

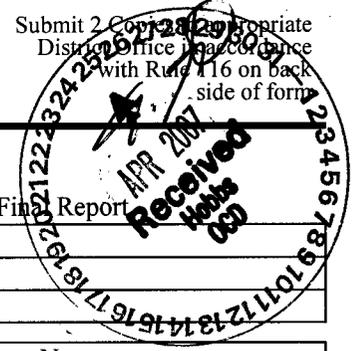
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 83210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 of this Report to the 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: Targa Midstream Services L P	Contact: Tim Jordan or Cal Wrangham
Address: PO Box 1689 Lovington, NM 88260	Telephone No. (505) 396-3221
Facility Name: Saunders Plant	Facility Type: Gas Processing Plant

Surface Owner: State of New Mexico	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
	6	12S	34E					Lea

Latitude 33.30922N Longitude 103.54807W

*WTR 30*

**NATURE OF RELEASE**

Type of Release: Pipeline Leak. Natural Gas and Liquids	Volume of Release: approximately 10 barrels of liquid.	Volume Recovered: approximately 8 barrels of liquid.
Source of Release: Above ground pipeline riser valve froze and split open leaking gas and liquid	Date and Hour of Occurrence: 1/22/07	Date and Hour of Discovery: Notified immediately by pumper that seen leak.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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. \*

Above ground pipeline riser valve froze and cracked, leaking gas and liquid. Upon notification Field Operators immediately blocked in line and called vac truck to suck up freestanding liquids.

Describe Area Affected and Clear up Action Taken.\*

Targa is currently scheduling Gandy Construction of Tatum, NM to dig out the area and remove any contaminated soil. The effected soil will be transported to Gandy Marley land farm. The area will be cleaned and tested per OCD Guidelines. Gandy construction removed two feet of contaminated soil down to solid rock and hauled to Gandy Land Farm. Any remaining soil will be remediated in place and new soil hauled to replace the removed soil.

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>Don Embrey</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Don Embrey	Approved by District Supervisor: <i>[Signature]</i>	
Title: Advisor	Approval Date: <u>4-29-07</u>	Expiration Date: <u>-</u>
E-mail Address: dembrey@targa-resources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 4/24/07	Phone: (432) 688-0546	

*incident - n PACO 711537459*

*application - PACO 711537859 ARP - 1268*

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Energy Minerals and Natural Resources

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with Rule 116 on back  
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**OPERATOR**

Initial Report  Final Report

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Surface Owner: State of New Mexico	Mineral Owner:	Lease No.:
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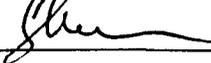
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Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken. * Above ground pipeline riser valve froze and cracked, leaking gas and liquid. Upon notification Field Operators immediately blocked in line and called vac truck to suck up freestanding liquids.		
Describe Area Affected and Cleanup Action Taken.* Targa is currently scheduling Gandy Construction of Tatum, NM to dig out the area and remove any contaminated soil. The effected soil will be transported to Gandy Marley land farm. The area will be cleaned and tested per OCD Guidelines.		

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: Cal Wrangham	Approved by District Supervisor:	
Title: ES&H Specialist	Approval Date:	Expiration Date:
E-mail Address: cwrangham@targaresources.com	Conditions of Approval:	
Date: 1/30/07 Phone: (432) 688-0542	Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

RP-1268



**ARDINAL  
LABORATORIES**

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR  
TARGA  
ATTN: DON EMBREY  
1000 DESTA DRIVE, SUITE 3300  
MIDLAND, TX 79705  
FAX TO: (432) 688-0552**

Receiving Date: 03/29/07  
Reporting Date: 03/30/07  
Project Number: NOT GIVEN  
Project Name: BAGLEY  
Project Location: NOT GIVEN

Sampling Date: 03/29/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: LB  
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/Kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/Kg)	Cl* (mg/Kg)
ANALYSIS DATE		03/30/07	03/30/07	03/30/07
H12400-1	BAGLEY	28.2	1360	<16
Quality Control		777	789	490
True Value QC		800	800	500
% Recovery		97.1	98.6	98.0
Relative Percent Difference		3.3	1.1	0.0

**METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB**  
\*Analysis performed on a 1:4 w:v aqueous extract.

*Bungehoff code*  
Chemist

3/30/07  
Date

H12400

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for 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 thirty (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 related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603  
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Cardinal TPT

H12400

### ANALYSIS REQUEST

Company Name: <b>TARCA</b>		P.O. #:		<b>BILL TO</b>	
Project Manager: <b>Don Embrey</b>		Company: <b>TARCA</b>			
Address: <b>1000 Dosta Dr. Suite 3300</b>		City: <b>Las Vegas</b>			
City: <b>W. Dulano</b> State: <b>TX</b> Zip: <b>79705</b>		Address: <b>P.O. Box 1889</b>			
Phone #: <b>432-688-0546</b> Fax #: <b>432-688-0552</b>		State: <b>NM</b> Zip: <b>88260</b>			
Project #: <b>BAGLEY</b>		Project Owner:			
Project Location:		Sample Name: <b>Don Embrey</b>			
FOR LAB USE ONLY		Matrix:			
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER
H12400-1	BAGLEY	C		SOIL	OIL
				SLUDGE	OTHER:
				ACID/BASE:	ICE / COOL
				OTHER:	
				DATE	TIME
				3/29/02	10:00 AM
				X	TPH
				X	SCISM
				X	CI

PLEASE NOTE: Laboratory Safety and Health and other regulations may apply for any data being collected or used. All data must be provided to the amount paid by the client for the analysis. All data including those for reagents and any other case, whenever shall be provided within 30 days after completion of the analysis. In no event shall Cardinal be liable for personal or consequential damages, including without limitation, business interruptions, loss of data, or loss of profits incurred by client as a result of any data provided by Cardinal.

Relinquished By: **Don Embrey** Date: **3/29/02** Time: **12:45 PM**  
 Received By: **[Signature]** Date: **3/29/02** Time: **2:00 PM**

Delivered By: (Circle One)  
 UPS - Bus - Other:

Sample Condition:  Intact  Damaged  
 Checked By: **[Signature]**  
 Phone Result:  Yes  No  
 Fax Result:  Yes  No  
 Add'l Phone #: **35**  
 Add'l Fax #: **35**

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
TARGA  
ATTN: DON EMBREY  
6 DESTA DRIVE, SUITE 3300  
MIDLAND, TX 79705  
FAX TO: (432) 688-0552

Receiving Date: 02/27/07  
Reporting Date: 03/05/07  
Project Number: NOT GIVEN  
Project Name: EAST BAGLEY  
Project Location: NOT GIVEN

Sampling Date: NOT GIVEN  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/Kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/Kg)	Cl <sup>-</sup> (mg/Kg)
ANALYSIS DATE		02/28/07	02/28/07	02/27/07
H12260-1	EAST BAGLEY	<10.0	1370	48
Quality Control		768	767	490
True Value QC		800	800	500
% Recovery		96.0	95.8	98.0
Relative Percent Difference		1.0	7.5	0.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl<sup>-</sup>: Std. Methods 4500-Cl<sup>-</sup>B

\*Analysis performed on a 1:4 w:v aqueous extract.

*Burgess J. Cooke*  
Chemist

\_\_\_\_\_  
Date

H12260

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (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 related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.





