Creating Solutions. Building Trust.

December 27, 2016

Job No. 16-07-101-17007

New Mexico EMNRD District I 1625 North French Drive Hobbs, New Mexico 88240

Attn: Mr. Jamie Keyes

Re: Initial C-141 Report, Estimated 10 Barrel Crude Oil Spill, Holly Transportation, LLC Hobbs Station #571, 413

West Arco Road, Hobbs, New Mexico

Broadbent & Associates, Inc. (Broadbent) is pleased to present this Initial C-141 Report for the estimated 10 barrel surface spill of crude oil at the Holly Transportation, LLC Hobbs Station #571 located at 413 West Arco Road in Hobbs, New Mexico (Site) as depicted in Drawing 1, attached. The New Mexico Energy, Minerals, and Natural Resources Division (EMNRD) C-141 form and photographs of the spill abatement are attached.

On December 11, 2016, approximately 10 barrels of crude oil were spilled onto the soil surface due to the overfill of an above ground storage tank (AST). G1 Safety and Oilfield Services (G1) responded to abate the spill. The New Mexico one-call, NM811, was notified of proposed excavation activities. Excavation was postponed until the utilities at the Site were identified.

G1 returned to the Site on December 19, 2016 to resume spill abatement. The outside wall of the overfilled AST was cleaned using a power washer. The crude impacted soil was excavated by hand using shovels, in order to protect the integrity of the containment wall from heavy machinery. The excavated soil is currently stored at the Site in a roll off container, pending disposal. Disposal documentation will be provided to the EMNRD in the final C-141 report.

A Broadbent representative was at the Site during excavation, and collected two confirmation soil samples and one background soil sample. The three soil samples were submitted chilled, under chain-of-custody procedures to SGS Accutest Laboratories (Accutest) in Houston, TX for analysis of chemicals of concern (COC). Laboratory analytical results will be provided to the EMNRD in the final C-141 report. In addition, backfilling of the excavated area will be completed upon receipt of laboratory analytical results indicating COC concentrations below the background soil sample analytical results.

If you have any questions or require additional information, please do not hesitate to contact us at (830) 816-5434.

Sincerely,

BROADBENT & ASSOCIATES, INC.

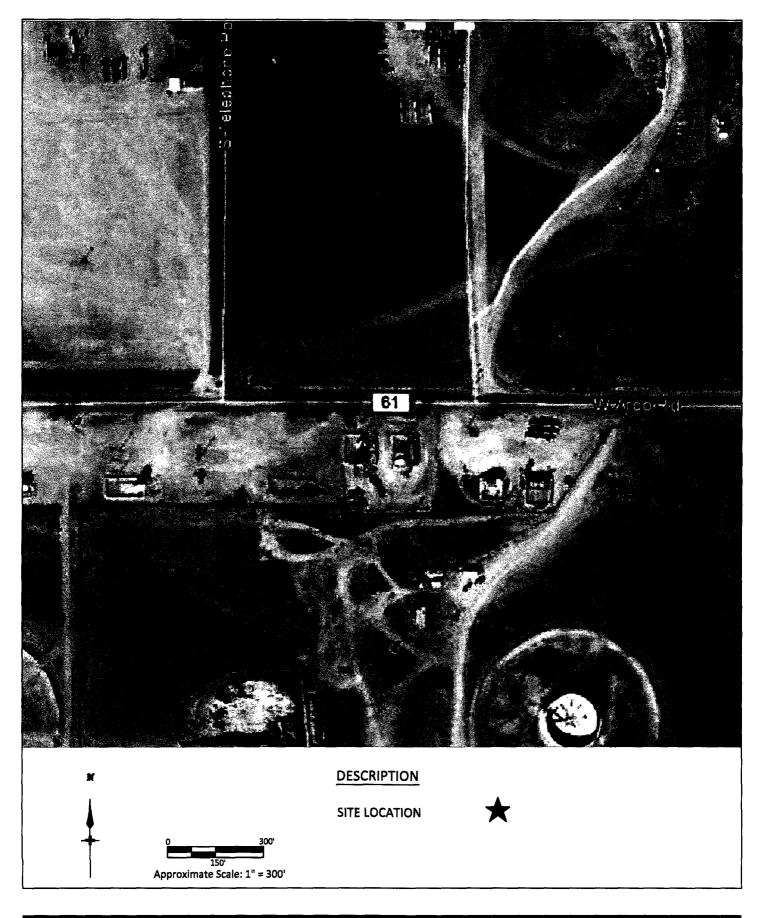
Christopher R. Haugstad, PG

Senior Geologist

Attachments: Drawing 1: Site Location Map

New Mexico EMNRD C-141 Form

Photographs

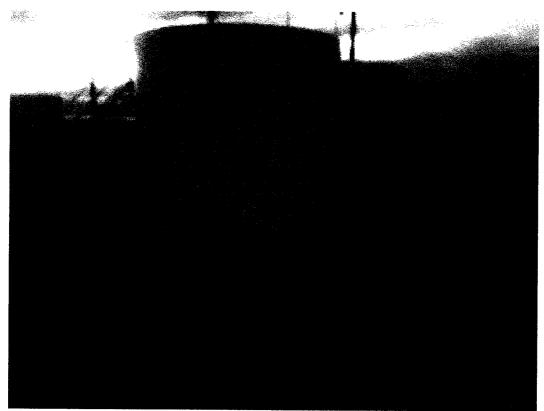


SITE LOCATION MAP DRAWING NO. 1

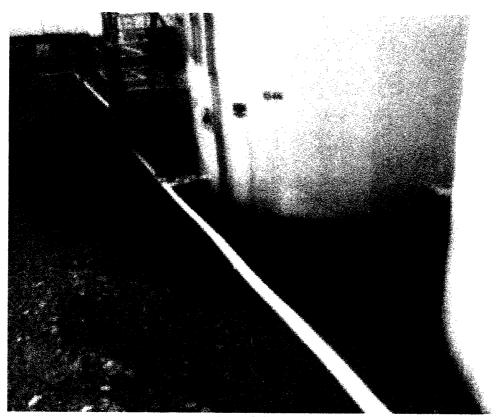
HOLLY TRANSPORTATION LLC HOBBS STATION #571 413 WEST ARCO ROAD HOBBS, NEW MEXICO

PROJECT NO. 16-07-101-17007

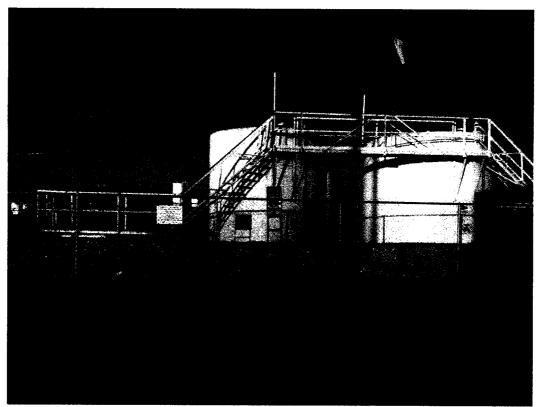




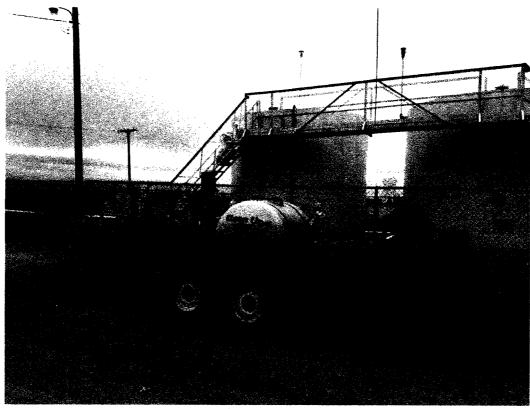
View of the spill area



View of the spill area



ASTs prior to cleanup

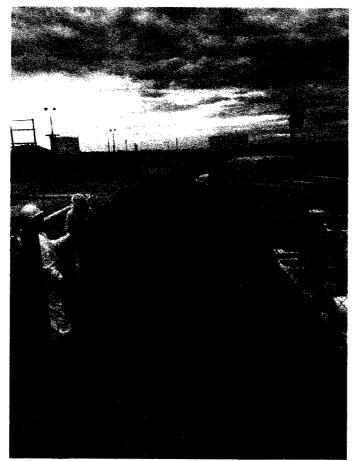


ASTs subsequent to cleaning

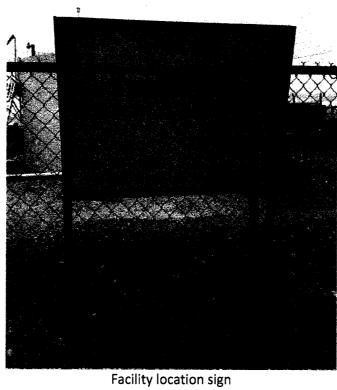


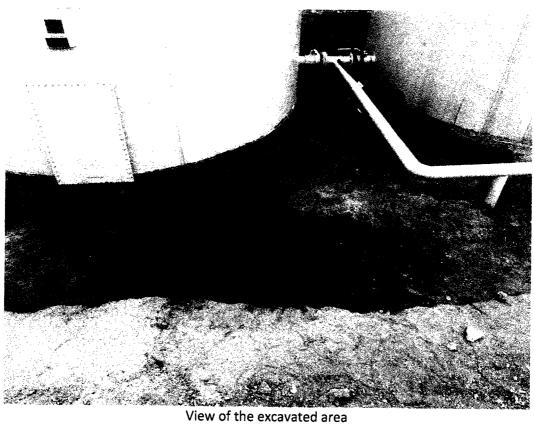


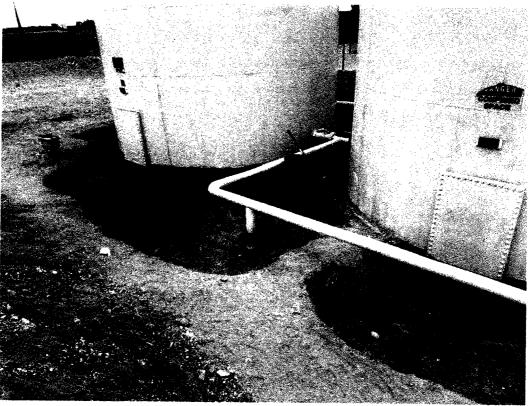
Excavation of the crude impact soil



Excavated soil stored in the roll-off box, pending disposal







View of the excavated area