

# SITE CLOSURE REQUEST

**OCCIDENTAL PETROLEUM COMPANY**  
**SOUTH MATTIX 2" LACT**  
**NW ¼, SE ¼, SECTION 15, TOWNSHIP 24 SOUTH, RANGE 37 EAST**  
**NORTH OF JAL**  
**LEA COUNTY, NEW MEXICO**  
SRS #: 2006-00345

Prepared for:

**Plains Marketing, L.P.**  
333 Clay Street, Suite 1600  
Houston, Texas 77002

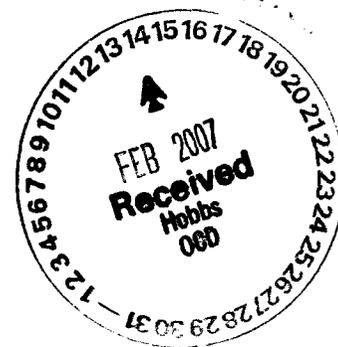
RP#  
1078



Prepared by:

NOVA Safety and Environmental  
2057 Commerce Drive  
Midland, Texas 79703

December 2006



Curt D. Stanley  
Curt D. Stanley  
Project Manager

Todd K. Choban  
Todd K. Choban  
Vice President, Technical Services

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**

17P-1078

**OPERATOR**  Initial Report  Final Report

Name of Company	Plains Pipeline, LP	Contact	Daniel Bryant
Address	P.O. Box 3119 - Midland, Tx 79702	Telephone No.	(432) 557-5865
Facility Name	South Mattix Lact	Facility Type	Crude Oil Gathering Pipeline

Surface Owner	Bill Grobe	Mineral Owner		Lease No.	
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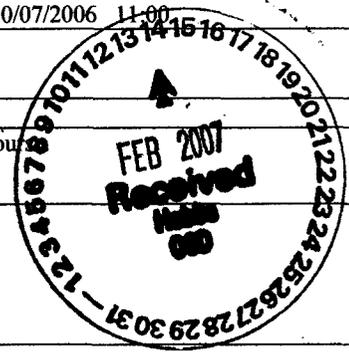
**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	15	24S	37E					Lea

Latitude N 32.21710000 Longitude W 103.14978330

**NATURE OF RELEASE**

Type of Release	Crude Oil	Volume of Release	10 bbls	Volume Recovered	0 bbls
Source of Release	2" steel pipeline	Date and Hour of Occurrence	10/07/2006 10:00	Date and Hour of Discovery	10/07/2006 11:00
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Gary Wink, NMOCD-Hobbs		
By Whom?	Daniel Bryant	Date and Hour	10/07/2006 14:50		
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.\*  
External corrosion of a 2' steel pipeline caused the release. Pipeline was initially clamped to mitigate the release and was subsequently replaced. Station has a daily throughput of 40.4 barrels. The pressure on the line is <50 lbs and the gravity is 38.4. Depth of the line at the release location is 6" bgs.

Describe Area Affected and Cleanup Action Taken.\*  
Please see attached Site Closure Request Report for details of the remedial activities conducted.

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>Daniel Bryant</i>	<b>OIL CONSERVATION DIVISION</b>		
Printed Name: Daniel Bryant	Approved by District Supervisor: <i>[Signature]</i>		
Title: Environmental R/C Specialist	Approval Date: 2-14-07	Expiration Date: —	
E-mail Address: dmbryant@paalp.com	Conditions of Approval: —		Attached <input type="checkbox"/>
Date: 2/14/07	Phone: (432) 557-5865		

\* Attach Additional Sheets If Necessary

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- Figure 1: Site Location Map
- Figure 2: Site Map

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- Appendix A: Certificate of Non-Exempt Waste Status (Form C-138)
- Appendix B: Release Notification and Corrective Action (Form C-141)

## **1.0 INTRODUCTION AND BACKGROUND**

On behalf of Plains Marketing, L.P. (Plains), NOVA Safety and Environmental (NOVA) has prepared this Site Closure Request for the crude oil release site known as South Mattix 2" LACT (SRS# 2006-00345). The site is located approximately six (6) miles north of Jal, New Mexico, in the NW ¼ SE ¼, Section 15, Township 24 South, Range 37 East. A site location topographic map and site map are provided as Figures 1 and 2, respectively. The property on which the release occurred is owned by Mr. Bill Grobe and is within the perimeter fences of the South Mattix Federal tank battery operated by Occidental Petroleum Company. On October 7, 2006, an estimated ten (10) barrels of crude oil was released from the two (2) inch LACT discharge line. The release was attributed to external corrosion of the two (2) inch steel pipeline. The Release Notification and Corrective Action (Form C-141) is included as Appendix B.

## **2.0 SUMMARY OF FIELD ACTIVITIES**

From October 12 through 20, 2006, a hydro excavator was utilized to excavate the surface stain attributed to the referenced October 7, 2006 release. Due to numerous buried steel and fiberglass pipelines and electrical conduit beneath the hydrocarbon impacted surface, traditional excavation techniques were not feasible. The surface stain was hydro excavated to a depth of approximately six (6) to eight (8) inches below ground surface (bgs). The vertical extent of hydrocarbon impact was limited by a dense caliche layer found below the tank battery pad. Approximately 96 cubic yards (cy) of hydrocarbon impacted soil was excavated and transported to the Lea Station Landfarm (GW-351) located south of Monument, NM. The Request for Approval to Accept Solid Waste (Form C-138) is included as Appendix A.

On October 23, 2006, at Plains request, Mr. Larry Johnson (NMOCD – Hobbs) and Mr. Curt Stanley (NOVA), met at the site to view the existing excavation and discuss NMOCD requirements for site closure. Mr. Johnson stated that Plains had adequately remediated the surface stain attributed to the Plains release. Mr. Johnson gave Plains approval to backfill the excavation.

On October 30, 2006, approximately 96 cy of caliche was purchased from the landowner and was utilized to backfill the excavation and restore the surface to a level grade.

## **3.0 CLOSURE REQUEST**

NOVA recommends that Plains provide the NMOCD a copy of this Site Closure Request and request the NMOCD grant full site closure status to the South Mattix 2" LACT release site.

## **4.0 LIMITATIONS**

NOVA Safety and Environmental has prepared this Site Closure Request to the best of its ability. No other warranty, expressed or implied, is made or intended.

NOVA Safety and Environmental has examined and relied upon documents referenced in the report and has relied on oral statements made by certain individuals. NOVA Safety and Environmental has not conducted an independent examination of the facts contained in referenced materials and statements. We have presumed the genuineness of the documents and that the information provided in documents or statements is true and accurate. NOVA Safety and Environmental has prepared this report in a professional manner, using the degree of skill and care exercised by similar environmental consultants. NOVA Safety and Environmental also notes that the facts and conditions referenced in this report may change over time and the conclusions and recommendations set forth herein are applicable only to the facts and conditions as described at the time of this report.

This report has been prepared for the benefit of Plains Marketing, L.P. The information contained in this report, including all exhibits and attachments, may not be used by any other party without the express consent of NOVA Safety and Environmental and/or Plains Marketing L.P.

## 5.0 DISTRIBUTION

- Copy 1: Larry Johnson / Patricia Caperton  
New Mexico Oil Conservation Division (District 1)  
1625 French Drive  
Hobbs, NM 88240
- Copy 2: Daniel Bryant  
Plains Marketing, LP  
P.O. Box 3119  
Midland, Texas 79702
- Copy 3: Jeff Dann  
Plains Pipeline, L.P.  
333 Clay Street, Suite 1600  
Houston, TX 77002  
jpdann@paalp.com
- Copy 4: NOVA Safety and Environmental.  
2057 Commerce Drive  
Midland, TX 79703  
cstanley@novatraining.cc



# Figures

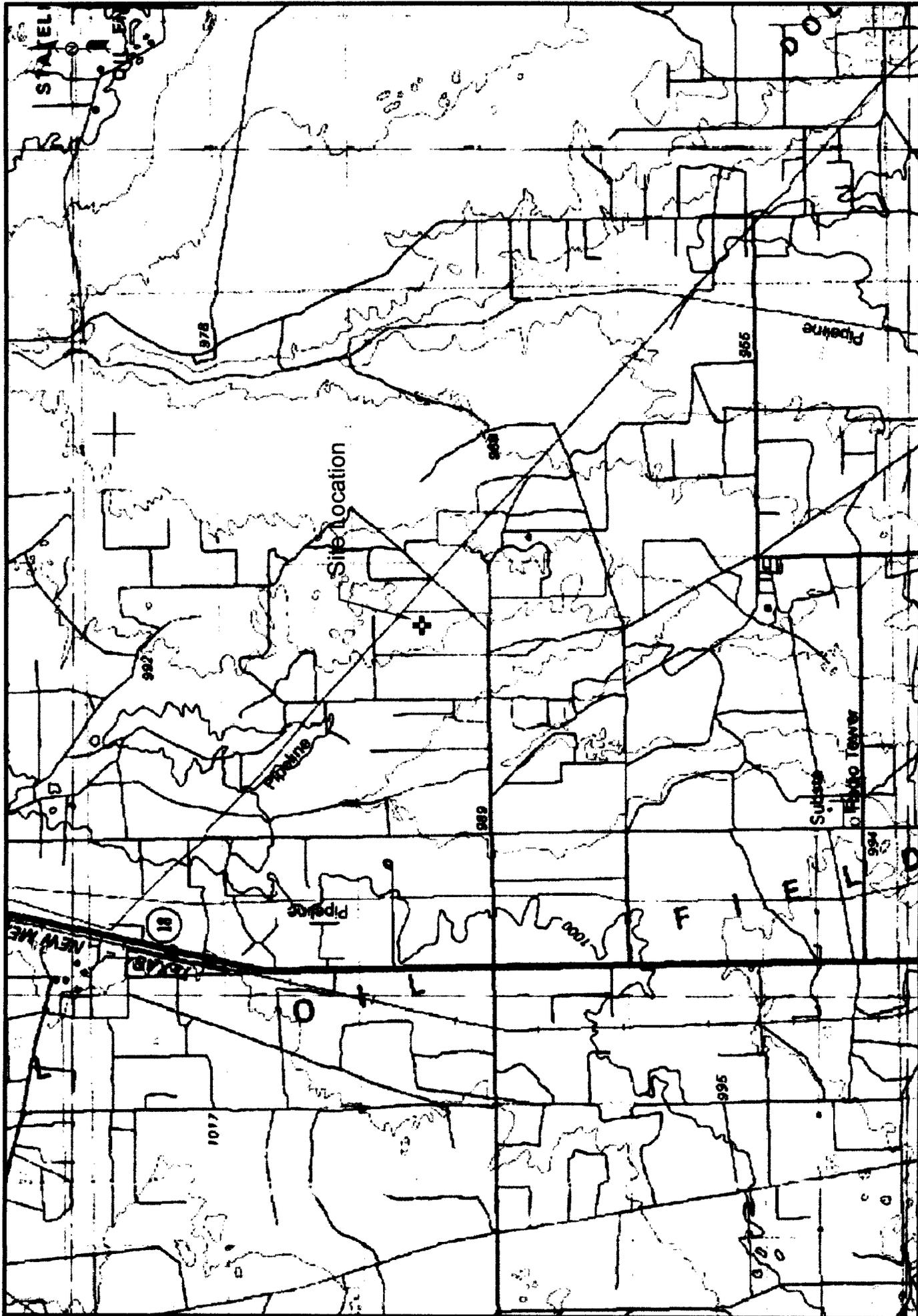


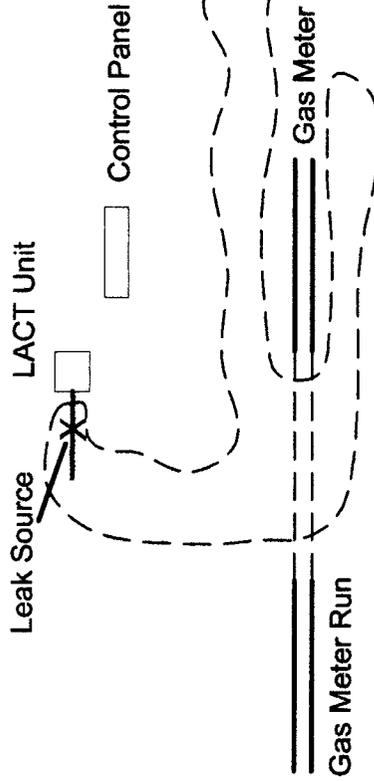
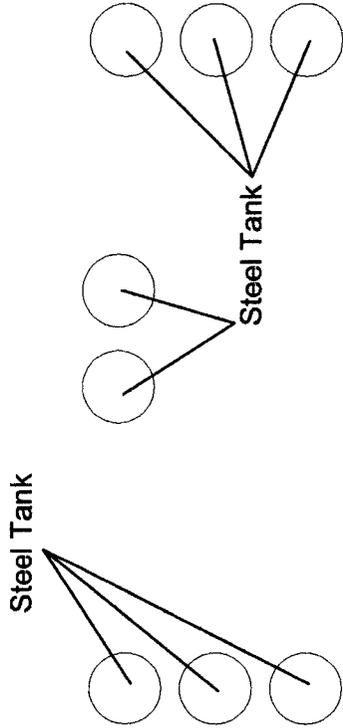
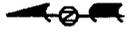
Figure 1  
Site Location Map

Plaine Marketing, L.P.  
South Matrix 2<sup>nd</sup> LACT  
Lea County, NM

NOVA Safety and Environmental



Scale: 1" = 500'  
Prep By: CS  
Checked By: TKC  
December 18, 2003



Legend:

- Fenceline
- - - Extent of Surface Stain
- ==== Pipeline



Figure 2  
Site Map  
Plains Marketing, L.P.  
South Matrix  
2<sup>nd</sup> LACT  
Lea County, NM



# Appendices



Appendix A  
Certificate of Non-Exempt Waste Status  
(Form C-138)

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
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State of New Mexico  
Energy Minerals and Natural Resources  
Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-138  
Revised March 17, 1999  
Submit Original  
Plus 1 Copy  
to Appropriate  
District Office

**REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE**

1. RCRA Exempt: <input type="checkbox"/> Non-Exempt: <input checked="" type="checkbox"/> Verbal Approval Received: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	4. Generator <b>Plains Marketing</b>
2. Management Facility Destination: <b>Plains All American Lea Station Land Farm #GW-351</b>	5. Originating Site <b>South Mattix Lact ref#2006-345</b>
3. Address of Facility Operator: Environmental Plus, Inc.	6. Transporter
7. Location of Material (Street Address or ULSTR)   <b>UL- G, SW¼ of the NE¼ of Section 15 T24S R37E</b>	8. State <b>New Mexico</b>
9. <u>Circle One:</u>  A. All requests for approval to accept oilfield exempt wastes will be accompanied by a certification of waste from the Generator; one certificate per job. B. All requests for approval to accept non-exempt wastes must be accompanied by necessary chemical analysis to PROVE the material is not-hazardous and the Generator's certification of origin. No waste classified hazardous by listing or testing will be approved. <p style="text-align: center;">All transporters must certify the wastes delivered are only those consigned for transport.</p>	

**BRIEF DESCRIPTION OF MATERIAL:**

Crude Oil Contaminated Soil

Estimated Volume 150 cy      Known Volume (to be entered by the operator at the end of the haul) 96 cy

SIGNATURE Daniel Bryant      TITLE: Environmental Coordinator      DATE: 10/12/06  
Waste Management/Facility Authorized Agent

TYPE OR PRINT NAME: Daniel Bryant      TELEPHONE NO. 432-557-5865

(This space for State Use)

APPROVED BY: <u>Pat Caperton</u>	TITLE: <u>Geological + Pet. Tech</u>	DATE: <u>10/12/06</u>
APPROVED BY: _____	TITLE: _____	DATE: _____

Appendix B  
Release Notification and Corrective Action  
(Form C-141)

District I  
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side of form

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company	Plains Pipeline, LP	Contact	Daniel Bryant
Address	P.O. Box 3119 - Midland, Tx 79702	Telephone No.	(432) 557-5865
Facility Name	South Mattix Lact	Facility Type	Crude Oil Gathering Pipeline

Surface Owner	Bill Grobe	Mineral Owner		Lease No.	
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	15	24S	37E					Lea

Latitude N 32° 32' 29.264" Longitude W 103° 15' 41.465"

**NATURE OF RELEASE**

Type of Release	Crude Oil	Volume of Release	10 bbls	Volume Recovered	0 bbls
Source of Release	2" Steel Pipeline	Date and Hour of Occurrence	10/07/2006 10:00	Date and Hour of Discovery	10/07/2006 11:00
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink, NMOCD-Hobbs			
By Whom?	Daniel Bryant	Date and Hour 10/07/2006 14:50 AM			
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.\*  
External corrosion of a 2" steel pipeline caused the release. Pipeline was clamped to mitigate the release and will be replaced. Station has a daily throughput of 40.4 barrels. The pressure on the line is <50 lbs and the gravity is 38.4. Depth of the line at the release location is 6" bgs.

Describe Area Affected and Cleanup Action Taken.\*  
Affected soils will be remediated per applicable NMOCD regulatory standards.

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>Daniel Bryant</i>	<b>OIL CONSERVATION DIVISION</b>		
Printed Name: Daniel Bryant	Approved by District Supervisor:		
Title: Environmental R/C Specialist	Approval Date:	Expiration Date:	
E-mail Address: dmbryant@paalp.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 10/12/06	Phone: (432) 557-5865		

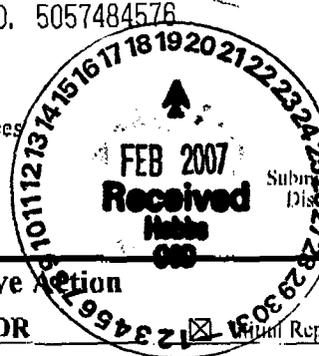
Attach Additional Sheets If Necessary

112346  
OCT  
Received  
Hobbs  
OCD

RP# 1078

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

**Release Notification and Corrective Action**

**OPERATOR**

Name of Company <b>YATES PETROLEUM CORPORATION</b>	OGRID Number <b>25575</b>	Contact <b>SHERRY BONHAM</b>
Address <b>105 S 4<sup>TH</sup> STREET</b>	Telephone No. <b>505.748.1471</b>	
Facility Name <b>CHILL BGI STATE 1</b>	API Number <b>30-025-37103</b>	Facility Type <b>WELL</b>
Surface Owner <b>FEE</b>	Mineral Owner <b>FEE</b>	Lease No.

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	29	9S	35E	1650	SOUTH	660	WEST	LEA

*~114'*

Latitude 33.50238 Longitude 103.38888

**NATURE OF RELEASE**

Type of Release <b>PRODUCED WATER AND CRUDE OIL</b>	Volume of Release <b>28 B/PW and 2 B/O</b>	Volume Recovered <b>20 B/PW and 0 B/O</b>
Source of Release <b>WATER TANK</b>	Date and Hour of Occurrence <b>02/09/07 2:00 PM</b>	Date and Hour of Discovery <b>02/09/07 2:00 PM</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>PAT CAPERTON VIA VOICE MAIL AND FOLLOW UP E-MAIL</b>	
By Whom? <b>SHERRY BONHAM</b>	Date and Hour <b>02/09/07 4:00 PM</b>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <b>N/A</b>	

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*  
WATER TRANSFER PUMP SEAL FAILURE CAUSING WATER TANK TO OVERFLOW. LEASE FIELD KILL DID NOT WORK DUE TO ESP PANEL BOARD PROBLEMS. REPAIRED SEAL AND ESP PANEL BOARD.

Describe Area Affected and Cleanup Action Taken.\*  
AN APPROXIMATE 50' X 90' AREA AFFECTED. VACUUM TRUCK PICKED UP ALL STANDING FLUIDS. IMMEDIATELY SCRAPED UP IMPACTED MATERIALS AND HAULED TO LAND FARM. SITE TO BE EVALUATED.  
SITE RANKING: 0

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED 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 NMOCED 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, NMOCED 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.

**OIL CONSERVATION DIVISION**

Signature: <i>Sherry Bonham</i>	Approved by District Supervisor: <i>ENO120 ENCE</i>
Printed Name: Sherry Bonham	Approval Date: <b>2-19-07</b> Expiration Date: <b>4-20-07</b>
Title: Environmental Regulatory Agent	Conditions of Approval: <b>ATTACH CLOSURE SAMPLES</b>
E-mail Address: sherryb@ypunm.com	Attached <input type="checkbox"/>
Date: February 19, 2007 Phone: 505.748.1471	

\* Attach Additional Sheets if Necessary

W/ENCL C-141 FOR APPROVAL

RP# 1208