

SITE CLOSURE REQUEST

OCCIDENTAL PETROLEUM COMPANY
SOUTH MATTIX 2" LACT
NW ¼, SE ¼, SECTION 15, TOWNSHIP 24 SOUTH, RANGE 37 EAST
NORTH OF JAL
LEA COUNTY, NEW MEXICO
SRS #: 2006-00345

Prepared for:

Plains Marketing, L.P.
333 Clay Street, Suite 1600
Houston, Texas 77002

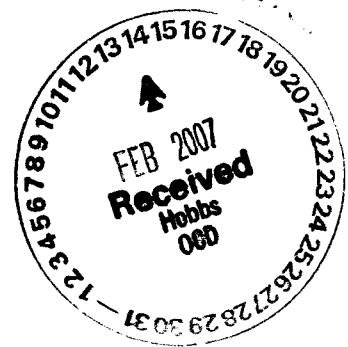
RP#
1078

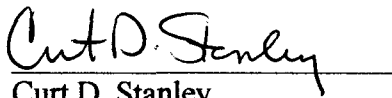



Prepared by:

NOVA Safety and Environmental
2057 Commerce Drive
Midland, Texas 79703

December 2006




Curt D. Stanley
Project Manager


Todd K. Choban
Vice President, Technical Services

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

17P-1078
Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Plains Pipeline, LP	Contact	Daniel Bryant
Address	P.O. Box 3119 - Midland, Tx 79702	Telephone No.	(432) 557-5865
Facility Name	South Mattix Lact	Facility Type	Crude Oil Gathering Pipeline
Surface Owner	Bill Grobe	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
J	15	24S	37E					Lea

Latitude N 32.21710000 Longitude W 103.14978330

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	10 bbls	Volume Recovered	0 bbls
Source of Release	2" steel pipeline	Date and Hour of Occurrence	10/07/2006 10:00	Date and Hour of Discovery	10/07/2006 11:00
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Gary Wink, NMOCD-Hobbs		
By Whom?	Daniel Bryant	Date and Hour	10/07/2006 14:50		
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.*


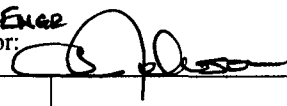
Describe Cause of Problem and Remedial Action Taken.*

External corrosion of a 2' steel pipeline caused the release. Pipeline was initially clamped to mitigate the release and was subsequently replaced. Station has a daily throughput of 40.4 barrels. The pressure on the line is <50 lbs and the gravity is 38.4. Depth of the line at the release location is 6" bgs.

Describe Area Affected and Cleanup Action Taken.*

Please see attached Site Closure Request Report for details of the remedial activities conducted.

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: Daniel Bryant		Approved by District Supervisor: 	
Title: Environmental R/C Specialist		Approval Date: 2-14-07	Expiration Date: —
E-mail Address: dmbryant@paalp.com		Conditions of Approval: —	Attached <input type="checkbox"/>
Date: 2/14/07 Phone: (432) 557-5865			

* Attach Additional Sheets If Necessary

TABLE OF CONTENTS

1.0	INTRODUCTION AND BACKGROUND	1
2.0	SUMMARY OF FIELD ACTIVITIES	1
3.0	SITE CLOSURE REQUEST	1
4.0	LIMITATIONS.....	1
5.0	DISTRIBUTION	3

FIGURES

Figure 1: Site Location Map
Figure 2: Site Map

APPENDICES

Appendix A: Certificate of Non-Exempt Waste Status (Form C-138)
Appendix B: Release Notification and Corrective Action (Form C-141)

1.0 INTRODUCTION AND BACKGROUND

On behalf of Plains Marketing, L.P. (Plains), NOVA Safety and Environmental (NOVA) has prepared this Site Closure Request for the crude oil release site known as South Mattix 2" LACT (SRS# 2006-00345). The site is located approximately six (6) miles north of Jal, New Mexico, in the NW ¼ SE ¼, Section 15, Township 24 South, Range 37 East. A site location topographic map and site map are provided as Figures 1 and 2, respectively. The property on which the release occurred is owned by Mr. Bill Grobe and is within the perimeter fences of the South Mattix Federal tank battery operated by Occidental Petroleum Company. On October 7, 2006, an estimated ten (10) barrels of crude oil was released from the two (2) inch LACT discharge line. The release was attributed to external corrosion of the two (2) inch steel pipeline. The Release Notification and Corrective Action (Form C-141) is included as Appendix B.

2.0 SUMMARY OF FIELD ACTIVITIES

From October 12 through 20, 2006, a hydro excavator was utilized to excavate the surface stain attributed to the referenced October 7, 2006 release. Due to numerous buried steel and fiberglass pipelines and electrical conduit beneath the hydrocarbon impacted surface, traditional excavation techniques were not feasible. The surface stain was hydro excavated to a depth of approximately six (6) to eight (8) inches below ground surface (bgs). The vertical extent of hydrocarbon impact was limited by a dense caliche layer found below the tank battery pad. Approximately 96 cubic yards (cy) of hydrocarbon impacted soil was excavated and transported to the Lea Station Landfarm (GW-351) located south of Monument, NM. The Request for Approval to Accept Solid Waste (Form C-138) is included as Appendix A.

On October 23, 2006, at Plains request, Mr. Larry Johnson (NMOCD – Hobbs) and Mr. Curt Stanley (NOVA), met at the site to view the existing excavation and discuss NMOCD requirements for site closure. Mr. Johnson stated that Plains had adequately remediated the surface stain attributed to the Plains release. Mr. Johnson gave Plains approval to backfill the excavation.

On October 30, 2006, approximately 96 cy of caliche was purchased from the landowner and was utilized to backfill the excavation and restore the surface to a level grade.

3.0 CLOSURE REQUEST

NOVA recommends that Plains provide the NMOCD a copy of this Site Closure Request and request the NMOCD grant full site closure status to the South Mattix 2" LACT release site.

4.0 LIMITATIONS

NOVA Safety and Environmental has prepared this Site Closure Request to the best of its ability. No other warranty, expressed or implied, is made or intended.

NOVA Safety and Environmental has examined and relied upon documents referenced in the report and has relied on oral statements made by certain individuals. NOVA Safety and Environmental has not conducted an independent examination of the facts contained in referenced materials and statements. We have presumed the genuineness of the documents and that the information provided in documents or statements is true and accurate. NOVA Safety and Environmental has prepared this report in a professional manner, using the degree of skill and care exercised by similar environmental consultants. NOVA Safety and Environmental also notes that the facts and conditions referenced in this report may change over time and the conclusions and recommendations set forth herein are applicable only to the facts and conditions as described at the time of this report.

This report has been prepared for the benefit of Plains Marketing, L.P. The information contained in this report, including all exhibits and attachments, may not be used by any other party without the express consent of NOVA Safety and Environmental and/or Plains Marketing L.P.

5.0 DISTRIBUTION

- Copy 1: Larry Johnson / Patricia Caperton
New Mexico Oil Conservation Division (District 1)
1625 French Drive
Hobbs, NM 88240
- Copy 2: Daniel Bryant
Plains Marketing, LP
P.O. Box 3119
Midland, Texas 79702
- Copy 3: Jeff Dann
Plains Pipeline, L.P.
333 Clay Street, Suite 1600
Houston, TX 77002
jpdann@paalp.com
- Copy 4: NOVA Safety and Environmental.
2057 Commerce Drive
Midland, TX 79703
cstanley@novatraining.cc



Figures

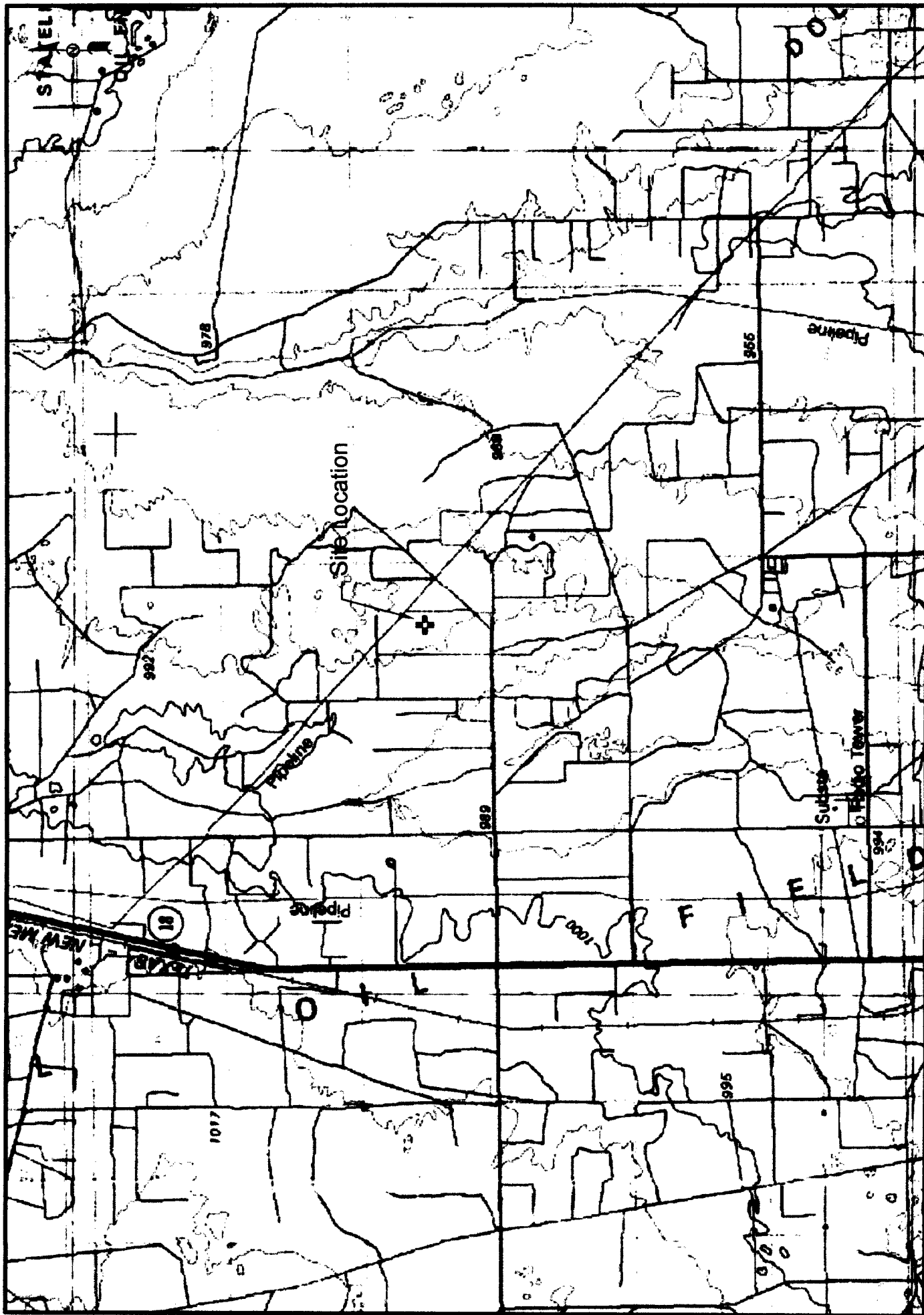


Figure 1
Site Location Map

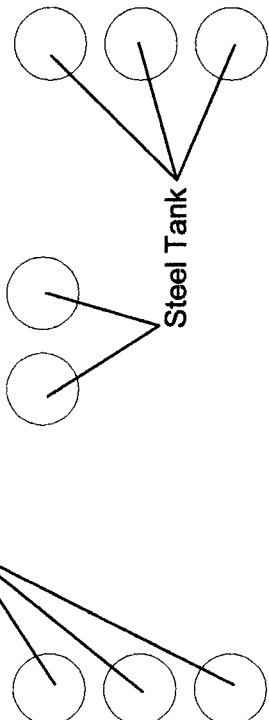
Plaine Marketing, L.P.
South Matrix 2nd LACT
Lea County, NM

NOVA Safety and Environmental



Scale: 1" = 500'
Prep By: CS
Checked By: TKC
December 18, 2003

Steel Tank



Steel Tank

Leak Source



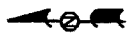
Control Panel

Extent of Surface Stain



Gas Meter Run

Gas Meter Run



Legend:

- Fenceline
- - - Extent of Surface Stain
- Pipeline

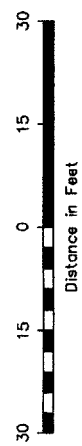


Figure 2
Site Map
Plains Marketing, L.P.
South Matrix
2nd LACT
Lea County, NM

NOVA Safety and Environmental



Scale: 1" = 30'	CAD By: CDS	Checked By: TWC
December 18, 2008	NW/SE Section 15, T24S, R37E	



Appendices

Appendix A
Certificate of Non-Exempt Waste Status
(Form C-138)

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

Form C-138
Revised March 17, 1999

Submit Original
Plus 1 Copy
to Appropriate
District Office

REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE

1. RCRA Exempt: <input type="checkbox"/> Non-Exempt: <input checked="" type="checkbox"/> Verbal Approval Received: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	4. Generator Plains Marketing 5. Originating Site South Mattix Lact ref#2006-345 6. Transporter 8. State New Mexico
2. Management Facility Destination: Plains All American Lea Station Land Farm #GW-351	
3. Address of Facility Operator: Environmental Plus, Inc.	
7. Location of Material (Street Address or ULSTR) UL- G, SW¼ of the NE¼ of Section 15 T24S R37E	
9. <u>Circle One</u> : A. All requests for approval to accept oilfield exempt wastes will be accompanied by a certification of waste from the Generator; one certificate per job. B. All requests for approval to accept non-exempt wastes must be accompanied by necessary chemical analysis to PROVE the material is not-hazardous and the Generator's certification of origin. No waste classified hazardous by listing or testing will be approved. <p style="text-align: center;">All transporters must certify the wastes delivered are only those consigned for transport.</p>	

BRIEF DESCRIPTION OF MATERIAL:

Crude Oil Contaminated Soil

Estimated Volume 150 cy Known Volume (to be entered by the operator at the end of the haul) 96 cy

SIGNATURE Daniel Bryant TITLE: Environmental Coordinator DATE: 10/12/06
Waste Management/Facility Authorized Agent

TYPE OR PRINT NAME: Daniel Bryant TELEPHONE NO. 432-557-5865

(This space for State Use)

APPROVED BY: Pet. Caperton TITLE: Geological & Pet. Tech DATE: 10/12/06
APPROVED BY: _____ TITLE: _____ DATE: _____

Appendix B
Release Notification and Corrective Action
(Form C-141)

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, LP	Contact	Daniel Bryant
Address	P.O. Box 3119 - Midland, Tx 79702	Telephone No.	(432) 557-5865
Facility Name	South Mattix Lact	Facility Type	Crude Oil Gathering Pipeline
Surface Owner	Bill Grobe	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
G	15	24S	37E					Lea

Latitude N 32° 32' 29.264" Longitude W 103° 15' 41.465"

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	10 bbls	Volume Recovered	0 bbls
Source of Release	2" Steel Pipeline	Date and Hour of Occurrence	10/07/2006 10:00	Date and Hour of Discovery	10/07/2006 11:00
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink, NMOCD-Hobbs			
By Whom?	Daniel Bryant	Date and Hour 10/07/2006 14:50 AM			
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 a 2" steel pipeline caused the release. Pipeline was clamped to mitigate the release and will be replaced. Station has a daily throughput of 40.4 barrels. The pressure on the line is <50 lbs and the gravity is 38.4. Depth of the line at the release location is 6" bgs.

Describe Area Affected and Cleanup Action Taken.*

Affected soils will be remediated per applicable NMOCD regulatory standards.

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>Daniel Bryant</i>		<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Daniel Bryant		Approved by District Supervisor:	
Title: Environmental R/C Specialist		Approval Date:	Expiration Date:
E-mail Address: dmbryant@paalp.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10/12/06 Phone: (432) 557-5865			

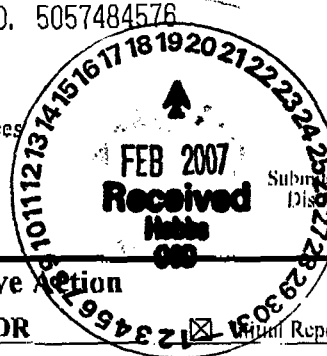
Attach Additional Sheets If Necessary

RP# 1078

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 3 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Name of Company YATES PETROLEUM CORPORATION	OCRID Number 25575	Contact SHERRY BONHAM
Address 105 S 4 TH STREET	Telephone No. 505.748.1471	
Facility Name CHILL BGI STATE 1	API Number 30-025-37103	Facility Type WELL
Surface Owner FEE	Mineral Owner FEE	Lease No.

LOCATION OF RELEASE

Unit Letter L	Section 29	Township 9S	Range 35E	Feet from the 1650	North/South Line SOUTH	Feet from the 660	East/West Line WEST	County LEA
------------------	---------------	----------------	--------------	-----------------------	---------------------------	----------------------	------------------------	---------------

Latitude 33.50238 Longitude 103.38888

NATURE OF RELEASE

Type of Release PRODUCED WATER AND CRUDE OIL	Volume of Release 28 B/PW and 2 B/O	Volume Recovered 20 B/PW and 0 B/O
Source of Release WATER TANK	Date and Hour of Occurrence 02/09/07 2:00 PM	Date and Hour of Discovery 02/09/07 2:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? PAT CAPERTON VIA VOICE MAIL AND FOLLOW UP E-MAIL	
By Whom? SHERRY BONHAM	Date and Hour 02/09/07 4:00 PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

WATER TRANSFER PUMP SEAL FAILURE CAUSING WATER TANK TO OVERFLOW. LEASE FIELD KILL DID NOT WORK DUE TO ESP PANEL BOARD PROBLEMS. REPAIRED SEAL AND ESP PANEL BOARD.

Describe Area Affected and Cleanup Action Taken.*

AN APPROXIMATE 30' X 90' AREA AFFECTED. VACUUM TRUCK PICKED UP ALL STANDING FLUIDS. IMMEDIATELY SCRAPED UP IMPACTED MATERIALS AND HAULED TO LAND FARM. SITE TO BE EVALUATED.
SITE RANKING: 0

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED 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 NMOCED 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, NMOCED 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.

OIL CONSERVATION DIVISION

Signature: <i>Sherry Bonham</i>	Approved by District Supervisor: <i>ENOZO ENCE</i>	
Printed Name: Sherry Bonham	Approval Date: 2-19-07	Expiration Date: 4-20-07
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: sherryb@ypunm.com	Attached <input type="checkbox"/>	
Date: February 19, 2007	Phone: 505.748.1471	

ATTACH CLOSURE SAMPLES

W/ENR C-141 FOR APPROVAL

* Attach Additional Sheets If Necessary

RP# 1208