HIP - 102

GENERAL CORRESPONDENCE

YEAR(S):

2006

PARSONS
[illegible] Austin, Texas 78754 [illegible]

April 21, 2006

Mr. Ed Martin
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
Phone: 505-476-3492

Re: Request for Hydrostatic Test Water Discharge Permit
BP Dagger Draw Tank 45755
Eddy County, New Mexico

Dear: Mr. Martin

Enclosed with this letter are a permit application to discharge hydrostatic test water to the ground and payment to the New Mexico OCD in the amount of $150 for processing of this application. The subject water for discharge will be used to hydrostatically test an 18,000 barrel crude oil tank owned by BP, and located at BP's Dagger Draw Station. The Station is located west of the town of Seven Rivers and north of Dagger Draw in Eddy County. This application requests authorization to discharge up to 36,000 barrels of water that in accordance with specified permit limits and conditions.

If you have any questions or need additional information, please contact me at (512)719-6066 or stephen.manning@parsons.com, or Brent Todd with BP at (806)897-7015 or William.Todd@bp.com.

Sincerely,

Stephen W. Manning

Stephen W. Manning, P.E. (TX)
Senior Engineer

512-719-6066

c: Brent Todd, BP
Jim Lutter, BP
Raymond Wood, BP
Dawn Nighman, Parsons

Enclosures (2)

441466-21001/PERMIT APPLICATION COVER LTR_DMN.DOC

OIL CONSERVATION DIVISION PERMIT APPLICATION

HYDROSTATIC TEST WATER DISCHARGE FROM DAGGER DRAW STATION: TANK 45755 TO ADJACENT LAND

DAGGER DRAW, NEW MEXICO

Prepared for:

bp

BP Pipelines (North America), Inc.
Southwest District
502 N. West Avenue
Levelland, TX 79336

Prepared by:

PARSONS

999 OAKMONT PLAZA DRIVE
WESTMONT, IL 60559

20 APRIL 2006

TABLE OF CONTENTS

1.0 INTRODUCTION 1

2.0 TANK OWNER AND CONTACTS 4

3.0 TANK CLEANING PROCEDURE 4

4.0 DESCRIPTION OF PROPOSED HYDROSTATIC TEST 4

5.0 SOURCE AND ANALYSIS OF TEST WATER 5

6.0 PREDISCHARGE TEST WATER ANALYSIS 6

7.0 PROPOSED POINT OF DISCHARGE 7

8.0 TEST WATER TREATMENT METHOD 8

8.1 Treatment Equipment and Procedure 8

8.2 Waste Disposal 8

9.0 DISCHARGE MONITORING 8

10.0 DEPTH TO GROUNDWATER AND SUBSURFACE GEOLOGY 8

11.0 LANDOWNER AND ADJACENT LANDOWNERS 9

LIST OF ATTACHMENTS

Attachment 1. Source Water Analytical Report

Attachment 2. Landowner Map/List and Approval Letters

LIST OF FIGURES

Figure 1. Location Map 1

Figure 2. Topographic Map 2

Figure 3. Site Drawing 3

Figure 4. BP Crude Oil Tank 5

Figure 5. Discharge Area 7

LIST OF TABLES

Table 1. Source Water Analysis 6

Table 2. OCD Discharge Permit Limits 6

1.0 INTRODUCTION

BP Pipelines (North America), Inc. (BP) is requesting authorization from the New Mexico Oil Conservation Division (OCD) to discharge hydrostatic test water from a crude oil tank hydrotest. Water is proposed to be discharged to adjacent land, and then allowed to evaporate to the air and infiltrate shallow soils. The test water will not be discharged to the surface waters of New Mexico. This document provides relevant information identified in the New Mexico OCD, Guideline for Hydrostatic Test Dewatering, Revised 5/89.

BP owns and operates a 20,000 barrel crude oil storage tank (#45755) that is located with other crude oil storage/transportation equipment at their Dagger Draw Station. The station is located adjacent to the east side of Cross Buck Road (CR 29) approximately 0.8 miles south of the intersection of Cross Buck Road and Rocking R Red Road. The distance from this intersection to the intersection of Rocking R Red Road and Seven Rivers Highway (US 285) to the east is approximately 8.2 miles. Refer to the attached figures (Figures 1 - Location Map; Figure 2 - Topographic Map; Figure 3 – Site Map). Cleaning and repairs to the tank will be made prior to the hydrotest.

600'

Figure 1. Location Map

19 19S 25E

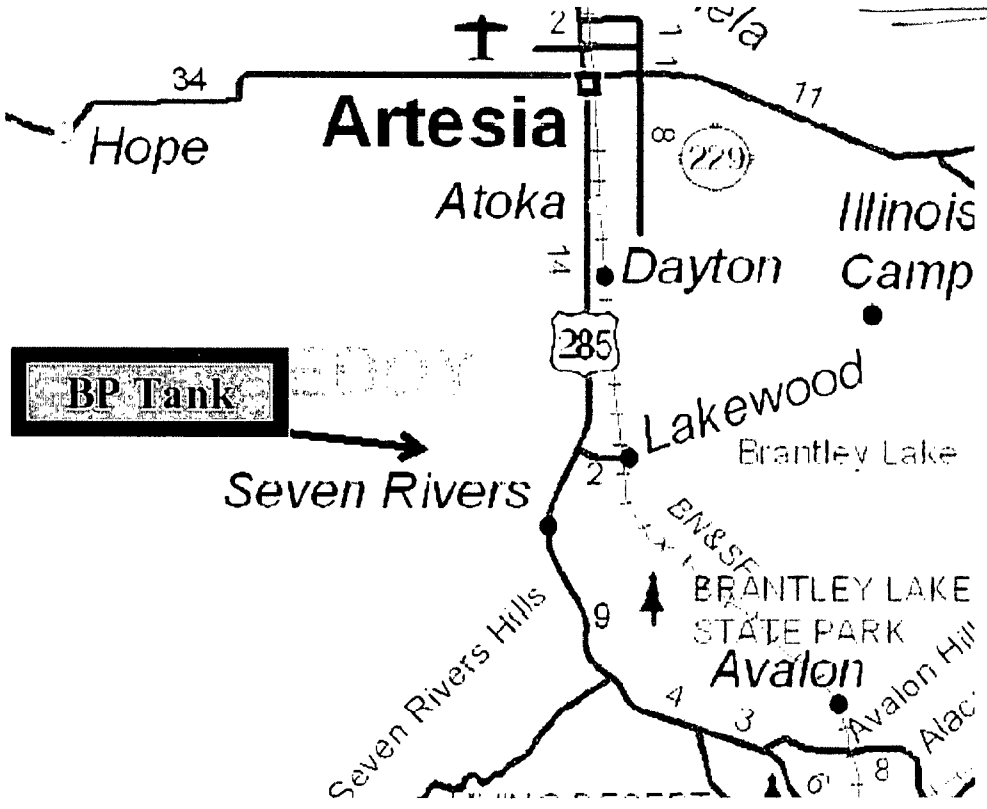


Figure 2. Topographic Map

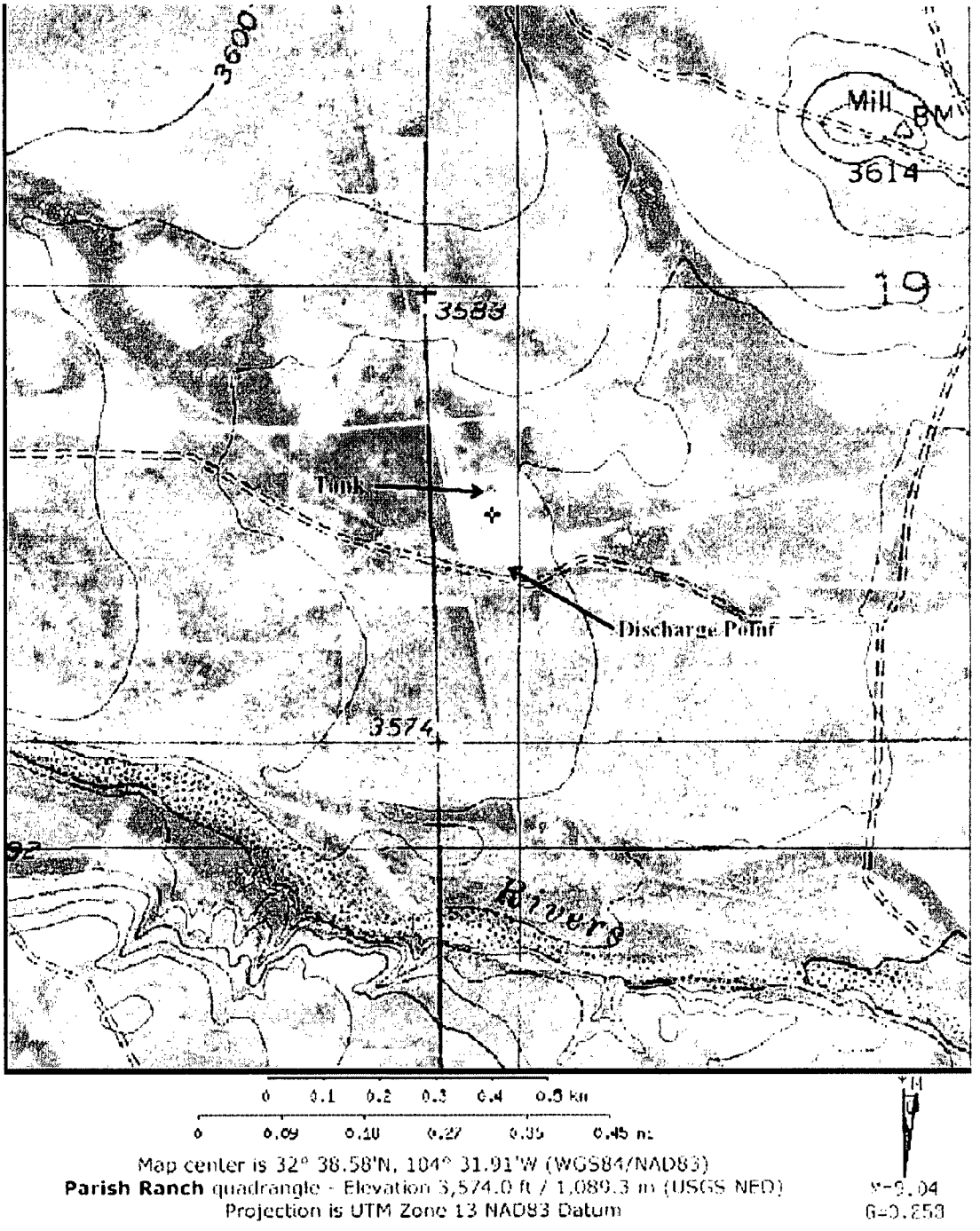
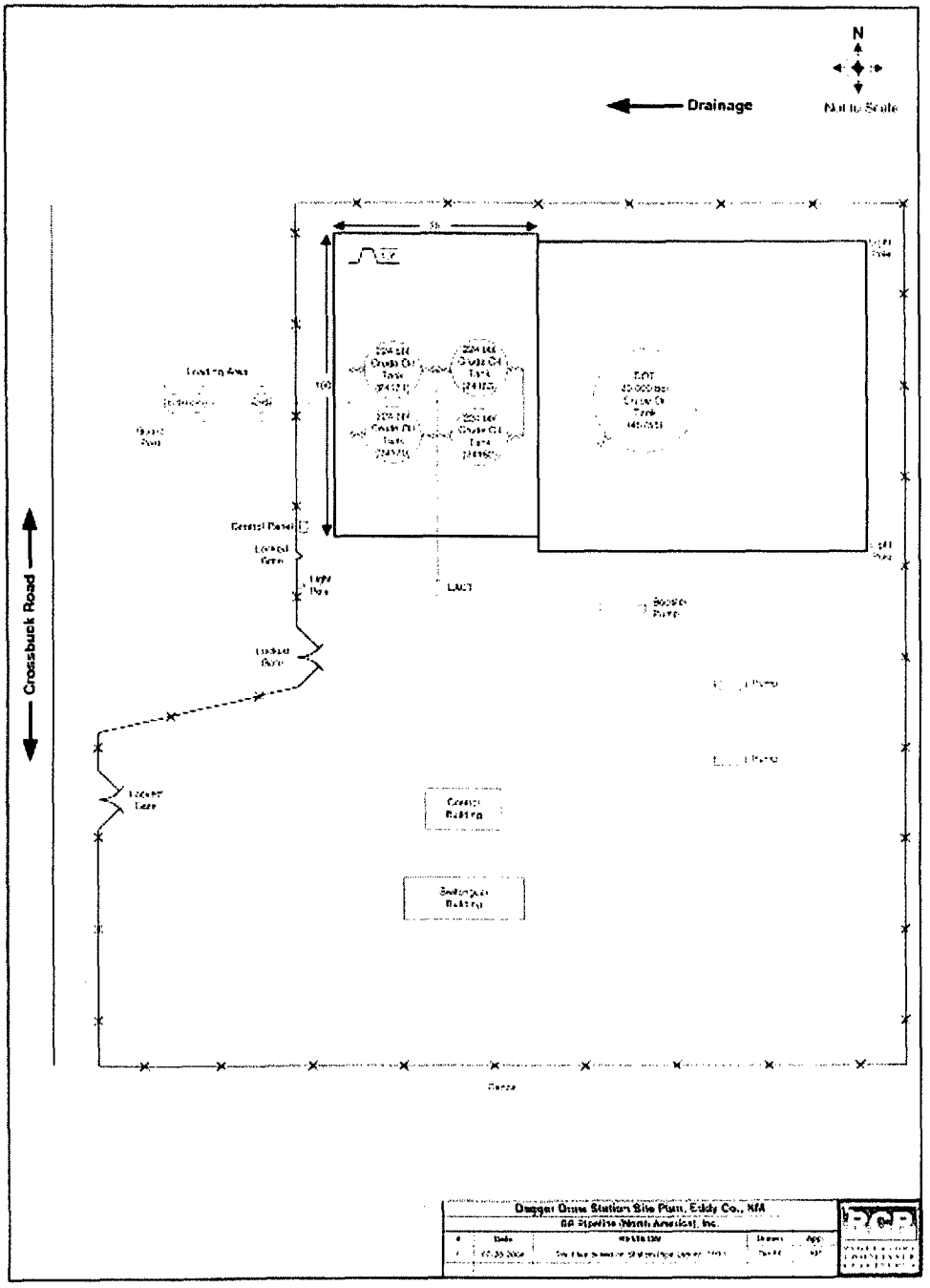


Figure 3. Site Drawing



2.0 TANK OWNER AND CONTACTS

BP owns the subject tank to be tested (#45755). Contact information for BP and Parsons individuals involved with this project, and the development of this application are as follows:

BP Contacts:

Brent Todd BP District Engineer 502 N West Ave Levelland, Texas 79336 Phone: 806-897-7015	Jim Lutter BP HSSE District Manager 502 N. West Avenue Levelland, TX 79336 Phone: 806-897-7017
Jim Bloom BP Construction Coordinator 502 N West Ave Levelland, Texas 79336 Phone: 806-897-3612	

Parsons Contacts:

Dawn M. Nighman, CPESC 999 Oakmont Plaza Drive Westmont, Illinois 60559 630-371-1812	Steve Manning, PE (TX) 8000 Centre Park Drive, Suite 200 Austin, Texas 78754 512-719-6066

3.0 TANK CLEANING PROCEDURE

The inside of the tank will be power-washed using local well water. The washwater and oil residual will be transported off-site for proper disposal by a BP subcontractor. A photograph of the Tank 45755 is included as Figure 4.

4.0 DESCRIPTION OF PROPOSED HYDROSTATIC TEST

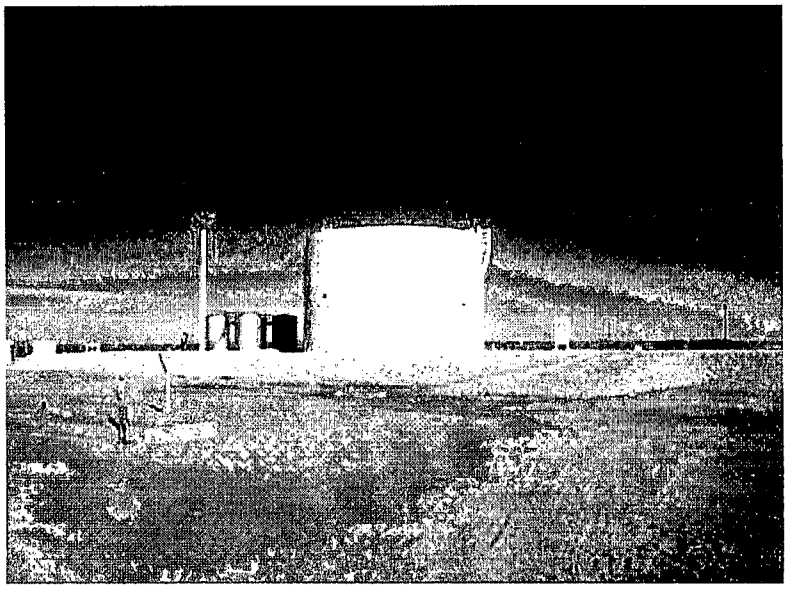
The subject tank will be filled to 34-feet gauge height, approximately 18,000 barrels. The water will remain in the tank for 48-hours while the tank is inspected for leaks.

At the end of the hydrotest, the water in the tank will be sampled by taking three grab samples: (1) from 1 foot off the bottom of the tank, (2) in the middle of the tank (17 feet), and (3) from 1 foot below the top of the water. These three grab samples will be composited to form one sample, and placed in appropriate laboratory-supplied containers. The sample containers will be placed on ice in a cooler, and then shipped to Cardinal

Labs (Hobbs, NM), a BP-contracted laboratory, under proper chain-of-custody procedures.

If the tank fails the first hydrotest, a second test may be necessary, which would in turn necessitate the refilling of the tank, and subsequent discharge of an additional 18,000 barrels of hydrotest water. If this should occur, the above hydrotest water sample procedure and protocol will be followed to characterize hydrotest water generated from this second hydrotest.

Figure 4. BP Crude Oil Tank No. 45755



5.0 SOURCE AND ANALYSIS OF TEST WATER

Well water from the Gregory Rockhouse Ranch (19S 25E 31 4 2 4) will be used as source water for the tank hydrotest. The well is located near the intersection of Cross Buck Road and Rock Daisy Road (CR 23) at coordinates N 32° 36.836', W104° 30.946'. The last measured depth to water in this well was 150 feet below ground surface.

The water will be pumped from the well at a rate of 100 to 120 gallons per minute (gpm) through a temporary pipeline approximately 2.6 miles to the subject tank to be tested.

The source water was sampled and analyzed by Trace Analysis. A summary of the analytical results is provided in Table 1, and the laboratory reports are included as Attachment 1.

Table 1. Source Water Analysis

Parameter	Analytical Result (mg/l)	Groundwater Quality Standard (mg/l)
Arsenic	<0.00500	0.1
Barium	0.0210	1.0
Cadmium	<0.00100	0.01
Chromium	<0.0100	0.05
Lead	<0.00500	0.05
Total Mercury	<0.000200	0.002
Selenium	<0.01000	0.05
Silver	<0.00200	0.05
Benzene	<0.00100	0.01
Toluene	<0.00100	0.75
Ethylbenzene	<0.00100	0.75
Total Xylenes	<0.00100	0.62
TPH (DRO)	<5.00	NA
TPH (GRO)	<0.100	NA

6.0 PREDISCHARGE TEST WATER ANALYSIS

As previously described, three grab samples of the hydrotest water will be collected and composited into one sample at the conclusion of the hydrotest. The water will be analyzed and the results compared to the New Mexico OCD discharge limits outlined in Table 2, provided to Parsons by the OCD. If any of the analytical results are found to exceed the discharge limits, the water will be treated to meet the permit limits prior to discharge to the ground surface.

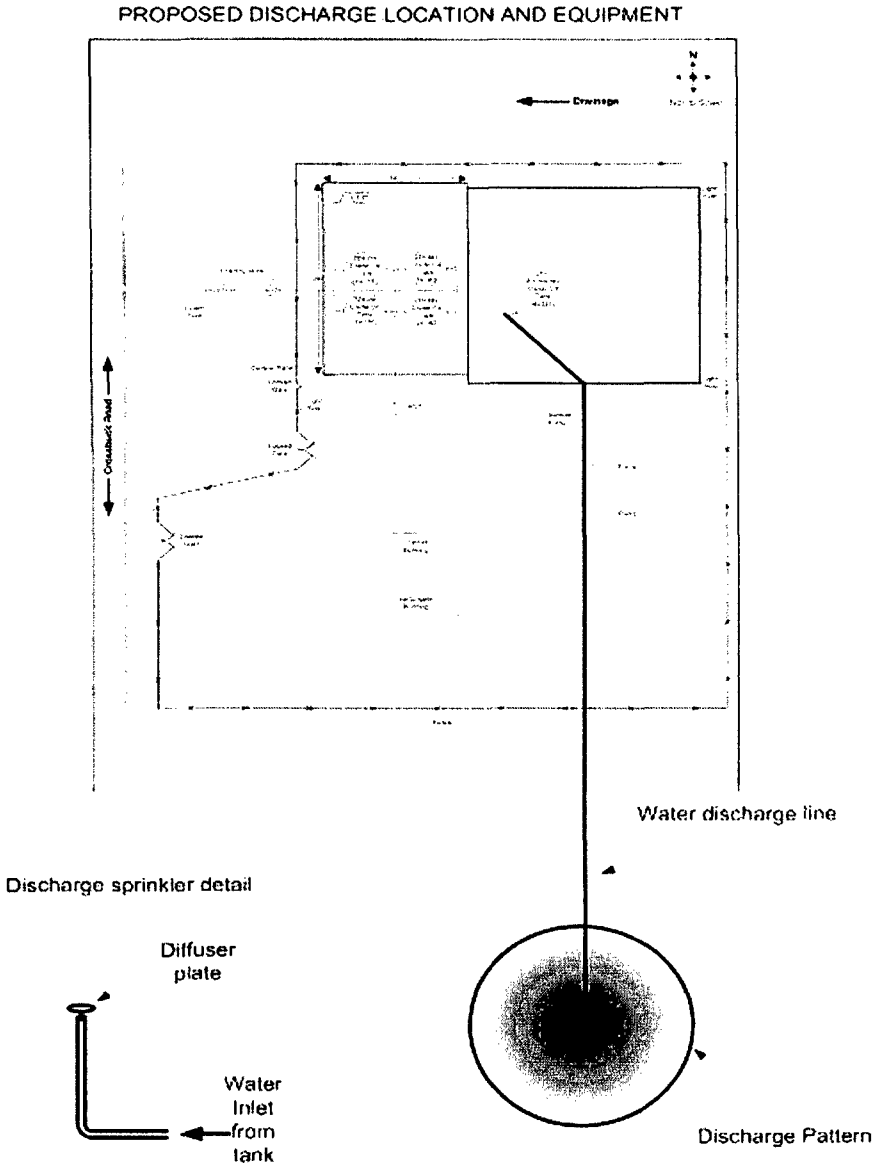
Table 2. OCD Discharge Permit Limits

Parameter	Discharge Limits (mg/L)
Arsenic	0.1
Barium	1.0
Cadmium	0.01
Chromium	0.05
Lead	0.05
Total Mercury	0.002
Selenium	0.05
Silver	0.05
Benzene	0.01
Toluene	0.75
Ethylbenzene	0.75
Total Xylenes	0.62

7.0 PROPOSED POINT OF DISCHARGE

The proposed point of discharge is to the south of the Dagger Draw Station, as shown in Figure 5. Hay bales or other sufficient barriers will be placed around the proposed discharge area to ensure the water remains within a controlled footprint of the ground surface.

Figure 5. Discharge Area



8.0 TEST WATER TREATMENT METHOD

8.1 Treatment Equipment and Procedure

If the test water in the tank meets the permit limits, the water will be discharged without treatment. If the test water does not meet the permit limits, the water will be treated to meet the permit limits and discharged. The treatment method to be used will depend on the quality of the water. It is anticipated that if treatment is needed, the water would be pretreated for any oil sheen and then filtered to the degree necessary to achieve the permit limits.

8.2 Waste Disposal

Any waste generated will be disposed off-site in accordance with state and local requirements, and BP protocol.

9.0 DISCHARGE MONITORING

If the quality of the water in the tank requires treatment before discharging, the discharge water will be tested twice or according to the issued permit. Samples will be collected by the tank volume divided by the required number of samples. As an example, if two samples are required, samples will be collected at the beginning of the discharge and when the tank is half emptied.

10.0 DEPTH TO GROUNDWATER AND SUBSURFACE GEOLOGY

According to the New Mexico Office of the State Engineer groundwater database, the groundwater depth in a well located at Basin RA, 19S, 25E, Section 19 is 310 feet below ground surface. The driller described the water bearing zone as a sandstone-gravel-conglomerate at a depth of 320 to 390 feet below the surface.

According to New Mexico Bureau of Geology and Mineral Resources the discharge area is in the Seven Rivers Formation. The following is an excerpt about this formation from their website:

> ***Psg---Seven Rivers Formation***---*thin- to medium-bedded, dolomite, commonly vesicular, tan-grey weathered, light grey fresh, massive to laminated, interbedded with m-scale intervals of red siltstone and very fine sandstone and gypsum, in cycles (m-scale), rippenstein and elephant skin weathering, interbedded with m-scale intervals of red siltstone and gypsum, in cycles (m-scale), very fine sand to silt, with ripple-cross lamination and local soft-sediment deformation (some due to gypsum mobilization) interbedded with white to yellow to green to gray to red, punky to crystalline massive gypsum (up to 2 m thick), crystals cm scale, some gypsum intervals lack siltstone and are interbedded with very thin dolomite beds, laminated to stromatolitic, gypsum nodules in siltstone intervals, many small folds (scale) and caverns characterize this unit, folds are commonly trough shaped, small-scale def is common in this unit, yet, large scale stratographic deformation is minimal—beds can be traced laterally for kms in the Seven Rivers Hills area, several scales of*

folding—m-scale, 10-m scale, and km scale, all low amplitude, 5-10 m scale cycles of interbedded gyp and siltstone and dol are characteristic of this unit. May be divisible into two units—a red siltstone rich, and siltstone poor unit. Upper contact with Psd may be an unconformity and is defined by a breccia zone several meters thick. Contact between Psg and Psd is common area for cave formation. Thickness XX m.

The U.S. Natural Resource Conservation Service soils report indicates there are two shallow soil types: Pima and Reagan. Pima soils occupy the lower elevations and have a moderately slow permeability in the top 60 inches. Available water capacity to a depth of 60 inches is high, and shrink swell potential is moderate. Pima soils from 0 to 3 inches are silt loam and slightly alkaline. Pima soils from 3 to 60 inches are silty clay loam and slightly alkaline. Reagan soils occupy the higher elevation, and have a moderately slow permeability in the top 60 inches. Available water capacity to a depth of 60 inches is high, and shrink swell potential is moderate. Reagan soils from 0 to 8 inches are loam and slightly alkaline. Pima soils from 8 to 60 inches are loam and moderately alkaline.

11.0 LANDOWNER AND ADJACENT LANDOWNERS

Yates Petroleum et.al. own the land to which the hydrotest water will be discharged. A drawing of the landowner boundaries in relation to the site and discharge areas is included in Attachment 2. In addition, a survey description of the Dagger Draw Station property, a list of the individuals who own the land to which water will be discharged (Yates et.al.), adjacent landowners, and landowners within ½ mile of the disposal site are also included in Attachment 2. Letters from the landowners authorizing BP to discharge the test water on their land are also included in this attachment.

ATTACHMENT 1

SOURCE WATER ANALYTICAL REPORT

Summary Report

Ted Philley
CRA-Midland
2135 South Loop 250 West
Midland, TX, 79703

Report Date: April 11, 2006

Work Order: 6040708

Project Location: Eddy County, New Mexico
Project Name: Dagger Draw Hydrotest
Project Number: 044894

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
87879	Well Sample #2	water	2006-04-05	17:00	2006-04-07

	BTEX				MTBE	TPH DRO	TPH GRO
	Benzene	Toluene	Ethylbenzene	Xylene	MTBE	DRO	GRO
Sample - Field Code	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)	(mg/L)
87879 - Well Sample #2	<0.00100	<0.00100	<0.00100	<0.00100		<5.00	<0.100

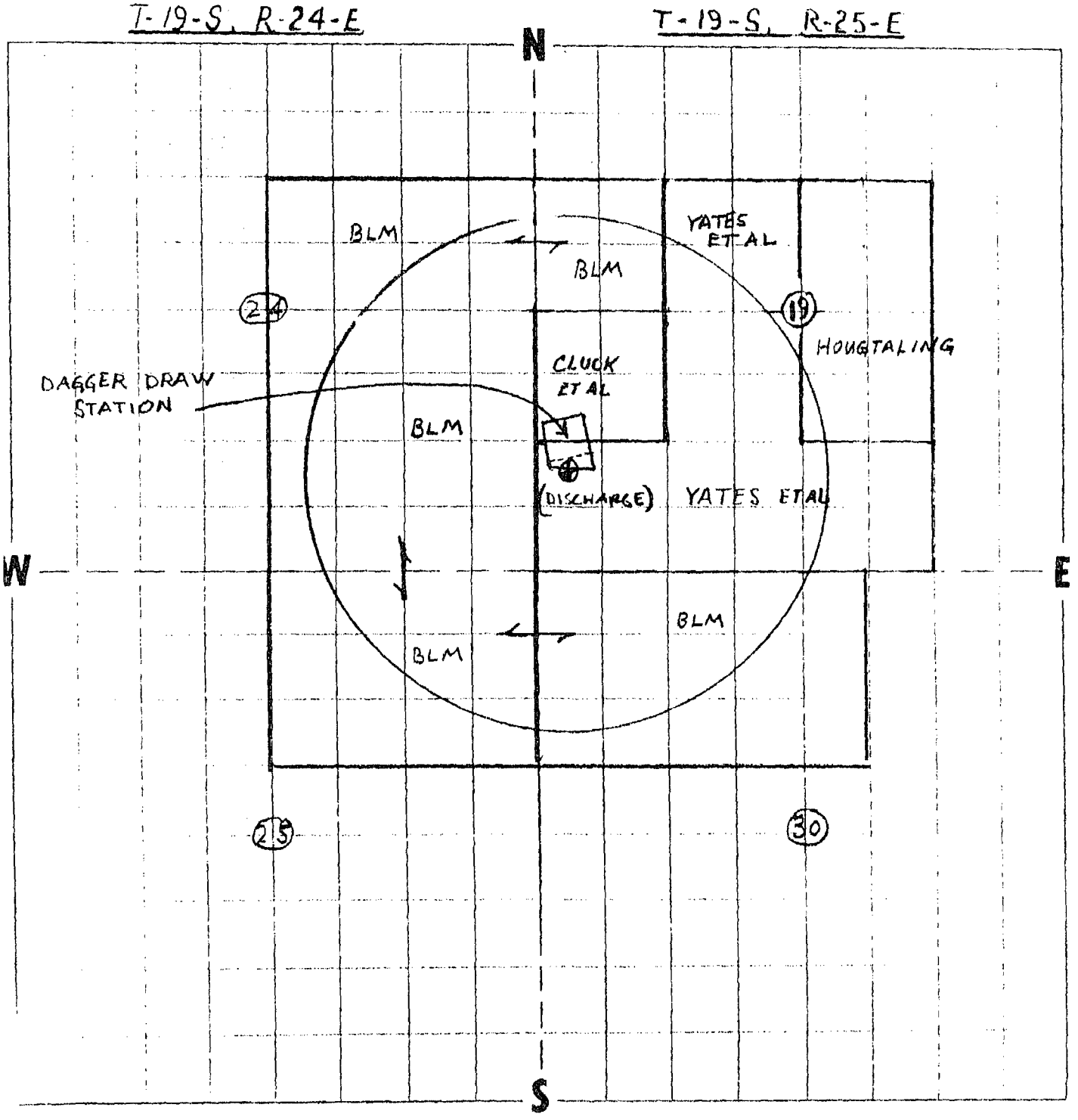
Sample: 87879 - Well Sample #2

Param	Flag	Result	Units	RL
Total Silver		<0.00200	mg/L	0.00200
Total Arsenic		<0.00500	mg/L	0.00500
Total Barium		**0.0210**	mg/L	0.0100
Total Cadmium		<0.00100	mg/L	0.00100
Total Chromium		<0.0100	mg/L	0.0100
Total Mercury		<0.000200	mg/L	0.000200
Total Lead		<0.00500	mg/L	0.00500
Total Selenium		<0.0100	mg/L	0.0100

ATTACHMENT 2

LANDOWNER MAP/LIST AND APPROVAL LETTERS

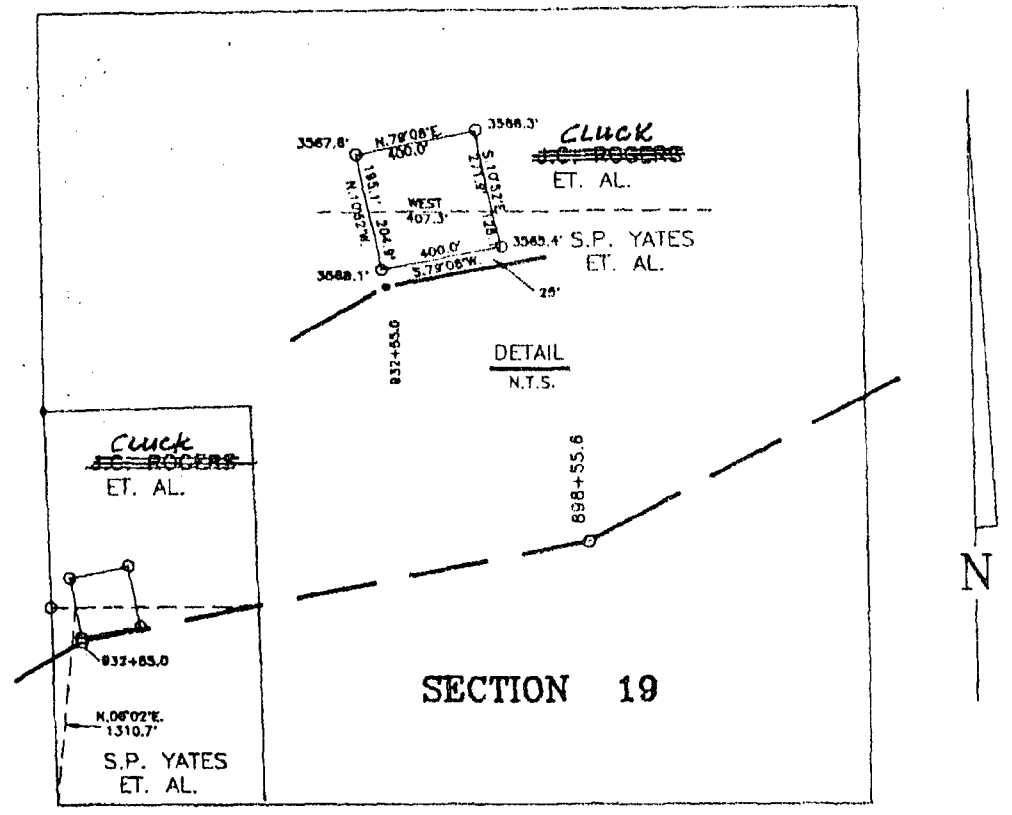
Eddy County, NM



RW No.

R. 25 E.

T. 19 S.



1000 0 1000 2000 3000 Feet

LAND OF ~~J.C. ROGERS~~ CLUCK ET. AL.

A TRACT OF LAND LOCATED IN LOT 3 OF SECTION 19, TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF LOT 3, SAID POINT BEING N.06°02'E., 1310.7 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 19. THENCE N.10°52'W., 195.1 FEET; THENCE N.79°08'E., 400.0 FEET; THENCE S.10°52'E., 271.9 FEET TO A POINT ON THE SOUTH LINE OF SAID LOT 3. THENCE WEST, 407.3 FEET TO THE POINT OF BEGINNING AND SAID TRACT BEING 2.14 ACRES MORE OR LESS.

LAND OF S. P. YATES, ET. AL

A TRACT OF LAND LOCATED IN LOT 4 OF SECTION 19, TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT 4, SAID POINT BEING N.06°02'E., 1310.7 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 19. THENCE EAST ALONG THE NORTH LOT LINE, 407.3 FEET; THENCE S.10°52'E., 128.1 FEET; THENCE S.79°08'W., 400.0 FEET; THENCE N.10°52'W., 204.9 FEET TO THE POINT OF BEGINNING AND SAID TRACT BEING 1.53 ACRES MORE OR LESS.

STATE OF NEW MEXICO
HERSCHEL L. JONES
3640
REGISTERED LAND SURVEYOR

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEETS THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND PROFESSIONAL SURVEYORS.

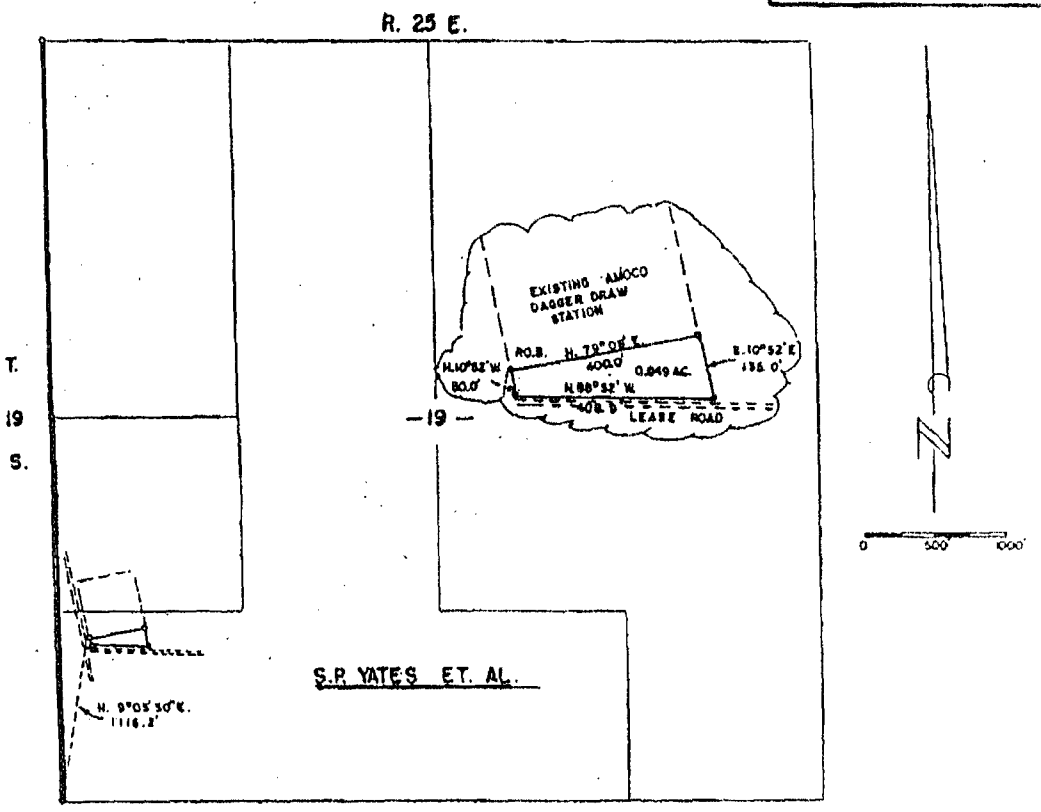
Date: 2/6/91

Herschel L. Jones P.S. No. 3640
P.O. Box 996, Lovington, New Mexico 88260

COMPANY	JOB	DATE	SCALE	FILE NO.
AMOCO PIPELINE CO.	400' X 400' TRACT	2-06-91	1"=1000'	AMB-4

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

JOB No.



DESCRIPTION:

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (SW¼SW¼) OF SECTION 19, TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING DESCRIBED AS FOLLOWS;

BEGINNING AT THE POINT OF BEGINNING OF SAID TRACT, A POINT LOCATED N.9°05'30"E., 1116.2 FEET DISTANT FROM THE SOUTHWEST CORNER OF SAID SECTION 19; SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THE EXISTING AMOCO DAGGER DRAW STATION TRACT; THENCE N.79°08'E., 400.0 FEET, ALONG THE SOUTH LINE OF SAID AMOCO STATION TRACT TO THE SOUTHEAST CORNER OF EXISTING TRACT; THENCE S.10°52'E., 135.0 FEET; THENCE N.88°52'W., 408.9 FEET; THENCE N.10°52'W., 50.0 FEET, BACK TO THE POINT AND PLACE OF BEGINNING, DESCRIBING 0.849 ACRES, MORE OR LESS.

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEETS THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

HERSCHEL L. JONES R.L.S. No. 3640

STATE OF NEW MEXICO HERSCHEL L JONES 3640 REGISTERED LAND SURVEYOR

AMOCO PIPELINE COMPANY

0.849 ACRE TRACT EXTENSION TO THE EXISTING AMOCO DAGGER DRAW STATION LOCATED IN SECTION 19, T.19 S., R.25 E., NMPM, EDDY COUNTY, NEW MEXICO.

P.O. Box 996 Lovington, New Mexico 88260

SCALE: 1" = 1000'	DRAWN BY: erb
DATE: 5/22/95	SHEET 1 OF 1

LANDOWNER LIST
Within 1/2 mile of BP Pipelines (North America) Inc.
Discharge of Hydro-Test Water

Section 19, 19N-25E, Eddy County, NM

SWSW (Point of Discharge) and other lands E2SW, SENW, SWSE

Yates Petroleum Corporation,
SP. Yates and Estelle Yates
105 S. Forth
Artesia, NM 88210

S.P. Johnson III & Barbara Jo Johnson Trust,
Patricia J. Cooper Trust
c/o Dirk Jones, Jennings Law Firm
P.O. Box 1180
Roswell, NM 88202

Patricia Lodewick
c/o John Lodewick
3305 Wentwood
Dallas, TX 75225

NWSW

Barbara J. Cluck Estate, et al
P.O. Box 642
Grover, TX 79040-0642

NWSE & SWNE

Harold Hougtaling
P.O. Box 234
Artesia, NM 88211

SWNW

United States Department of the Interior,
Bcurau of Land Management, Carlsbad Resource Area (BLM)
620 E. Green Street
Carlsbad NM 88220

All other lands within 1/2 mile:

NW, E2NE	Section 30-19S-25E:	BLM
S2NE, SE	Section 24-19S-24E:	BLM
NE	Section 25-19S-24E:	BLM

WARREN ENTERPRISES - Certified Professional Land Service
4003 Oakhurst Dr., Amarillo, Texas 79109
office 806-359-6943, fax 806-331-6943, cell 806-679-1818

March 14, 2006

Yates Petroleum Corporation,
S. P. Yates and Estelle Yates
105 S. Forth
Artesia, NM 88210

Attn: Lisa Norton, Environmental Manager

Re: BP Pipelines (North America) Inc.'s request surface landowner approval to discharge Hydro-test water:
Yates Petroleum Corporation 25% undivided interest,
S.P. Yates & Estelle Yates 25% undivided interest
S/2SW/4 Section 19, 19S-25E,
Eddy County, New Mexico

Dear Ms. Norton:

BP Pipelines (North America) Inc. operates a Pumping and Storage Station (Dagger Draw Station) located in the Northwest corner of the Yates' et al lands as referenced. BP plans to conduct a maintenance program on the storage tank inside the location and will hydro-test it once restoration is completed near the end of April 2006. Once the hydro-test has been completed, BP desires to discharge the water onto the property outside the station. There will be approximately 18,000 barrels of water to be discharged. BP will disperse the water to be discharged by using an industry acceptable method of sprinkling for erosion control. The water will be tested and meet clean water standards set out by The State of New Mexico prior to any discharge and dispersing onto the property.

It is requested that you grant landowner approval of the aforementioned by signing and returning a copy of this letter to the undersigned at the letterhead address.

If you have any questions, please give me a call.

Yours truly,

Tim Warren,
Land Consultant for
BP Pipelines (North America) Inc.

AGREED AND APPROVED

_____, _____
Yates Petroleum Corporation date

_____, _____
S. P. Yates date

_____, _____
Estelle Yates date

ADDENDUM TO AGREEMENT:

Re: BP Pipelines (North America) Inc.'s request surface landowner
Approval to discharge Hydro-test water:
Yates Petroleum Corporation 25% undivided interest,
S.P. Yates & Estelle Yates 25% undivided interest
S/2SW/4 Section 19,19S-25E,
Eddy County, New Mexico

In reference to the above mentioned test to be carried out on the corner of the Yates' et al lands as referenced;

Yates' et al shall be notified 24 hours prior the beginning of the test to provide the opportunity for Yates' et al or their representative to witness the actual test.

Yates' et al shall be provided the tank water analysis prior to any water release from the tank being tested to the land surface belonging to Yates' et al.

Yates' et al reserves the right to stop the discharge of the test water onto its' property once the discharge from the tank being tested is started for any cause that may be perceived as an environmental regulatory or land surface damage concern.

WARREN ENTERPRISES - Certified Professional Land Service
4003 Oakhurst Dr., Amarillo, Texas 79109
office 806-359-6943, fax 806-331-6943, cell 806-679-1818

March 14, 2006

S.P. Johnson III and Barbara Jo Johnson Trusts and
Patricia J. Cooper Revocable Trust
c/o Dirk Jones
Jennings Law Firm
P.O. Box 1180
Roswell, NM 88202

Re: BP Pipelines (North America) Inc.'s request surface landowner approval to discharge Hydro-test water:
S.P. Johnson III & Barbara Jo Johnson Trusts- 12.5% undivided interest,
Patricia J. Cooper Revocable Trust- 12.5% undivided interest
S/2SW/4 Section 19, 19S-25E,
Eddy County, New Mexico

Dear Mr. Jones:

BP Pipelines (North America) Inc. operates a Pumping and Storage Station (Dagger Draw Station) located in the Northwest corner of the Johnson's et al lands as referenced. BP plans to conduct a maintenance program on the storage tank inside the location and will hydro-test it once restoration is completed near the end of April 2006. Once the hydro-test has been completed, BP desires to discharge the water onto the property outside the station. There will be approximately 18,000 barrels of water to be discharged. BP will disperse the water to be discharged by using an industry acceptable method of sprinkling for erosion control. The water will be tested and meet clean water standards set out by The State of New Mexico prior to any discharge and dispersing onto the property.

It is requested that you grant landowner approval of the aforementioned by signing and returning a copy of this letter to the undersigned at the letterhead address.

If you have any questions, please give me a call.

Yours truly,

Tim Warren,
Land Consultant for
BP Pipelines (North America) Inc.

AGREED AND APPROVED

S P Johnson III 3/20/06
S.P Johnson III & Barbara Jo Johnson Trust date

Patricia J Cooper 3-20-06
Patricia J. Cooper Revocable Trust date

WARREN ENTERPRISES - Certified Professional Land Service
4003 Oakhurst Dr., Amarillo, Texas 79109
office 806-359-6943, fax 806-331-6943, cell 806-679-1818

March 14, 2006

Patricia Lodewick
c/o John Lodewick
3305 Wentwood
Dallas, TX 75225

Re: BP Pipelines (North America) Inc.'s request surface landowner approval to discharge Hydro-test water:
Patricia Lodewick- 25% undivided interest,
S/2SW/4 Section 19, 19S-25E,
Eddy County, New Mexico

Dear Mr. Lodewick:

BP Pipelines (North America) Inc. operates a Pumping and Storage Station (Dagger Draw Station) located in the Northwest corner of Ms. Lodewick's lands as referenced. BP plans to conduct a maintenance program on the storage tank inside the location and will hydro-test it once restoration is completed near the end of April 2006. Once the hydro-test has been completed, BP desires to discharge the water onto the property outside the station. There will be approximately 18,000 barrels of water to be discharged. BP will disperse the water to be discharged by using an industry acceptable method of sprinkling for erosion control. The water will be tested and meet clean water standards set out by The State of New Mexico prior to any discharge and dispersing onto the property.

It is requested that you grant landowner approval of the aforementioned by signing and returning a copy of this letter to the undersigned at the letterhead address.

If you have any questions, please give me a call.

Yours truly,

Tim Warren,
Land Consultant for
BP Pipelines (North America) Inc.

AGREED AND APPROVED

Patricia Lodewick 3-20-06
Patricia Lodewick date