.

Legend

-  Eott pipe stations
-  Eott Pipe
-  nm_ecousa

QUERRECHO PLAINS

SCALE 1:24,000



CONTOUR INTERVAL IN FEET

INDICATIONS BY THE UNITED STATES GEOLOGICAL SURVEY
CONFORM TO THE NATIONAL MAP ACTING STANDARDS
THIS FIELD CHECKED BY THE UNITED STATES GEOLOGICAL SURVEY
AND THE NATIONAL MAP ACTING STANDARDS
THE UNITED STATES GEOLOGICAL SURVEY
NATIONAL MAP ACTING STANDARDS
TO SHOW ON THE UNITED STATES GEOLOGICAL SURVEY
MAPS THE PROVISIONAL MAP AS SHOWN BY THIS MAP
IS NOT TO BE USED FOR ANY OTHER PURPOSE
THERE MAY BE PRIVATE HOLDINGS WITHIN THE BOUNDARIES OF ANY
FEDERAL AND STATE TERRITORIES SHOWN ON THIS MAP
ALL MARGINAL DATA AND LETTERING OBSERVATIONS AND PRINTING BY
SPECIALIZED TYPE PLACEMENT PERSONNEL

PROVISIONAL MAP
Produced from original
manuscript drawings. Infor-
mation shown as of date of
field check.

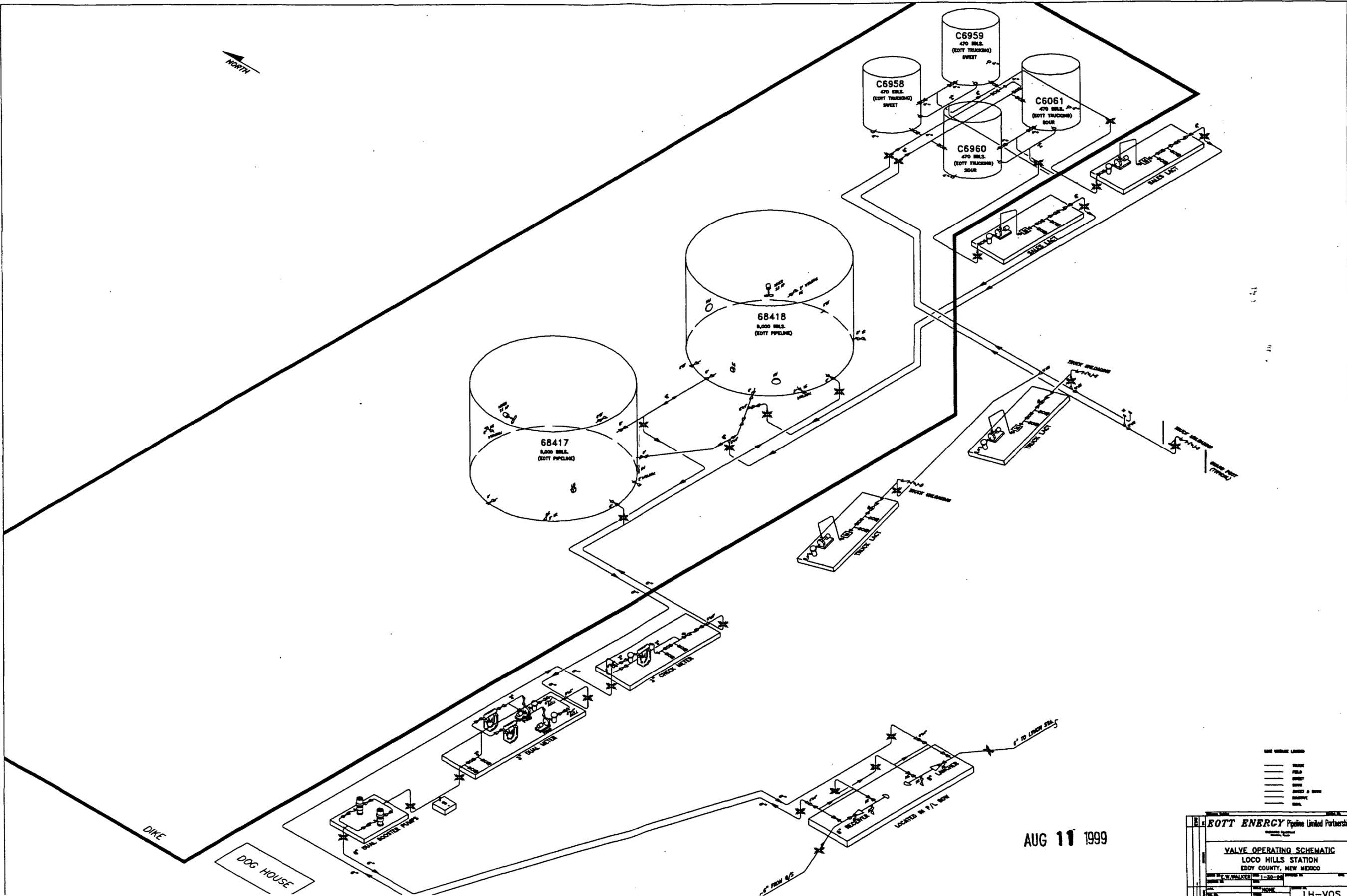
THIS MAP CONFORMS WITH NATIONAL MAP ACTING STANDARDS
FOR SALE BY US GEOLOGICAL SURVEY, BRANDBURG, CALIFORNIA 94522
OR SPONSOR, VIRGINIA 22904

SYMBOLS FOR
ROADS AND
TRAILS

	Improved Road
	Unimproved Road
	Trail
	Interstate Route
	U.S. Route
	State Route

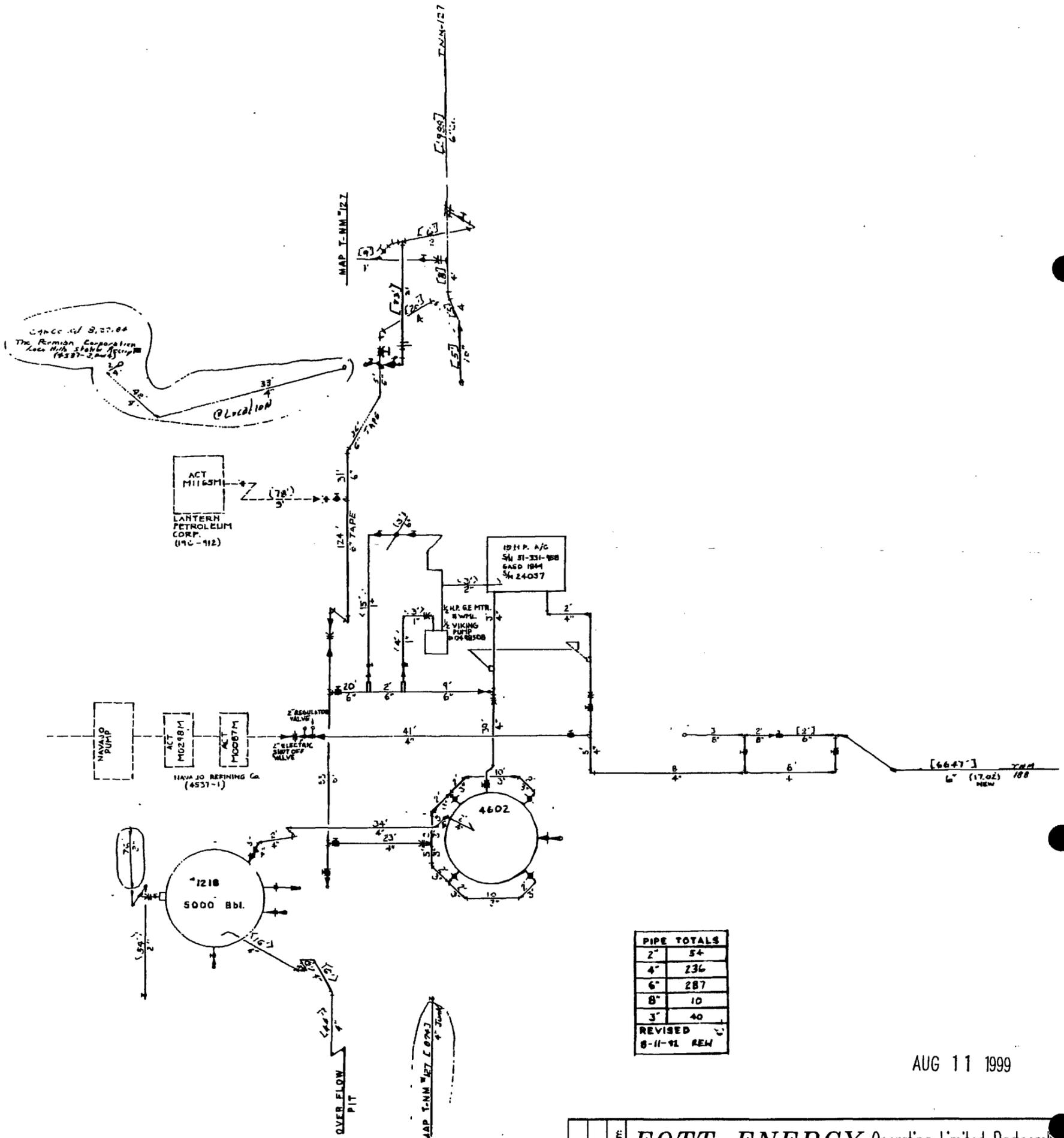
ROAD LEGEND
Improved Road
Unimproved Road
Trail

MAJAMAR, NEW MEXICO
PROVISIONAL EDITION 1985



AUG 11 1999

EDDY ENERGY Pipeline Limited Partnership VALVE OPERATING SCHEMATIC LOCO HILLS STATION EDDY COUNTY, NEW MEXICO 1-50-00 10000 LH-VOS	
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PIPE TOTALS	
2"	54
4"	236
6"	287
8"	10
3"	40
REVISED	
8-11-91 REN	

AUG 11 1999

BY: EOTT ENERGY Operating Limited Partnership			
Engineering Department Houston, Texas			
PIPING DIAGRAM LOCO HILLS STATION EDDY COUNTY, NEW MEXICO			
DRAWN BY: TJD		DATE: 8/11/99	APPROVED BY: _____ DATE: _____
CHECKED BY: _____		DATE: _____	
DATE	A.F.E.	SCALE: NONE	DRAWING NO. LocoHills-Sta
	W.O. NO.	SHEET: _____	FILE LOCATION Schematics/WTexas
NO.	ISSUED FOR BID	DATE: _____	ISSUED FOR CONSTRUCTION DATE: _____

NW COR.

NE COR.

N 1/4 POST
OF SEC.23



SR 82

THE WISER OIL CO.
SKELLY UNIT #229
1219'FNL 2344'FEL UNIT B
SEC.23 T17S R31E

THE WISER OIL CO.
SKELLY UNIT #230
1198'FNL 1296'FEL UNIT A
SEC.23 T17S R31E

STATION

6" EOTT P/L

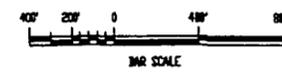
N60°30'42"W
2405.22'

W 1/4 POST
OF SEC.23

SEC.23
T31S R22E

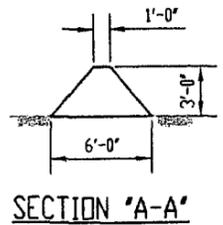
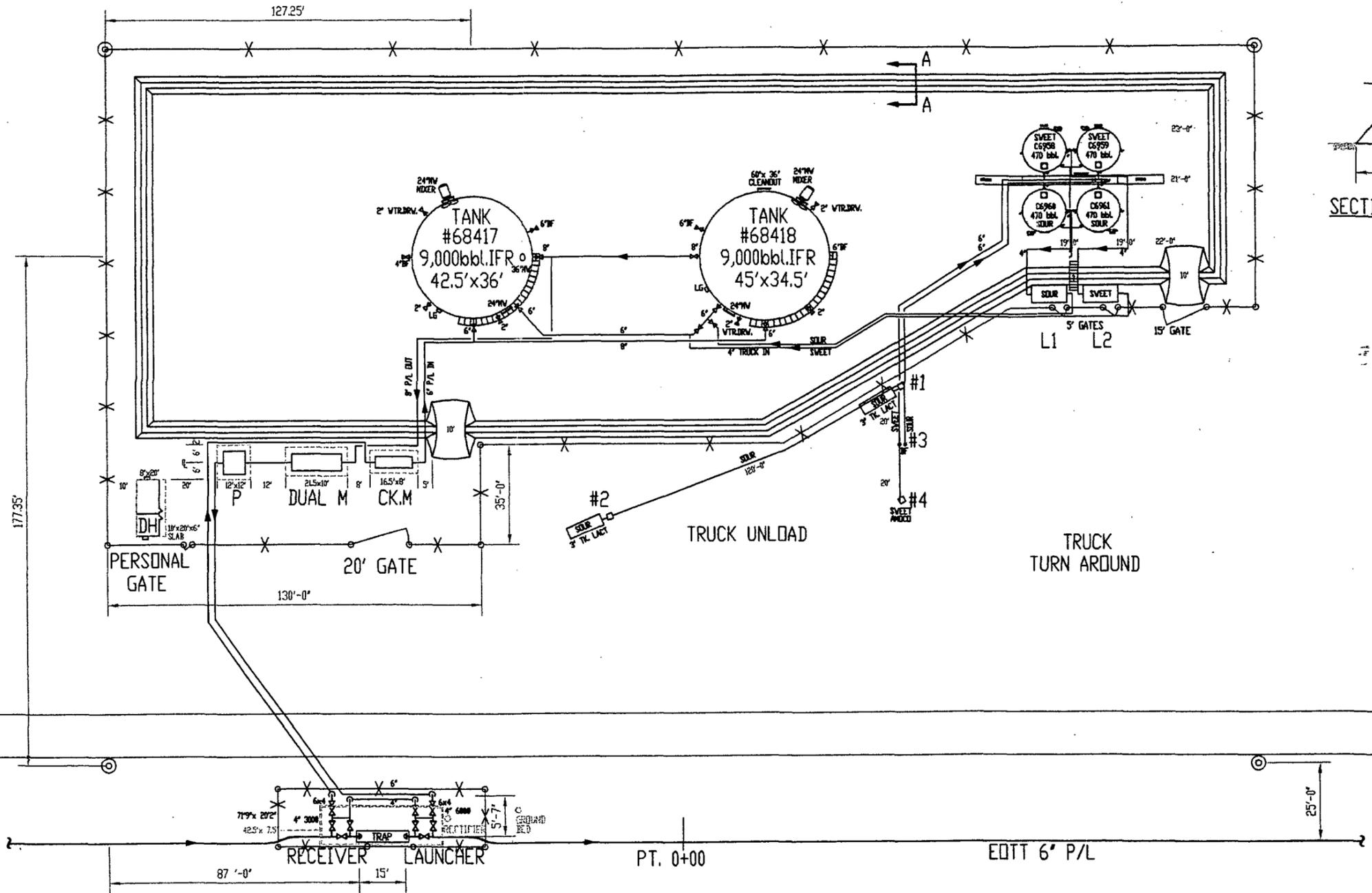
E 1/4 POST
OF SEC.23
BC

AUG 11 1999



EOTT ENERGY Operating Limited Partnership			
Engineering Department Houston, Texas			
SITE PLAN LOCO HILLS STATION EDDY COUNTY, NEW MEXICO			
DESIGN BY: E.W. WALKER	DATE: 4-1-97	APPROVED BY:	DATE:
CHECKED BY:	SCALE: NOTED	DATE:	DATE:
DATE:	SHEET: 1 of 1	PROJECT NO.:	LH-SP

U.S. HIGHWAY 82



STATION ROAD

LEASE ROAD

AUG 11 1999



SEE SITE PLAN
SEE SECTION 'B'
SEE SECTION 'C'

EOTT ENERGY Operating Limited Partnership		LH-SPJWG LH-SSJWG LH-PPJWG	
Engineering Department Houston, Texas			
PLOT PLAN			
LOCO HILLS STATION			
EDDY COUNTY, NM			
DRAWN BY: E.W.WALKER	DATE: 7-27-97	APPROVED BY:	DATE:
CHECKED BY:	DATE:	SCALE: NOTED	DRAWING NO.:
DATE:	SHEET: 1 of 1	LocoHills-PP	
ISSUED FOR BID	DATE:	ISSUED FOR CONSTRUCTION	DATE:

EOTT ENERGY, LLC

EOTT ENERGY Operating Limited Partnership

EOTT ENERGY Pipeline Limited Partnership

24 - HOUR EMERGENCY

EOTT ENERGY (800) 266-3688

CHEMTREC (800) 424-9300

Note: CHEMTREC number only to be used in the event of Chemical Emergencies involving a spill, leak, fire, exposure, or accident involving chemicals.

Material Safety Data Sheet (MSDS) No. 1 - **PETROLEUM CRUDE OIL**

MATERIAL IDENTIFICATION

<u>Material/Trade Name</u>	<u>Synonyms</u>	<u>Chemical Family/Formula</u>
Petroleum Crude Oil	Earth Oil, Seneca Oil	Petroleum Hydrocarbon

<u>NFPA 704 - Hazard Rating:</u>	<u>HMIS Classification:</u>	<u>Hazard Rating Guide:</u>
Health: 2	Health: 2	0 Least 3 High
Fire: 3	Fire: 3	1 Slight 4 Extreme
Reactivity: 0	Reactivity: 0	2 Moderate
	PPE (see below)	

COMPOSITION / INFORMATION ON INGREDIENTS

(Mixture of hydrocarbons or virgin crude oil.)

<u>Components</u>	<u>Percent Range</u>	<u>Cas Number</u>
Petroleum Crude Oil	98.00 - 100.00	8002-05-9
Toluene	0.00 - 5.00	108-88-3
Xylene	0.00 - 5.00	1330-20-7
Hydrogen Sulfide	0.00 - 4.00	7783-06-4
Sulfur Compounds	0.00 - 3.00	Mixture
Normal Hexane	0.00 - 3.00	110-54-3
Benzene	0.00 - 2.00	71-43-2

<u>Exposure Guidelines</u>	<u>Limit</u>	<u>Type</u>	<u>Source</u>
Petroleum Crude Oil	None Established		
Hydrogen Sulfide	10.0 ppm	8-hour TWA	ACGIH
	15.0 ppm	STEL	ACGIH
	10.0 ppm	8-hour TWA	OSHA
	15.0 ppm	STEL	OSHA
Benzene	0.5 ppm	8-hour TWA	ACGIH
	2.5 ppm	STEL	ACGIH
	1.0 ppm	8-hour TWA	OSHA
	5.0 ppm	STEL	OSHA
Toluene	50.00 ppm	8-hour TWA	ACGIH
	100.00 ppm	8-hour TWA	OSHA
	100.00 ppm	STEL	OSHA

<u>Page</u>	<u>MSDS No.</u>	<u>Material</u>
1 of 5	1	Petroleum Crude Oil
<u>Exposure Guidelines (cont.)</u>	<u>Limit</u>	<u>Source</u>

Xylene	100.00 ppm	8-hour TWA	ACGIH
	150.00 ppm	STEL	ACGIH
	100.00 ppm	8-hour TWA	OSHA
	150.00 ppm	STEL	OSHA
N- Hexane	50.00 ppm	8-hour TWA	ACGIH
	500.00 ppm	8-hour TWA	OSHA
Cyclohexane	100.00 ppm	8-hour TWA	ACGIH
	300.00 ppm	8-hour TWA	OSHA
Naphthalene	10.00 ppm	8-hour TWA	ACGIH
	10.00 ppm	8-hour TWA	OSHA
Ethyl Benzene	100.00 ppm	8-hour TWA	ACGIH
	100.00 ppm	8-hour TWA	OSHA

Note: Limits shown for guidance only. Follow applicable regulations

PHYSICAL DATA

Boiling Point
95°F - 1000°F

Solubility in H₂O, % by Weight
Insoluble

Specific Gravity, (H₂O, = 1)
<1

Evaporation Rate, Butyl Acetate
<1

Vapor Pressure, MM/HG
>15 MM/HG @ 100°F

Molecular Weight
N/A

Vapor Density, (Air = 1)
N/A

Freezing Point
N/A

Volatiles, % By Volume
<50

Appearance and Odor
Dark yellowish-green, blue or black with typical oil odor of hydrocarbons.

FIRE & EXPLOSION DATA

Flash Point and Test Method
20° - 90° F

Auto Ignition Temperature
N/A

Flammability Limits in Air, % by Volume
Lower - N/A Upper - N/A

Extinguishing Media
Small Fires: Dry chemical, CO₂, Halon, water spray or standard foam.

Large Fire: Water spray, fog or standard foam is recommended.

Wear positive pressure / pressure demand self-contained breathing apparatus and full protective clothing. Cool containers that are exposed to flames with water from the side until well after fire is out. For massive fire in cargo area, use unmanned hose holder or monitor nozzles. If this is impossible, withdraw from area and let fire burn. Withdraw immediately in case of rising sound from venting safety device or discoloration of tank.

Unusual Fire and Explosion Hazards:

Container may explode (BLEVE) in heat of fire. Isolate for 1/2 mile in all directions if tank or rail tank car is involved in fire. Vapor explosion hazard indoors, outdoors, or in sewers.

REACTIVITY DATA

Stability

Stable

Hazardous Polymerization

Will not occur.

Conditions and Materials to Avoid

Oxidizing materials, heat, flame, and other sources of ignition.

Hazardous Products of Combustion

Normal combustion forms carbon dioxide, incomplete combustion may produce carbon monoxide.

HEALTH INFORMATION

Eye Contact

May cause eye irritation.

Skin Contact

May cause skin irritation. Repeated and prolonged skin contact combined with poor personal hygiene may result in defatting dermatitis. (Cracking and peeling of the skin) As a result some material may be absorbed through the skin.

Inhalation

Exposure is minimal because of relatively low vapor pressure; however, fumes or vapors from heated crude oil are irritants to the respiratory system.

Chronic Effects

Excessive, prolonged or repeated skin exposure may produce skin dryness, dermatitis or wart type growths which may become skin cancer.

Ingestion

May cause irritation of the throat, mouth and gastrointestinal tracts, nausea and vomiting.

Acute Effects

See above.

EMERGENCY AND FIRST AID PROCEDURES

Eyes

Flush with water for at least 15 minutes with running water-holding eyelids apart for full effect of water. Seek medical attention.

Skin

Wash skin with soap and water. Remove and isolate contaminated clothing and footwear. See Medical attention.

Page

3 of 5

MSDS No.

1

Material

Petroleum Crude Oil

Inhalation

Move victim to fresh air. If not breathing, give artificial respiration; if breathing is difficult, give oxygen. Seek medical attention.

Ingestion

If swallowed, **DO NOT INDUCE VOMITING**. If vomiting occurs, keep airway clear. **NEVER** give anything by mouth to an unconscious person. Seek medical attention.

EMPLOYEE PROTECTION

Respiratory

Not required under normal use. Use NIOSH/MSHA approved respiratory protection, following manufacturer's recommendation where mist, spray or vapor may be generated.

Eye

Face shields and goggles or chemical goggles should be worn.

Gloves

Impervious gloves should be worn. Where fabric gloves are used, discard the gloves that cannot be decontaminated.

Other Clothing

Standard work clothing. Wash contaminated clothing and dry before reuse. Shower and eyewash facilities should be accessible.

ENVIRONMENTAL PROTECTION

Spill or Leak

Shut-off ignition sources; no flares, smoking or flames in hazard area. Water spray may reduce vapor, but it may not prevent ignition in closed spaces.

Small Spills: Take up with sand or other noncombustible absorbent material and retain for later disposal and/or treatment in accordance with Federal, State, or Local requirements.

Large Spills: Dike far ahead of liquid spill for later disposal. Prevent discharge to streams and sewer systems. Report spill if required to appropriate authorities. Any oil that reaches a waterway (including ditches) must be reported to appropriate authorities.

Disposal

Shipment, storage and/or disposal of waste materials are regulated and action to handle or dispose of material must meet all applicable local, state and federal regulations. If any questions arise, contact the appropriate authorities. Should waste product and contaminated material have a flash point of less than 140° F or contain benzene greater than 0.5 ppm, disposal at an approved hazardous waste facility is necessary. Sampling of impacted area may be required to determine proper cleanup procedures.

SPECIAL PROTECTION

Some petroleum crude oil contains hydrogen sulfide (H₂S) that can be harmful or fatal. ACGIH TLV 10 ppm, OSHA PEL 10 ppm, STEL 15 ppm for 15 minutes; maximum four (4) times in an eight (8) hour day; at least one (1) hour apart. (Specific Gravity 1.189 - heavier than air) CAS No. 7783-06-4. Proper precautions should be taken in handling crude oil contaminated with H₂S. H₂S can cause death in concentrations of 700 ppm and higher. **DO NOT DEPEND ON SENSE OF SMELL TO DETECT H₂S**. Respiratory protection is necessary.

DOT Proper Shipping Name
Petroleum Crude Oil

DOT I.D. No. (UN/NA)
UN 1267

North American ERG Guide No.
128

DOT Hazard Classification
3

DOT Packaging Group
PG I, PG II (&/or) PG III

Other

Use only approved containers for shipping by ground or water.

This information relates only to the specific material designed and may not be valid for such material used in combination with any other materials or in any process. Such information is to the best of this company's knowledge and believed accurate and reliable as of the date indicated. However, no representation, warranty or guarantee is made as to its accuracy, reliability or completeness. It is the user's responsibility to satisfy himself as to the suitability and completeness of such information for his own particular use.

EOTT ENERGY, LLC

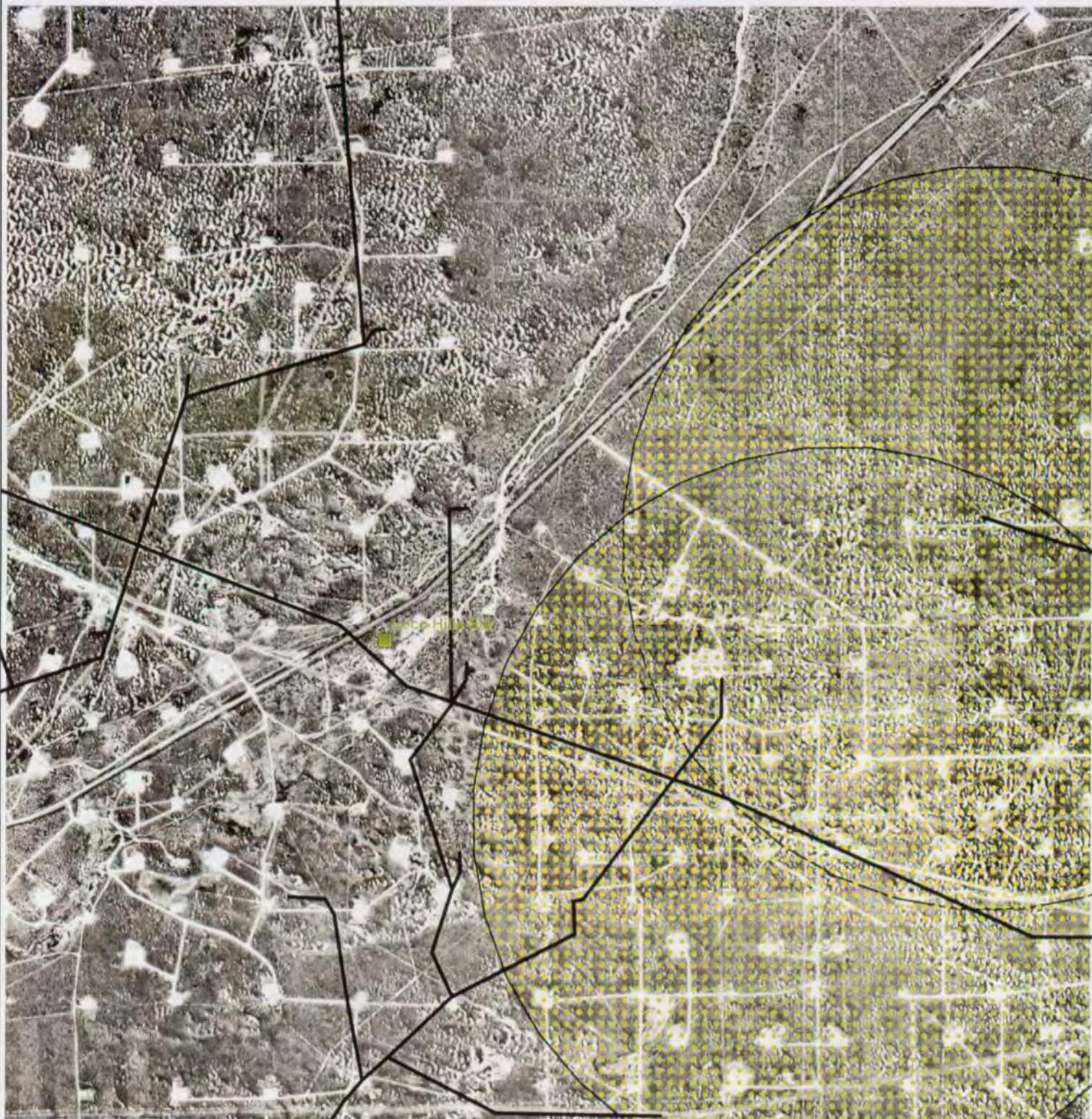
Health, Safety & Training Department

P.O. Box 4666

Houston, Texas 77210-4666

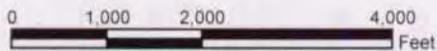
Phone: (713) 993-5629

Revision Date: February 17, 2003



Legend

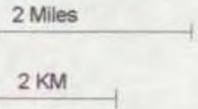
-  Eott pipe stations
-  Eott Pipe
-  nm_ecousa



Created 6/26/2003 By MRT

EOTT ENERGY PIPELINE, LOCO HILLS STATION

Mag 12.00
Tue Oct 21 14:45 1997
Scale 1:125,000 (at center)



- Secondary SR, Road, Hwy Ramp
- Major Connector
- State Route
- US Highway
- Utility
- Town, Small City
- Summit
- Geographic Feature
- Locale
- County Boundary
- Lake, Ocean
- Sand
- Contour
- Intermittent River



EOTT ENERGY

ENVIRONMENTAL INCIDENT RESPONSE REPORTING PROCEDURES

First Responder
Make Notifications – Refer to SPCC Plan, FRP or ICP



Pipeline Control Center
1-800-266-3688
Make Notification if First Responder Identified Unable
To Perform Notification - Refer to SPCC Plan, FRP or ICP



Regional & Environmental
Specialist



Environmental Director



Supervisor –
Follow-up on SPCC Plan



Regional Director

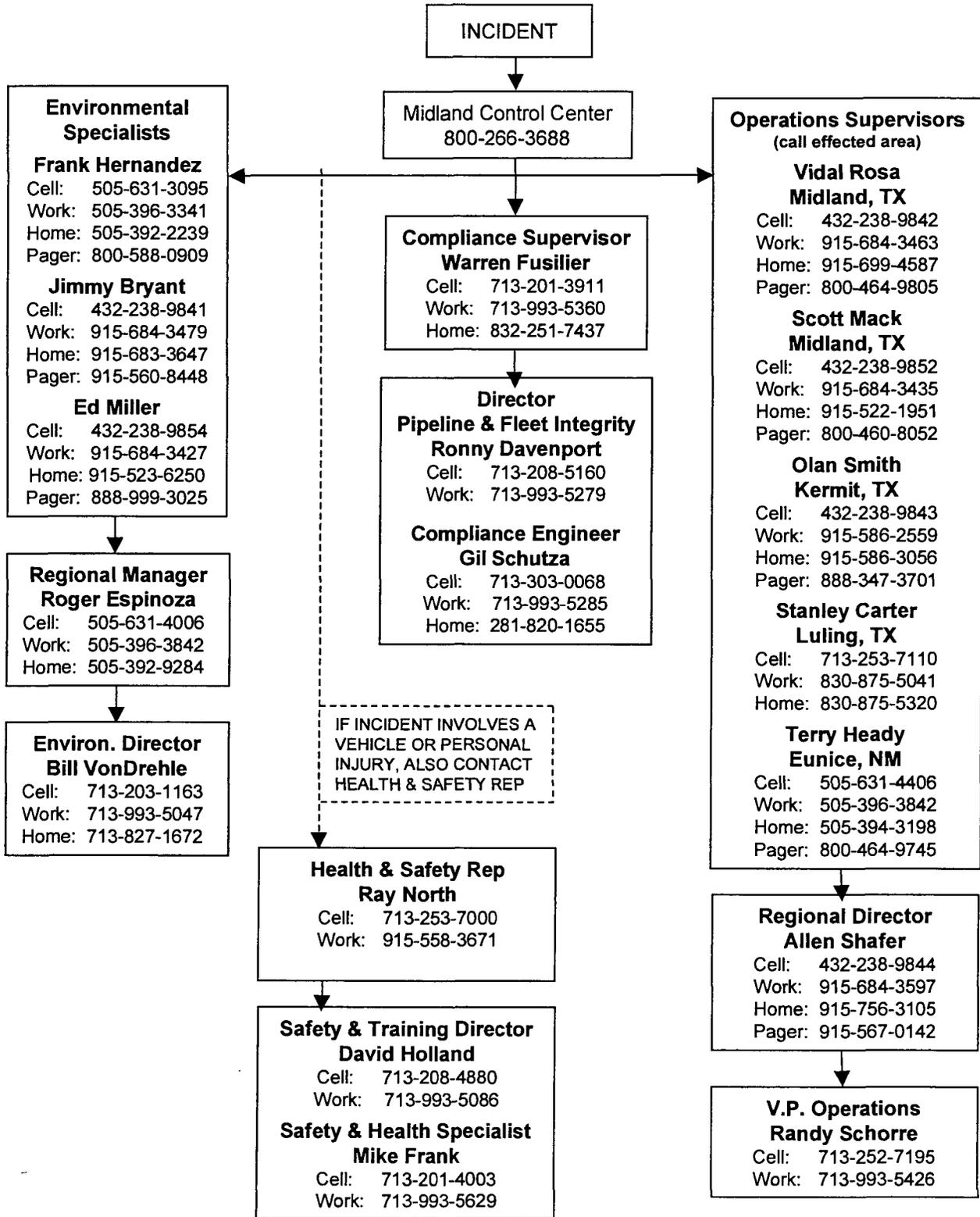


Randy Schorre VP HR Legal



Dana Gibbs

**EOTT Energy LLC (Operator) – EOTT Energy Pipeline Limited Partnership (Owner)
INCIDENT FLOW DIAGRAM (WEST TEXAS & NEW MEXICO)**



Revised 06/03

SPILL PREVENTION, CONTROL, & COUNTERMEASURE (SPCC) PLAN

EOTT ENERGY
OPERATING LIMITED PARTNERSHIP

Loco Hills Station
Eddy County, New Mexico

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature	_____	Date	_____
Name	<u>Jon P. Trevelise</u>	Title	<u>General Manager, Fleet Operations</u>
Company	<u>EOTT Energy Corp.</u> <u>P.O. Box 4666</u> <u>Houston, TX 77210-4666</u>	Phone	<u>713-993-5423</u>

CERTIFICATION

I hereby certify that I have examined the facility, and being familiar with the provisions of 40 CFR, Part 112, attest that this SPCC Plan has been prepared in accordance with good engineering practices.

Signature	_____	Date	_____
Name	<u>George C. Robinson, P.E.</u>	Title	<u>President/Principal Engineer</u>
Registration No.	<u>69445</u>	State	<u>Texas</u>
Company	<u>Cypress Engineering Services, Inc.</u>	Phone	<u>713-856-7980</u>

(SEAL)

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APPENDICES

- Appendix A: EPA Certification of the Applicability of the Substantial Harm Criteria**
- Appendix B: Spill History**
- Appendix C: Containment Calculations**
- Appendix D: Oil Spill Contingency Plans and Written Commitment of Manpower, Equipment, and Materials**
- Appendix E: Routine Inspection Procedures**
- Appendix F: Annual Inspection Procedures**
- Appendix G: Facility Plot Plan including Drainage Flow**
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- Appendix I: SPCC Plan Review Procedures and Plan Submittal Requirements**
- Appendix J: Emergency Contact List**
- Appendix K: Photographs**

PART I: GENERAL INFORMATION

- A. Name of Facility:** East Lovington Station
EOTT Energy Operating Limited Partnership
- B. Type of Facility:** Crude oil pipeline storage tank facility with meter facility (LACT) for
(Include brief description delivery to a crude oil pipeline and truck loading and unloading.
and SIC code) (SIC Code 4612)
- C. Date of Initial** Unknown
Operation:
- D. Location of Facility:** From Lovington NM, take Hwy 83 east 5.3 miles. Station is on north side
of the Hwy.
Lat./Long.: N32° 49.404' / W103° 50.294'
- E. Name and Address of** EOTT Energy Operating Limited Partnership
Owner: P.O. Box 4666
Houston, TX 77210-4666
- F. Designated Person** Willie Seale (915) 684-3431
Responsible for Oil
Spill Prevention:
- G. Oil Spill History** There is no record that this facility had experienced a spill event within the
twelve months prior to January 10, 1974. For additional information see
spill history in Appendix B.

PART I: GENERAL INFORMATION CONTINUED

H. Significant Potential Spills

ID	Significant Potential Spill Source	Major Type of Failure	Quantity (bbls)	Rate (bbls/hr)	Direction of Flow	Secondary Containment
68417	Crude oil tank	Rupture	9000	9000	NW	yes
68418	Crude oil tank	Rupture	9000	9000	NW	yes
34144	Crude oil tank	Rupture	470	470	NW	yes
34145	Crude oil tank	Rupture	470	470	NW	yes
	Crude oil tank	Rupture	470	470	NW	yes
	Crude oil tank	Rupture	470	470	NW	yes
	Chemical Tank	Rupture	5	5	NW	yes
	LACT unit & pipeline pumps	Pipe leak	na	10	NW	no
	Truck unloading station	Hose leak	180	180	NW	no

PART I: GENERAL INFORMATION CONTINUED

I. Containment Structures

1. Earthen secondary containment dike is constructed around the crude oil storage tanks. The dike must contain a volume greater than 100% of the volume of the single largest tank within the containment area plus sufficient freeboard to contain rainwater.
2. Secondary containment adequacy calculations are included in Appendix C: Containment Calculations.

J. Inspections and Records

1. Routine visual inspections follow written procedures found in Appendix E: Routine Inspection Procedures.
2. Annual inspections follow written procedures found in Appendix F: Annual Inspection Procedures. Annual inspection records, signed by the appropriate supervisor or inspector, are maintained at the Team office.
3. Containment area drainage inspections follow written procedures found in Part II (A)(3) of this SPCC Plan. Containment area drainage inspections records, signed by the appropriate supervisor or inspector (Appendix H: Containment Area Drainage Inspection Records), are maintained at the Team office.

K. Personnel, Training, and Spill Prevention Procedures

1. Personnel are properly instructed in the operation and maintenance of equipment to prevent oil discharges and the applicable pollution control laws and regulations.
2. The SPCC Plan is discussed annually at regularly scheduled safety meetings. At safety meetings, topics may include but are not limited to operation and maintenance of equipment, product handling, piping and vessels, good housekeeping practices, environmental regulations, and spill control policies.

PART II: DESIGN AND OPERATING INFORMATION/ONSHORE FACILITY (EXCLUDING PRODUCTION)

A. Facility Drainage

1. Drainage from dike storage areas is controlled as follows:

There are no drainage valves or sumps in the earthen containment area. If necessary, accumulated rainwater is removed from the crude oil containment area by manually pumping into a vacuum truck.

2. Drainage from undiked areas is controlled as follows:

General drainage patterns on the site are shown on the drawing in Appendix G.

3. The procedure for supervising the drainage of rainwater from secondary containment is as follows:

During the routine visual inspections and as required after rain, the dike areas are inspected for the presence of rainwater. Generally, due to climate conditions in the area of this site, the accumulation of rainwater within containment structures is infrequent, and when a rain event does occur, any accumulated rainwater evaporates within a reasonable timeframe precluding the need to physically remove rainwater. However, if rainwater is found, it is checked for an oil sheen and or discolorations. See Appendix H for records regarding containment drainage. When accumulated rainwater is found, it may be removed by manually pumping into a vacuum truck and disposed of properly. If an oil sheen, discoloration or other evidence of an oil release is found, the cause of the release will be determined and proper action will be taken to fix the problem.

**PART II: DESIGN AND OPERATING INFORMATION/ONSHORE FACILITY
(EXCLUDING PRODUCTION) CONTINUED**

B. Bulk Storage Tanks

1. Description of tank design, materials of construction, fail-safe engineering features, and if needed, corrosion protection:
 - a) The storage tanks are constructed of welded steel and are compatible with the material stored.
 - b) The four smaller storage tanks have fixed roofs and the two larger storage tanks have internal floating roofs.

2. Description of secondary containment design, construction materials, and volume:

Tank	Dike Design	Dike Dimensions	Volume (bbls)
Crude oil storage tank	Earthen berm	343' x 98' x 3.0' (irregular shape dike wall – see diagram in Appendix G)	15104

Note: Containment calculations are included in Appendix C.

3. Method of determining above ground tank integrity:

Team personnel routinely observe tanks during normal operations. Formal inspections are conducted annually to examine the exterior of the tanks and the containment areas. These inspections are documented using the report form which can be found in Appendix F.

4. Method by which tanks are fail-safe engineered to prevent spills:

This facility is controlled by the Midland Control Center. It is monitored 24 hours/day, 7 days/week, 365 days/year. The control center monitors flow into the station from the pipeline and from the truck stations. The pipeline tanks have a high and low level alarm that will sound in the center. Control center has the ability to start and stop the pumps as needed to maintain the level in these tanks. The tank design on the truck tanks includes an automatic pump-out system to pump crude oil from these tanks into the pipeline tanks. A level switch in these tanks actuates the pump-out system which prevents overfilling these tanks. As a second measure to prevent overfill, the control center can stop flow into the truck tanks by disabling the LACTS thus preventing the trucks from pumping into them.

PART II: DESIGN AND OPERATING INFORMATION/ONSHORE FACILITY (EXCLUDING PRODUCTION) CONTINUED

C. Facility Transfer Operations, Pumping, and Processes

1. Buried pipelines are wrapped and coated to reduce corrosion. Cathodic protection is provided for pipelines if determined necessary by electrolytic testing. When a pipeline section is exposed, it is examined and corrective action taken as necessary.
2. Pipeline terminal connections are capped or blind-flanged and marked if the pipeline is not in service or on standby service for extended periods.
3. Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction.
4. All aboveground valves and pipelines are inspected in the course of routine facility operations as described in Appendix E.
5. There is no above ground piping at this facility subject to potential damage by vehicles entering the facility.

Most piping is in diked areas where vehicle traffic is restricted. Truck drivers and operators are instructed to drive carefully in truck unloading areas. The roadways and turning areas are clearly defined.

D. Facility Tank Truck Loading/Unloading

1. Loading/unloading procedures meet the minimum requirements and regulations of the Department of Transportation.
2. Secondary containment or diversionary structures in the tank truck loading/unloading area and the piping/sales LACT area are impracticable for this facility. An oil spill contingency plan for truck loading and unloading activities and a written commitment of manpower, equipment, and materials are included in Appendix D of this plan.

E. Security

1. If this is a facility where vandalism has occurred, or where there is a substantial reason to believe vandalism could occur, then the following security measures will be reviewed and employed as appropriate: tank valves may be locked in the closed position when in non-operating or non-standby status, if the valves will permit the direct outward flow of a tank's contents onto the surface. Locking would include such measures as a physical locking device; removal of the valve handle, bull plugs or caps; or locking the truck-unloading header box. Alternatively, security fencing, lighting or other appropriate deterrents may be added as appropriate.
2. This facility is fenced and the gates are locked when unmanned.

PART II: DESIGN AND OPERATING INFORMATION/ONSHORE FACILITY (EXCLUDING PRODUCTION) CONTINUED

F. Required Modifications to the Facility

This plan has been certified by the registered professional engineer indicated on the cover page of this plan with the condition that the following modifications to the facility will be made.

1. The capacity of the earthen containment structure must be increased to provide adequate containment. Secondary containment adequacy calculations are included in Appendix C: Containment Calculations.

Appendix A: EPA Certification of the Applicability of the Substantial Harm Criteria

Facility Name: Loco Hills Station

Facility Address: From Lovington NM, take Hwy 83 east 5.3 miles. Station is on north side of the Hwy.

1. Does the facility transfer oil over water to or from vessels and does the facility have a total oil storage capacity greater than or equal to 42,000 gallons?
Yes No

2. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and does the facility lack secondary containment that is sufficiently large to contain the capacity of the largest aboveground oil storage tank plus sufficient freeboard to allow for precipitation within any aboveground oil storage tank area?
Yes No

3. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and is the facility located at a distance such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments?
Yes No

4. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and is the facility located at a distance such that a discharge from the facility would shut down a public drinking water intake?
Yes No

5. Does the facility have a total oil storage capacity greater than or equal to 1 million gallons and has the facility experienced a reportable oil spill in an amount greater than or equal to 10,000 gallons within the last 5 years?
Yes No

Certification

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals responsible for obtaining this information, I believe that the submitted information is true, accurate, and complete.

Signature _____

Date _____

Name Gil Schutza, P.E.

Title Pipeline Safety Engineer

Company Enron Pipeline Services Company
P.O. Box 1188
Houston, TX 77251

Phone (713) 646-6084

Appendix B: Spill History

Were there any reportable oil spill events at this facility during the twelve (12) months prior to January 10, 1974 (effective date of 40 CFR Part 112.7a)?

- Yes
- No – Based on available information
- Facility did not exist during the time period referenced above.
- EOTT was not the owner/operator of the facility during the time period referenced above.

If the answer to the above question is yes, provide site spill history below:

1. Date _____ Volume _____ Cause: _____

Corrective action taken: _____

Plans for preventing recurrence: _____

2. Date _____ Volume _____ Cause: _____

Corrective action taken: _____

Plans for preventing recurrence: _____

Appendix C: Containment Calculations

- Volume of Largest Tank(s) = 18000 bbls (Two 9000 bbl tanks manifolded together)
- Measured Dike Dimensions = 343 ft. x 98 ft. (measured top center to top center; irregular shape dike wall – see diagram in Appendix G)
- Measured Dike Height = 3.0 ft. (measured at lowest point of dike)

1. Volume of Largest Tank (cu. ft.)
= No. of Tanks x Tank Volume x 0.1337 cu. ft./gal.
= 2 x 378000 gals. x 0.1337 cu. ft./gal. = 101077 cu. ft.
2. Total Diked Area (sq. ft.)
= (length – 2 ft adjustment for berm slope) x (width – 2 ft adjustment for berm slope) - adjustments
= ((343 ft. – 2 ft.) x (98 ft. – 2 ft.)) – (46 ft. x 58 ft.) – (1/2 x 50 ft. x 72 ft.) = 28268 sq. ft.
3. Existing Diked Volume (gal.)
= Total Diked Area x Existing Dike Height x 0.1781 bbl/cu. ft.
= 28268 sq. ft. x 3.0 ft. x 0.1781 bbl/cu. ft. = 15104 bbl
4. Base Area of other Vertical Tanks (within the containment)
= 3.14 x (½ x diameter of all but the largest tank)²
= 3.14 x [4 x (½ x 15)²]
= 707 sq. ft.
5. Available Diked Area (sq. ft.)
= (Total Diked Area) – (Base Area of other Tanks)
= (28268 sq. ft.) – (707 sq. ft.)
= 27561 sq. ft.
6. Height to Contain Tank Volume (ft.)
= (Volume of Largest Tank) / (Available Diked Area)
= (101077 cu. ft.) / (27561 sq. ft.)
= 3.7 ft
7. Required Height of Dike Walls (ft.)
= (Height to Contain Tank Volume) + (Sufficient Freeboard based on 100 yr.-24 hr. rainfall)
= 3.7 ft. + 0.5 ft.
= 4.2 ft.
8. Containment is not sufficient

Appendix D: Oil Spill Contingency Plans and Written Commitment of Manpower, Equipment, and Materials

Secondary containment or diversionary structures in the tank truck loading/unloading area and the piping/sales LACT area are impracticable for this facility for the following reasons:

Tank Truck Loading/Unloading at Facility

Tank trucks with trailers with a maximum capacity of 180 barrels load/unload crude oil at this facility. The driver of the truck remains with the tank truck during the entire time while loading or unloading. If there is an oil spill at the truck loading site the oil would probably be contained on the property. If there is a rupture in the tank truck loading hose, the spill would probably be minor in nature because the truck driver would be at the site and would immediately shut off the valve and/or pump. Any oil spill would probably stay in the truck loading area and be contained with equipment and materials available on-site or obtained locally. A spill to the ground would flow in a northwestern direction. It would be highly improbable for a spill to reach a navigable waterway before a clean-up could be accomplished. The drivers have access to communications in the trucks for contacting the dispatch office and/or obtaining manpower and equipment.

Piping/Sales LACT

The oil is pumped from the storage tanks through piping and a sales LACT to the pipeline tanks owned by EOTT. It is highly improbable that a leak would occur while pumping the crude oil. The sales LACT is activated and shut off by a level switch. Should a spill progress out of the LACT unit area, it would probably flow to the northwest and be contained with equipment and materials obtained locally. It would be highly improbable for a spill to reach a navigable waterway before a clean-up could be accomplished.

Appendix D (Continued): Oil Spill Contingency Plans and Written Commitment of Manpower, Equipment, and Materials

Oil Spill Contingency Plan

This contingency plan has been designed to reduce the potential for an oil spill and to provide guidelines for the reporting and clean-up of an oil spill at the crude oil loading/unloading areas. The district manager will ensure that the following procedures are followed:

1. The truck driver will properly use the on-site catchment basin at the loading site to catch any oil spillage when the tank truck hose is connected/disconnected from the loading connection.
2. The truck driver will remain with the truck at all times while loading/unloading.
3. The truck driver will carry a 5 gallon bucket on the tank truck to be utilized if needed to catch any leakage during loading or unloading.
4. The truck driver will gauge the tank to ensure sufficient capacity in the truck tank before unloading.
5. The truck driver will make a visual inspection of all equipment, piping, valves, etc. for possible leakage.
6. The truck driver will ensure that ground cables are attached from the tank trailer to ground prior to loading/unloading.
7. The truck driver will have communications in the truck to utilize for emergencies.
8. The truck drivers will be briefed on personnel and phone numbers to notify in case of emergency.
9. The truck driver will remove the contents of catchment basin if near full capacity prior to departure.
10. The truck driver will not depart from the loading/unloading area prior to disconnecting the loading hose.
11. An annual inspection will be made and recorded on a form as shown in Appendix F which shall be filed and retained for three years with the SPCC Plan at the Team office.
12. In the event of a spill, the Division Environmental Specialist will be contacted and informed of the spill.
13. In the event of a spill, the Division Environmental Specialist will ensure timely, efficient, coordinated and effective action to minimize the damage resulting from the spill.

General Instructions and Emergency Contact List for Spills

In the event of a spill the following reporting is required:

1. All spills are reported to the Division Environmental Specialist (DES) at:

<u>Wayne Brunette</u>	Name
<u>(915) 684-3479</u>	Work
<u>(915) 553-7557</u>	Cell
<u>(800) 506-9167</u>	Pager

If the DES is not available, additional contacts for spill reporting guidance may be found in Appendix J.
2. Any oil spill must be reported immediately by the DES to the State Agency at:

<u>(505) 393-6161</u>	New Mexico Oil Conservation Division
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3. If the spill causes a sheen or film on waters of the United States the DES immediately notifies the National Response Center at 1-800-424-8802.

Written Commitment of Manpower, Equipment, and Materials

EOTT Energy Operating Limited Partnership will commit the manpower, equipment, and materials required to expeditiously control and remove any harmful quantity of oil discharged.

Appendix E: Routine Inspection Procedures

Routinely, company personnel gauge the storage tanks. Personnel visually inspect containment areas, road ditches, drainage ditches, and watercourses during routine operation of the facility.

The surface areas around all valves, piping, and equipment are visually inspected for leaks or spills. The storage tanks and all above ground valves and piping are visually inspected for leaks. Containment areas are visually inspected to determine that no rainwater is draining.

During any deliveries or transfers of products to trucks, company personnel are present at the site to inspect for spills and prevent overfilling.

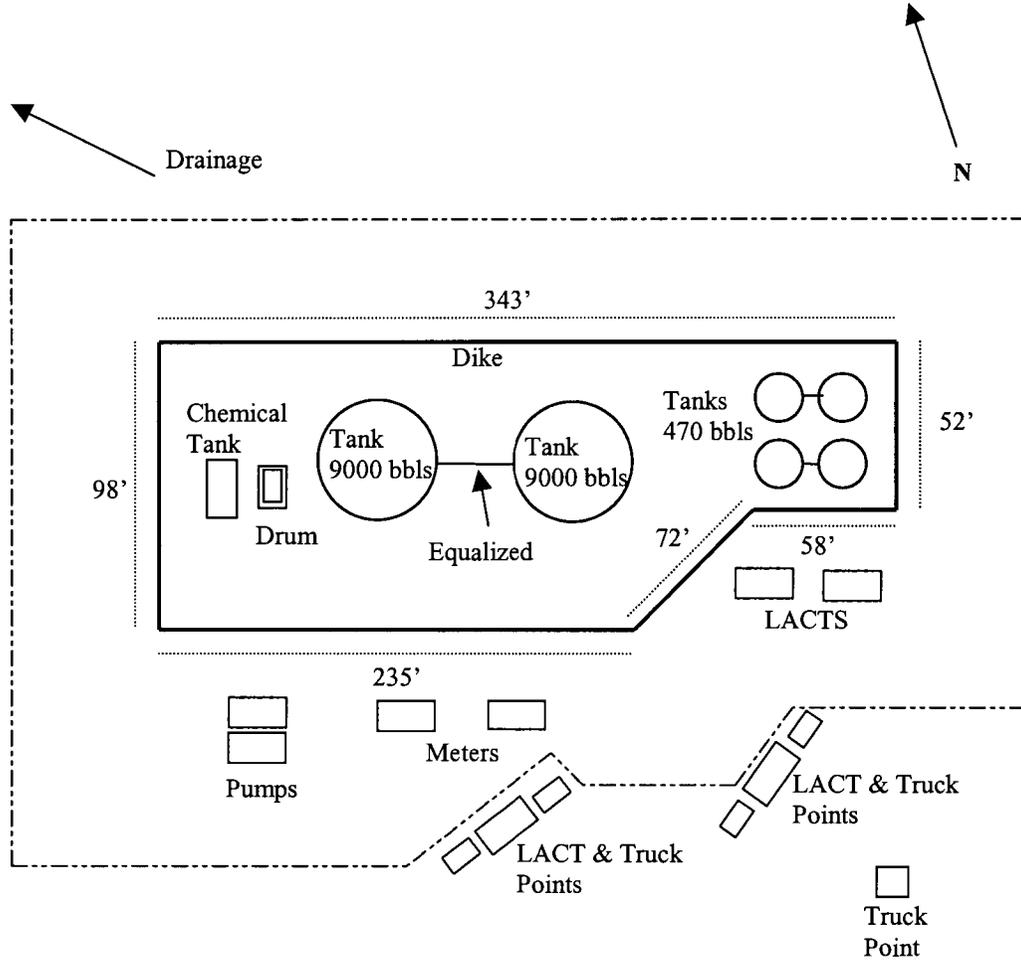
Appendix F: Annual Inspection Procedures

Tank Inspection Procedures	<i>satisfactory?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>comments or (N/A)</i>
1. Check tanks for leaks, specifically looking for:				
A. drip marks;		___	___	_____
B. discoloration of tanks;		___	___	_____
C. puddles containing spilled or leaked material;		___	___	_____
D. corrosion;		___	___	_____
E. cracks; and		___	___	_____
F. localized stressed vegetation.		___	___	_____
2. Check foundation for:				
A. cracks;		___	___	_____
B. discoloration;		___	___	_____
C. puddles containing spilled or leaked material;		___	___	_____
D. settling;		___	___	_____
E. gaps between tank and foundation; and		___	___	_____
F. damage caused by vegetation roots.		___	___	_____
3. Check piping for:				
A. droplets of stored material;		___	___	_____
B. discoloration;		___	___	_____
C. corrosion;		___	___	_____
D. bowing of pipe between supports;		___	___	_____
E. evidence of stored material seepage from valves or seals; and		___	___	_____
F. localized stressed vegetation.		___	___	_____
Response Equipment Inspection Procedures	<i>satisfactory?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>comments or (N/A)</i>
1. Inventory (item and quantity);		___	___	_____
2. Storage location;		___	___	_____
3. Accessibility (time to access and respond);		___	___	_____
4. Operational status/condition;		___	___	_____
5. Actual use/testing (last test date and frequency of testing); and		___	___	_____
6. Shelf life (present age, expected replacement date).		___	___	_____
Secondary Containment Inspection Procedures	<i>satisfactory?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>comments or (N/A)</i>
1. Dike or berm system.				
A. Level of precipitation in dike/available capacity;		___	___	_____
B. Operational status of drainage valves;		___	___	_____
C. Dike or berm permeability;		___	___	_____
D. Debris;		___	___	_____
E. Erosion;		___	___	_____
F. Permeability of the earthen floor of diked area; and		___	___	_____
G. Location/status of pipes, inlets, drainage beneath tanks, etc.		___	___	_____
2. Secondary containment				
A. Cracks;		___	___	_____
B. Discoloration;		___	___	_____
C. Presence of spilled or leaked material (standing liquid);		___	___	_____
D. Corrosion; and		___	___	_____
E. Valve conditions.		___	___	_____
3. Retention and drainage ponds				
A. Erosion;		___	___	_____
B. Available capacity;		___	___	_____
C. Presence of spilled or leaked material;		___	___	_____
D. Debris; and		___	___	_____
E. Stressed vegetation.		___	___	_____

During inspection, make note of discrepancies in any of the above-mentioned items, and report them immediately to the proper facility personnel.

date/time	signature	Comments
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Appendix G: Facility Plot Plan Including Drainage Flow



Appendix I: SPCC Plan Review Procedures and Plan Submittal Requirements

SPCC Plan Review Procedures

1. Since the SPCC plan certification date, has there been any change in facility design, construction, operation or maintenance which materially affects the facility's potential for the discharge of oil that may result in a reportable spill? Yes No
2. Since the SPCC plan certification date, has there been any substantial change in the SPCC regulation (40 CFR 112) that may require additional elements to the SPCC plan? Yes No

Regulation Citation:

40 CFR §112.5 Amendment of Spill Prevention Control and Countermeasure Plans by owners or operators.

- (a) Owners or operators of facilities subject to §112.3 (a), (b) or (c) shall amend the SPCC Plan for such facility in accordance with §112.7 whenever there is a change in facility design, construction, operation or maintenance which materially affects the facility's potential for the discharge of oil into or upon the navigable waters of the United States or adjoining shore lines. Such amendments shall be fully implemented as soon as possible, but not later than six months after such change occurs.
- (b) Notwithstanding compliance with paragraph (a) of this section, owners and operators of facilities subject to §112.3 (a), (b) or (c) shall complete a review and evaluation of the SPCC Plan at least once every three years from the date such facility becomes subject to this part. As a result of this review and evaluation, the owner or operator shall amend the SPCC Plan within six months of the review to include more effective prevention and control technology if:
 - (1) Such technology will significantly reduce the likelihood of a spill event from the facility, and
 - (2) If such technology has been field-proven at the time of the review.
- (c) No amendment to an SPCC Plan shall be effective to satisfy the requirements of this section unless it has been certified by a Professional Engineer in accordance with §112.3(d).

Reviewer's Signature

Signature	_____	Date	_____
Name	_____	Title	_____
Company	_____	Phone	_____

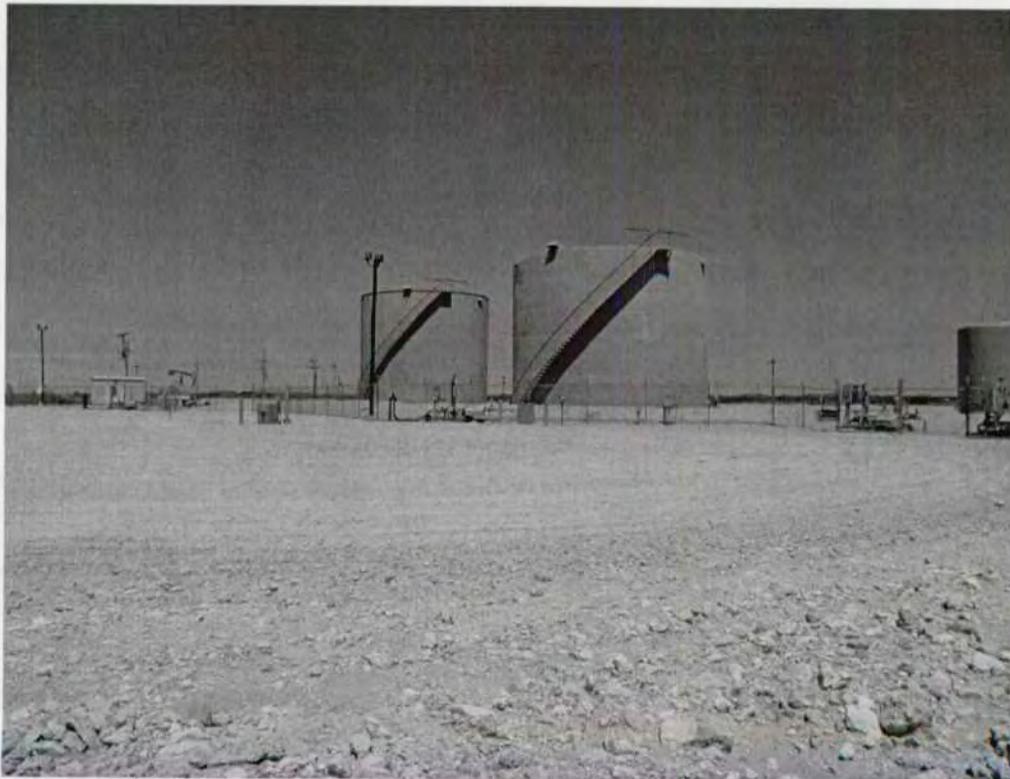
SPCC Plan Submittal Requirements

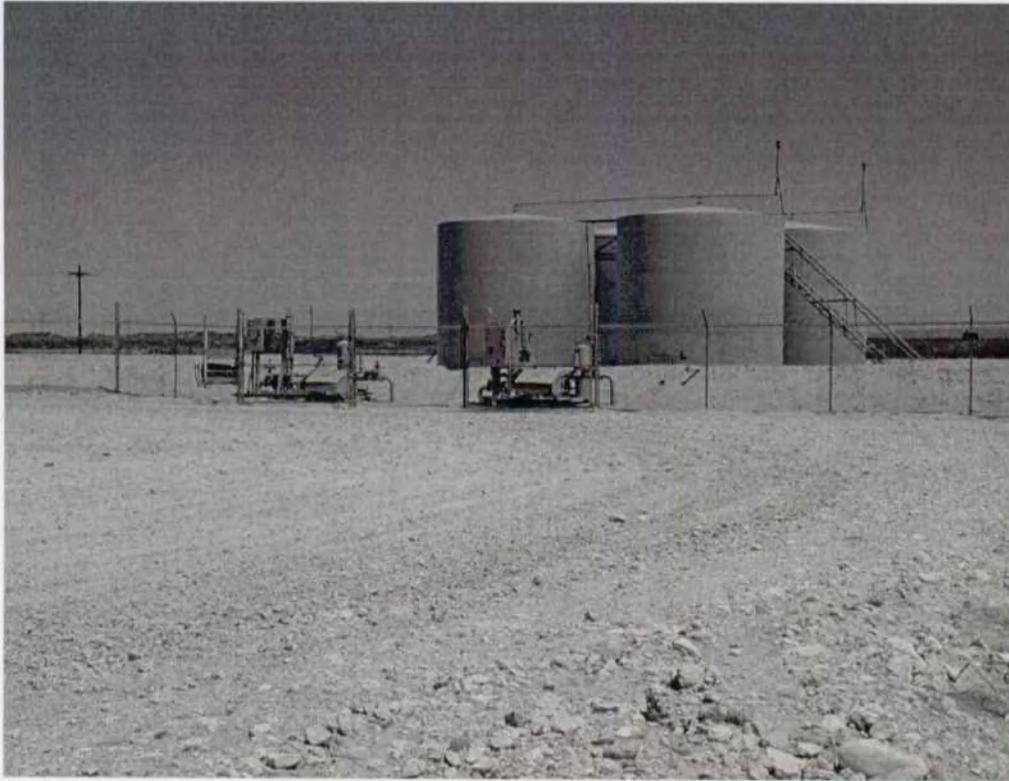
Whenever a facility has a reportable spill (a reportable spill is generally one that creates a sheen upon the surface of a river or stream) greater than 1,000 gallons of oil in a single spill event, or had two reportable spill events occurring within any twelve month period, the owner of the facility shall submit to the EPA, within 60 days from the time of the 1,000 gallon reportable spill or the second reportable spill within any twelve month period, the following: Name of the facility; Name(s) of the owner or operator of the facility; Location of the facility; Date and year of initial facility operation; Maximum storage or handling capacity of the facility and normal daily throughput; Description of the facility, including maps, flow diagrams, and topographical maps; A complete copy of the SPCC Plan with any amendments; The cause(s) of such spill, including a failure analysis of system or subsystem in which the failure occurred; The corrective actions and/or countermeasures taken, including an adequate description of equipment repairs and/or replacements; Additional preventive measures taken or contemplated to minimize the possibility of recurrence; Such other information as the EPA may reasonably require pertinent to the Plan or spill event. A complete copy of all information provided to the EPA shall be sent at the same time to the State agency in charge of water pollution control activities.

Appendix J. Emergency Contact List

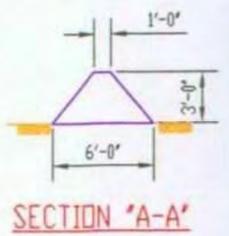
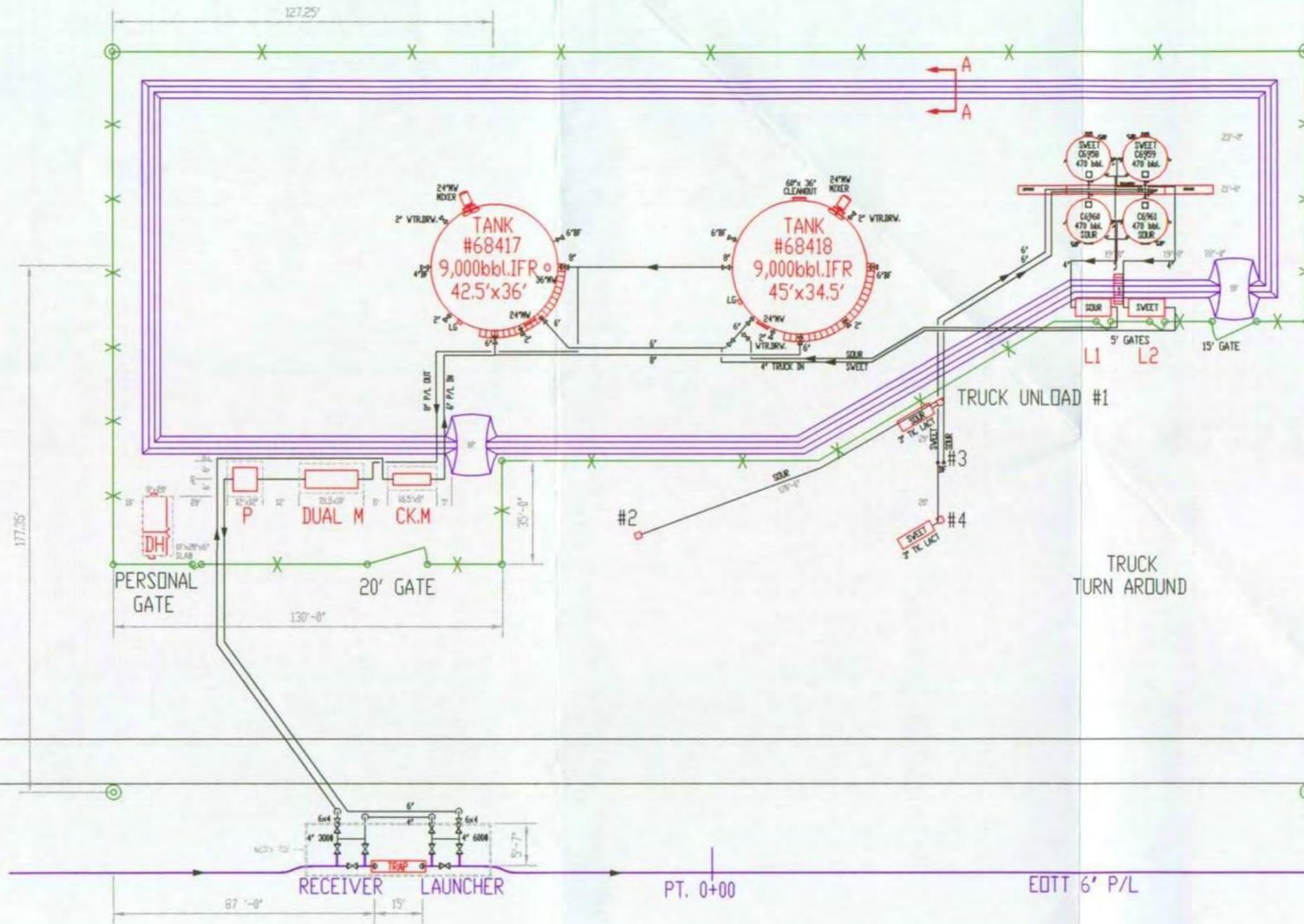
		Office #	Cell #	Pager #
Division Envr. Specialists:	Wayne Brunette	915-684-3479	915-553-7557	800-506-9167
	Frank Hernandez	505-396-3341	915-638-3799	800-588-0909
	Larry Campbell	505-625-8022	505-626-6211	800-632-9229
Andrews Team:	Charlie May	915-523-2460	915-524-8834	800-503-7904
	Jim Myers	915-523-2460	915-523-1539	800-711-4970
	Eddie Acosta	915-523-2460	915-524-8832	800-711-4964
Big Lake Team:	David Baze	915-884-2586	915-638-5159	800-511-5380
	Johnny Mitchell	915-884-2586	915-638-5162	800-511-5381
Crane Team:	Duane Konen	915-558-3671	915-631-2511	915-567-7205
	Rubert North	915-558-3671	915-638-5189	915-567-7237
	Terry Robnett	915-558-3671	915-425-6985	915-567-7190
Eunice Team:	Richard Espinoza	505-394-3116	505-390-4845	800-586-5772
	David Miller	505-394-3116	505-390-4850	800-586-8545
Hamlin Team:	Johnnie White	915-576-2164	915-638-2473	800-586-8205
	Greg Williams	915-576-2164	915-638-2475	800-586-8266
Hobbs Team:	Ray Noseff	505-396-3341	505-390-4842	800-587-1415
Jal Team:	Kay Woods	505-395-2352	505-390-4836	800-261-5862
Kermit Team:	Mark Ethridge	915-586-5621	915-940-8310	800-587-1239
	Olan Smith	915-586-5621	915-638-1858	888-347-3701
	Gerry Hamm	915-586-5621	915-940-8321	800-728-5990
Lamesa Team:	Myron Maresch	806-872-7048	806-773-1021	915-488-3301
	Dan Crawford	806-872-7048	806-773-1018	915-498-1883
Lovington Team:	Frank Saragosa	505-396-3341	505-390-4849	500-587-1417
Midland Team:	Perry Horne	915-684-3400	915-638-2554	915-620-3256
	Jerry Wood	915-684-3400	915-638-2559	915-560-2744
Monahans Team:	Dean McCallister	915-943-3298	915-940-7401	800-587-0631
	Mike Smith	915-943-3298	915-940-7405	800-587-0635
	Ken Gray	915-943-3298	915-940-7408	800-587-0638
Spraberry Team:	Louis Lopez	915-682-8560	915-638-2547	800-511-5378

Appendix K. Photographs





U.S. HIGHWAY 82



STATION ROAD

LEASE ROAD

RECEIVER LAUNCHER

PT. 0+00

EOTT 6' P/L



SEE SURVEY PLAT		XONG	
Reference Drawing		Drawing No.	
EOTT ENERGY Operating Limited Partnership			
Engineering Department Houston, Texas			
PLOT PLAN LOCO HILLS STATION EDDY COUNTY, NM			
Drawn By:	E.W.WALKER	DATE:	7-27-97
Checked By:		DATE:	
A.P.E.		SCALE:	NOTED
W.D. NO.		SHEET:	1 of 1
ISSUED FOR BID		ISSUED FOR CONSTRUCTION	
		DRAWING NO. LH-PP	

Price, Wayne

From: Price, Wayne
Sent: Wednesday, June 11, 2003 10:13 AM
To: 'William_Vondrehle@eott.com'
Cc: Gum, Tim; Stubblefield, Mike
Subject: Loco Hills GW-289

Dear Mr. Vondrehle:

Please note that the EOTT Loco-Hills Discharge Plan GW-289 has expired. OCD has sent you E-mails and have notified you via telephone. Please submit a Discharge Plan renewal application with \$100 filing fee by June 30, 2003.

Sincerely:



Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us