

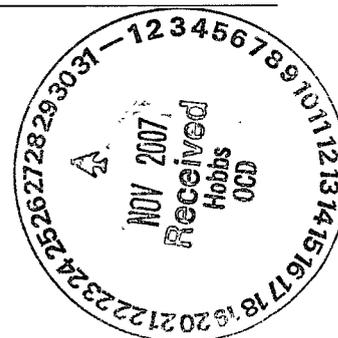
Basin Environmental Service Technologies, LLC

P. O. Box 301
Lovington, New Mexico 88260
kdutton@basinenv.com
Office: (505) 396-2378 Fax: (505) 396-1429



05 November 2007

Mr. Larry Johnson
New Mexico Oil Conservation Division
Hobbs District 1
1625 N. French Drive
Hobbs, New Mexico 88240



Re: Closure Request, Saunders 8" # 2 (231735)
Plains Marketing, L. P. Preliminary Site Investigation Report & Remediation
Plan, dated 19 September 2004
Unit L (NW ¼, SW ¼) Section 24, Township 14 South, Range 33 East
Lea County, New Mexico
Plains SRS: 2004-00175
NMSLO Number: ROE-984 (05 August 2004)
NMOCD File Number: 1RP-001

Dear Mr. Johnson:

Basin Environmental Service Technologies, LLC (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this request for closure of the Saunders 8" # 2 remediation site at the above referenced location. Remediation activities were successfully accomplished as proposed in the New Mexico Oil Conservation Division (NMOCD) and New Mexico State Land Office (NMSLO) approved Preliminary Site Investigation Report and Remediation Plan, dated 19 September 2004.

Allstate Environmental Services, LLC, responded and clamped the pipeline release on 30 July 2004, located on the Saunders 8" Pipeline, under the direction of Plains operations personnel. The impacted soils were excavated and stockpiled on a 6-mil poly-liner adjacent to the site. Basin Environmental Service Technologies, LLC (Basin), at the request of Plains, assumed oversight responsibilities for the remediation activities at the Saunders 8" Pipeline release in September 2004. As reported on the C-141, dated 09 August 2004, approximately 8 barrels of crude oil were released and 0 barrels recovered. NMOCD ranking criteria for the Saunders 8" 2 release site was 10-19, which sets the remediation levels for benzene, toluene, ethylbenzene, and xylenes (BTEX), and total petroleum hydrocarbons – gasoline range organics/diesel range organics (TPH-

GRO/DRO) at 10 mg/kg for benzene, 50 mg/kg for total BTEX and 1000 mg/kg for TPH-GRO/DRO. .

The following NMOCD approved remedial activities were accomplished at the Saunders 8" # 2 pipeline release site:

- In August 2004, excavation activities were conducted at the release point and flow path areas. On 13 August 2004, four (4) soil samples were collected from the walls and floor of the crude oil impacted excavation at depths ranging from approximately 3 to 5 feet below ground surface (bgs) and were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that constituent concentrations of BTEX exceeded NMOCD thresholds for one (1) soil sample and were reported below NMOCD thresholds for the remaining three (3) soil samples. Laboratory results indicated that constituent concentrations of TPH-GRO/DRO were not detected above laboratory detection methods for one (1) soil sample and were reported above NMOCD thresholds for the remaining three (3) soil samples. Based on the laboratory results continued excavation was initiated.
- In August 2004, over excavation activities were conducted at the release point and flow path areas. On 27 August 2004, three (3) soil samples were collected from the remediated walls and floor of the crude oil impacted excavation at depths ranging from approximately 6 to 14 feet below ground surface (bgs) and were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that constituent concentrations of BTEX and TPH-GRO/DRO were reported below NMOCD thresholds for the three (3) soil samples. Based on the laboratory results and remediation activities conducted, further excavation was not warranted.
- A proposed Preliminary Site Investigation Report and Remediation Plan, dated 19 September 2004, was submitted to NMOCD and NMSLO and subsequently approved. The plan included the mechanical screening of the excavated soil, construct bio mounds on-site, apply nutrients and aeration to the bio mounds, backfill the site with the mechanically screened caliche rock and screened soil (<1000 mg/kg). As requested by the NMSLO, a Site Restoration Plan was submitted and approved.
- In November 2004, mechanical screening of the excavated soil was initiated. A total of nine (9) bio mounds, consisting of approximately 200 cubic yards each, were constructed adjacent to the excavation. Aeration of the bio mounds was initiated as the bio mounds were constructed to enhance the degradation process.
- In December 2004, confirmation soil sampling of the bio mounds was accomplished. The soil samples were field screened with a PID and analyzed for concentrations of BTEX and TPH-GRO/DRO. Based on laboratory analytical results, three (3) bio mounds were below NMOCD thresholds for concentrations

of BTEX and TPH-GRO/DRO and six (6) exceeded NMOCD thresholds. Aeration of the bio mounds exceeding NMOCD thresholds was conducted on a monthly basis to continue the attenuation process. In February 2005, confirmation soil samples were collected from the six (6) remaining bio mounds. Laboratory results reported that the six (6) bio mounds exceeded NMOCD thresholds for constituent concentrations of TPH-GRO/DRO. In April 2005, confirmation soil samples were collected from the six (6) remaining bio mounds. Laboratory results reported that two (2) bio mounds were below NMOCD thresholds and four (4) exceeded NMOCD thresholds. In June 2005, confirmation soil samples were collected from the four (4) remaining bio mounds and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results reported the four (4) bio mounds exceeded NMOCD thresholds. In July 2005, additional nutrients were re-introduced to the four (4) remaining bio mounds. In September 2005, confirmation soil samples were collected from the four (4) remaining bio mounds. Laboratory results reported that 2 (two) bio mounds were below NMOCD thresholds and remaining two (2) bio mounds exceeded NMOCD thresholds for TPH-GRO/DRO. In January 2006, the remaining two (2) bio mounds were sampled and the soil samples analyzed for BTEX and TPH-GRO/DRO concentrations. Laboratory results reported the two (2) bio mounds exceeded NMOCD thresholds for TPH-GRO/DRO. In September 2006, soil samples were collected from the two remaining bio mounds. Laboratory results reported one (1) bio mound was below NMOCD thresholds and one (1) bio mound exceeded NMOCD thresholds. In March 2007, the remaining bio mound was sampled and laboratory results reported constituent concentrations of BTEX and TPH-GR/DRO were below NMOCD thresholds.

- In May 2007, backfilling the excavation with the mechanically screened rock and treated bio mound soil was initiated. Backfilling of the site was completed in June 2007, with the site being contoured to the surrounding pastureland. Reseeding of the site with approved NMSLO grass seed was accomplished and monitoring the growth process and reporting results to NMSLO will be adhered to until the vegetation is established and NMSLO releases Plains.

The remediation activities were completed in accordance with the NMOCD approved Plains Marketing, L. P., Preliminary Site Investigation and Remediation Plan, dated 19 September 2004. Based on the results of the NMOCD approved remediation activities conducted at the Saunders 8" # 2 release site, Basin, on behalf of Plains, requests that the NMOCD consider this site as eligible for closure under the *New Mexico Oil Conservation Division Guidelines for Remediation of Leaks, Spills and Releases (1993)*.

Should you have any questions or comments, please contact me at (505) 441-2124.

Sincerely,

A handwritten signature in black ink that reads "Ken Dutton". The signature is fluid and cursive, with the first letters of "Ken" and "Dutton" being capitalized and prominent.

Ken Dutton
Basin Environmental Services

Attachments: Site Map
Table 1, Soil Chemistry Results, Excavation
Table 2, Soil Chemistry Results, Bio-Mounds
Digital Photos
NMOCD C-141 (Initial)
NMOCD C-141 (Final)

cc: Mr. Thaddeus Kostrubala (NMSLO, Santa Fe, NM)

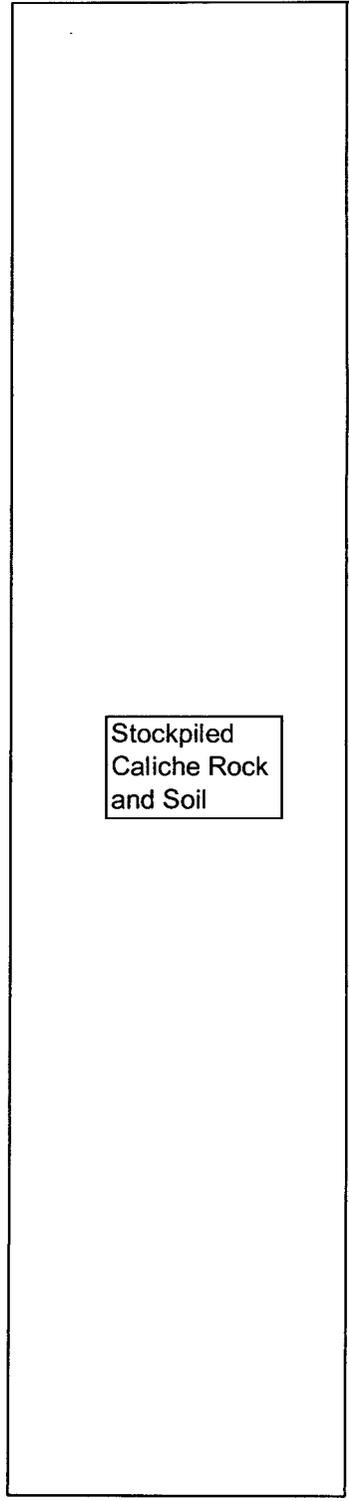
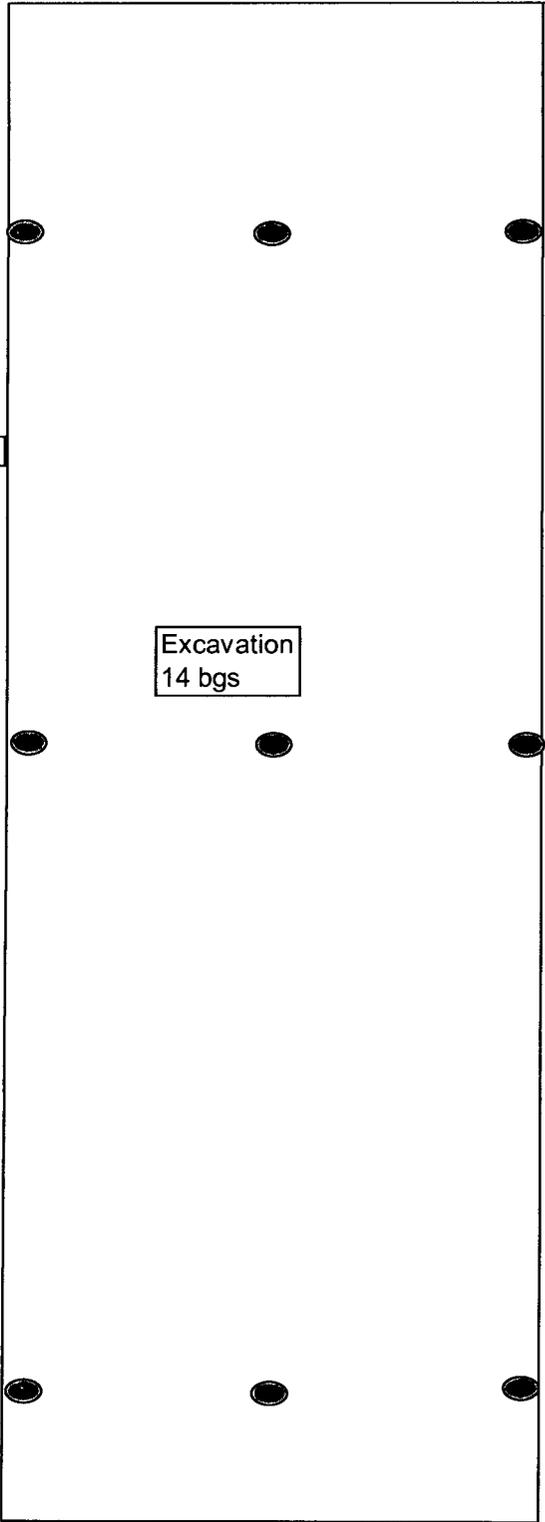
Saunders 8" # 2
NTS

40 Feet

150 Feet

Excavation
14 bgs

Stockpiled
Caliche Rock
and Soil



Composite Sampling points for east & west
side walls and bottom of excavation

TABLE 1

SOIL CHEMISTRY RESULTS, EXCAVATION

PLAINS MARKETING, L. P.
 SAUNDERS 8" # 2
 LEA COUNTY, NEW MEXICO
 SRS NO: 2004-00175

SAMPLE LOCATION	SAMPLE DATE	SOIL STATUS	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL	
			BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL- BENZENE (mg/kg)	M,P- XYLENES (mg/kg)	O-XYLENE (mg/kg)	GRO (mg/kg)	DRO (mg/kg)	TPH (mg/kg)	
S82BCEPL (bottom east 5 ft)	08/13/04	In-Situ	2.14	13.8	13.4	21.5	12.1	3170	8870	12000	
S82BCWPL (bottom west 5 ft)	08/13/04	In-Situ	0.318	7.41	10.7	16.5	9.66	2050	7250	9300	
S82SWCEPL (east sidewall 3 ft)	08/13/04	In-Situ	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
S82SWCWPL (west sidewall 3 ft)	08/13/04	In-Situ	<0.025	0.067	0.068	0.169	0.069	222	2319	2530	
S82SBFPL (backfill sample)	08/13/04	Stockpile	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
S82BCS (bottom 14 ft)	08/27/04	In-Situ	<0.025	0.029	0.063	0.188	0.071	42.2	322	364	
S82ESWC (east sidewall 6 ft)	08/27/04	In-Situ	<0.025	<0.025	<0.025	0.094	0.265	71.1	816	887	
S82WSWC (west sidewall 6 ft)	08/27/04	In-Situ	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	18.1	18.1	
NMOC D CRITERIA			10	TOTAL BTEX 50							1000

TABLE 2

SOIL CHEMISTRY RESULTS, BIO-MOUNDS

PLAINS MARKETING, L. P.
 SAUNDERS 8" # 2
 LEA COUNTY, NEW MEXICO
 SRS NO: 2004-00175

SAMPLE LOCATION	SAMPLE DEPTH	SAMPLE DATE	SOIL STATUS	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH
				BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO	
				(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	
BIO-MOUND # 1	42"	12/20/04		<0.025	0.042	0.140	0.686	0.422	85.4	194	279
BIO-MOUND # 2	42"	12/20/04		0.025	0.668	0.676	3.12	2.33	204	327	531
BIO-MOUND # 3	42"	12/20/04		0.053	1.45	1.36	2.00	5.22	213	284	497
BIO-MOUND # 4	42"	12/21/04		0.498	20.0	11.3	24.1	14.4	1120	1320	2440
BIO-MOUND # 5	42"	12/21/04		0.157	0.764	0.405	2.62	3.44	631	1150	1780
BIO-MOUND # 6	42"	12/21/04		0.200	1.93	1.61	5.54	8.41	1220	2190	3410
BIO-MOUND # 7	42"	12/21/04		0.129	0.935	0.459	2.81	2.30	2340	5700	8040
BIO-MOUND # 8	42"	12/21/04		0.279	1.01	0.937	3.36	5.49	400	726	1130
BIO-MOUND# 9	42"	12/21/04		<0.025	0.164	0.177	0.878	0.197	320	900	1220
BIO-MOUND # 4	42"	02/08/05		0.462	1.38	0.532	3.15	2.53	931	1620	2550
BIO-MOUND # 5	42"	02/08/05		<0.025	0.082	0.152	0.789	0.164	225	1610	1840
BIO-MOUND # 6	42"	02/08/05		0.159	0.712	0.355	1.18	2.83	2030	5430	7460
BIO-MOUND # 7	42"	02/08/05		<0.025	0.170	0.344	1.29	1.04	2040	8370	10400
BIO-MOUND # 8	42"	02/08/05		0.038	0.502	0.468	2.14	0.562	773	2880	3650
BIO-MOUND # 9	42"	02/08/05		<0.025	0.052	0.198	0.940	0.250	255	1010	1270
BIO-MOUND # 4	42"	04/26/05		0.072	1.33	1.87	9.850	7.540	1020	2500	3520
BIO-MOUND # 5	42"	04/26/05		<0.025	0.039	0.126	0.422	0.096	227	1340	1570
BIO-MOUND # 6	42"	04/26/05		<0.025	0.101	0.132	0.699	0.159	824	3390	4210
BIO-MOUND # 7	42"	04/26/05		<0.025	<0.025	0.12	0.289	0.140	352	2070	2420
BIO-MOUND # 8	42"	04/26/05		<0.025	<0.025	0.622	0.329	0.115	123	554	677
BIO-MOUND # 9	42"	04/26/05		<0.025	<0.025	0.033	0.119	0.053	64.9	538	603

TABLE 2 (cont)

SOIL CHEMISTRY RESULTS, BIO-MOUNDS

PLAINS MARKETING, L. P.
 SAUNDERS 8" # 2
 LEA COUNTY, NEW MEXICO
 SRS NO: 2004-00175

SAMPLE LOCATION	SAMPLE DEPTH	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH	
			BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO		
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)		
BIO-MOUND # 4	42"	06/21/05	<0.025	0.140	0.161	1.690	1.780	1140	2970	4110	
BIO-MOUND # 5	42"	06/21/05	<0.025	<0.025	<0.025	<0.025	<0.025	146	1990	2140	
BIO-MOUND # 6	42"	06/21/05	<0.025	0.033	0.048	0.236	0.043	193	1280	1470	
BIO-MOUND # 7	42"	06/21/05	<0.025	<0.025	0.048	0.131	0.031	477	3250	3730	
BIO-MOUND # 4	42"	09/19/05	<0.025	0.068	0.121	0.764	0.157	309	1180	1490	
BIO-MOUND # 5	42"	09/19/05	<0.025	0.039	0.025	0.056	0.031	30.8	288	319	
BIO-MOUND # 6	42"	09/19/05	<0.025	<0.025	<0.025	0.037	<0.025	55.4	730	785	
BIO-MOUND # 7	42"	09/19/05	<0.025	<0.025	0.013	0.030	<0.025	338	3420	3760	
BIO-MOUND # 4	42"	01/13/06	<0.025	<0.025	0.123	0.574	0.193	384	2230	2610	
BIO-MOUND # 7	42"	01/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	192	4290	4480	
BIO-MOUND # 4	42"	09/21/06	<0.025	<0.025	0.0498	0.298	0.077	126	779	906	
BIO-MOUND # 7	42"	09/21/06	<0.025	<0.025	<0.025	<0.025	<0.025	54	2523	2640	
BIO-MOUND # 7	42'	03/19/07	<0.025	<0.025	<0.025	<0.025	<0.025	24.5	657	682	
NMOC D CRITERIA			10	TOTAL BTEX 50							1000

**Plains Marketing, L. P.
Saunders 8" # 2
NW/SW S24, T14S, R33E
Lea County, NM
Plains SRS: 2004-00175**



05/04/2007

Plains Marketing, L. P.
Saunders 8" # 2
NW/SW S24, T14S, R33E
Lea County, NM
Plains SRS: 2004-00175

05/04/2007

Plains Marketing, L. P.
Saunders 8" # 2
NW/SW S24, T14S, R33E
Lea County, NM
Plains SRS: 2004-00175

05/04/2007

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 Plains Marketing, LP	Contact Camille Reynolds
Address 5805 East Hwy. 80, Midland, TX 79706	Telephone No. 505-441-0965
Facility Name Saunders 8" #2	Facility Type 8" Steel Pipeline

Surface Owner State Of New Mexico	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter L	Section 24	Township 14S	Range 33E	Fect from the	North/South Line	Fect from the	East/West Line	County Lea
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Latitude 33°05'14.9" Longitude 103°34'31.2"

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 8 barrels	Volume Recovered 0 barrels
Source of Release 8" Steel Pipeline	Date and Hour of Occurrence 7-30-04 @ 06:30	Date and Hour of Discovery 7-30-04 @ 09:15
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Paul Sheeley	
By Whom? Camille Reynolds	Date and Hour 7-30-04 @ 3:30	
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 the 8" steel pipeline. A line clamp was installed to mitigate the release. The line is an 8 inch steel transmission pipeline that produces approximately 1,400 barrels of crude per day. The pressure on the line varies from 25 to 30 psi and the gravity of the sweet crude oil is 38-42. The sweet crude has an H₂S content of less than 10 ppm

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was 5,382 ft².

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>Camille Reynolds</i>	OIL CONSERVATION DIVISION	
Printed Name: Camille Reynolds	Approved by District Supervisor:	
Title: Remediation Coordinator	Approval Date:	
E-mail Address: cjreynolds@paalp.com	Conditions of Approval:	
Date: 8-9-04 Phone: 505-441-0965	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

NMOCD

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
1RP-001

OPERATOR

Initial Report **Final Report**

Name of Company	Plains Marketing, L. P.	Contact	Camille Reynolds
Address	3112 W. US Hwy 82, Lovington, NM 88260	Telephone No.	(505) 441-0965
Facility Name	Saunders 8" # 2 SRS: 2004-00175	Facility Type	8" Steel Pipeline

Surface Owner	State of New Mexico	Mineral Owner		Lease No.	
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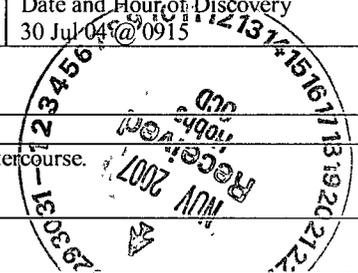
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	24	14S	33E					Lea

Latitude 33° 05' 14.9" North Longitude 103° 34' 31.2"

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	8 barrels	Volume Recovered	0 barrels
Source of Release	8" Steel Pipeline	Date and Hour of Occurrence	30 Jul 04 @ 0630	Date and Hour of Discovery	30 Jul 04 @ 0915
Was Immediate Notice Given?	XX Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Paul Sheeley		
By Whom?	Camille Reynolds	Date and Hour	30 Jul 04 @ 1530		
Was a Watercourse Reached?	<input type="checkbox"/> Yes XX <input 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 the 8" steel pipeline. A line clamp was installed to mitigate the release. The line is an 8 inch steel transmission pipeline that produces approximately 1400 barrels of crude per day. The pressure on the line varies from 25 to 30 psi and the gravity of the sweet crude oil is 38-42. The sweet crude has an H₂S content of less than 10 ppm. □

Describe Area Affected and Cleanup Action Taken.* Per the approved NMOCD Plains Marketing, L. P., Remediation Work Plan, dated 19 September 2004, the crude oil release site was excavated, the impacted soil mechanically screened, aerated, treated with nutrients, & confirmation soil samples collected. Once the confirmation soil samples were below NMOCD regulatory standards, the site was backfilled with the bio-mound material and contoured to the original rangeland topography.

SEE ATTACHED BASIN ENVIRONMENTAL SERVICE TECHNOLOGIES CLOSURE REQUEST, DATED 05 NOVEMBER 2007, WITH ATTACHMENTS FOR DETAILS OF 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>Camille Reynolds</i>	OIL CONSERVATION DIVISION <i>[Signature]</i>	
Printed Name: Camille Reynolds	Approved by District ENVIRONMENTAL ENGINEER	
Title: Remediation Coordinator	Approval Date: 11.28.07	Expiration Date: <u> </u>
E-mail Address: cjreynolds@paalp.com	Conditions of Approval: 1RP-001	
Date: 09 November 2007 Phone: (505) 441-0965		

* Attach Additional Sheets If Necessary