

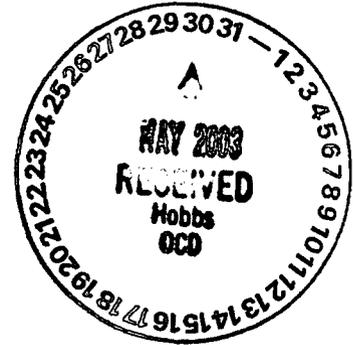


ENVIRONMENTAL PLUS, INC. STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

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1/26/06



April 30, 2003

Mr. Larry Johnson  
Environmental Engineer  
New Mexico Oil Conservation Division  
1625 North French  
Hobbs, New Mexico 88240

Subject: EOTT Energy LLC Initial C-141

Re: Marathon Account #2 4" Gathering, #2003-00111  
UL N, SE¼ of the SW¼ of Section 6 T18S R35E  
Latitude 32° 46' 13.3"N and Longitude 103° 29' 57.9"W

Dear Mr. Johnson,

Environmental Plus, Inc. (EPI), on behalf of Mr. Frank Hernandez, EOTT Energy LLC, submits the attached New Mexico Oil Conservation Division (NMOCD) form C-141 for the above referenced leak site located on land owned by the State of New Mexico, approximately 2.2 miles south of Buckeye, New Mexico. The New Mexico Tech Geo-Information Database records 4 water wells within 1 mile of the site with an average ground water level of 100.35 feet below ground surface ('bgs). The attached site information and metrics form ranks the site in accordance with the "NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993)."

EOTT will implement the New Mexico Oil Conservation Division (NMOCD) approved "General Work Plan for Remediation of E.O.T.T. Pipeline Spills, Leaks and Releases in New Mexico, July 2000." The remediation proposal is to dispose of contaminated soil identified during delineation of the vertical and horizontal extents of contamination of the Constituents of Concern (CoCs), i.e., Total Petroleum Hydrocarbon EPA method 8015m (TPH<sup>8015m</sup>), Benzene, and BTEX, i.e., the mass sum of Benzene, Toluene, Ethyl Benzene, and Xylenes. The contaminated soil is not exempted from RCRA 40 CFR Part 261 and will be characterized accordingly.

If there are any questions please call Mr. Ben Miller or myself at the office or at 505.390.0288 and 505.390.7864, respectively or Mr. Frank Hernandez at 713.253.7006. All official communication should be addressed to:

Plains - 34053  
facility - pPAC0602626748  
incident - pPAC0602627072 application - pPAC0603052996  
P.O. BOX 1558 2000 WEST AVE. O ••• EUNICE, NEW MEXICO 88231  
TEL 505•394•3481 FAX 505•394•2601

ENVIRONMENTAL PLUS, INC.



ENVIRONMENTAL PLUS, INC. *Micro-Blaze* *Micro-Blaze Out™*  
STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

Mr. Frank Hernandez  
EOTT Energy LLC  
PO Box 1660  
5805 East Highway 80  
Midland, Texas 79702

Sincerely,

Pat McCasland  
EPI Technical Services Manager

cc: Frank Hernandez, EOTT Energy LLC, w/enclosure  
William Von Drehle, EOTT Energy LLC, w/enclosure  
Mike Kelly, EOTT Energy LLC,  
Ben Miller, EPI Vice President and General Manager  
Sherry Miller, EPI President  
File

ENVIRONMENTAL PLUS, INC.

**EOTT Energy LLC**

Site Information and Metrics

|                                         |                            |
|-----------------------------------------|----------------------------|
| Incident Date:<br><b>4-29-03@9:00AM</b> | NMOCD Notified:<br>10:30AM |
|-----------------------------------------|----------------------------|

|                                                                                                                                                     |         |                                                                                      |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------------------------------------------------------------------------------------|----------|
| SITE: Marathon Account #2 4" Gathering                                                                                                              |         | Assigned Site Reference #: 2003-00111                                                |          |
| Company: EOTT Energy LLC                                                                                                                            |         |                                                                                      |          |
| Street Address: PO Box 1660                                                                                                                         |         |                                                                                      |          |
| Mailing Address: 5805 East Highway 80                                                                                                               |         |                                                                                      |          |
| City, State, Zip: Midland, Texas 79702                                                                                                              |         |                                                                                      |          |
| Representative: Frank Hernandez                                                                                                                     |         |                                                                                      |          |
| Representative Telephone: 713.253.7006                                                                                                              |         |                                                                                      |          |
| Telephone:                                                                                                                                          |         |                                                                                      |          |
| Fluid volume released (bbls): 5 bbls                                                                                                                |         | Recovered (bbls): 0.0 bbls                                                           |          |
| >25 bbls: Notify NMOCD verbally within 24 hrs and submit form C-141 within 15 days.<br>(Also applies to unauthorized releases >500 mcf Natural Gas) |         |                                                                                      |          |
| 5-25 bbls: Submit form C-141 within 15 days (Also applies to unauthorized releases of 50-500 mcf Natural Gas)                                       |         |                                                                                      |          |
| Leak, Spill, or Pit (LSP) Name: Marathon Account #2 4" Gathering                                                                                    |         |                                                                                      |          |
| Source of contamination: 4" Steel Pipeline                                                                                                          |         |                                                                                      |          |
| Land Owner, i.e., BLM, ST, Fee, Other: State of New Mexico                                                                                          |         |                                                                                      |          |
| LSP Dimensions 10x10                                                                                                                                |         |                                                                                      |          |
| LSP Area: 102 ft <sup>2</sup>                                                                                                                       |         |                                                                                      |          |
| Location of Reference Point (RP)                                                                                                                    |         |                                                                                      |          |
| Location distance and direction from RP                                                                                                             |         |                                                                                      |          |
| Latitude: 32 46' 13.3"N                                                                                                                             |         |                                                                                      |          |
| Longitude: 103 29' 57.9"W                                                                                                                           |         |                                                                                      |          |
| Elevation above mean sea level: 3,980'amsl                                                                                                          |         |                                                                                      |          |
| Feet from South Section Line                                                                                                                        |         |                                                                                      |          |
| Feet from West Section Line                                                                                                                         |         |                                                                                      |          |
| Location- Unit or ¼: SE¼ of the SW¼                                                                                                                 |         | Unit Letter: N                                                                       |          |
| Location- Section: 6                                                                                                                                |         |                                                                                      |          |
| Location- Township: T18S                                                                                                                            |         |                                                                                      |          |
| Location- Range: R35E                                                                                                                               |         |                                                                                      |          |
| Surface water body within 1000' radius of site: none                                                                                                |         |                                                                                      |          |
| Domestic water wells within 1000' radius of site: none                                                                                              |         |                                                                                      |          |
| Domestic water wells within 1000' radius of site:                                                                                                   |         |                                                                                      |          |
| Agricultural water wells within 1000' radius of site: none                                                                                          |         |                                                                                      |          |
| Agricultural water wells within 1000' radius of site:                                                                                               |         |                                                                                      |          |
| Public water supply wells within 1000' radius of site: none                                                                                         |         |                                                                                      |          |
| Depth from land surface to ground water (DG) 100.35'bgs                                                                                             |         |                                                                                      |          |
| Depth of contamination (DC) - 4'bgs                                                                                                                 |         |                                                                                      |          |
| Depth to ground water (DG - DC = DtGW) - 96.35'bgs                                                                                                  |         |                                                                                      |          |
| <b>1. Ground Water</b>                                                                                                                              |         | <b>2. Wellhead Protection Area</b>                                                   |          |
| If Depth to GW <50 feet: 20 points                                                                                                                  |         | If <1000' from water source, or; <200' from private domestic water source: 20 points |          |
| If Depth to GW 50 to 99 feet: 10 points                                                                                                             |         | If >1000' from water source, or; >200' from private domestic water source: 0 points  |          |
| If Depth to GW >100 feet: 0 points                                                                                                                  |         |                                                                                      |          |
| Ground water Score = 10                                                                                                                             |         | Wellhead Protection Area Score = 0                                                   |          |
| Site Rank (1+2+3) = 10                                                                                                                              |         |                                                                                      |          |
| <b>Total Site Ranking Score and Acceptable Concentrations</b>                                                                                       |         |                                                                                      |          |
| Parameter                                                                                                                                           | >19     | 10-19                                                                                | 0-9      |
| Benzene <sup>1</sup>                                                                                                                                | 10 ppm  | 10 ppm                                                                               | 10 ppm   |
| BTEX <sup>1</sup>                                                                                                                                   | 50 ppm  | 50 ppm                                                                               | 50 ppm   |
| TPH                                                                                                                                                 | 100 ppm | 1000 ppm                                                                             | 5000 ppm |
| <sup>1</sup> 100 ppm field VOC headspace measurement may be substituted for lab analysis                                                            |         |                                                                                      |          |

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 March 17, 1999

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report     Final Report

|                                                                         |                                           |
|-------------------------------------------------------------------------|-------------------------------------------|
| Name of Company<br><b>EOTT Energy LLC</b>                               | Contact<br><b>Frank Hernandez</b>         |
| Address<br><b>PO Box 1660 5805 East Highway 80 Midland, Texas 79702</b> | Telephone No.<br><b>713.253.7006</b>      |
| Facility Name<br><b>Marathon Account #2 4" Gathering</b>                | Facility Type<br><b>4" Steel Pipeline</b> |

|                                           |               |           |
|-------------------------------------------|---------------|-----------|
| Surface Owner: <b>State of New Mexico</b> | Mineral Owner | Lease No. |
|-------------------------------------------|---------------|-----------|

**LOCATION OF RELEASE**

|                         |                     |                         |                      |               |                  |               |                |                                                                               |
|-------------------------|---------------------|-------------------------|----------------------|---------------|------------------|---------------|----------------|-------------------------------------------------------------------------------|
| Unit Letter<br><b>6</b> | Section<br><b>6</b> | Township<br><b>T18S</b> | Range<br><b>R35E</b> | Feet from the | North/South Line | Feet from the | East/West Line | County: <b>Lea</b><br>Lat. <b>32 46' 13.3"N</b><br>Lon. <b>103 29' 57.9"W</b> |
|-------------------------|---------------------|-------------------------|----------------------|---------------|------------------|---------------|----------------|-------------------------------------------------------------------------------|

**NATURE OF RELEASE**

|                                                                                                                                          |                                                        |                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------|
| Type of Release<br><b>Crude Oil</b>                                                                                                      | Volume of Release<br><b>~5 barrels</b>                 | Volume Recovered<br><b>0.0 barrels</b>                |
| Source of Release<br><b>4" Steel Pipeline</b>                                                                                            | Date and Hour of Occurrence<br><b>4-29-03@9:00AM</b>   | Date and Hour of Discovery<br><b>4-29-03@10:00 AM</b> |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br><b>Larry Johnson</b>               |                                                       |
| By Whom?<br><b>Frank Hernandez EOTT</b>                                                                                                  | Date and Hour<br><b>10:30AM</b>                        |                                                       |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                           | If YES, Volume Impacting the Watercourse.<br><b>NA</b> |                                                       |

If a Watercourse was Impacted, Describe Fully.\*  
**NA**

Describe Cause of Problem and Remedial Action Taken.\*  
**4" Steel Pipeline internal/external corrosion. Contaminated soil was excavated and disposed of in the South Monument Solid Waste Management Facility.**

Describe Area Affected and Cleanup Action Taken.\*  
**Site will be delineated during excavation with disposal of visibly contaminated soil. Remedial Goals: TPH 8015m = 1000 mg/Kg, Benzene = 10 mg/Kg, and BTEX, i.e., the mass sum of Benzene, Ethyl Benzene, Toluene, and Xylenes = 50 mg/Kg.**

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:  | <b>OIL CONSERVATION DIVISION</b>  |                  |
|                                                                                                | Approved by District Supervisor:  |                  |
| Printed Name: <b>Frank Hernandez</b>                                                           | Approval Date:                    | Expiration Date: |
| Title: <b>District Environmental Supervisor</b>                                                | Conditions of Approval:           |                  |
| Date: <b>2003-04-29 00:00:00</b> Phone: <b>713.253.7006</b>                                    | Attached <input type="checkbox"/> |                  |

\* Attach Additional Sheets If Necessary

