

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 <u>Holly Energy Partners</u> | Contact <u>Dickie Townley</u> |
| Address <u>P.O. Box 1260</u> | Telephone No. <u>505-748-8949 office 505-365-4746 Cell</u> |
| Facility Name <u>Maljamar Pump Station</u> | Facility Type <u>Pipeline Pump Station</u> |
| Surface Owner <u>Olave Caswell</u> | Mineral Owner <u>BLM</u> Lease No. <u>N/A</u> |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|----------------------|----------|------------|------------|---------------|------------------|---------------|----------------|------------|
| <u>NE 1/4 SW 1/4</u> | <u>7</u> | <u>17S</u> | <u>32E</u> | | | | | <u>Lea</u> |

~200' Latitude _____ Longitude _____

AGO (Atmospheric Gas Oil) Api Gravity ²⁰ NATURE OF RELEASE

| | | |
|--|---|-----------------------------|
| Type of Release <u>Insulator flange gasket failure</u> | Volume of Release <u>500</u> | Volume Recovered <u>435</u> |
| Source of Release <u>Insulator flange gasket</u> | Date and Hour of Occurrence | Date and Hour of Discovery |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? <u>Gary Wink</u> | |
| By Whom? <u>Dickie Townley</u> | Date and Hour <u>8-12-2006 @ 8:10AM</u> | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. <u>N/A</u> | |
| If a Watercourse was Impacted, Describe Fully.* <u>N/A</u> | | |

Describe Cause of Problem and Remedial Action Taken.* Insulating flange gasket fractured on the pump discharge tie in to the mainline. Product (AGO-Atmospheric Gas Oil) sprayed from the opening and settled in the pump station and surrounding close proximity property. Pipeline was immediately shut down. Gasket was replaced with a metallic gasket. 435 bbls of free product was recovered & transported on Navajo Refiners. Contaminated soil was removed to CRT to be land farmed. Over spray area was tilled with frost in loader. Soil test was samples taken

Describe Area Affected and Cleanup Action Taken.* Contaminated soil removed to CRT - Soil samples taken for analysis safety and Environmental Solutions Inc. were hired to remediate site.

see attached report - SESI's report will be submitted upon receipt.

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: <u>Dickie Townley</u> | OIL CONSERVATION DIVISION | |
| Printed Name: <u>Dickie Townley</u> | Approved by District Supervisor: <u>[Signature]</u> | |
| Title: <u>Regulatory Supervisor</u> | Approval Date: <u>8-29-07</u> | Expiration Date: <u>8-29-07</u> |
| E-mail Address: <u>dickie.townley@hollyenergy.com</u> | Conditions of Approval: <u>Final C141 w/ ATTACHMENTS</u> | |
| Date: <u>8-25-2006</u> Phone: <u>(505) 748-8949</u> | Attached <input type="checkbox"/> | |

* Attach Additional Sheets If Necessary

Facility - PPAC0715132042
Incident - nPPAC0715132148
Application - pPPAC0715132241

RP#1375

Holly Energy Partners
Artesia, New Mexico

HOLLY ENERGY PARTNERS

Recordable Spill Investigation Report

Incidents that result in supervisor investigation are to be documented to determine cause and means of preventing recurrences

| | | | |
|---|---|--------------------------|---|
| *Area/Terminal/Department 10" Empire "Maljamar Ps." | *Date of Incident Aug. 12, 2006 | *Time 06:20 AM | *Time & Date Reported Aug. 15, 2006 |
|---|---|--------------------------|---|

*Was an accident involved? YES NO

If yes fill in the section below

| Was there a Personal Injury? Name | Job Title /Injured | Nature of Injury |
|--|--------------------|------------------|
| <input checked="" type="checkbox"/> NO | | |

| Was there Property Damage? What | Estimated Replacement Cost | Person in Control |
|---|---|--------------------------|
| <input checked="" type="checkbox"/> NO Product sprayed equipment and surrounding grounds | <input checked="" type="checkbox"/> NO Equipment or property destroyed. Clean up cost only | Albert Reyes "IC" |

*Did incident involve a product release? YES NO

***1. Description**

| |
|---|
| Describe the incident and equipment involved |
| Insulating flange gasket fractured on the pump discharge tie in to the main line. Product sprayed from the opening and settled in the pump station and surrounding close proximity property. "A60" Atmospheric Gas Oil was product released. |

***2. Analysis**

| | | | |
|--|---|--------------|-------|
| Was incident cause by an unsafe act? (describe) | Were there hazardous conditions? (describe) | | |
| NO, This was an unforeseen equipment failure. "Flange Gasket" | product over sprayed highway 82 NM | | |
| Could the incident recur? | Often | Occasionally | Rare |
| Would a recurrence be | Very Severe | Serious | Minor |

***3. Corrective Action**

| |
|--|
| Action to be taken |
| Clean up and remediation of the location continues. |

| |
|---|
| Action already taken |
| Pipeline was immediately shut down. Gasket was replaced with a metallic gasket, spill clean up continues. All free product was recovered and transported to Navajo Refining for disposal. Much of the contaminated soil was removed from the location. |

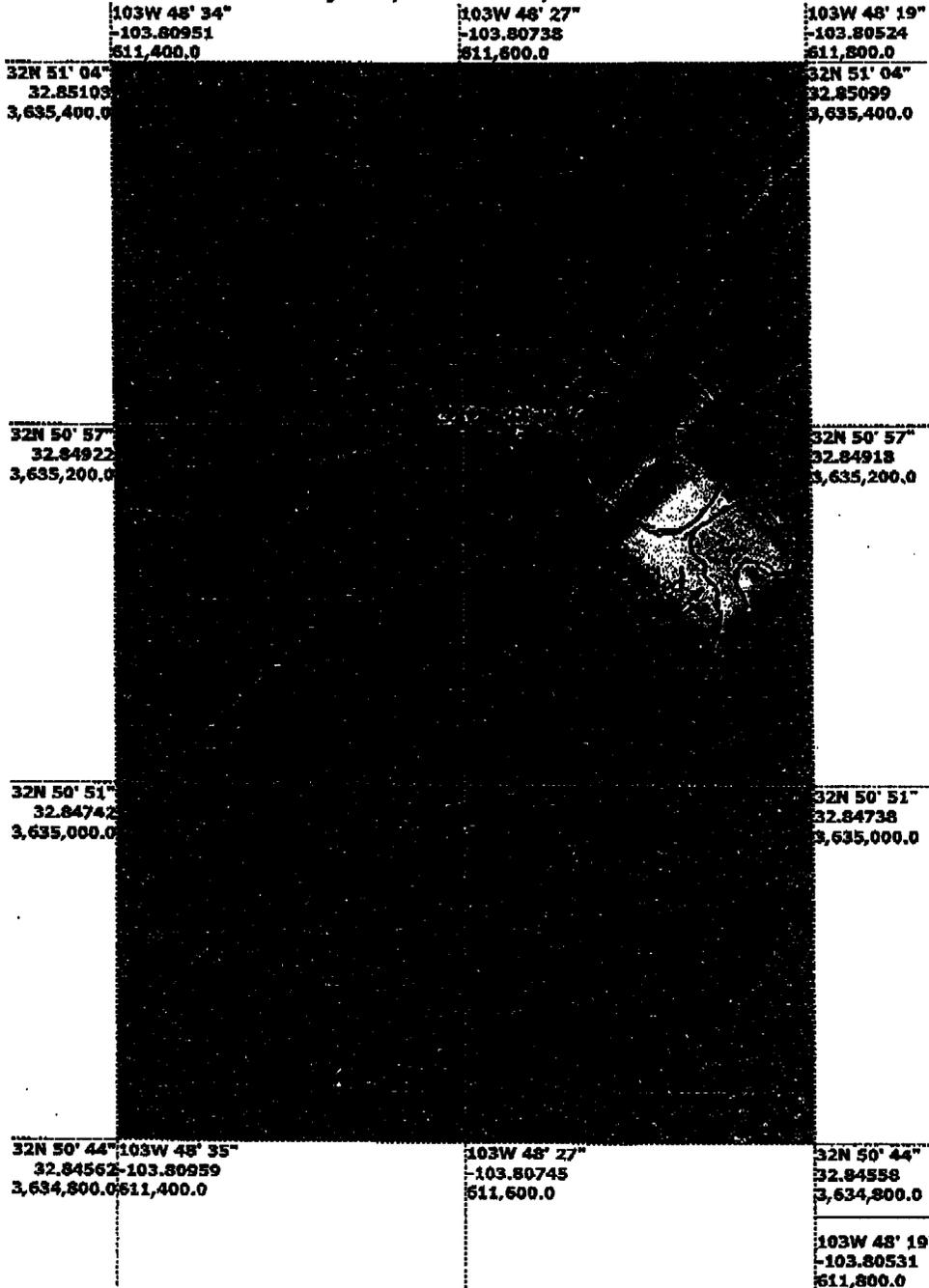
| | | |
|--|---|--------------------------|
| *Person Doing The Investigation <i>[Signature]</i> | *Reviewed by Superintendent <i>[Signature]</i> | Date |
| CC: Dept. Supt., <input checked="" type="checkbox"/> Reg Dept. | *Reviewed by Regulatory Dept. <i>[Signature]</i> | Date 8-15-2006 |

| | | | | |
|--|--|-----------------------------------|-------|---|
| 1. Incident Name 10" Empire Ph. | | 2. Prepared by: (name) GRC | | INCIDENT BRIEFING ICS 201-OS (pg 2 of 4) |
| | | Date: 8-25-2006 | Time: | |
| 4. Initial Incident Objectives Product is ABO @ 24 API Volume spilled unknown @ 85°F approx. @ this time | | | | |
| 5. Summary of Current Actions | | | | |
| Time | Action / Note | | | |
| 0615 | GRC received phone call from Ph. Operator that a caller from Navajo Trucking observed a leak @ the Maljamar Pump Station. Ph. Operator already had shut line down and bleeding pressure in to Artesia to depressure the station. | | | |
| 0620 | Dispatched Tony Garcia to scene to investigate and began emergency notification. | | | |
| 0650 | Notified Lea Co. Sheriff's Dept. that spray of product had crossed highway 92 @ the Station & needed highway closed. | | | |
| 0700 | Received call from NM State Police that highway was closed from Maljamar village to highway 529. DPS informed they were dismantling highway Dept. to clean the highway. ^{SD, 400.807A} scene is secure | | | |
| 0720 | Tony is on scene & reports pump discharge. Large gasket blown on main line T&E. ^{no more} product is leaking. | | | |
| 0800 | Tony closed & locked upstream BV @ MP 29. | | | |
| 0800 | C.C. @ making notifications for dispatch for Back Hoer & Van Trucks. | | | |
| 1000 | Line Bleeding to Tower, Tony closed downstream BV @ Maljamar, segment is empty. | | | |
| 0900 | Clean up & Ports have begun. | | | |
| 1100 | 1st Truck loaded @ 120 @ 10. | | | |
| 1101 | ADR slips low 8" to restart, scene secure. | | | |
| 1200 | ADR informs clean up continues, gasket being replaced. | | | |
| 1215 | Tony informs last truck loaded & headed to refinery. 4 Trucks / 440 Barrels picked up. | | | |
| 1320 | ADR informs gasket replaced & Tony opening Maljamar. | | | |
| 1345 | Tony informed upstream & downstream valves open. | | | |
| 1355 | 10" Empire started to repair line. | | | |

Times are from GRC watch

Send To Printer Back To TerraServer Change to 11x17 Print Size Remove Grid Lines Change to Landscape

USGS 4 km W of Maljamar, New Mexico, United States 22 Oct 1996



0 100M

0 100yd

Image courtesy of the U.S. Geological Survey © 2004 Microsoft Corporation. Terms of Use Privacy Statement

