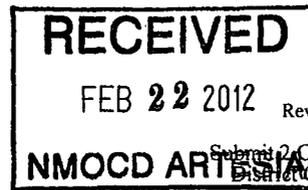


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

RMLB 1205456296

Release Notification and Corrective Action

RMLB 1205456845

OPERATOR

Initial Report Final Report

Name of Company : Holly Transportation LLC. <i>278421</i>	Contact: R.B. Simmons
Address: 1602 W. Main Artesia, NM 88210	Telephone No. (575) 513-8314
Facility Name: North Loco Lact # 176	Facility Type: Crude Oil unloading facility
Surface Owner :BLM	Mineral Owner :
	Lease No.

LOCATION OF RELEASE

Unit Letter	Section 29	Township 16, S.R.	Range 30	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude N32°53.136'
32.8856

Longitude W103°59.167'
103.9861

NATURE OF RELEASE

Type of Release: Crude Oil	Volume of Release: 50 bbls	Volume Recovered: 5bbls
Source of Release: 1/2" pipe on lact unit broke	Date and Hour of Occurrence 12-03-11 unkn hour	Date and Hour of Discovery 12-03-11 1000 hrs.
Was Immediate Notice Given? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD General voice mail / Notified BLM 12-5-11	
By Whom? R.B. Simmons	Date and Hour 12-03-11	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		

Describe Cause of Problem and Remedial Action Taken.*

A 1/2 inch pipe on the lact unit broke causing crude oil to leak onto the ground. Upon discovery, the valves on the back of the tanks were closed, stopping the flow of oil to the lact.

Describe Area Affected and Cleanup Action Taken.*

On the site pad, an area approximately 6'x20'. Off the pad, into the pasture an area approximately 30'x80'. Per lact readings we lost approximately 50bbls, recovered approximately 5bbls. Hungry Horse responded to begin clean up. An archeological survey was completed. All contaminated soil was removed and disposed of at CRI in Hobbs, NM and replaced with new caliche, sand and top soil in the appropriate areas. The pasture was reseeded. A new 2' high containment barrier was placed around the north, west and south sides of the pad to prevent future disturbance of surrounding pasture lands. A new fence was placed around the north, west & south sides to help deter livestock from entering the pad site. All reclamation work was completed by Hungry Horse LLC. on Thursday February 16th, 2012.

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

Signature:	OIL CONSERVATION DIVISION	
	Signed By Approved by District Supervisor:	
Printed Name: R.B. Simmons	Approval Date: FEB 23 2012	Expiration Date: <i>N/A</i>
Title: Regulatory Coordinator	Conditions of Approval <i>N/A</i> <i>Final</i>	Attached <input type="checkbox"/>
E-mail Address: roger.simmons@hollyfrontier.com		
Date: 2-22-12	Phone: 575-513-8314	

* Attach Additional Sheets If Necessary

2RP-1044

Bratcher, Mike, EMNRD

From: Simmons, Roger [Roger.Simmons@hollyfrontier.com]
Sent: Wednesday, February 22, 2012 3:09 PM
To: Mike Burton (mburton@blm.gov); Terry Gregston (tgregsto@blm.gov); Bratcher, Mike, EMNRD
Cc: Sanderson, Mark; Grant, Stan
Subject: N.Loco Final Report
Attachments: 1283_001.pdf

Thank you all, for you assistance.

Thank You

R.B. Simmons

Regulatory Coordinator

Holly Transportation

Office (575) 748-6745

Cell(575)513-8314

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