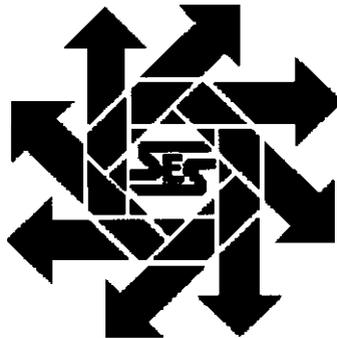


**Holly Energy Corporation  
Depco Leak  
Section 21, Township 18 South, Range 28 East  
Closure Report**

**Eddy County, New Mexico**

**September 1, 2009**



**Prepared for:**

**Holly Energy Partners  
PO Box 1260  
Artesia, New Mexico 88211**

**By:**

***Safety & Environmental Solutions, Inc.  
703 East Clinton  
Hobbs, New Mexico 88240  
(575) 397-0510***

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I. **Company Contacts**

| NAME           | Company      | Telephone      | E-mail                         |
|----------------|--------------|----------------|--------------------------------|
| Dickie Townley | Holly Energy | (575) 748-8949 | dickie.townley@hollyenergy.com |
| Isaac Kincaid  | SESI         | 575-390-8841   | ikincaid@sesi-nm.com           |

II. **Background**

Safety and Environmental Solutions, Inc. (SESI) was engaged by Holly Energy Partners to perform delineation services at the Depco Station. A clamp on an abandoned line ruptured releasing an unknown amount of crude oil.

III. **Surface and Ground Water**

The closest groundwater of record found on the USGS online database is located in the same Section, Range and Township. The depth of water in this well was 225' in February of 1999.

IV. **Work Performed**

On March 30, 2009 SESI was onsite to obtain samples of the excavated area. D&D Construction was previously onsite and had excavated the north end of the flowline to a depth of nine (9) feet and south of the flowline to a depth of one (1) foot. The samples were properly preserved and transported under Chain-of-Custody to Argon Laboratories of Hobbs, New Mexico for analysis. The samples were analyzed for Benzene, Toluene, Ethyl benzene, and Xylenes (BTEX) (EPA method 8021B), and Total Petroleum Hydrocarbons (TPH) (EPA method 418.1).

The results of the analysis are as follows:

| Sample ID | TPH (mg/kg) | Benzene (mg/kg) | Toluene (mg/kg) | Ethyl Benzene (mg/kg) | Xylenes (mg/kg) |
|-----------|-------------|-----------------|-----------------|-----------------------|-----------------|
| Bottom    | 4300        | ND              | 15              | 26                    | 41              |
| Spoils    | 9000        | 3.4             | 67              | 68                    | 100             |

Based upon the analytical results, the vertical extent of TPH contamination was determined at a depth of nine (9) feet.

On August 28, 2009, SESI was onsite to delineate the excavated area by process of excavation. Samples were obtained from the excavation and properly preserved and transported under Chain-of-Custody to Cardinal Laboratories of Hobbs, New Mexico for analysis. The samples were analyzed for Benzene, Toluene, Ethyl benzene, and Xylenes (BTEX) (EPA method 8021B), and Total Petroleum Hydrocarbons (TPH) (EPA method 418.1).

| Sample ID    | TPH<br>(mg/kg) | Benzene<br>(mg/kg) | Toluene<br>(mg/kg) | Ethyl Benzene<br>(mg/kg) | Xylenes<br>(mg/kg) |
|--------------|----------------|--------------------|--------------------|--------------------------|--------------------|
| West Wall 2' | 37,400         | 5.47               | 57.6               | 39.3                     | 63.1               |
| West Wall 3' | 1,380          | <0.050             | 0.887              | 2.27                     | 5.06               |
| Bottom 12'   | 3,850          | 1.47               | 8.41               | 14.1                     | 28.7               |
| Bottom 15'   | <100           | <0.050             | 0.074              | <0.050                   | <0.300             |
| North Wall   | <100           | <0.050             | 0.078              | <0.050                   | <0.300             |
| East Wall    | <100           | <0.050             | 0.187              | 0.197                    | 0.415              |
| South Wall   | 2,620          | <0.050             | <0.050             | <0.050                   | <0.300             |

The contaminated soils were taken to Artesia Aeration for disposal. Approximately 176 yards of soil were disposed of. The area was then backfilled with 132 yards of clean material from an offsite location, and contoured to its natural grade.

**V. Closure Report**

It is requested that no further action needs to be taken.

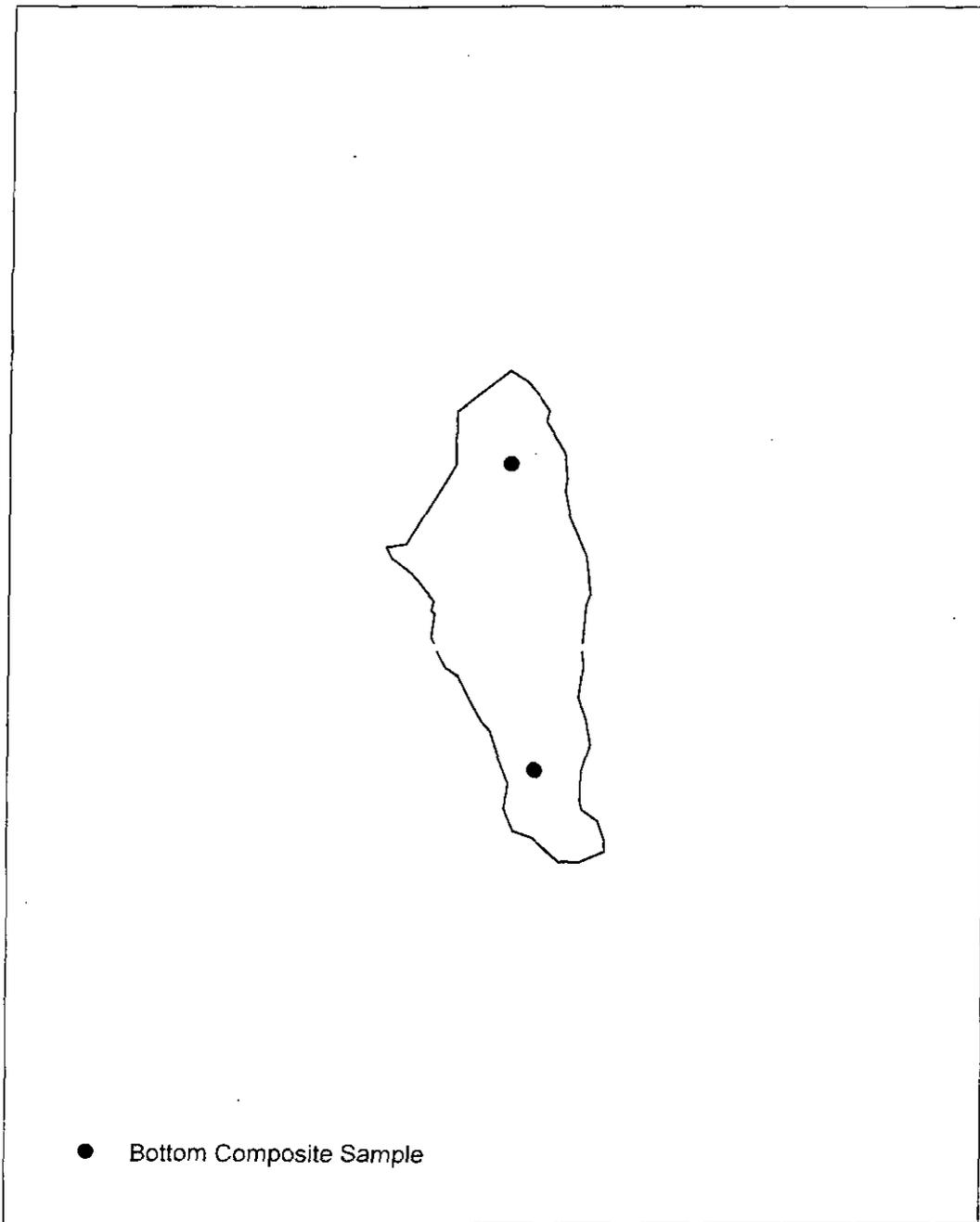
**VI. Figures & Appendices**

- Figure 1 – Vicinity Map
- Figure 2 – Site Plan
- Appendix A – Analytical Results
- Appendix B – Site Photos

**Figure 1**  
**Vicinity Map**



**Figure 2  
Site Plan**



# Holly Deppco Leak

Lat/Long  
WGS 1984



HOL-09-008 Site Plan.cor  
3/31/2009

GPS Pathfinder® Office



**Appendix A**  
**Analytical Results**



# ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

September 2, 2009

Bob Allen  
Safety & Environmental Solutions, Inc.  
703 East Clinton, #102  
Hobbs, NM 88240

Re: Holly (HOL-09-008) *Dupo Leak*

Enclosed are the results of analyses for sample number H18108, received by the laboratory on 08/27/09 at 3:45 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

|                    |  |
|--------------------|--|
| Method SW-846 8021 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method SW-846 8260 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method TX 1005     | Total Petroleum Hydrocarbons                       |

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though the State of Colorado Department of Public Health and Environment for:

|                  |                              |
|------------------|------------------------------|
| Method EPA 552.2 | Haloacetic Acids (HAA-5)     |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.2 | Regulated VOCs (V2, V3)      |

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene  
Laboratory Director

---

This report conforms with NELAP requirements.





**ARDINAL LABORATORIES**  
 101 East Marland, Hobbs, NM 88240  
 (575) 393-2326 Fax (575) 393-2476

**BILL TO**

**ANALYSIS REQUEST**

Company Name: SESE  
 Project Manager: Bob Allen  
 Address: 703 E Clark  
 City: Hobbs State: NM Zip: 88240  
 Phone #: 575-397-0510 Fax #: \_\_\_\_\_  
 Project #: 101-09-008 Project Owner: Holly  
 Project Name: Depto Coal  
 Project Location: Eddy Co, NM  
 Client Name: Isaac Kincaid  
 P.O. #: \_\_\_\_\_  
 Company: \_\_\_\_\_  
 Attn: Same  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Phone #: \_\_\_\_\_  
 Fax #: \_\_\_\_\_

| Lab ID   | Sample ID    | (G)GRAB OR (C)OMP. | # CONTAINERS | MATRIX | PRESERV. | SAMPLING | DATE    | TIME | TESTS             |
|----------|--------------|--------------------|--------------|--------|----------|----------|---------|------|-------------------|
| H18108-1 | west well 2' | G                  | 1            | SOIL   | ✓        | ↓        | 8/27/09 | 0830 | TPH 418.1<br>BTEX |
|          | Belform 12'  | ↓                  | ↓            | ↓      | ↓        | ↓        | 0900    | 0920 |                   |
|          | Belform 15'  | ↓                  | ↓            | ↓      | ↓        | ↓        | 0930    | 0940 |                   |
|          | west well 3' | ↓                  | ↓            | ↓      | ↓        | ↓        | 0950    | 1000 |                   |
|          | north well   | ↓                  | ↓            | ↓      | ↓        | ↓        |         |      |                   |
|          | east well 2' | ↓                  | ↓            | ↓      | ↓        | ↓        |         |      |                   |
|          | south well   | ↓                  | ↓            | ↓      | ↓        | ↓        |         |      |                   |

PLEASE NOTE: Liability and Damages. Cardinal's liability and clients' exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims, including those for negligence and any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or resulting from the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Sampler Relinquished: \_\_\_\_\_ Date: 8/27/09 Received By: \_\_\_\_\_  
 Relinquished By: \_\_\_\_\_ Date: 8/27/09 Received By: \_\_\_\_\_  
 Time: \_\_\_\_\_  
 Delivered By: (Circle One) Temp: \_\_\_\_\_ Sample Condition: \_\_\_\_\_ CHECKED BY: \_\_\_\_\_  
 Sampler - UPS - Bus - Other: \_\_\_\_\_  
 Phone Result:  No  Add'l Phone #:  
 Fax Result:  No  Add'l Fax #:  
 REMARKS: \_\_\_\_\_

\* Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

#210

# argon laboratories

07 April 2009

Bob Allen  
Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

RE: Deppco Leak Project Data

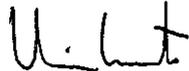
Enclosed are the results for sample(s) received on 03/30/09 15:45 by Argon Laboratories. The sample(s) were analyzed according to instructions in accompanying chain-of-custody. Results are summarized on the following pages.

Please see quality control report for a summary of QC data pertaining to this project.

The sample(s) will be stored for 30 days after completion of analysis, then disposed of in accordance with State and Federal regulations. Sample(s) may be archived by prior arrangement.

Thank you for the opportunity to service the needs of your company.

Sincerely,



Hiram Cueto  
Lab Manager

# Argon Labs

2126 W. Marland Ave Hobbs, NM 88240  
 (505)397-0296 (505)397-0296 info@argonlabs.com

## CHAIN OF CUSTODY

1231

| Project No: <b>HO-09-008</b><br>Project Title:<br>Location:<br>Sampler's Name: <b>Eddy Cann</b><br>(print)<br>Sampler's Signature: <i>[Signature]</i>   |  |             |              | Client:<br>Address: <b>SESE</b><br>Contact: <b>703 E Clinker</b><br>Phone: <b>(575) 397-0510</b><br>Fax:<br>Bill To: |                                     |                                     |  |  |  |  |
|---|--|-------------|--------------|--|-------------------------------------|-------------------------------------|--|--|--|--|
| TURN AROUND TIME<br>RUSH <input type="checkbox"/> 24 Hour <input type="checkbox"/> 48 Hour <input type="checkbox"/> other <input type="checkbox"/><br>Standard (5 days) <input checked="" type="checkbox"/> |  |             |              | ANALYSIS<br>Client Address: <b>Same</b><br>418.1<br>BTEX   |                                     |                                     |  |  |  |  |
| Sample ID   | Date   | Time        | # Containers | Matrix   |                                     |                                     |  |  |  |  |
| <b>Bottom</b>   | <b>3/30/09</b>   | <b>1028</b> | <b>1</b>     | <b>Soil</b>  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |  |  |  |  |
| <b>Spills</b>   | <b>3/30/09</b>   | <b>1030</b> | <b>1</b>     | <b>Soil</b>  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |  |  |  |  |
| Relinquished By:  | <i>[Signature]</i><br>Date: <b>3/30/09</b> Time: <b>1545</b> |             | Received By: | <b>Maximiliano</b><br>Date: <b>3-30-09</b> Time: <b>15:45</b>  |                                     | SPECIAL INSTRUCTIONS:               |  |  |  |  |
| Relinquished By:  | Date: Time:  |             | Received By: | Date: Time:  |                                     |                                     |  |  |  |  |
| Relinquished By:  | Date: Time:  |             | Received By: | Date: Time:  |                                     |                                     |  |  |  |  |

# Argon Laboratories Sample Receipt Checklist

Client Name: SESI Date & Time Received: 03/30/09 15:40

Project Name: Deppco Leak Client Project Number: HOL-09-008

Received By: HC Matrix: Water  Soil

Sample Carrier: Client  Laboratory  Fed Ex  UPS  Other

Argon Labs Project Number: D903010

Shipper Container in good condition? N/A  Yes  No  Samples received in proper containers? Yes  No

Samples received under refrigeration? Yes  No  Samples received intact? Yes  No

Chain of custody present? Yes  No  Sufficient sample volume for requested tests? Yes  No

Chain of custody signed by all parties? Yes  No  Samples received within holding time? Yes  No

Chain of Custody matches all sample labels? Yes  No  Do samples contain proper preservative?

N/A  Yes  No

Do VOA vials contain zero headspace?

Yes  No  (None submitted  ) Yes  No

**ANY "No" RESPONSE MUST BE DETAILED IN THE COMMENTS SECTION BELOW**

Date Client Contacted: \_\_\_\_\_ Person Contacted: \_\_\_\_\_

Contacted By: \_\_\_\_\_ Subject: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Action Taken: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ADDITIONAL TEST(S) REQUEST / OTHER**

Contacted By: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

Call Received By: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# argon laboratories

Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

Project Number: HOL-09-008  
Project Name: Deppco Leak  
Project Manager: Bob Allen

Work Order No.:  
D903010

## ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled   | Date Received  |
|-----------|---------------|--------|----------------|----------------|
| Bottom    | D903010-01    | Soil   | 03/30/09 10:28 | 03/30/09 15:45 |
| Spoils    | D903010-02    | Soil   | 03/30/09 10:30 | 03/30/09 15:45 |

  
\_\_\_\_\_  
QC Officer Approval  
Argon Laboratories, Inc.



# argon laboratories

Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

Project Number: HOL-09-008  
Project Name: Deppco Leak  
Project Manager: Bob Allen

Work Order No.:  
D903010

## Total Recoverable Petroleum Hydrocarbons with Silica Gel Clean-Up by IR Spectrometry

| Analyte   | Result | Reporting Limit | Units | Dilution | Analyzed | Method    | Notes |
|---|--------|-----------------|-------|----------|----------|-----------|-------|
| Bottom (D903010-01) Soil Sampled: 03/30/09 10:28 Received: 03/30/09 15:45 |        |                 |       |          |          |           |       |
| Total Petroleum Hydrocarbons  | 4300   | 200             | mg/kg | 10       | 04/02/09 | EPA 418.1 |       |
| Spoils (D903010-02) Soil Sampled: 03/30/09 10:30 Received: 03/30/09 15:45 |        |                 |       |          |          |           |       |
| Total Petroleum Hydrocarbons  | 9000   | 500             | mg/kg | 25       | 04/02/09 | EPA 418.1 |       |

QC Officer Approval  
Argon Laboratories, Inc.

# argon laboratories

Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

Project Number: HOL-09-008  
Project Name: Deppco Leak  
Project Manager: Bob Allen

Work Order No.:  
D903010

## BTEX EPA Method 8021B - Quality Control

### Argon Laboratories

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | RPD | Notes |
|---------|--------|-----------------|-------|-------------|---------------|------|-----|-------|
|---------|--------|-----------------|-------|-------------|---------------|------|-----|-------|

#### Batch DS00054 - EPA 5030B

##### Blank (DS00054-BLK1)

Prepared & Analyzed: 04/02/09

|   |        |       |       |        |  |     |  |  |
|---|--------|-------|-------|--------|--|-----|--|--|
| Surrogate: <i>a,a,a</i> -Trifluorotoluene | 0.0515 |       | mg/kg | 0.0500 |  | 103 |  |  |
| Benzene                                   | ND     | 0.005 | "     |        |  |     |  |  |
| Toluene                                   | ND     | 0.005 | "     |        |  |     |  |  |
| Ethylbenzene                              | ND     | 0.005 | "     |        |  |     |  |  |
| Xylenes (total)                           | ND     | 0.010 | "     |        |  |     |  |  |

##### LCS (DS00054-BS1)

Prepared & Analyzed: 04/02/09

|              |       |  |       |        |  |     |  |  |
|--------------|-------|--|-------|--------|--|-----|--|--|
| Ethylbenzene | 0.057 |  | mg/kg | 0.0500 |  | 114 |  |  |
|--------------|-------|--|-------|--------|--|-----|--|--|

##### LCS Dup (DS00054-BSD1)

Prepared & Analyzed: 04/02/09

|              |       |  |       |        |  |     |   |  |
|--------------|-------|--|-------|--------|--|-----|---|--|
| Ethylbenzene | 0.054 |  | mg/kg | 0.0500 |  | 108 | 5 |  |
|--------------|-------|--|-------|--------|--|-----|---|--|

##### Matrix Spike (DS00054-MS1)

Prepared & Analyzed: 04/02/09

|         |       |  |       |        |  |     |  |  |
|---------|-------|--|-------|--------|--|-----|--|--|
| Toluene | 0.052 |  | mg/kg | 0.0500 |  | 104 |  |  |
|---------|-------|--|-------|--------|--|-----|--|--|

##### Matrix Spike Dup (DS00054-MSD1)

Prepared & Analyzed: 04/02/09

|         |       |  |       |        |  |     |   |  |
|---------|-------|--|-------|--------|--|-----|---|--|
| Toluene | 0.054 |  | mg/kg | 0.0500 |  | 108 | 4 |  |
|---------|-------|--|-------|--------|--|-----|---|--|

  
QC Officer Approval

Argon Laboratories, Inc.

2126 W. Marland Ave., Hobbs, NM 88240 • Phone (505) 397-0295 • Fax (505) 397-0296

email: info@argonlabs.com

# argon laboratories

Safety & Environmental Solutions, Inc.  
 703 E. Clinton Ave  
 Hobbs, NM 88240

Project Number: HOL-09-008  
 Project Name: Deppco Leak  
 Project Manager: Bob Allen

Work Order No.:  
 D903010

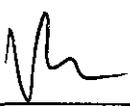
## Total Recoverable Petroleum Hydrocarbons with Silica Gel Clean-Up by IR Spectrometry - Quality Control

### Argon Laboratories

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | RPD | Notes |
|---------|--------|-----------------|-------|-------------|---------------|------|-----|-------|
|---------|--------|-----------------|-------|-------------|---------------|------|-----|-------|

#### Batch DS00055 - EPA 3550B

|                               |     |    |       |                               |  |     |   |  |
|-------------------------------|-----|----|-------|-------------------------------|--|-----|---|--|
| <b>Blank (DS00055-BLK1)</b>   |     |    |       | Prepared & Analyzed: 04/02/09 |  |     |   |  |
| Total Petroleum Hydrocarbons  | ND  | 20 | mg/kg |                               |  |     |   |  |
| <b>LCS (DS00055-BS1)</b>      |     |    |       | Prepared & Analyzed: 04/02/09 |  |     |   |  |
| Total Petroleum Hydrocarbons  | 220 |    | mg/kg | 200                           |  | 110 |   |  |
| <b>LCS Dup (DS00055-BSD1)</b> |     |    |       | Prepared & Analyzed: 04/02/09 |  |     |   |  |
| Total Petroleum Hydrocarbons  | 226 |    | mg/kg | 200                           |  | 113 | 3 |  |

  
 QC Officer Approval

Argon Laboratories, Inc.

2126 W. Marland Ave., Hobbs, NM 88240 • Phone (505) 397-0295 • Fax (505) 397-0296

email: info@argonlabs.com

# argon laboratories

Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

Project Number: HOL-09-008  
Project Name: Deppco Leak  
Project Manager: Bob Allen

Work Order No.:  
D903010

## Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference



QC Officer Approval

Argon Laboratories, Inc.

2126 W. Marland Ave., Hobbs, NM 88240 • Phone (505) 397-0295 • Fax (505) 397-0296

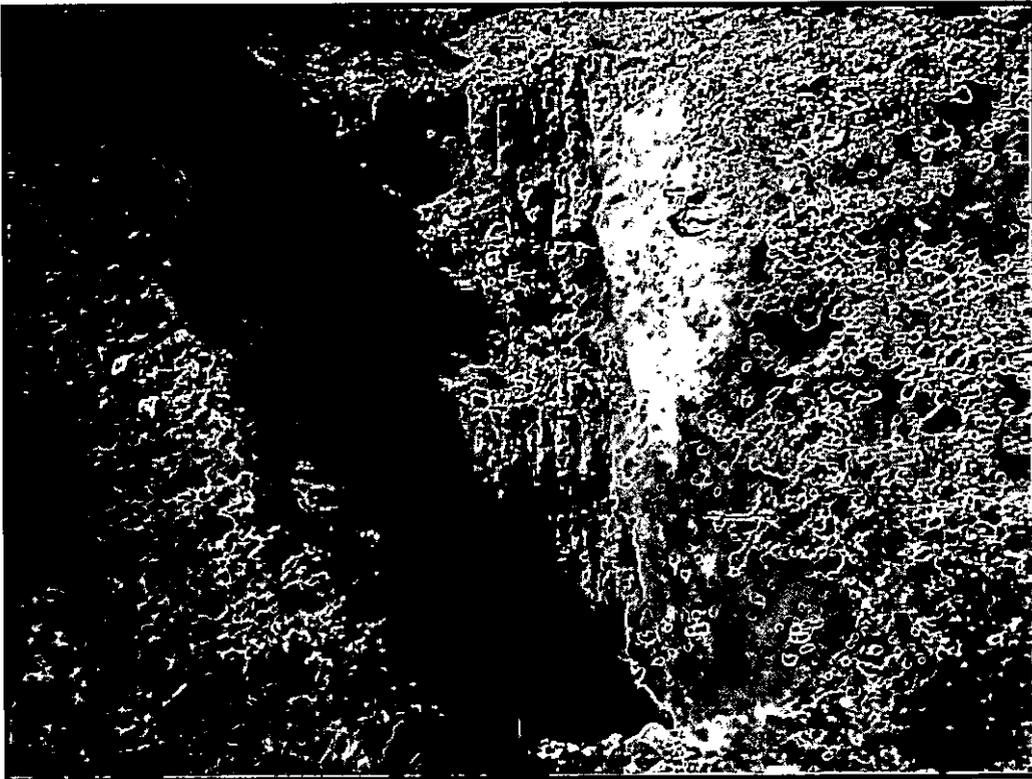
email: [info@argonlabs.com](mailto:info@argonlabs.com)

**Appendix B**  
**Site Photos**

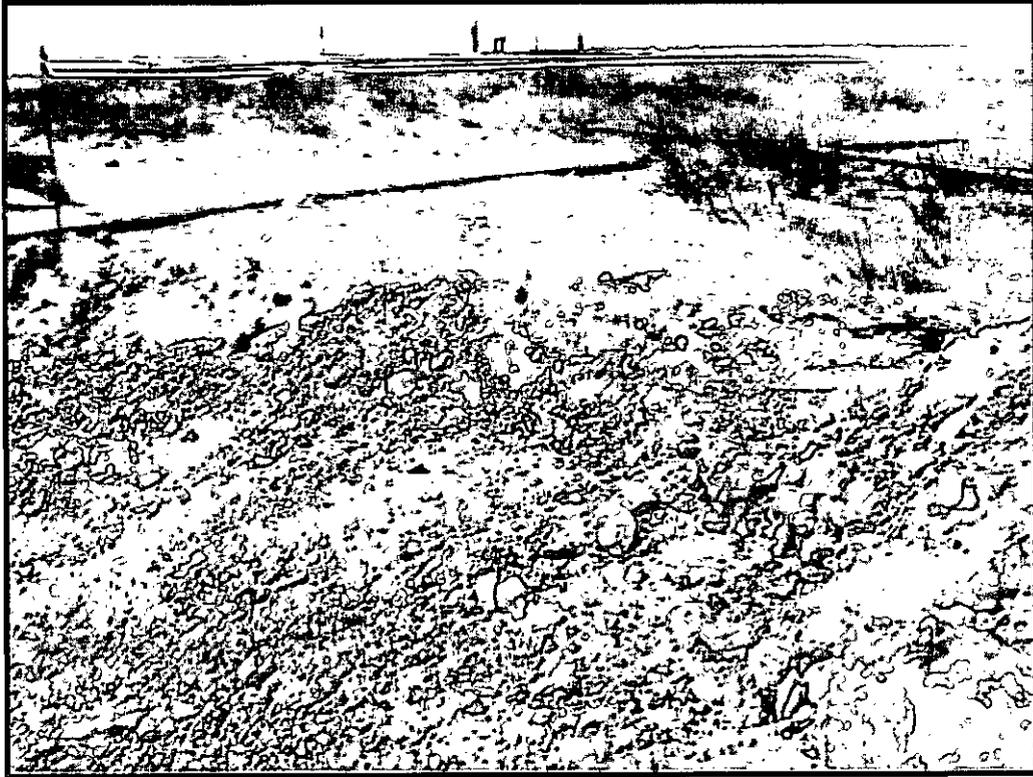
March 30, 2009



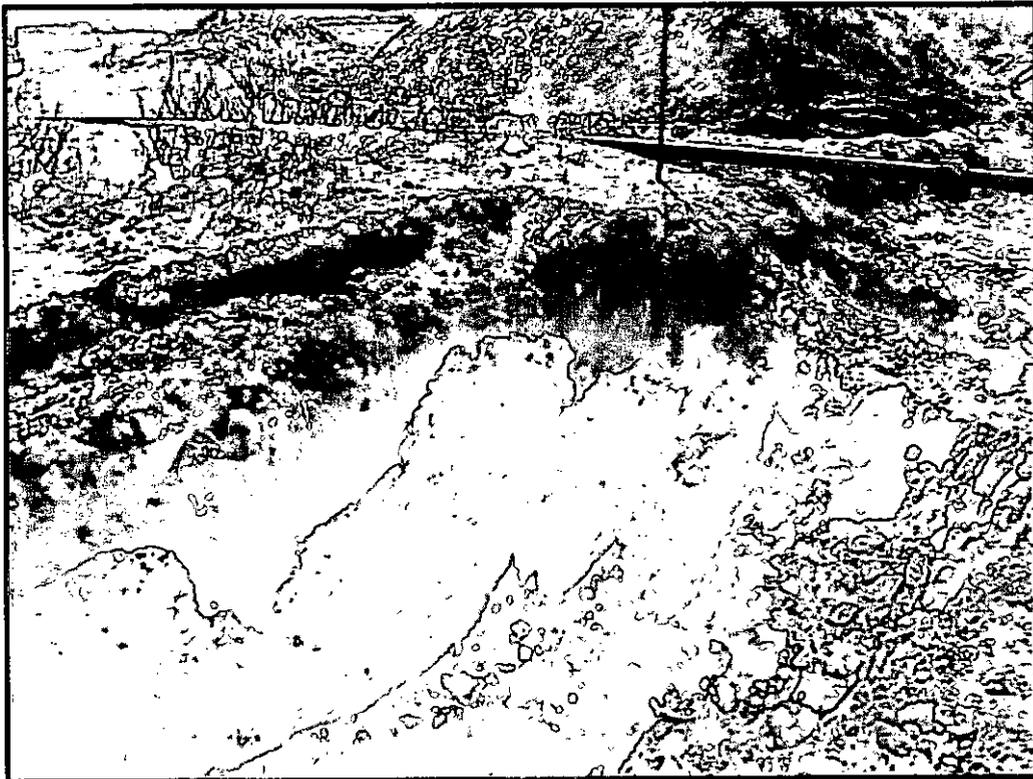
Spoils pile



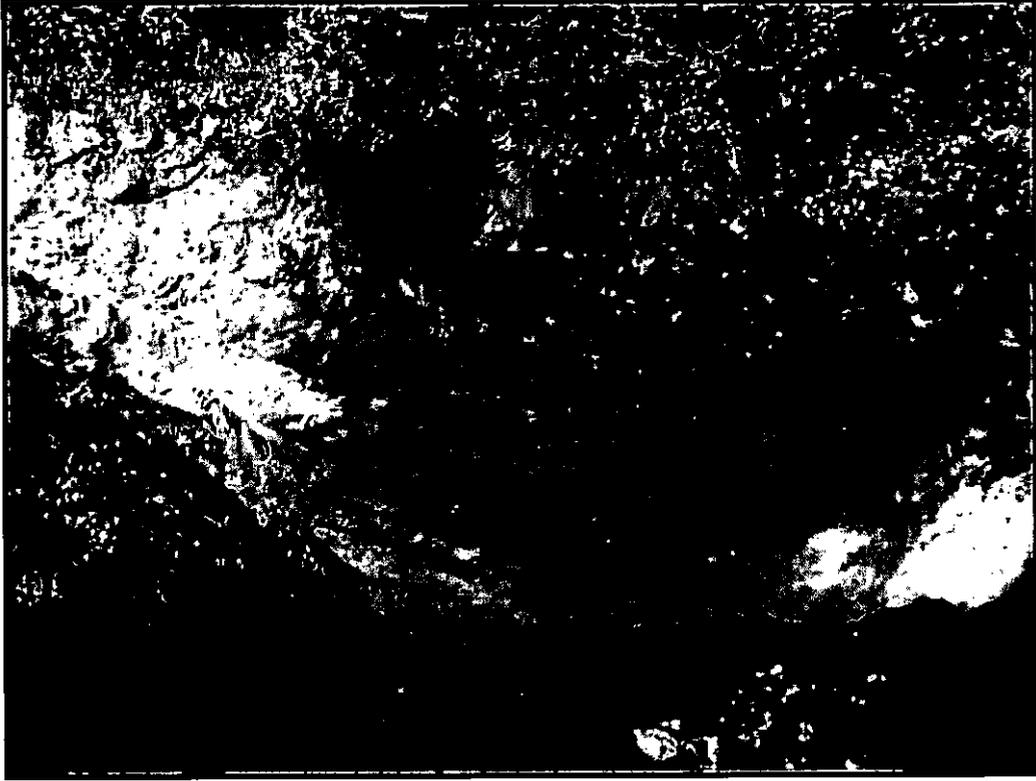
North side of line bottom



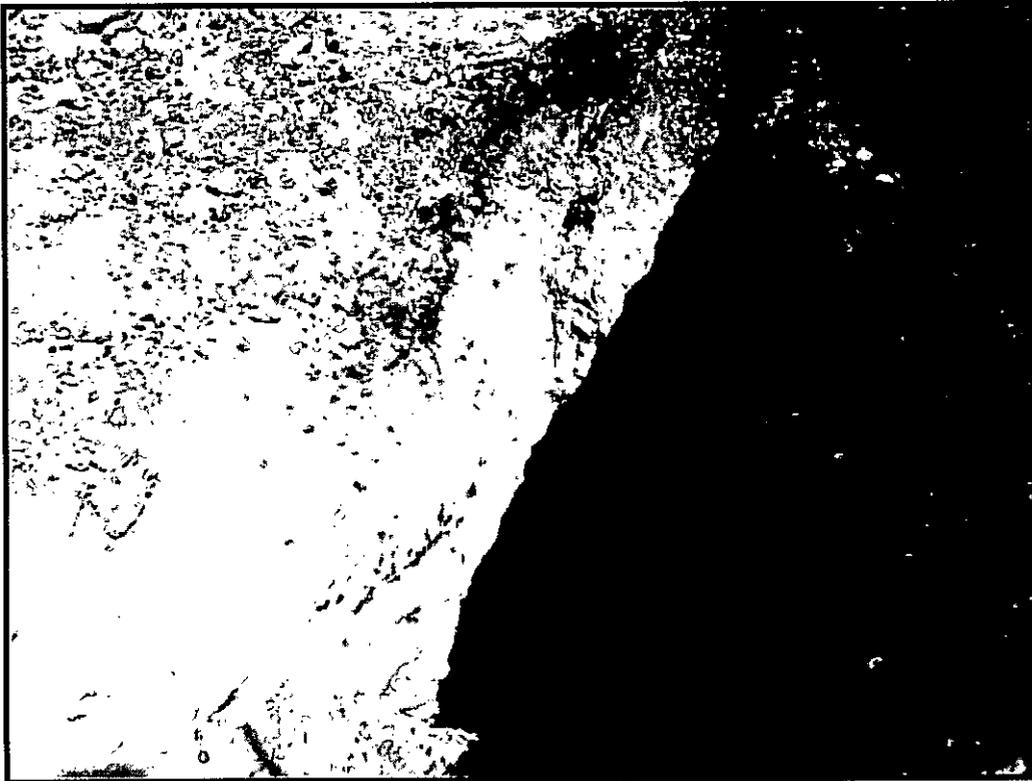
North side of line facing southwest



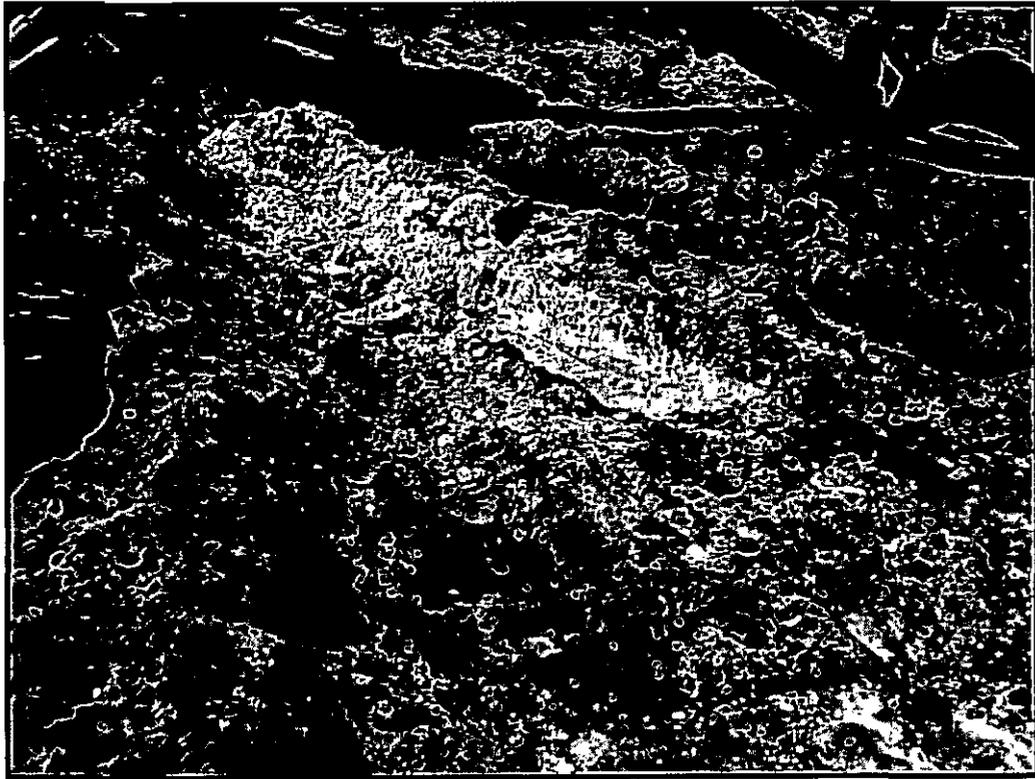
North side of line facing southeast



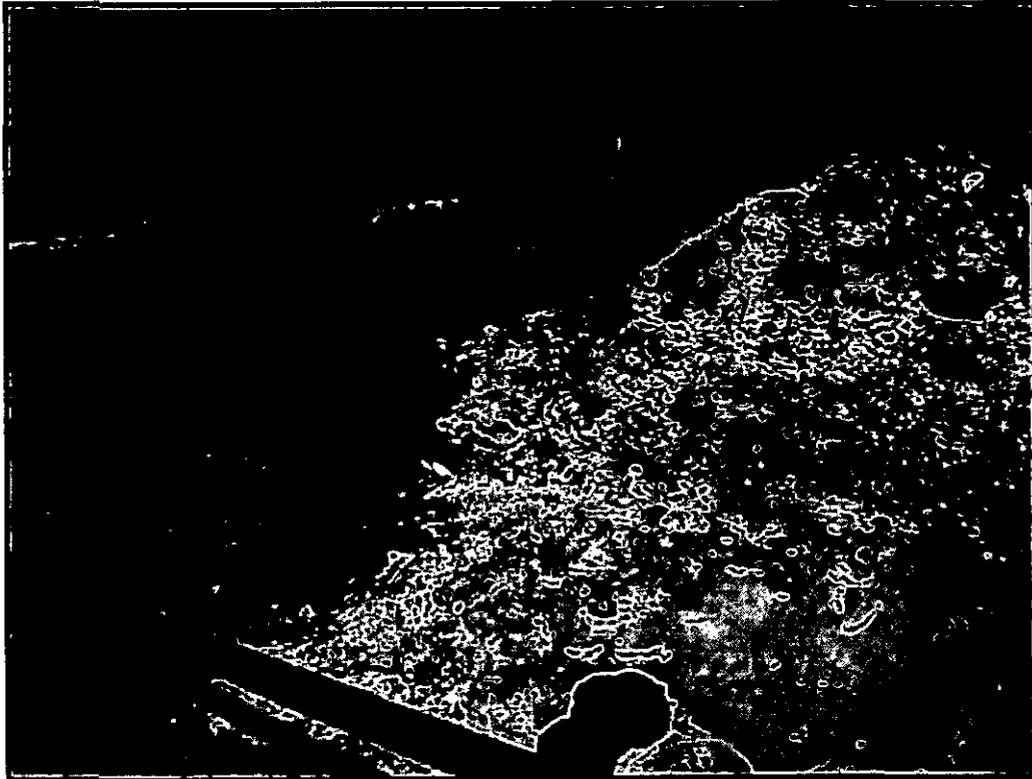
North side of line west wall



North side of line bottom

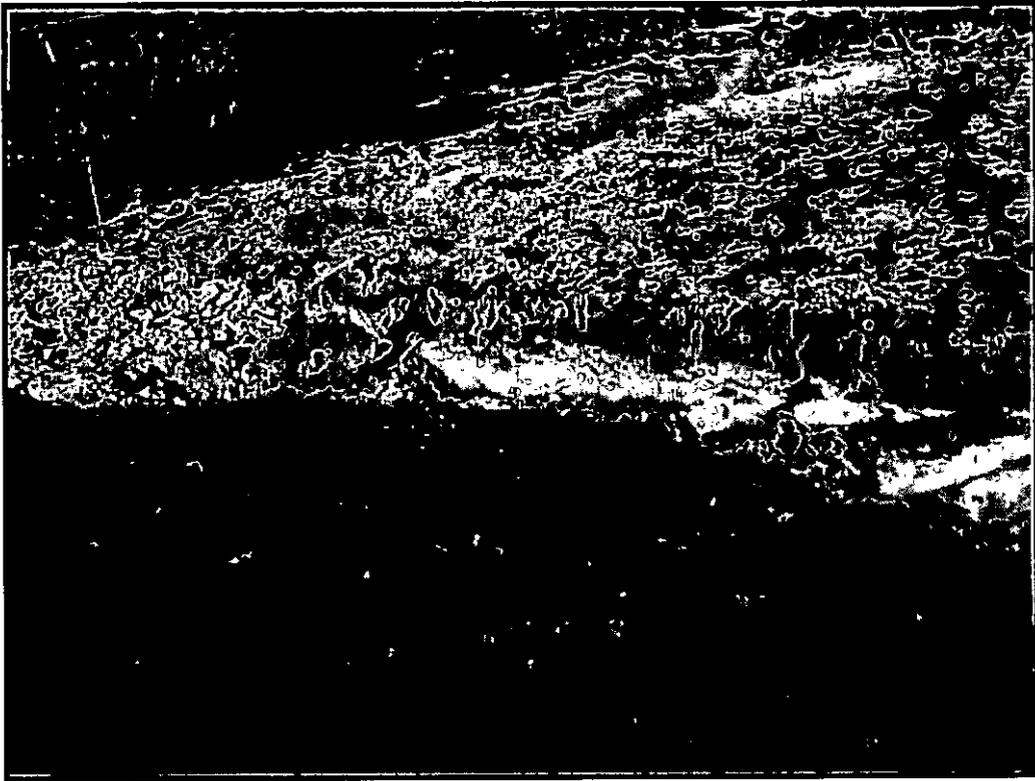


South side of line facing south



North side of line facing northwest

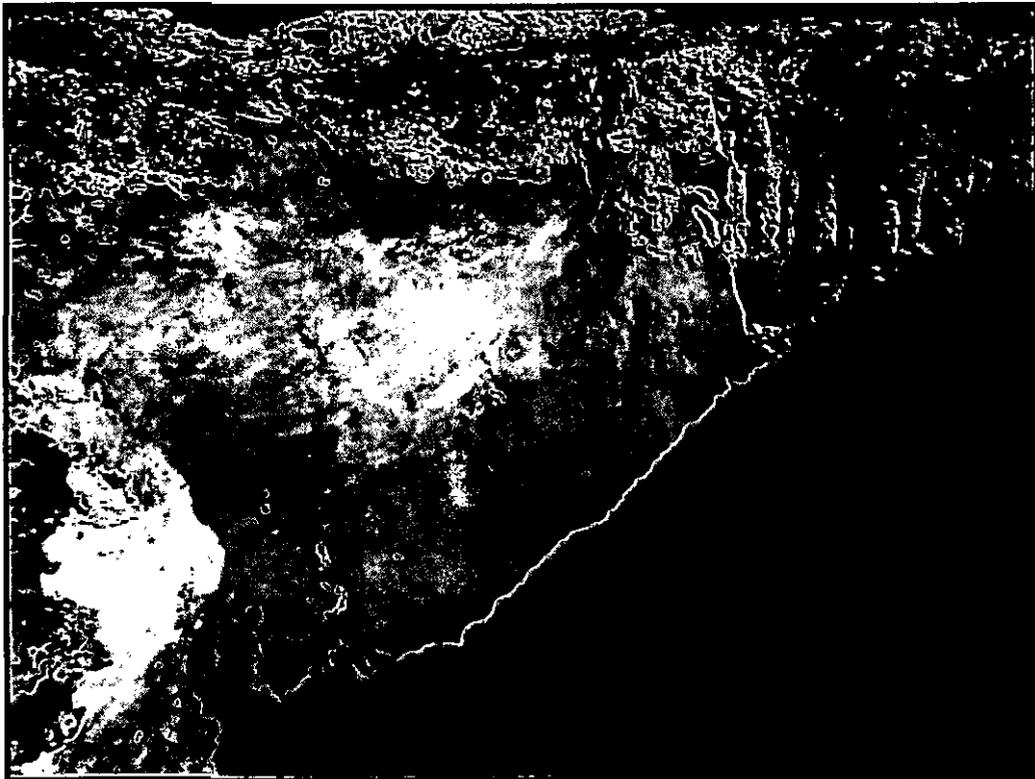
Holly Depco Leak Site photo 8-27-09



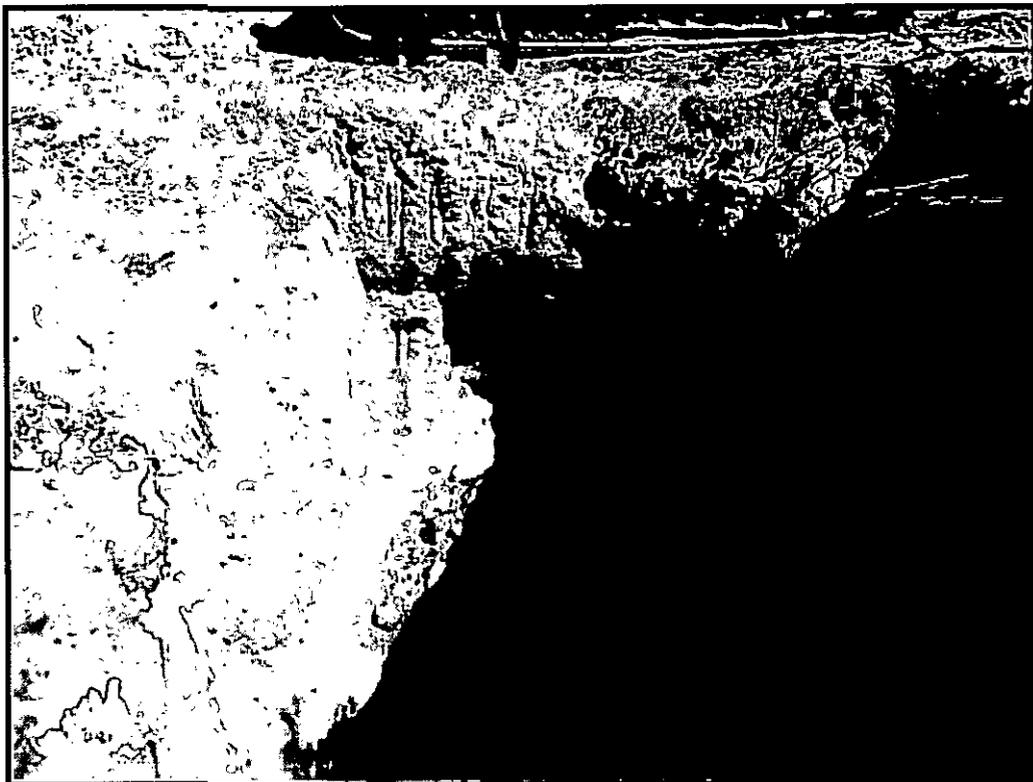
South Excavation facing southwest



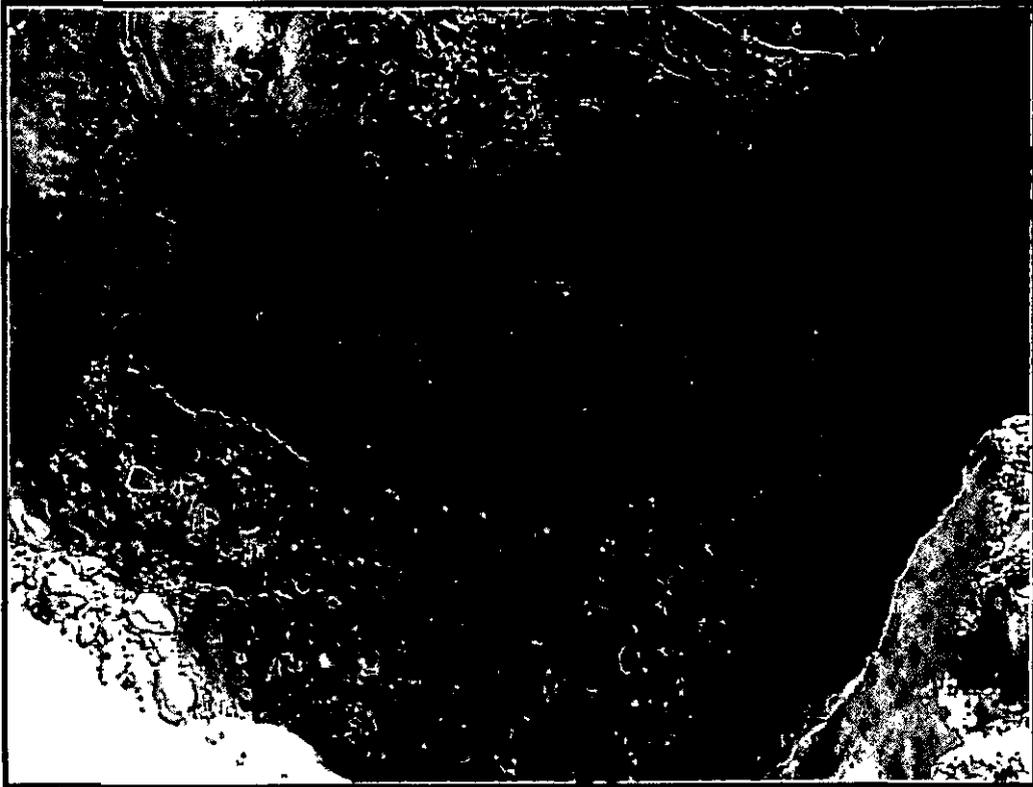
West wall facing north\*



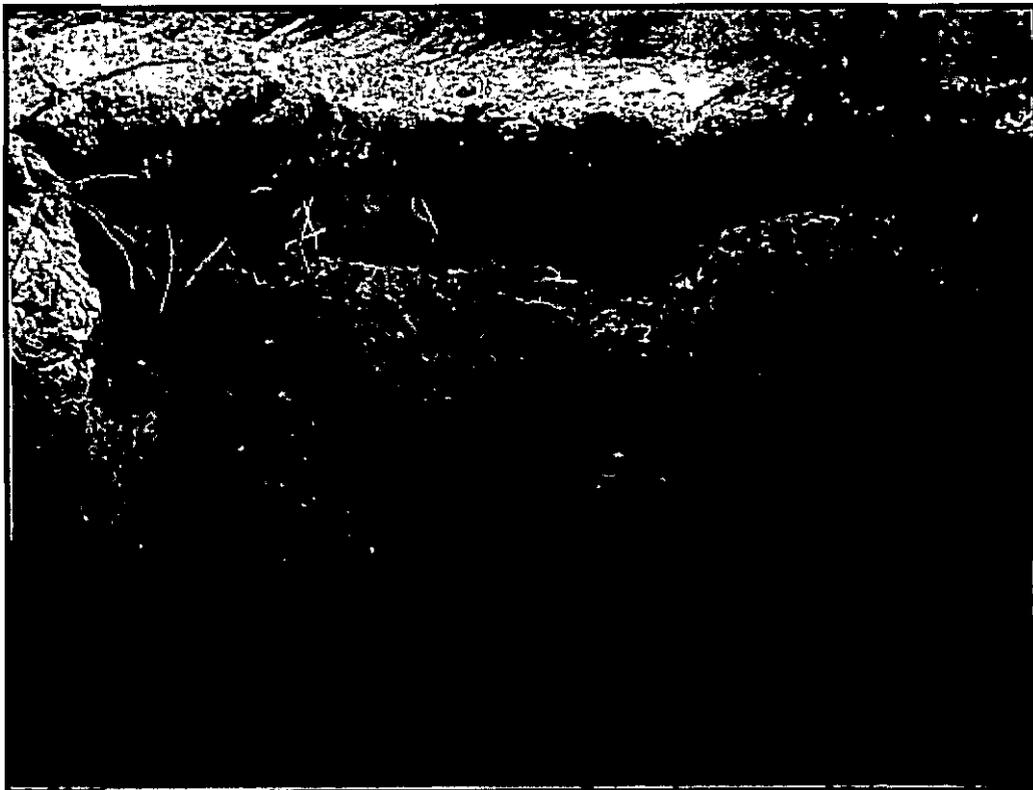
West wall facing northwest



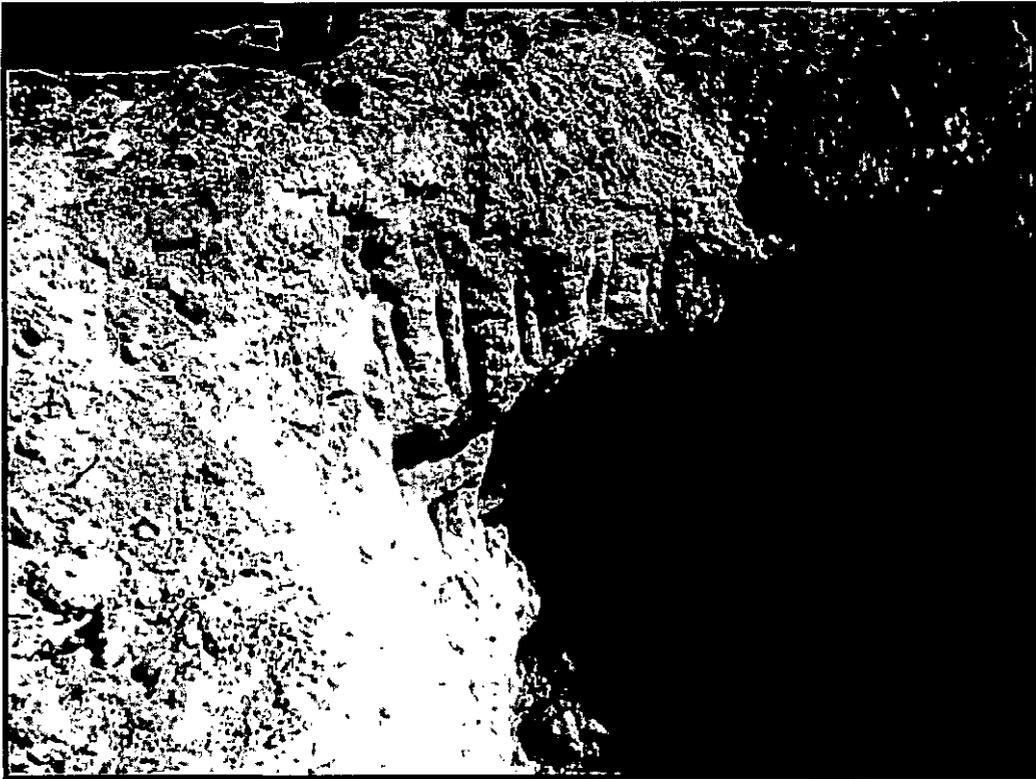
North wall facing north



Bottom of excavation at 15'



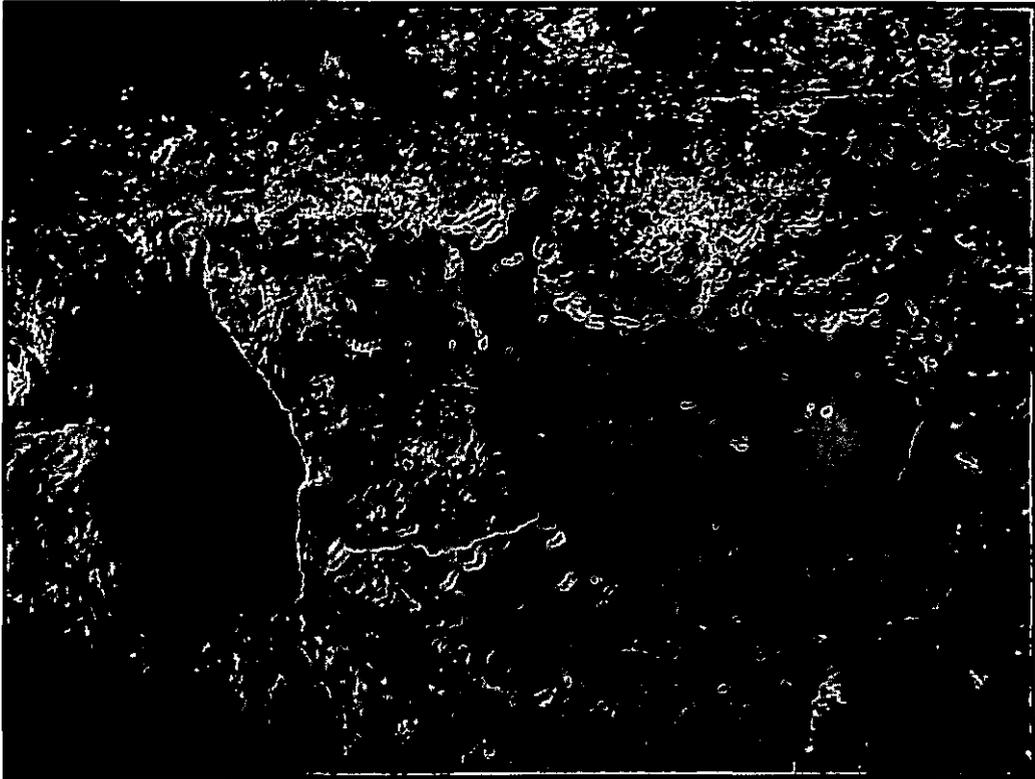
East wall facing east



North wall facing northeast



South wall facing south



West wall facing west

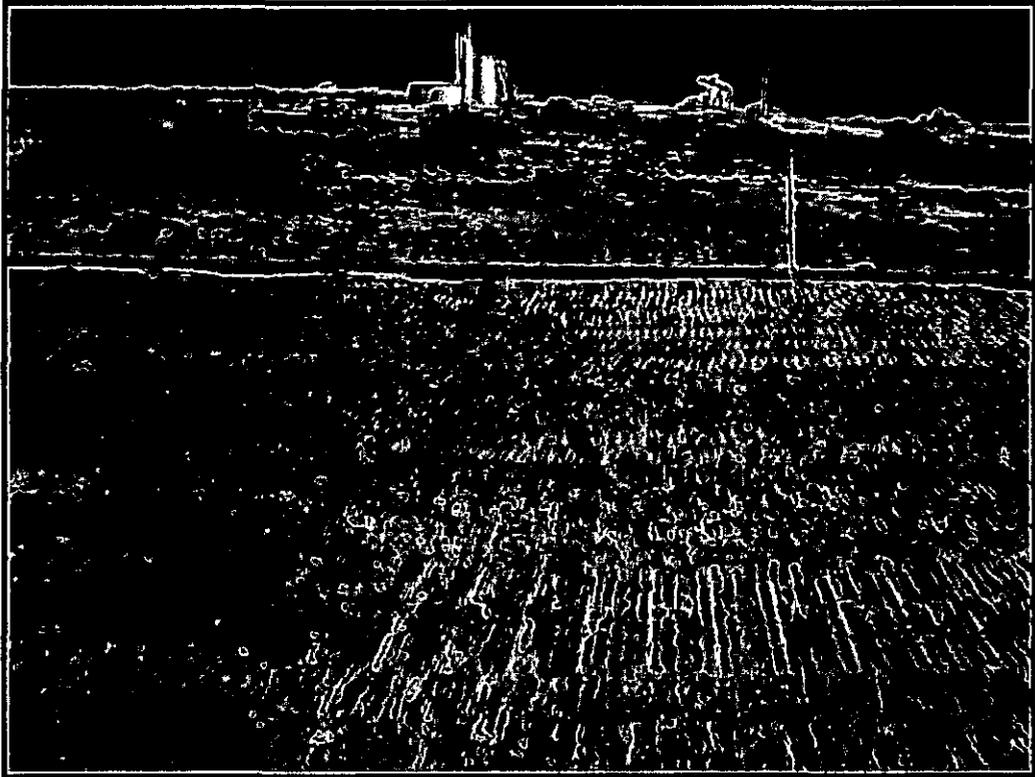
Holly Depco Leak Site Photos 9-1-09



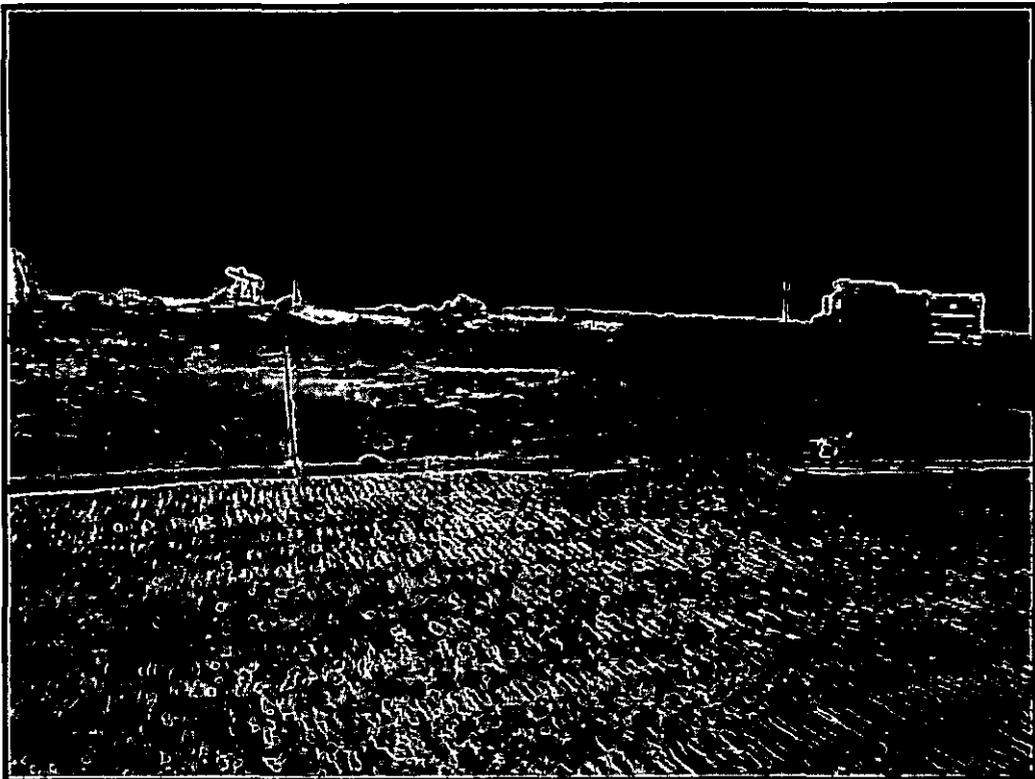
Backfilled area facing west



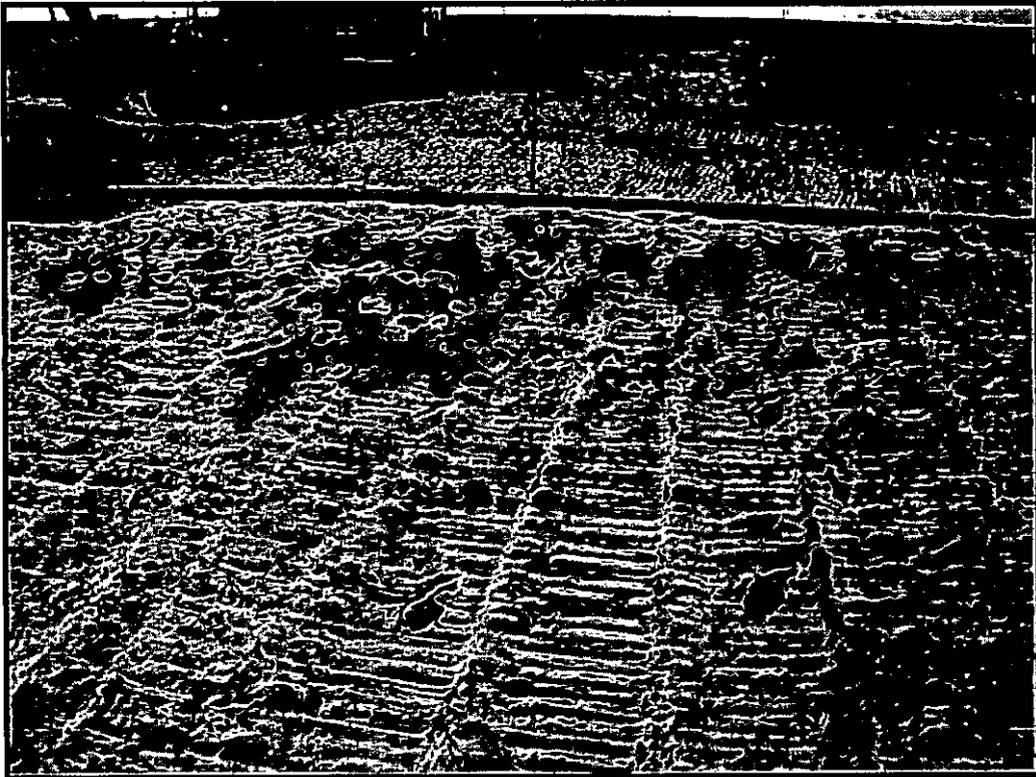
Backfilled area facing northeast



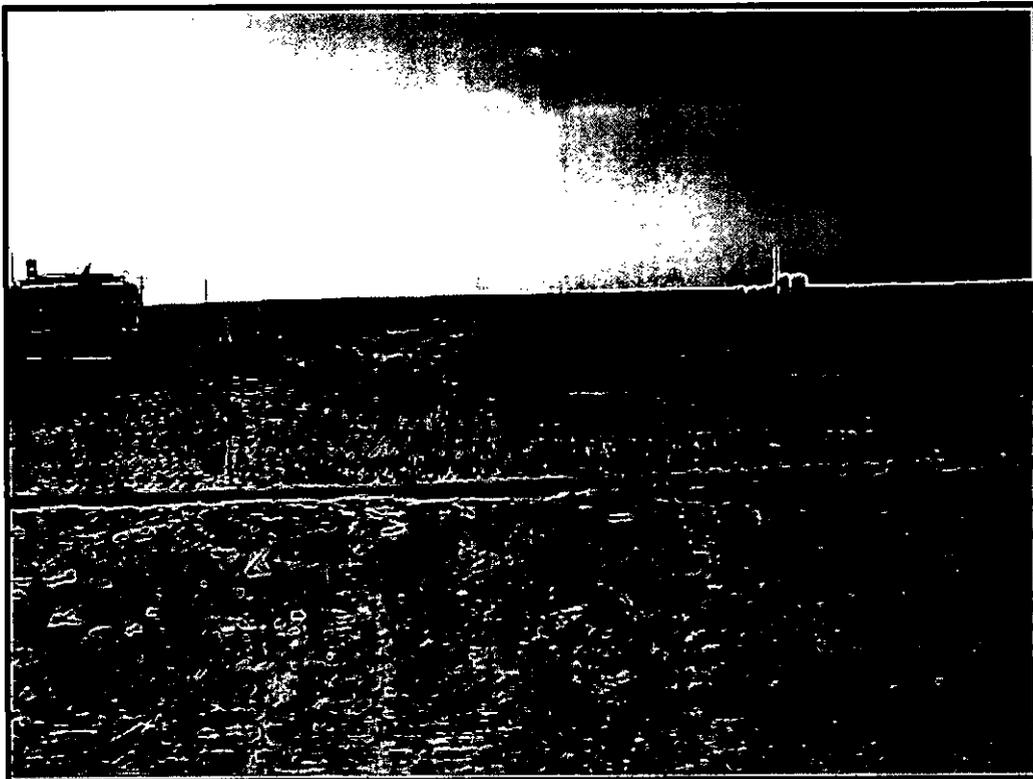
Backfilled area facing north



Backfilled area facing north



Backfilled area facing south



Backfilled area facing south

**Appendix C**  
**C-141**

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

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

|  |                            |
|--|----------------------------|
| Name of Company Holly Energy Partners  | Contact Dickie Townley     |
| Address 311 W. Quay, Artesia, NM 88210 | Telephone No. 575-748-8949 |
| Facility Name Depco Station            | Facility Type Pipe Line    |

|                     |               |           |
|---------------------|---------------|-----------|
| Surface Owner State | Mineral Owner | Lease No. |
|---------------------|---------------|-----------|

**LOCATION OF RELEASE**

|             |               |                 |              |               |                  |               |                |                |
|-------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter | Section<br>21 | Township<br>18S | Range<br>28E | Feet from the | North/South Line | Feet from the | East/West Line | County<br>Eddy |
|-------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

Latitude 32°44'25.5" Longitude 104°10'55.5"

**NATURE OF RELEASE**

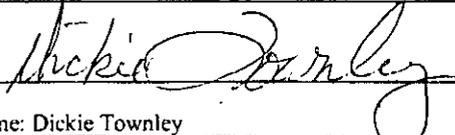
|   |   |                                       |
|---|---|---------------------------------------|
| Type of Release: Crude oil  | Volume of Release unknown                 | Volume Recovered unknown              |
| Source of Release Tank Overflow   | Date and Hour of Occurrence<br>unknown    | Date and Hour of Discovery<br>unknown |
| Was Immediate Notice Given?<br><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?                          |                                       |
| By Whom?  | Date and Hour                             |                                       |
| Was a Watercourse Reached?<br><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 clamp on an abandoned line ruptured. Clamp was replaced.

Describe Area Affected and Cleanup Action Taken.\*  
Approximately 750 sq. ft. was affected by the release. Excavation was started and SESI was called for assessment.

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> |                  |                                   |
| Printed Name: Dickie Townley   | Approved by District Supervisor: |                  |                                   |
| Title: Manager of Environmental Health & Safety  | Approval Date:                   | Expiration Date: |                                   |
| E-mail Address: dickie.townley@hollyenergy.com   | Conditions of Approval:          |                  | Attached <input type="checkbox"/> |
| Date: 5-29-09  | Phone: 575-748-8949              |                  |                                   |

\* Attach Additional Sheets If Necessary

ARR 3709