

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

State of New Mexico  
Energy Minerals and Natural Resources

Form C-141  
Revised August 8, 2011

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

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

MLB1417847393

Release Notification and Corrective Action

nMLB1417848148

OPERATOR

Initial Report  Final Report

Name of Company: Holly Energy Partners <i>242939</i>	Contact: Allison Stockweather, Senior EHS Manager
Address: 1602 West Main Street, Artesia, NM 88210	Telephone No.: 575-746-9338
Facility Name: N. Artesia to Beeson 6" Pipeline	Facility Type: Pipeline

Surface Owner	Mineral Owner	API No.
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LOCATION OF RELEASE: see latitude and longitude below.

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	<i>6</i>	<i>18s</i>	<i>30E</i>					Eddy County

Latitude *32.77559* Longitude *-104.016210*

NATURE OF RELEASE

Type of Release: Crude Oil Release, Pipeline	Volume of Release: 35 bbls	Volume Recovered: 15 bbls
Source of Release: Hole in pipeline	Date and Hour of Occurrence: 04/23/14, 2:08 pm	Date and Hour of Discovery: 04/23/14, 2:08 pm
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
HEP EHS telephone notification to NMED was made w/in 24 hours of incident release (Ruth Horowitz, voicemail) per NMAC 20.6.2.1203. HEP notified Mike Bratcher, NMOCD, District 2, (voicemail) on 04/24/14.	<div style="border: 2px solid black; padding: 5px; text-align: center;"> <p><b>RECEIVED</b></p> <p>MAY 02 2014</p> <p>NMOCD ARTESIA</p> </div>	
By Whom?		
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. \* NA

Describe Cause of Problem and Remedial Action Taken. \* D&D Pipeline Construction was stringing skids; got stuck in the sand; and used a blade on the road grader to move from the sand when the line was struck. Approximately 35 bbls of crude oil released onto the ground as a result of this incident and 15 bbls was recovered. The line was shutdown and clean-up crews were dispatched. The free product was contained on the HEP ROW, and a clamp was installed on the pipeline stopping the release of product. The pipeline is a non-regulated gathering line.

Describe Area Affected and Cleanup Action Taken. \* Vacuum trucks recovered 15 bbls of free product. The site will be assessed and remediated in accordance with NMOCD regulations.

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: <i>Allison Stockweather</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Allison Stockweather	Signed By <i>Mike Bratcher</i>	
Title: Senior EHS Manager	Approved by Environmental Specialist:	
E-mail Address: Allison.Stockweather@hollyenergy.com	Approval Date: <i>6/27/14</i>	Expiration Date: <i>NA</i>
Date: 05/02/14 Phone: 575-746-5475	Conditions of Approval: <i>Remediation per NMOCD Rules &amp; Guidelines - 6/27/14 Remediation in Progress</i>	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

Comp: MLB1417848866

*Remediation per NMOCD Rules & Guidelines - 6/27/14 Remediation in Progress*

*JRP-2362*