

2R - 53

REPORTS

DATE:

MAY 2006



**PLAINS
ALL AMERICAN**

19 May 2006

Mr. Ed Martin
New Mexico Energy, Minerals and Natural Resources
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

2R-53

2006 MAY 24 PM 1 39

Re: Plains Marketing, L. P., Closure Request, 15 May 2006 (231735)
Ballard Grayburg 5" Site (EMS: 2004-00192)
Unit M (SW/SW), Section 10 Township 18 South, Range 29 East
Eddy County, New Mexico

Dear Mr. Martin:

Please find attached for your approval the closure request, dated 15 May 2006, for the Plains Marketing, L. P., Ballard Grayburg 5" release site. The Ballard Grayburg 5" release site is located in Unit M (SW/SW), Section 10, Township 18 South, and Range 29 East in Eddy County, New Mexico. The Closure Request details site activities conducted to date and future activities for restoration of the site.

Should you have any questions or comments, please contact me at (505) 441-0965.

Sincerely,

Camille Reynolds
Remediation Coordinator
Plains All American

cc: Mr. Jim Amos, BLM
Mr. Mike Bratcher, NMOCD, District II

Enclosures

Basin Environmental Service Technologies, LLC

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



15 May 2006

Mr. Ed Martin
New Mexico Energy, Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

2R-53

Re: Closure Request, Ballard Grayburg 5" Site (231735)
 Plains Marketing, L. P. Preliminary Site Investigation Report and Remediation
 Plan, dated 14 December 2004, and Revision dated 20 March 2006
 NMOCD Approval Letter dated 03 April 2006
 Unit M (SW ¼, SW ¼) Section 10, Township 18 South, Range 29 East
 Eddy County, New Mexico

Dear Mr. Martin:

Basin Environmental Services (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this request for closure of the Ballard Grayburg 5" 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 Plan, dated 14 December 2004 and Revision dated 20 March 2006. The only remaining tasks to be completed are installation of a recovery well and reseeded with an approved Bureau of Land Management (BLM) grass seed, which is projected to be in the spring of 2006. Once reseeded of the Ballard Grayburg 5" release site has been accomplished, a request will be submitted to BLM for release of Plains from further activities on-site. Additionally, an attempt to install a replacement recovery well to the north-northwest of the plugged and abandoned Recovery Well (RW-1) will be conducted. Based on previous drilling activities, there are numerous suspected caverns to the north of the site, if these caverns are encountered, installation of a recovery well will be ceased and Plains will contact the NMOCD.

Allstate Environmental Services (Allstate) responded and clamped the pipeline release on 02 September 2004, located on the Ballard Grayburg 5" Pipeline. At the request of Plains, Basin performed subsequent remediation of the site. The impacted soils were excavated and stockpiled on a 6-mil poly-liner adjacent to the site. As reported on the C-

141, dated 07 September 2004, approximately 80 barrels of crude oil were released and 0 barrels recovered. Initial NMOCD ranking criteria for the Ballard Grayburg 5" release site was 0-9; however, delineation of the site revealed groundwater impact, 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 50 mg/kg for total BTEX and 100 mg/kg for TPH-GRO/DRO.

The following NMOCD approved remedial activities were accomplished at the Ballard Grayburg 5" pipeline release site:

- In September 2004, Basin conducted excavation activities at the release point and flow path. The excavation was approximately 22 feet long by 23 feet wide and 12 feet below ground surface (bgs). The impacted soils were placed on a 6-ml poly-liner adjacent to the excavation for future remedial activities. Approximately 250 cubic yards of impacted soil was excavated and stockpiled on-site.
- On 18 October 2004, horizontal and vertical delineation of the site was initiated utilizing an air rotary drill rig operated by Straub Corporation, Stanton, Texas. Initially soil borings were to be installed; however, once deeper crude oil impact was indicated, a recovery well at the release point and two (2) down gradient groundwater monitoring wells were installed. Two (2) attempts to install an up gradient groundwater monitoring well proved futile due to drilling into suspected limestone caverns and loosing air circulation. The two (2) up gradient bore holes were plugged with bentonite chips and hydrated from depth to surface. Soil samples were collected at 5 feet intervals and the selected soil samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results are attached as Table 1, Soil Chemistry Table.
- A Preliminary Site Investigation Report and Remediation Plan, dated 14 December 2004, was submitted to NMOCD and BLM and subsequently approved by both. The approved plan proposed excavating to a subsurface depth of approximately 12 to 15 feet bgs, collecting confirmation samples, installing a 40-ml poly-liner, blending of the impacted soil on-site and backfilling of the excavation. In August 2005, an electronic revision was submitted to NMOCD and BLM and approved. The revision proposed excavating to approximately 18 feet bgs, installing a 40-ml poly-liner, blending of the impacted soil on-site and backfilling of the excavation.
- In July and August 2005, excavation of the Ballard Grayburg 5" release site was initiated; however, excavation activities were halted due to excessive precipitation. Excavation activities were resumed in December 2005 and continued through January 2006. The final excavation dimensions were approximately 225 feet long by 60 feet wide and ranged from approximately 4 to 20 feet bgs. The release point area was excavated to approximately 100 feet long by 30 feet wide and approximately 20 feet bgs. Approximately 6300 cubic yards of clean overburden and impacted soil was excavation and stockpiled on-site.

Confirmation soil samples were collected from the excavation floor and walls in January 2006 and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. The laboratory data was electronically furnished to NMOCD. In February 2006, the Ballard Grayburg 5" pipeline was de-oiled and capped under the supervision of Plains operations personnel.

- In March 2006, the NMOCD, Plains and Basin conducted a site visit. A revised remediation plan was submitted and approved by NMOCD which summarized the remedial activities conducted and proposed closure of the Ballard Grayburg 5" release site.
- In April 2006, the blending of the impacted soil was conducted. Cells were divided into approximately 500 cubic yards and confirmation soil samples were collected 20 April 2006 and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. As requested, analytical results were electronically furnished to NMOCD and are included in Table 2, which is attached.
- In May 2006, a 40-ml poly-liner was installed on the excavation floor (approximately 100 feet long by 30 feet wide); a sand cushion was not required, as the site is comprised of very fine silty sand. Backfilling of the Ballard Grayburg 5" release site with the blended soil was initiated. Recovery Well (RW-1) was plugged from depth to surface with hydrated bentonite plug and grout. A fifteen by fifteen 40-ml poly-liner was installed at a depth of approximately eight (8) feet bgs, directly above the plugged recovery well. Backfilling of the remaining excavation was completed and the site was contoured to the surrounding undulating dunal pastureland.
- As stipulated in the NMOCD approval letter, dated 03 April 2006, quarterly groundwater sampling will continue and be reported on the NMOCD Annual Groundwater Report. Plains will attempt to install a recovery well to the north-northwest of the plugged and abandoned RW-1 as proposed in the 20 March 2006 revision and report the findings to NMOCD.

The remediation activities were completed in accordance with the NMOCD approved Plains Marketing, L. P., Remediation Plan, dated 14 December 2005 and Revision, dated 20 March 2006. Based on the results of the NMOCD approved remediation activities conducted at the Ballard Grayburg 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,



Ken Dutton

Basin Environmental Services

Attachments: Excavation Site Map
Table 1, Soil Chemistry, Soil Borings & Monitor Wells
Table 2, Soil Chemistry, Excavation & Stockpiled Materials
NMOCD C-141 (Initial)
NMOCD C-141 (Final)
Digital Photographs

Cc: Mr. Jim Amos, BLM
Mr. Mike Bratcher, NMOCD, Artesia District



ATTACHMENTS

ATTACHMENT 1

EXCAVATION SITE MAP



Plains Marketing, L.P.
 Ballard Grayburg 5" Site
 SW/SW S10, T18S, R29E
 Eddy County, New Mexico
 EMS: 2004-00192

SB-2

SB-1

Plugged and Abandoned
 Yates Petroleum Well

21 Feet

Release Point

P/A RW-1

Excavation Floor
 20 Feet bgs

30 Feet

100 Feet

Surface

Surface

60 Feet

Surface

Ramp
 4' bgs

Ramp
 10' bgs

Ramp
 4' bgs

225 Feet

Surface

MW-3

MW-2

LEGEND

- Recovery Well
- Soil Boring
- ⊙ Monitor Well

Stockpiled
 Material

Capped Plains Ballard
 Grayburg 5" Pipeline

Capped Plains Ballard
 Grayburg 5" Pipeline

TITLE

Plains Marketing, L. P.
 Ballard Grayburg 5" Site
 Eddy County, New Mexico
 EMS: 2004-00192

DESCRIPTION

Figure 2
 Excavation Site Map

DRAWN BY

Basin Environmental Service
 Technologies
 kad

ATTACHMENT 2

**TABLE 1, SOIL CHEMISTRY, SOIL
BORINGS & MONITOR WELLS**

TABLE 1

SOIL CHEMISTRY, SOIL BORINGS & MONITOR WELLS

PLAINS MARKETING, L.P.
 BALLARD GRAYBURG 5"
 EDDY COUNTY, NEW MEXICO
 PLAINS EMS NO: 2004-00206

SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M			TOTAL TPH (mg/kg)
			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)		
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)		
RW-1 5'	5' bgs	10/18/04	0.032	0.148	0.187	0.836	0.441	424	3400	3820	
RW-1 15'	15' bgs	10/18/04	0.078	0.462	1.70	3.11	2.02	918	4150	5070	
RW-1 25'	25' bgs	10/18/04	0.077	0.844	4.23	5.85	3.44	1360	6560	7920	
RW-1 35'	35' bgs	10/18/04	0.238	0.747	3.09	4.59	2.71	979	4310	5290	
RW-1 60'	60' bgs	10/18/04	0.027	0.318	2.03	3.12	2.06	1710	8650	10400	
RW-1 75'	75' bgs	10/18/04	<0.025	0.494	1.90	1.89	2.31	1850	11000	12900	
RW-1 95'	95' bgs	10/18/04	0.028	0.387	2.83	4.14	2.6	2130	9970	12100	
RW-1 115'	115' bgs	10/18/04	<0.025	0.063	0.349	0.519	0.389	381	3070	3450	
RW-1 135'	135' bgs	10/18/04	<0.025	0.122	0.655	0.994	0.672	393	2150	2540	
RW-1 155'	155' bgs	10/18/04	<0.025	0.048	0.289	0.424	0.297	285	2420	2700	
RW-1 175'	175' bgs	10/18/04	<0.025	0.134	0.725	1.15	0.768	503	2500	3000	
RW-1 185'	185' bgs	10/18/04	<0.025	0.069	0.308	0.503	0.332	247	1580	1830	
MW-2 15'	15' bgs	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 60'	60' bgs	10/19/04	<0.025	<0.025	<0.025	0.070	<0.025	<10.0	<10.0	<10.0	
MW-2 95'	95' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 135'	135' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 195'	195' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 15'	15' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 60'	60' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 95'	95' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 135'	135' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 195'	195' bgs	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	

TABLE 1 (cont)

SOIL CHEMISTRY

PLAINS MARKETING, L.P.
 BALLARD GRAYBURG 5"
 EDDY COUNTY, NEW MEXICO
 PLAINS EMS NO: 2004-00206

SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH (mg/kg)		
			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)			
			BENZENE XYLENES (mg/kg)									
SB-1 15'	15' bgs	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-1 35'	35' bgs	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-1 60'	60' bgs	10/19/04	<0.025	<0.025	<0.025	0.417	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-1 75'	75' bgs	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-1 90'	90' bgs	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 15'	15' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 35'	35' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 60'	60' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 75'	75' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 90'	90' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
SB-2 105'	105' bgs	10/22/04	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
NMOC D CRITERIA			10	TOTAL BTEX 50								100

ATTACHMENT 3

**TABLE 2, SOIL CHEMISTRY,
EXCAVATION & STOCKPILED
MATERIALS**

TABLE 2

SOIL CHEMISTRY, EXCAVATION & STOCKPILED MATERIAL

PLAINS MARKETING, L.P.
 BALLARD GRAYBURG 5"
 EDDY COUNTY, NEW MEXICO
 PLAINS EMS NO: 2004-00206

SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M			TOTAL TPH (mg/kg)	
			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)			
EXC W Wall	14' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0
STCKP	N/A	01/09/06	0.105	2.08	1.67	7.05	4.75	2140	26,000	28,100	<10.0	<10.0
EXC N Wall E	14' bgs	01/09/06	<0.025	<0.025	<0.025	0.027	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
Ramp FLR MDL	12' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
Ramp FLR E	9' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
EXC FLR	20' bgs	01/09/06	6.94	29.6	31.6	38.2	19.2	2730	6630	9360	<10.0	<10.0
EXC E Wall	14' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
EXC N Wall STN	14' bgs	01/09/06	26.5	104	64.7	125	70.3	7310	25,300	32,600	<10.0	<10.0
S Wall MDL	6' bgs	01/09/06	<0.025	0.025	<0.025	0.056	0.030	<10.0	<10.0	<10.0	<10.0	<10.0
Ramp FLR W	8' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
EXCV SW	13' bgs	01/09/06	0.327	3.41	4.38	13.9	9.08	949	3490	4440	<10.0	<10.0
S Wall W	6' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
EXC N Wall W	14' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
S Wall E	6' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	<10.0	<10.0
STCK 1	N/A	04/20/06	<0.025	<0.025	<0.025	<0.025	<0.025	68.9	1260	1330	<10.0	<10.0
STCK 2	N/A	04/20/06	<0.025	<0.025	0.049	0.193	0.047	63.5	792	856	<10.0	<10.0
STCK 3	N/A	04/20/06	<0.025	<0.025	<0.025	0.027	<0.025	57.5	883	940	<10.0	<10.0
STCK 4	N/A	04/20/06	<0.025	<0.025	<0.025	0.033	<0.025	56.8	821	878	<10.0	<10.0
STCK 5	N/A	04/20/06	<0.025	<0.025	<0.025	<0.025	<0.025	51.4	725	776	<10.0	<10.0
STCK 6	N/A	04/20/06	<0.025	<0.025	<0.025	<0.025	<0.025	30.7	438.7	469	<10.0	<10.0
STCK 7	N/A	04/20/06	<0.025	<0.025	<0.025	<0.025	<0.025	45.6	730	776	<10.0	<10.0
STCK 8	N/A	04/20/06	<0.025	<0.025	<0.025	<0.025	<0.025	62.9	1221	1280	<10.0	<10.0
STCK 9	N/A	04/20/06	<0.025	<0.025	<0.025	0.031	<0.025	78	925	1000	<10.0	<10.0

ATTACHMENT 4

NMOCD C-141 (INITIAL)

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

x 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 Ballard Greyburg 5" #2	Facility Type 5" 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
M	10	18S	29E					Eddy

Latitude 32°45'27.1" Longitude 104°04'12.0"

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 80 barrels	Volume Recovered 0 barrels
Source of Release 5" Steel Pipeline	Date and Hour of Occurrence 9-2-04 @ 06:00	Date and Hour of Discovery 9-2-04 @ 08:45
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Van Barton	
By Whom? Ken Dutton	Date and Hour 9-2-04 @ 14:32	
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 5" steel pipeline. A line clamp was installed to mitigate the release. The line is a 5-inch steel gathering line that produces approximately 95 barrels of crude per day. The pressure on the line varies from 50 to 70 psi and the gravity of the sour crude oil is 39. The sour crude has an H₂S content of 20 ppm

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was 10 x 6 feet. subsequent excavation of impacted soil resulted in an area of approximately 22 x 23 x 13 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:	
Title: Remediation Coordinator	Approval Date:	Expiration Date:
E-mail Address: cjreynolds@paalp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9-7-04	Phone: 505-441-0965	

* Attach Additional Sheets if Necessary

ATTACHMENT 5

NMOCD C-141 (FINAL)

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 **XX** Final Report

Name of Company: Plains Marketing, L. P.	Contact: Camille Reynolds
Address: 3112 W. Highway 82, Lovington, NM 88260	Telephone No. 505-441-0965
Facility Name: Ballard Grayburg 5"	Facility Type: 5" Steel Pipeline

Surface Owner: BLM	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
M	10	18S	29E					

Latitude 32° 45' 27.1" North Longitude 104° 04' 12.0" West

NATURE OF RELEASE

Type of Release: Crude Oil	Volume of Release: 80 barrels	Volume Recovered: 0 barrels
Source of Release: 5" Steel Pipeline	Date and Hour of Occurrence: 02 September 2004 @ 0600	Date and Hour of Discovery: 02 September 2004 @ 0845
Was Immediate Notice Given? XX <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Van Barton	
By Whom? Ken Dutton, Basin Environmental (505-441-2124)	Date and Hour: 02 September 2004 @ 1432	
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.*

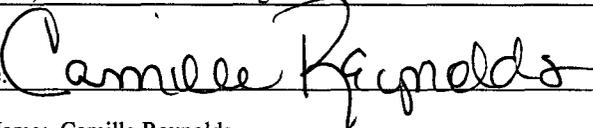
Describe Cause of Problem and Remedial Action Taken.*

External corrosion of the 5" steel pipeline. A line clamp was installed to mitigate the release. The line is a 5-inch steel gathering line that produces approximately 95 barrels of crude per day. The pressure on the line varies from 50 to 70 psi and the gravity of the sour crude oil is 39. The sour crude has an H2S content of 20 ppm.

Describe Area Affected and Cleanup Action Taken.*: The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was 10 X 6 feet; subsequent excavation of impacted soil resulted in area approximately 22 X 23 X 13 feet. Horizontal & vertical delineation of release site was conducted resulting in the installation of a recovery well and two (2) monitoring wells. The final dimensions of the excavated area were 225 feet long by 60 feet wide and 20 feet bgs, with approximately 6300 cubic yards of impacted and segregated clean overburden stockpiled on-site. Installation of two (2) 40-ml poly-liners was accomplished and backfilling of the excavation was completed.

SEE PLAINS MARKETING, L. P. PRELIMINARY SITE INVESTIGATION REPORT & REMEDIATION PLAN, DATED 14 DECEMBER 2004 AND REVISION DATED 20 MARCH 2006 FOR COMPLETE DETAILS OF REMEDIAL ACTIVITIES CONDUCTED AT THE BALLARD GRAYBURG 5" RELEASE SITE.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Camille Reynolds	Approved by District Supervisor:	
Title: Remediation Coordinator	Approval Date:	Expiration Date:
E-mail Address: cjreynolds@paalp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 15 May 2006 Phone: 505-441-0965		

* Attach Additional Sheets If Necessary

ATTACHMENT 6

DIGITAL PHOTOGRAPHS

**Plains Marketing, L. P.
Ballard Grayburg 5" Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
Emergency Response**

P/A Yates Production Well & Pad



22 Feet Long

23 Feet Wide

Release Point

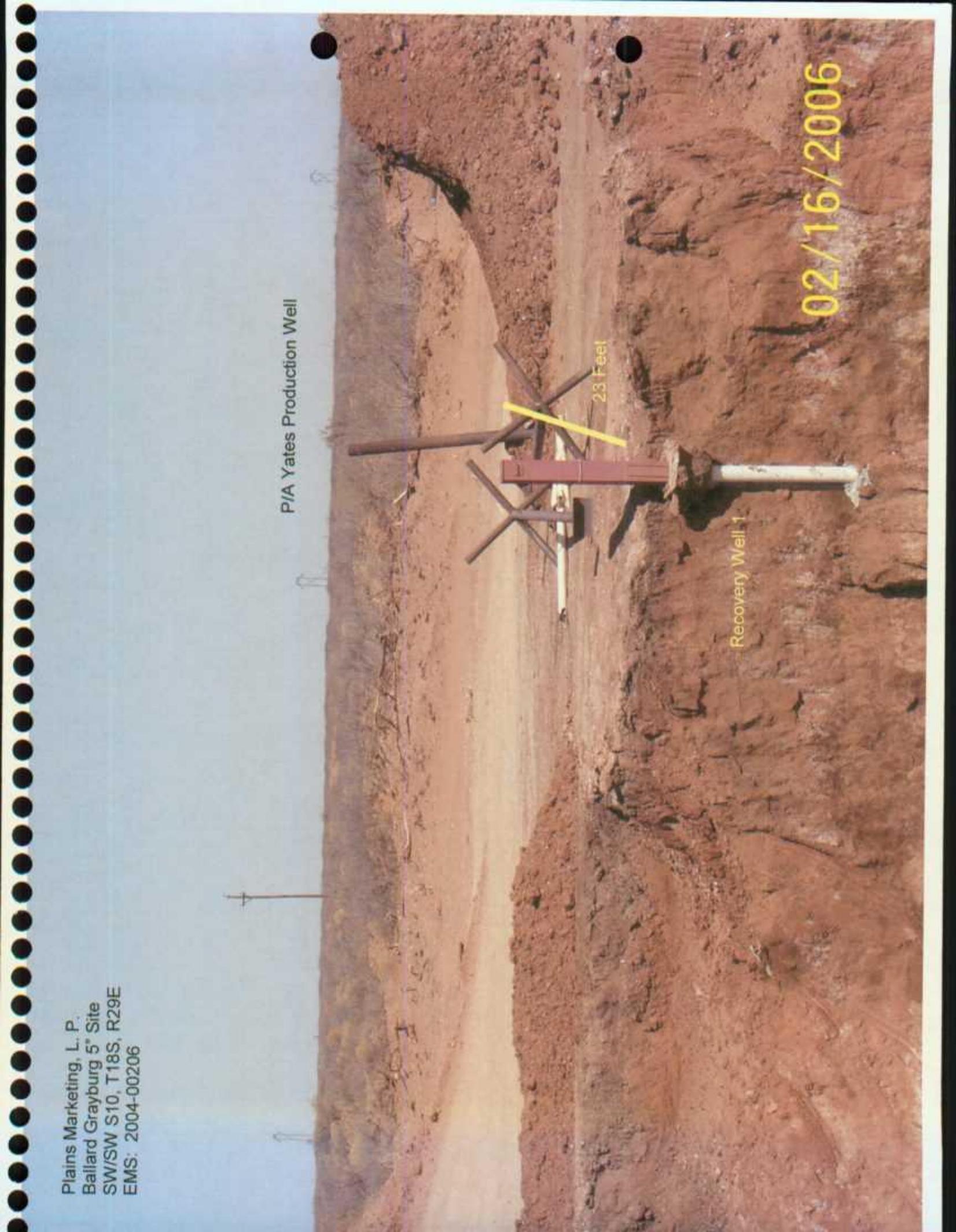
Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206

P/A Yates Production Well

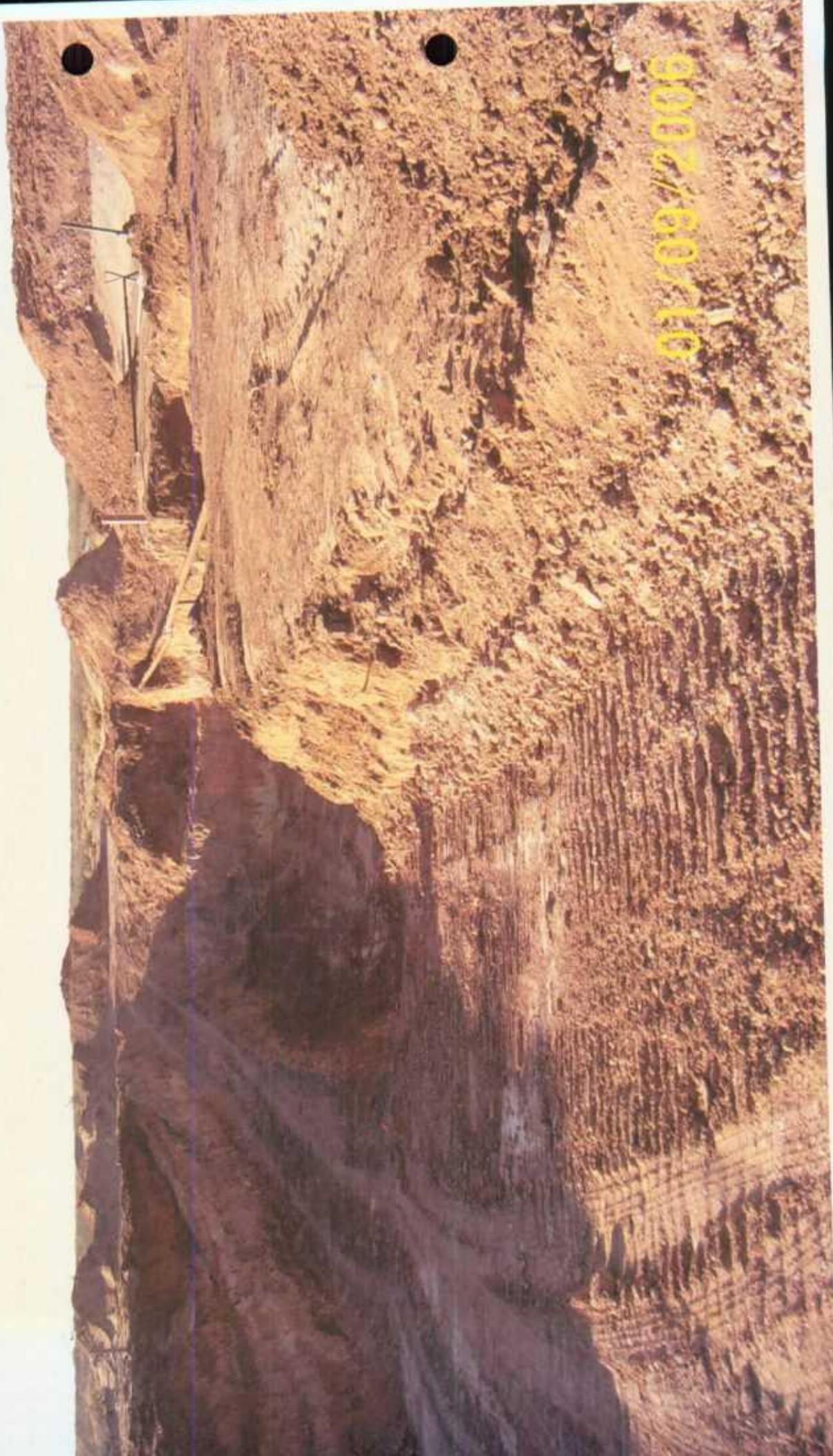
23 Feet

Recovery Well 1

02/16/2006



Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206

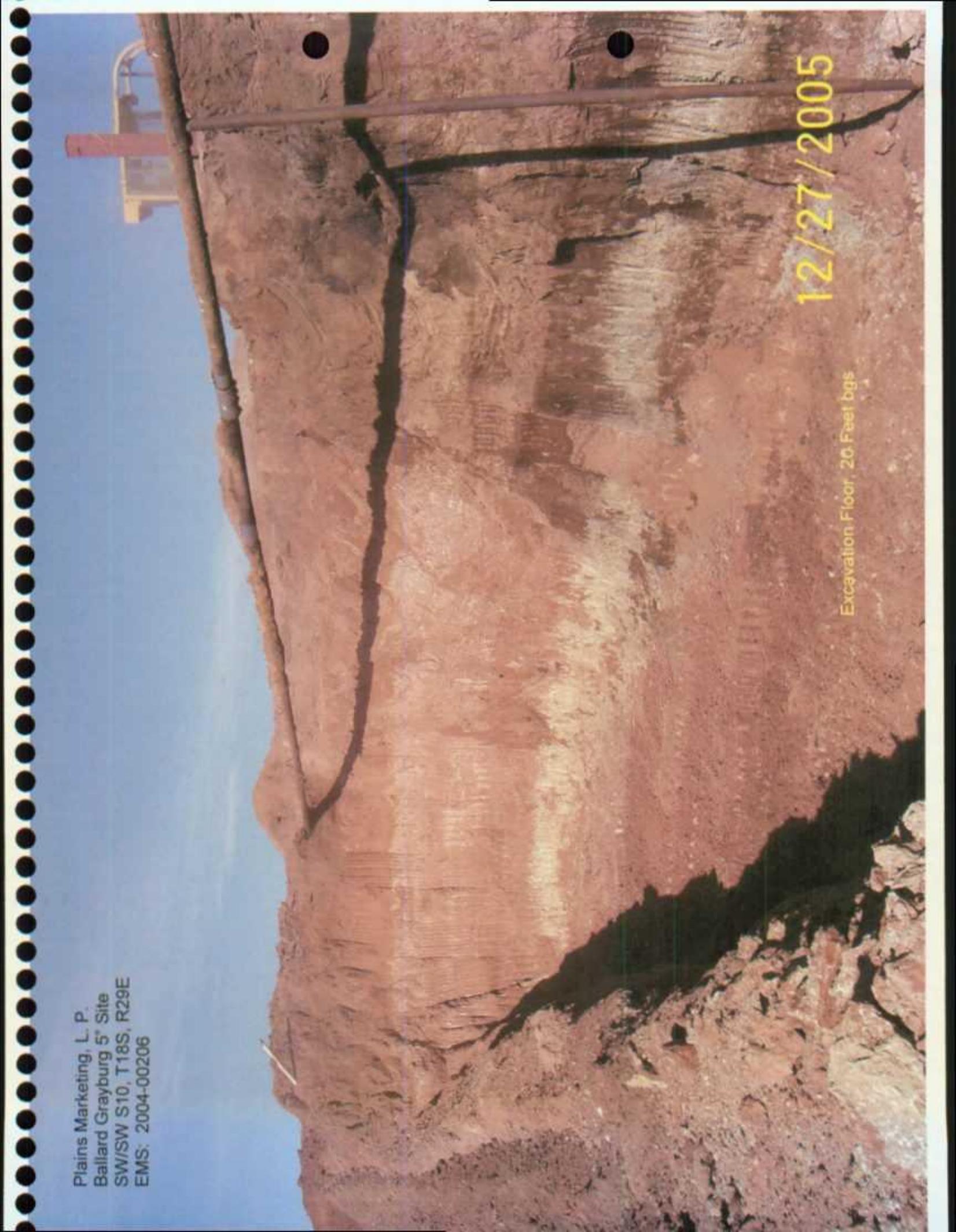


01/09/2006

Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206

12/27/2005

Excavation Floor, 20 Feet bgs

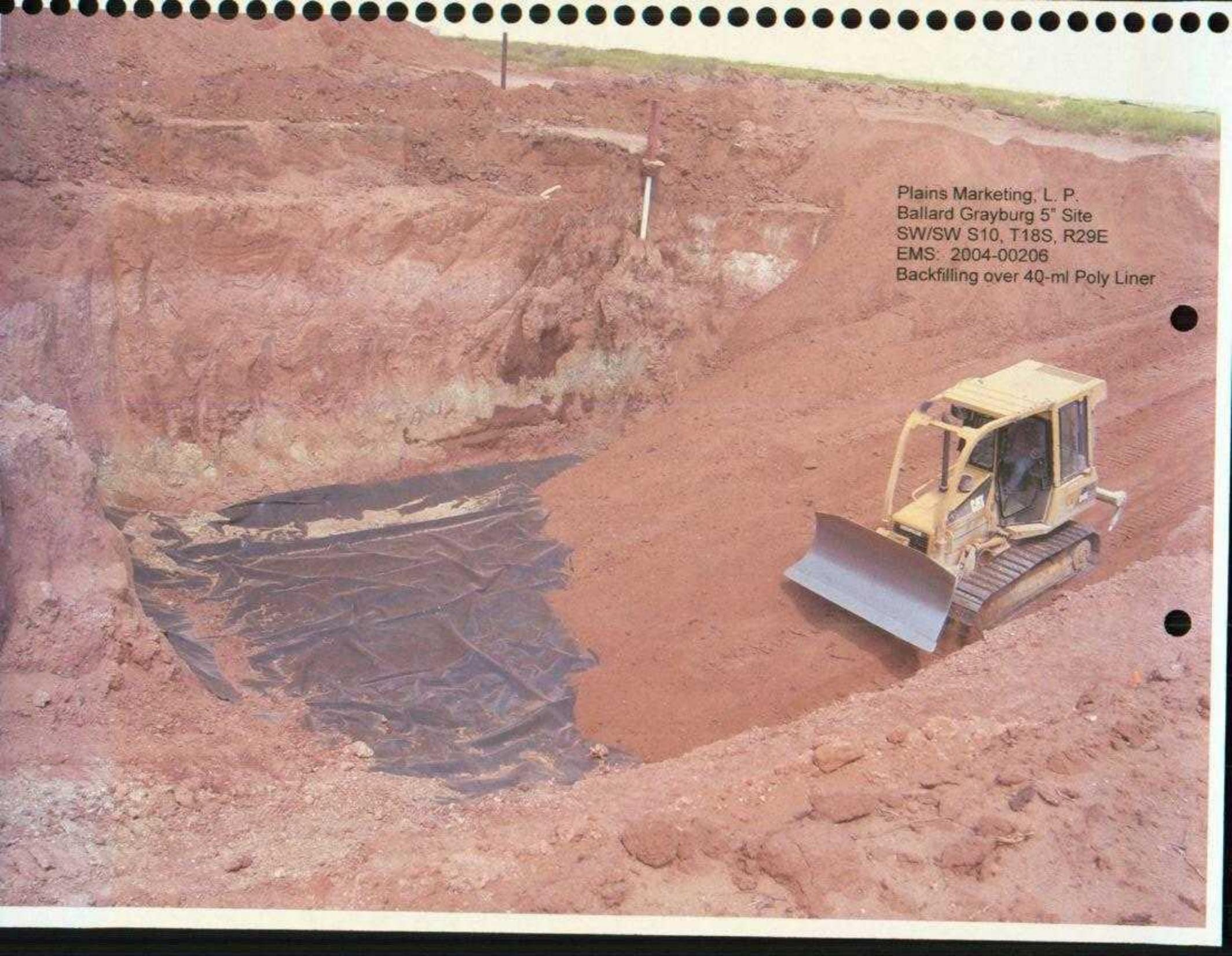




Plains Marketing, L.P.
Ballard Grayburg 5th Site
SW/4 SW 610, T18S, R29E
EMS 2004-00206
Excavation Floor
Pre-Poly Liner Installation

Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
40-ml Poly Installation





Plains Marketing, L. P.
Ballard Grayburg 5" Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
Backfilling over 40-ml Poly Liner

Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
Backfilling over 40-mil Poly Liner



Plains Marketing, L.P.
Ballard Grayburg 5' Site
SW/SW 340, T18S, R29E
EMS: 2004-00206
P/A Recovery Well 1

05/11/2006

Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
40-ml Installation over P/A RW-1

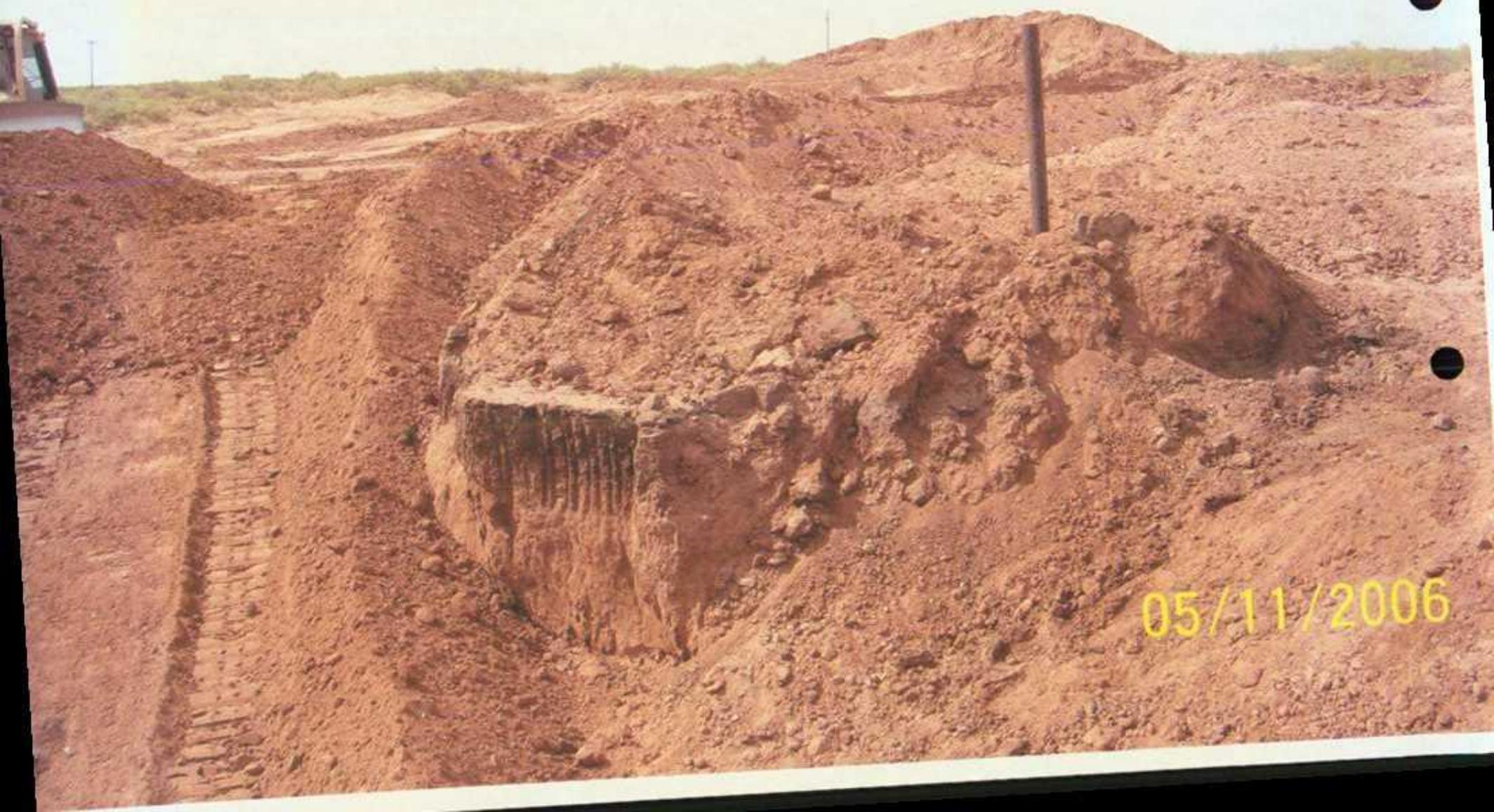


05/11/2006

Plains Marketing, L.P.
Ballard Grayburg 5th Site
SW/4 SW S10, T18S, R 29E
EMS: 2004-00206
Backfilling of 40-mil Poly Liner RW-1

05/11/2006

Plains Marketing, L.P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
Backfilling of 15' X 15' Poly Liner & Yates P/A Well



05/11/2006

Plains Marketing, L. P.
Ballard Grayburg 5th Site
SW/SW S10, T18S, R29E,
EMS: 2004-00206
Completed Backfilling of Excavation



Plains Marketing, L. P.
Ballard Grayburg 5" Site
SW/SW S10, T18S, R29E
EMS: 2004-00206
Completed Backfilling of excavation





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

April 3, 2006

Ms. Camille Reynolds
Plains All American
3112 West Highway 82
Lovington, NM 88260

RE: Ballard Grayburg 5" Release Site (EMS: 2004-00192)
U/L M, Sec. 10, Twp 18 South, Rng 29 East
Eddy County, New Mexico
NMOCD Reference 2R-053

1. 2005 Annual Monitoring Report Dated March 2006 and
2. Revision to Preliminary Site Investigation and Remediation Plan Dated December 14, 2004

Dear Ms. Reynolds:

The New Mexico Oil Conservation Division has received and reviewed the above two reports. These reports are accepted and approved with the following conditions and understandings:

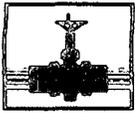
1. Groundwater monitoring and annual reporting will continue in 2006, the activities of which will be reported in the 2006 Annual Monitoring Report due by April 1, 2007.
2. The activities in Report #2 will be as described in the report.
3. Photographs will be taken at various stages as the Report #2 activities progress. Such photographs will further document the unique conditions at the site necessitating this type of revision to the original plan. Photographic subjects should include the Yates well and its proximity to the excavation, and the dangers inherent in any further excavation along the North wall. A photo after the installation of each of the two liners is also suggested.

If you have any questions, contact me at (505) 476-3492 or ed.martin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Edwin E. Martin
Environmental Bureau

Copy: NMOCD, Artesia



**PLAINS
ALL AMERICAN**

2006 MAR 24 PM 12 07

21 March 2006

Mr. Ed Martin
New Mexico Energy, Minerals and Natural Resources
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

Re: Revision to Plains Marketing, L.P., Preliminary Site Investigation and
Remediation Plan, dated 14 December 2004 (231735) *2R-53*
Ballard Grayburg 5" (EMS: 2004-00192)
Unit M (SW/SW), Section 10 Township 18 South, Range 29 East
Eddy County, New Mexico

Dear Mr. Martin:

Please find attached for your approval a Revision, dated 20 March 2006, for the Plains Marketing, L. P., Preliminary Site Investigation Report and Remediation Plan, dated 14 December 2004 pertaining to the Ballard Grayburg 5" release site. The Ballard Grayburg 5" release site is located in Unit M (SW/SW), Section 10, Township 18 South, and Range 29 East in Eddy County, New Mexico. The Revision details site activities conducted to date and future remedial activities for restoration of the site.

Should you have any questions or comments, please contact me at (505) 441-0965.

Sincerely,

Camille Reynolds
Remediation Coordinator
Plains All American

cc: Mr. Jim Amos, BLM
Mr. Mike Bratcher, NMOCD, District II

Enclosures

Basin Environmental Service Technologies, LLC

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



20 March 2006

Mr. Ed Martin
New Mexico Energy, Minerals and Natural Resources
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

Re: Revision to Plains Marketing, L. P., Preliminary Site Investigation Report and
Remediation Plan, dated 14 December 2004 (231735)
Ballard Grayburg 5" (EMS: 2004-00192)
Unit M (SW ¼, SW ¼) Section 10, Township 18 South, Range 29 East
Eddy County, New Mexico

Dear Mr. Martin:

Basin Environmental Services (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this revision to the Ballard Grayburg remediation site at the above referenced location. Remediation activities were conducted as proposed in the New Mexico Oil Conservation Division (NMOCD) approved Preliminary Site Investigation Report and Remediation Plan, dated 14 December 2004 and subsequent electronic correspondence between yourself and Plains.

The following revised remedial activities are proposed for the Ballard Grayburg 5" pipeline release site:

- The irregular shaped excavation is approximately 225 feet long by 60 feet wide ranging in depth from 4 to 20 feet below ground surface (bgs). The impacted soils were placed on a 6-ml poly-liner adjacent to the excavation for future remedial activities. Approximately 6300 cubic yards of clean overburden and impacted soil was excavated and stockpiled on-site.
- On 09 January 2006, confirmation soil samples were collected from the walls and floor of the excavation as stipulated by NMOCD electronic correspondence. The soil samples were analyzed for constituent concentrations of BTEX and TPH-

GRO/DRO. Laboratory results of the soil samples collected from the floor and walls of the excavation indicate that BTEX and TPH-GRO/DRO concentrations were below NMOCD regulatory standards with the exception of the excavation floor and excavation north wall stained area. Laboratory results are in Table 1, Soil Chemistry Table.

- Based on the remedial activities conducted to date, Plains proposes to install a 40-ml poly-liner at the excavation floor (20 feet bgs, 100 feet long by 30 feet wide) with a 6-inch sand layer beneath and above the poly-liner to protect the integrity of the liner. Backfill the excavation with the blended soil on-site to approximately eight (8) feet bgs collecting soil samples at 500 cubic yard intervals to ensure TPH-GRO/DRO concentrations are below 1000 mg/kg. Plug and abandoned Recovery Well 1 (RW-1) as the integrity of the recovery well will be compromised due sluffing of the excavation and backfilling activities. Once backfilling is accomplished to the eight (8) feet bgs level, install a 40-ml poly-liner approximately 15 feet by 15 feet above the release point (RW-1) with a 6-inch sand layer above and beneath the poly-liner. Backfill with blended soil to the surface and contour to the existing surrounding landscape, reseeding with approved BLM grass seed. Additionally, Plans proposes to install a recovery well approximately 20 to 30 feet north-northwest of the plugged and abandoned RW-1. Correspondence will be submitted to NMOCD concurrent with activities and results as they are conducted.

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

Sincerely,


Ken Dutton

Basin Environmental Services

Attachments: Site Map
Table 1, Soil Chemistry Table

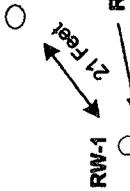
Cc: Mr. Jim Amos, BLM
Mr. Mike Bratcher, NMOCD, District II



Plains Marketing, L.P.
 Ballard Grayburg 5"
 SW/SW S10, T18S, R29E
 Eddy County, New Mexico
 EMS: 2004-00192

SB-2

Plugged and Abandoned
 Yates Petroleum Well



Capped Plains Ballard
 Grayburg 5" Pipeline

Stockpiled
 Material

Capped Plains Ballard
 Grayburg 5" Pipeline

SB-1

Surface

Excavation Floor
 18 Feet bgs

Surface

60 Feet

100 Feet

Ramp
 4' bgs

Ramp
 10' bgs

Ramp
 4' bgs

- LEGEND**
- Recovery Well
 - Soil Boring
 - Monitor Well

MW-3

Surface

225 Feet

MW-2

TITLE

Plains Marketing, L. P.
 Ballard Grayburg 5"
 Eddy County, New Mexico
 EMS: 2004-00192

DESCRIPTION

Figure 2
 Site Map

DRAWN BY

Basin Environmental Service
 Technologies
 kad

TABLE 1

SOIL CHEMISTRY

PLAINS MARKETING, L.P.
 BALLARD GRAYBURG 5"
 EDDY COUNTY, NEW MEXICO
 PLAINS EMS NO: 2004-00206

SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030						METHOD: 8015M			TOTAL TPH (mg/kg)
			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)			
RW-1	5'	10/18/04	0.032	0.148	0.187	0.836	0.441	424	3400		3820	
RW-1	15'	10/18/04	0.078	0.462	1.70	3.11	2.02	918	4150		5070	
RW-1	25'	10/18/04	0.077	0.844	4.23	5.85	3.44	1360	6560		7920	
RW-1	35'	10/18/04	0.238	0.747	3.09	4.59	2.71	979	4310		5290	
RW-1	60'	10/18/04	0.027	0.318	2.03	3.12	2.06	1710	8650		10400	
RW-1	75'	10/18/04	<0.025	0.494	1.90	1.89	2.31	1850	11000		12900	
RW-1	95'	10/18/04	0.028	0.387	2.83	4.14	2.6	2130	9970		12100	
RW-1	115'	10/18/04	<0.025	0.063	0.349	0.519	0.389	381	3070		3450	
RW-1	135'	10/18/04	<0.025	0.122	0.655	0.994	0.672	393	2150		2540	
RW-1	155'	10/18/04	<0.025	0.048	0.289	0.424	0.297	285	2420		2700	
RW-1	175'	10/18/04	<0.025	0.134	0.725	1.15	0.768	503	2500		3000	
RW-1	185'	10/18/04	<0.025	0.069	0.308	0.503	0.332	247	1580		1830	
MW-2	15'	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
MW-2	60'	10/19/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
MW-2	95'	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
MW-2	135'	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
MW-2	195'	10/20/04	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
EXC W Wall	14' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
STCKP	N/A	01/09/06	0.105	2.08	1.67	7.05	4.75	2140	26,000		28,100	
EXC N Wall E	14' bgs	01/09/06	<0.025	<0.025	<0.025	0.027	<0.025	<10.0	<10.0		<10.0	
Ramp FLR MDL	12' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	
Ramp FLR E	9' bgs	01/09/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0		<10.0	

