

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 Pipeline | Contact Camille Reynolds |
| Address 3112 W. US Hwy 82, Lovington, NM 88260 | Telephone No. 505-441-0965 |
| Facility Name E.K. Queen 6 Inch BLM | Facility Type 6" Steel Pipeline |

| | | |
|-------------------|---------------|-----------|
| Surface Owner BLM | 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 |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| N | 19 | 18S | 34E | | | | | Lea |

Latitude 32° 43' 44.1" Longitude 103° 36' 01.3"

WTR 100'

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Crude Oil | Volume of Release 55 barrels | Volume Recovered 40 barrels |
| Source of Release 6" Steel Pipeline | Date and Hour of Occurrence 03/27/08 @ 11:00 | Date and Hour of Discovery 03/27/08 @ 12:46 |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Larry Johnson | |
| By Whom? Camille Reynolds | Date and Hour 03/27/08 @ 15:56 | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

RECEIVED

3.31.08

HOBBS OCL

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken Internal corrosion of the 6 inch steel pipeline resulted in release of sweet crude oil. The line is a 6-inch steel gathering line that produces approximately 300 barrels of oil per day. The pressure on the line is approximately 90 psi and the gravity of the sweet crude oil is 42. The sweet crude has an H₂S content of <10 ppm. The line is approximately 3 feet bgs at the release point.

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic.

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 | <i>L. Johnson</i> Approved by District Supervisor ENVIRONMENTAL ENGINEER | |
| Title: Remediation Coordinator | Approval Date: <i>4.2.08</i> | Expiration Date: <i>6.6.08</i> |
| E-mail Address: cjreynolds@paalp.com | Conditions of Approval: | |
| Date: 03/28/2008 Phone: 505-441-0965 | <i>Submit Closure 34</i> | Attached <input type="checkbox"/> IRP-1831 |

Attach Additional Sheets If Necessary

FCOHD 809431215