

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-1201

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 LOCKHART B-14 4-INCH SRS: 2007-063 | Facility Type 4" Steel Pipeline |

| | | |
|----------------------------|---------------|-----------|
| Surface Owner James Bryant | Mineral Owner | Lease No. |
|----------------------------|---------------|-----------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|---------------|
| Unit Letter G | Section 14 | Township 21S | Range 37E | Feet from the | North/South Line | Feet from the | East/West Line | County Lea |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|---------------|

Latitude 32° 28' 51.8" North Longitude 103° 07' 44.4" West.

NATURE OF RELEASE

| | | |
|---------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------|
| Type of Release Crude Oil | Volume of Release 16 barrels | Volume Recovered 4 barrels |
| Source of Release 4-inch Steel Pipeline | Date and Hour of Occurrence 11 Feb 2007 @ 1100 | Date and Hour of Discovery 11 Feb 2007 @ 1130 |
| Was Immediate Notice Given? XX Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Pat Caperton (Richards) | |
| By Whom? Camille Reynolds | Date and Hour 12 Feb 2007 @ 0930 | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes XX <input type="checkbox"/> No | If YES, Volume Impacting _____ | |

RECEIVED

JAN - 3 2008

Describe Cause of Problem and Remedial Action Taken.* External corrosion of the 4-inch steel pipeline resulted in the release of sweet crude oil. The pipeline was purged, cut and capped. Pipeline idled; therefore, pressure and volume are not applicable.

Describe Area Affected and Cleanup Action Taken.* The crude oil release site was excavated; the impacted soils were removed and placed in a holding pond adjacent to the excavation, confirmation soil samples were collected from the floor of the excavation. Once the excavation confirmation soil samples were below NMOCD regulatory standards, mechanical screening of the stockpiled material was conducted. The screened caliche rock was utilized as partial backfill and approximately 994 cubic yards of screened soils were transported to Lea Station Land Farm. Backfill material was obtained from the landowner and the excavation was backfilled with the site contoured to the original surrounding rangeland topography. Reseeding with approved landowner grass seed was conducted in August 2007.

HOBBS OCD

SEE ATTACHED BASIN ENVIRONMENTAL SERVICE TECHNOLOGIES CLOSURE REQUEST, DATED 19 DECEMBER 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 | |
| Printed Name: Camille Reynolds | Approved by District Supervisor: <i>[Signature]</i> | |
| Title: Remediation Coordinator | Approval Date: 1-3-08 | Expiration Date: _____ |
| E-mail Address: cjreynolds@paalp.com | Conditions of Approval: | 1RP-1201 |
| Date: 19 December 2007 | Phone: (505) 441-0965 | |

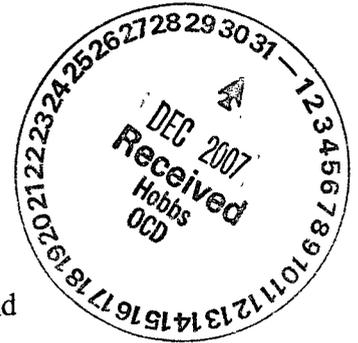
Basin Environmental Service Technologies, LLC

2800 Plains Highway
P. O. Box 301
Lovington, New Mexico 88260
kdutton@basinenv.com
Office: (505) 396-2378 Fax: (505) 396-1429



19 December 2007

Mr. Larry Johnson
New Mexico Energy, Minerals and Natural Resources Department
New Mexico Oil Conservation Division, District 1
1625 N. French Drive
Hobbs, New Mexico 88240



Re: Closure Request, Lockhart B-14 4-Inch (231735)
Plains Marketing, L. P. Preliminary Site Investigation Report and
Remediation/Closure Plan, dated 09 May 2007
Unit G (SW ¼, NE ¼) Section 14, Township 21 South
Lea County, New Mexico
Plains SRS Number: 2007-063
NMOCD File Number: 1RP-1201

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JAN - 3 2008

Dear Mr. Johnson:

HOBBS OCD

Basin Environmental Service Technologies, LLC (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this request for closure of the Lockhart B-14 4-Inch remediation site at the above referenced location. Soil remediation activities were successfully accomplished as proposed in the New Mexico Oil Conservation Division (NMOCD) approved Preliminary Site Investigation Report and Remediation/Closure Plan, dated 09 May 2007.

Basin, at the request of Plains, mobilized to a crude oil pipeline release on 12 February 2007, located on the idled Lockhart B-14 4-Inch Pipeline after Plains operations personnel contained the crude oil release by cold cutting and capping the idled pipeline. Upon arrival at the release site, Basin initiated excavation of the release point and flow path area with the impacted soil stockpiled on a 6-mil poly-liner adjacent to the site. As reported on the initial C-141, dated 13 February 2007, approximately 16 barrels of crude oil were released and 4 barrels were recovered. The NMOCD ranking criteria for the Lockhart B-14 4-Inch release site was >19, which sets the soil 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 100 mg/kg for TPH-GRO/DRO.

The following NMOCD approved remedial activities were accomplished at the Lockhart B-14 4-Inch release site:

- In February, March and April 2007, Basin conducted excavation activities at the release point and flow path area. The final dimensions of the excavated area were approximately 78 feet long by 35 feet wide (north to south) ranging in depth from approximately 3 to 6 feet below ground surface (bgs) and 65 feet long by 30 feet wide (west to east) ranging in depth from approximately 1.5 feet to 3 feet bgs. The impacted soils were placed on a 6-mil poly-liner adjacent to the excavation for future remedial activities. Approximately 1000 cubic yards of impacted soil were excavated and stockpiled on-site. See attached Figure 2, Excavation Site Map.
- On 06 March 2007, while excavating the west flow path area, a suspected backfilled pit area was discovered. Notification by Basin personnel to Plains was accomplished and as instructed, numerous digital photos were taken of the suspected pit area. Additionally, trenches were excavated throughout the suspected pit area, which indicated a pit existed. Plains and Basin representatives met with Mr. Larry Johnson, NMOCD District I, and the discovery of the pit area was discussed. Mr. Johnson recommended a historical search be conducted. The University of New Mexico, Earth Data Analysis Center, was contacted and historical aerial photos were ordered. The historical aerial photos indicated an active pit area existed in 1955 through 1968 and a distressed area was evident from 1977 through 2005. NMOCD is currently investigating historical data to determine the operator of the abandoned pit area.
- On 16 March 2007, three (3) confirmation soil samples were collected from the floor of the excavated area ranging in depth from 2 to 4 feet bgs (see Figure 3). The three (3) confirmation soil samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results of the confirmation soil samples collected from the floor of the excavation indicated that constituent concentrations of BTEX were not detected above laboratory method detection limits for three (3) soil samples. Laboratory results indicated that constituent concentrations of TPH-GRO/DRO were below NMOCD regulatory standards for the northwest floor soil sample, slightly above NMOCD regulatory standards for the southeast floor soil sample, but was within the laboratory reporting margin-of-error and were reported above NMOCD regulatory standards for the release point soil sample.
- In April 2007, over excavation of the release point area was conducted to a depth of approximately six (6) feet bgs. On 18 April 2007, a confirmation soil sample was collected at approximately six (6) feet bgs and submitted for analysis. Laboratory results indicated that constituent concentrations of BTEX were not detected above laboratory method detection limits and TPH-GRO/DRO concentrations were reported below NMOCD regulatory standards.

- A Preliminary Site Investigation Report and Remediation/Closure Plan, dated 09 May 2007, was submitted to NMOCD Hobbs District I and subsequently approved. The approved plan included no further excavation activities based on laboratory results from soil sampling, mechanically screen the stockpiled material on-site, transport the screened impacted soil to Plains Lea Station Land Farm (LSLF), utilize the screened caliche rock as partial backfill and obtain backfill from the landowner. Upon completion of backfilling the excavation, contour the excavation to the surrounding rangeland grade and reseed the site with approved grass seed.
- In June 2007, mechanical screening of the on-site stockpiled material was conducted. The mechanically screened caliche rock was utilized as partial backfill and approximately 994 cubic yards of screened impacted soil was transported to LSLF. Backfill material was obtained from the landowner and backfilling of the excavated area was accomplished with the excavation contoured to the surrounding rangeland grade. Reseeding activities with approved landowner grass seed was accomplished in August 2007.

The remediation activities were completed in accordance with the NMOCD approved Plains Marketing, L. P., Preliminary Site Investigation Report and Remediation/Closure Plan, dated 09 May 2007. Based on the results of the NMOCD approved remediation activities conducted at the Lockhart B-14 4-Inch release site, Basin, on behalf of Plains, requests that the NMOCD consider the soil issue at this site 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.

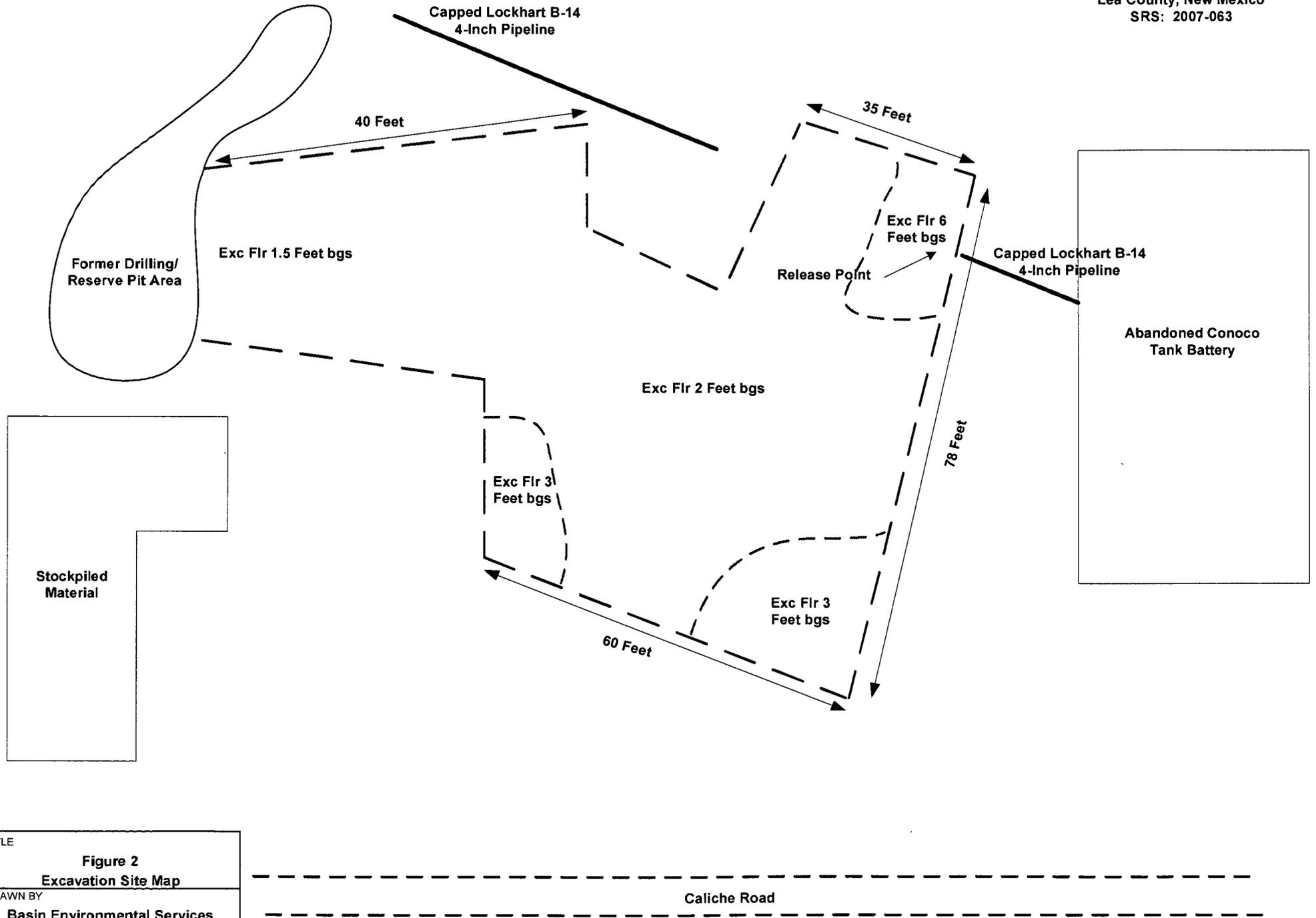
Sincerely,



Ken Dutton

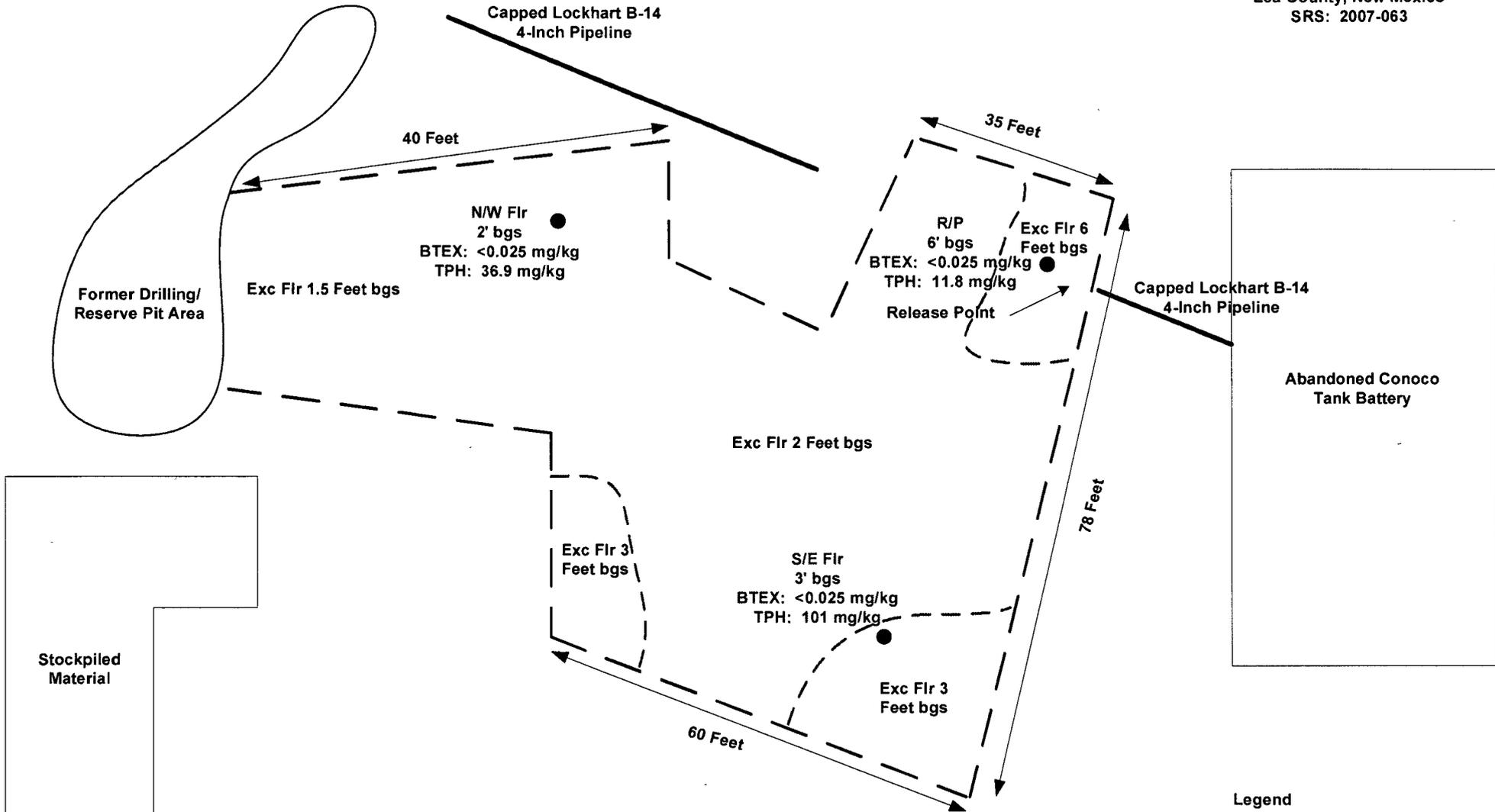
Basin Environmental Services

Attachments: Table 1, Soil Chemistry Results
Figure 2, Excavation Site Map
Figure 3, Excavation Site Map & Soil Sampling Locations
Digital Photos
NMOCD C-141 (Initial)
NMOCD C-141 (Final)



TITLE
Figure 2
Excavation Site Map

DRAWN BY
Basin Environmental Services
kad



Legend

● Sampling Locations

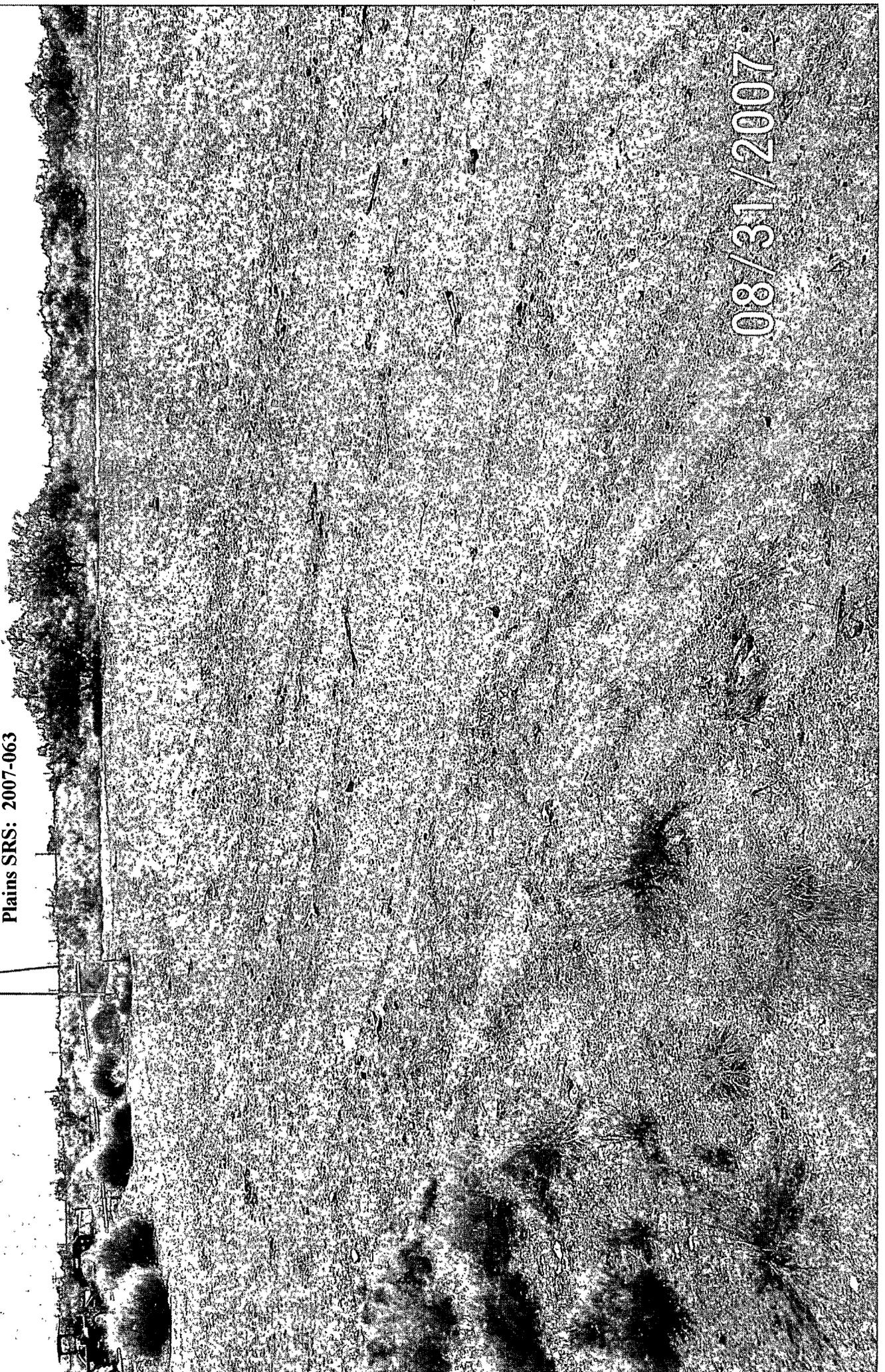
TITLE
Figure 3
Final Soil Sampling Locations

DRAWN BY
Basin Environmental Services
 kad

 Caliche Road

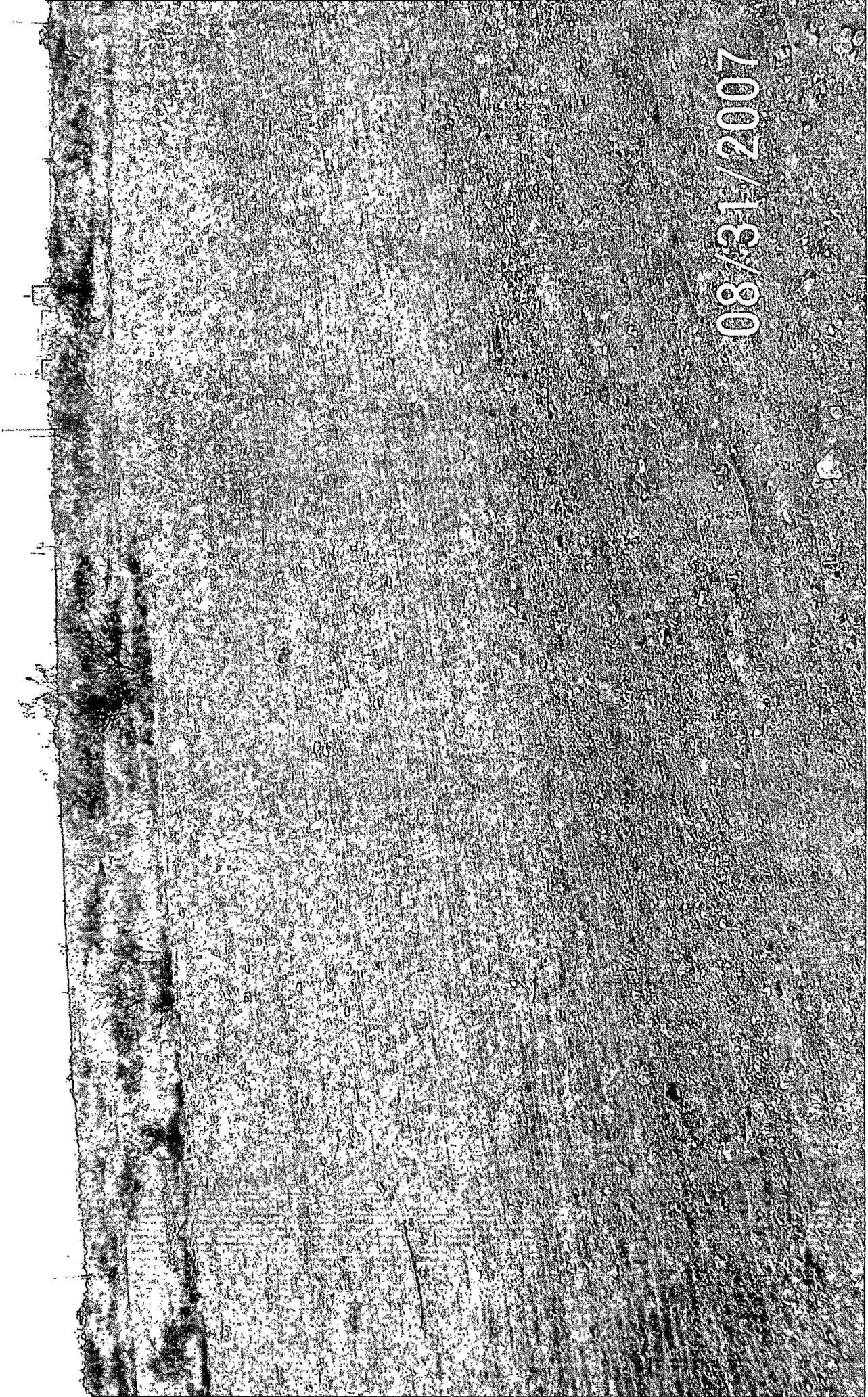
Plains Marketing, L. P.
Lockhart B-14 4-Inch
SW/NE S14, T21S, R37E
Lea County, NM
Plains SRS: 2007-063

08/31/2007

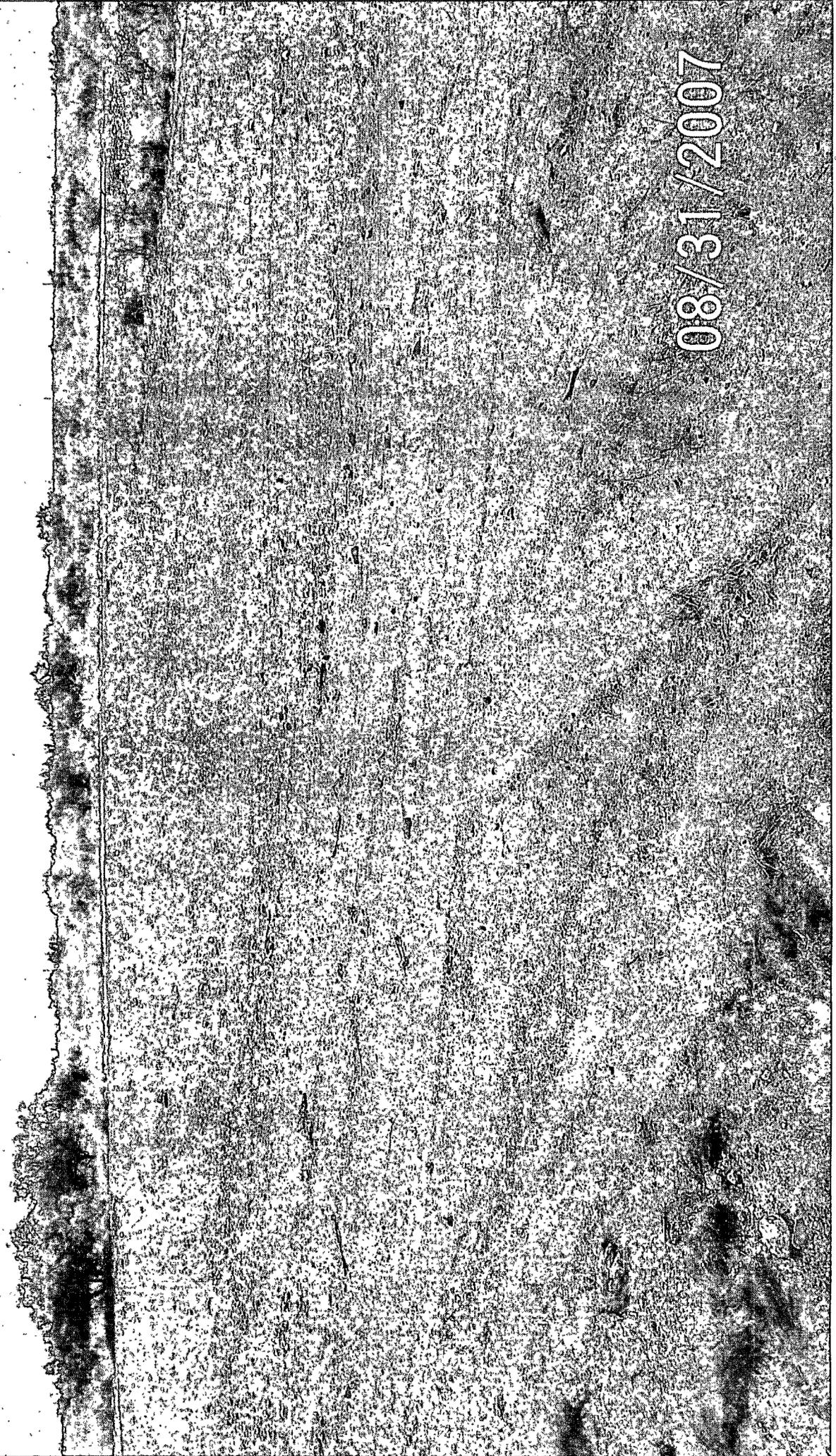


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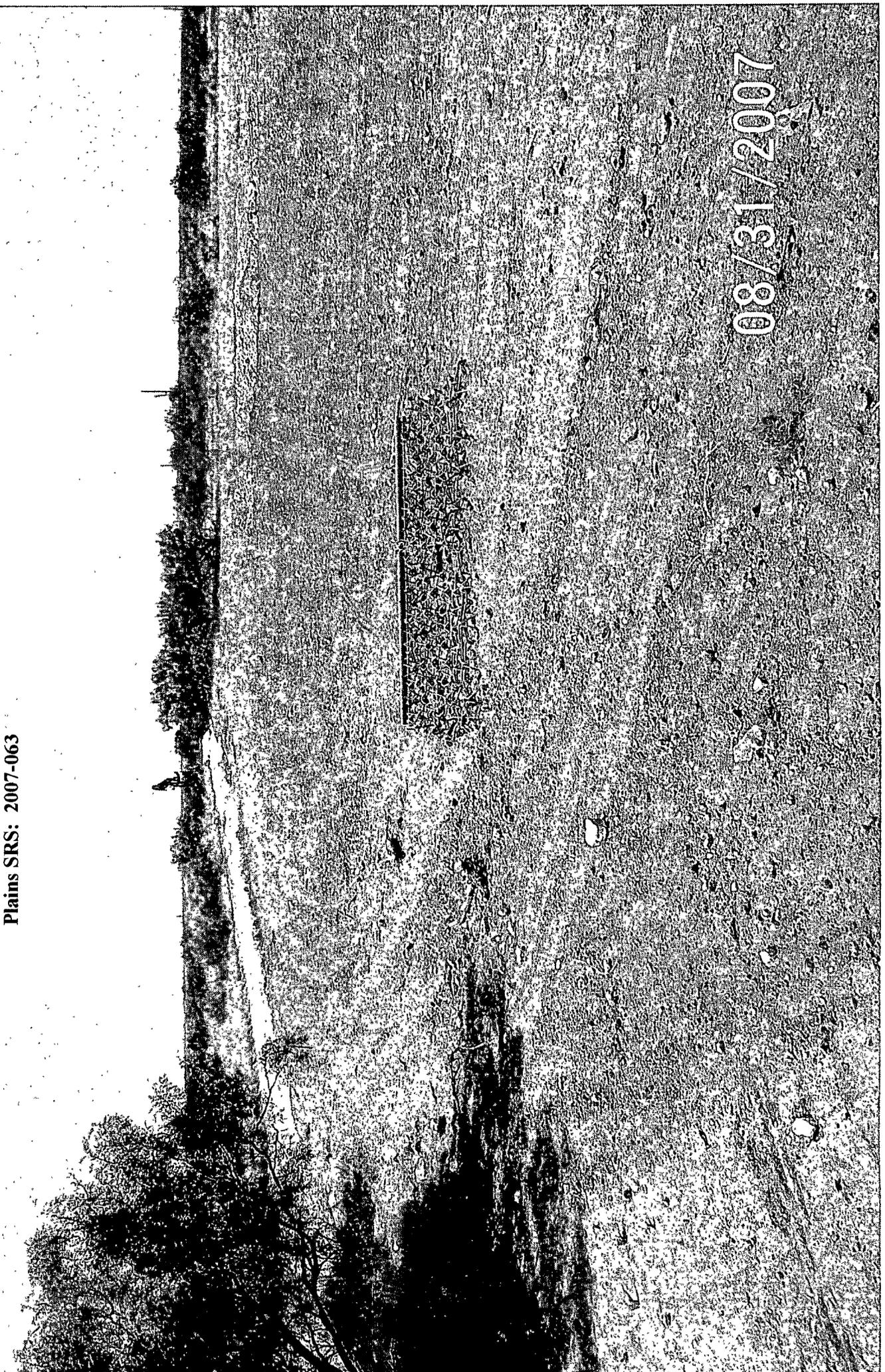
08/31/2007

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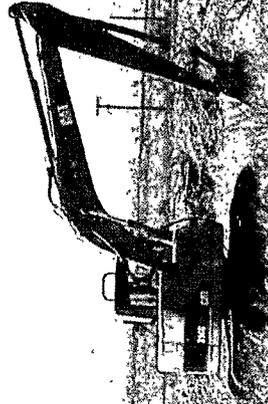
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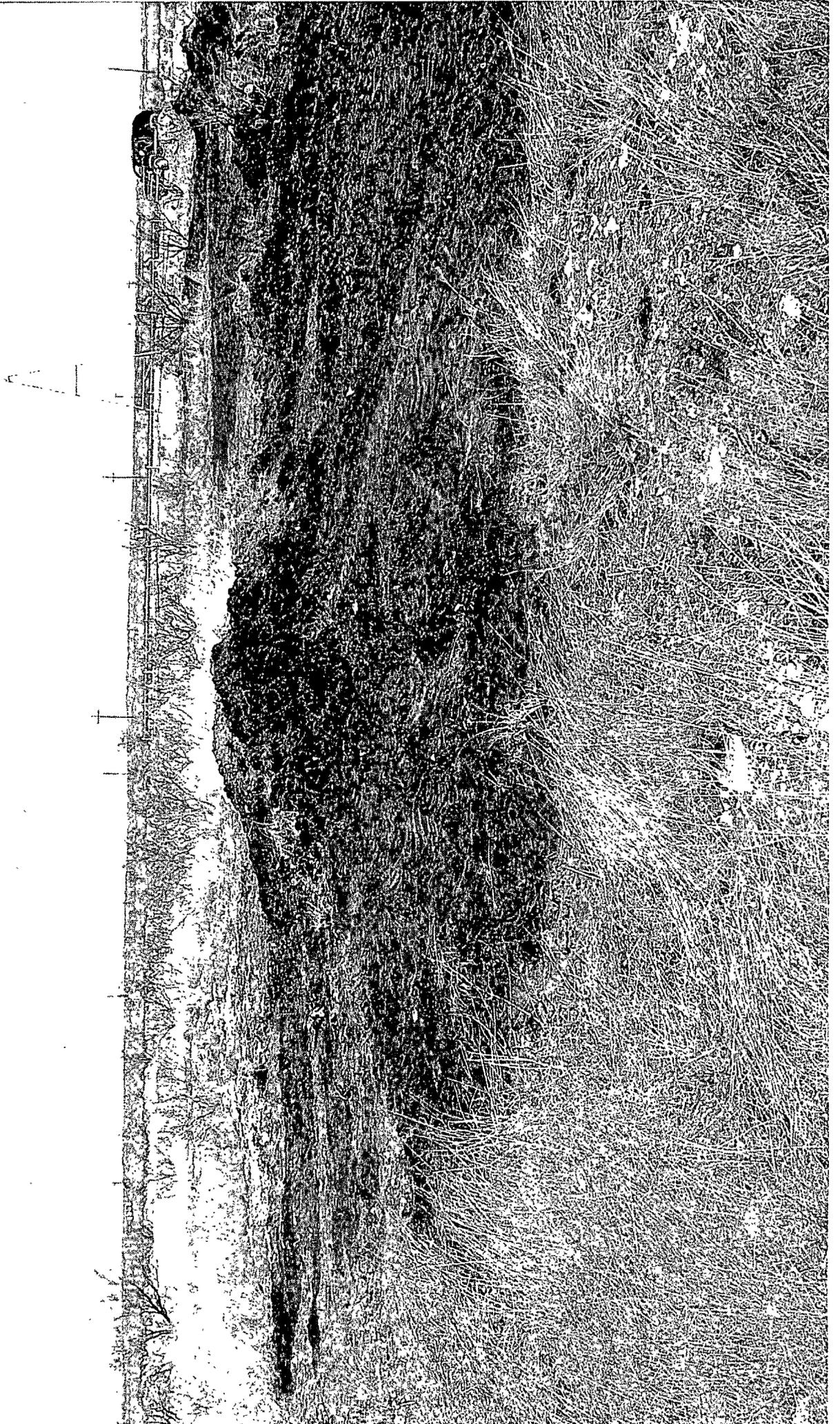


08/31/2007

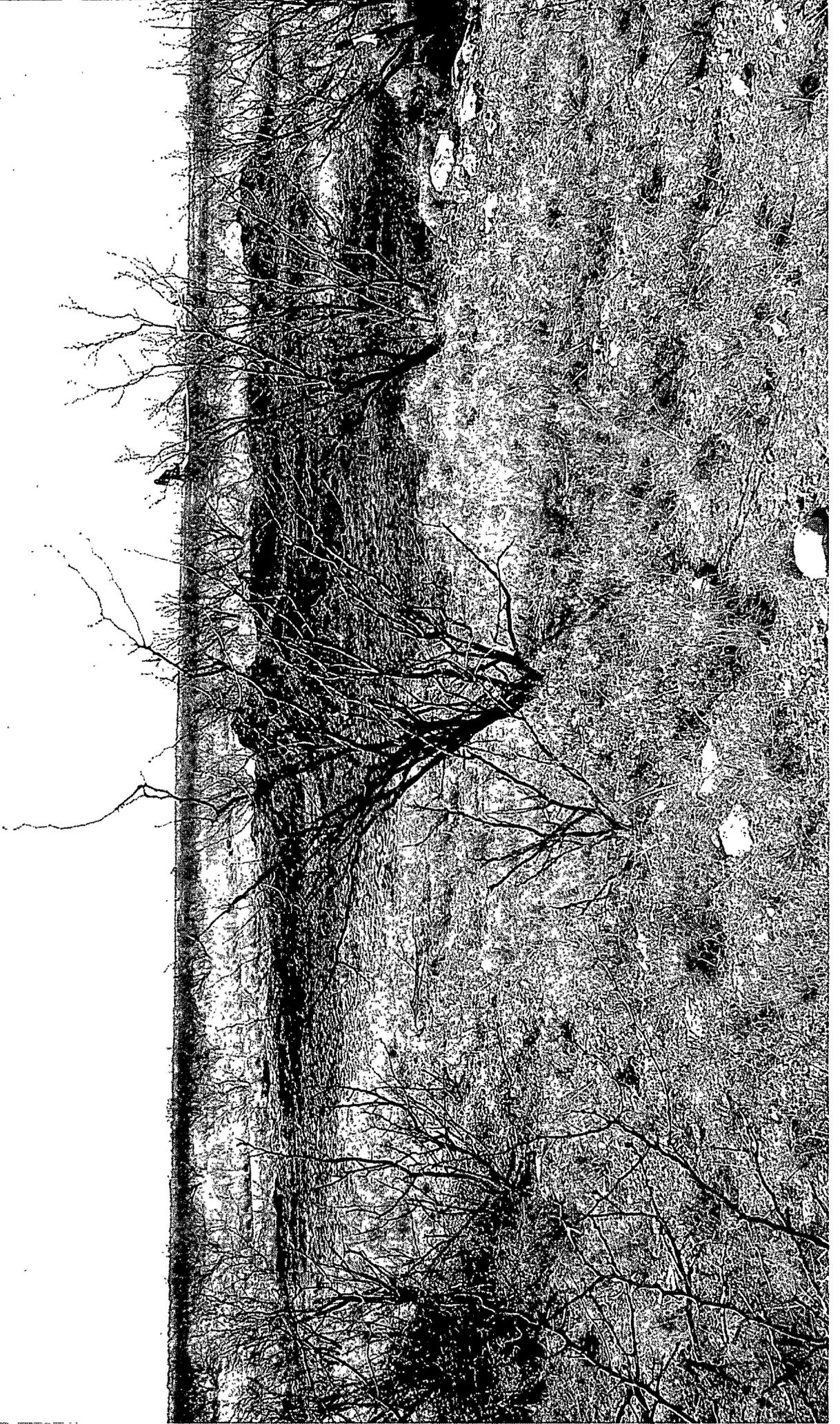
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Lockhart B-14 4 Inch
SW/NE S14, T21S, R37E
Lea County, NM
Plains SRS: 2007-063



**Plains Marketing, L. P.
Lockhart B-14 4"
SW/NE S14, T21S, R37E
Lea County, NM
Plains SRS: 2007-063**



**Plains Marketing, L. P.
Lockhart B-14 4"
SW/NE S14, T21S, R37E
Lea County, NM
Plains SRS: 2007-063**



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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 Pipeline | Contact Camille Reynolds | |
| Address 3112 W. US Hwy 82, Lovington, NM 88260 | Telephone No. 505-441-0965 | |
| Facility Name Lockhart B-14 4 Inch | Facility Type 4" Steel Pipeline | |
| Surface Owner James Bryant | Mineral Owner | Lease No. |

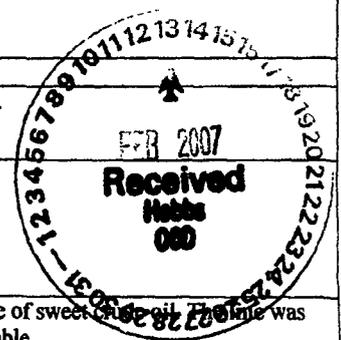
LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G | 14 | 21S | 37E | | | | | Lea |

Latitude 32° 28' 51.8" Longitude 103° 07' 44.4"

NATURE OF RELEASE

| | | |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------|
| Type of Release Crude Oil | Volume of Release 16 barrels | Volume Recovered 4 barrels |
| Source of Release 4" Steel Pipeline | Date and Hour of Occurrence 02/11/2007 @ 11:00 | Date and Hour of Discovery 02/11/2007 @ 11:30 |
| Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Pat Caperton | |
| By Whom? Camille Reynolds | Date and Hour 02/12/2007 @ 9:30 | |
| 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 4 inch steel pipeline resulted in release of sweet crude oil. The line was purged, cut and capped. The line is inactive so information concerning volume produced and pressure on line is unavailable.

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was 9,375 square feet.

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: <i>[Signature]</i> | |
| Title: Remediation Coordinator | Approval Date: 3.28.07 | Expiration Date: 6.28.07 |
| E-mail Address: cireynolds@paalp.com | Conditions of Approval: <i>[Signature]</i> | Attached <input type="checkbox"/> |
| Date: 02/13/2007 | Phone: 505-441-0965 | Final Report BY |

* Attach Additional Sheets If Necessary

RPH 1201
Facility FPAC 0708825032
Incident - NPAC 0708825112
Application - FPAC 0708825212