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APPROVALS

YEAR(S):



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 31, 2006

Mr. Daniel Bryant
Plains Marketing, L.P.
P.O. Box 3371
Midland, TX 79702

RE: Remediation Plan – D.S. Hugh Site
Unit Letter A, Section 26, Township 21 South, Range 37 East
Lea County, New Mexico
NMOCD File Number 1R-0463
Plains EMS No. 2000-10807
Premier Project No. 205071.00

Dear Mr. Bryant:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed the above plan submitted, on behalf of Plains Marketing, L.P. (Plains), by Premier Environmental Services, Inc. This remediation plan is hereby approved with the following conditions and understandings:

1. Plains will install at least six additional soil borings to further delineate soil contamination at the site, both horizontally and vertically.
2. Plains will excavate affected soils along the release flow path where deeper impacted soils (i.e. 30-40 feet bgs) are present. The depth of such excavation will be as shown in Figure 4 of Appendix A of the work plan.
3. Plains will dispose of the most heavily contaminated soils at an NMOCD-approved facility.
4. Plains will install at least two additional monitor wells to complete the groundwater delineation.
5. Plains will continue to monitor the groundwater at the site and will continue to recover phase-separated hydrocarbons using an absorbent sock and bailing every two weeks.
6. Groundwater monitoring at the site, and analysis for TPH and BTEX, will continue on a quarterly basis.
7. A 2006 Annual Monitoring Report will be prepared for this site, which outlines all of the activities at the site during 2005. Such report is due in the NMOCD Santa Fe office by April 1, 2007.
8. All other activities at the site related to this remediation plan will be performed as described in the plan. Any deviation requires NMOCD approval

Plains Marketing, L.P.
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NMOCD approval does not relieve Plains of responsibility should its operations at this site prove to have been harmful to public health or the environment. Nor does it relieve Plains of its responsibility to comply with the rules and regulations of any other governmental agency.

NEW MEXICO OIL CONSERVATION DIVISION



Edwin E. Martin
Environmental Bureau

Copy: Chan Patel
NMOCD, Hobbs