

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

RECEIVED

APR 29 2009

HOBBSOCD

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       | Jason Henry    |
| Address         | 2530 Hwy 214 - Denver City, Tx 79323    | Telephone No. | (575) 441-1099 |
| Facility Name   | DCP Plant to Lea Station 6-inch Sec. 31 | Facility Type | Pipeline       |

|               |        |               |  |           |  |
|---------------|--------|---------------|--|-----------|--|
| Surface Owner | NM SLO | Mineral Owner |  | Lease No. |  |
|---------------|--------|---------------|--|-----------|--|

LOCATION OF RELEASE

NEARBY WELL API # 30-025-06300-00-00

|             |         |          |       |               |                  |               |                |        |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| K           | 31      | 20S      | 37E   |               |                  |               |                | Lea    |

Latitude N 32.52733° Longitude W 103.2906°

NATURE OF RELEASE

|                             |   |  |  |                            |                  |
|-----------------------------|---|--|--|----------------------------|------------------|
| Type of Release             | Crude Oil   | Volume of Release  | 20 bbls  | Volume Recovered           | 0 bbls           |
| Source of Release           | 6" Steel Pipeline   | Date and Hour of Occurrence  | Unknown  | Date and Hour of Discovery | 04/02/2009 15:00 |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? on 04/29/2009<br>Larry Johnson (initial estimate = 2-3 bbls based on small surface stain) |  |                            |                  |
| By Whom?                    | Jason Henry   | Date and Hour  | 04/29/2009 @ 09:00 (revised to reportable on 04/29/2009) |                            |                  |
| 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.\*

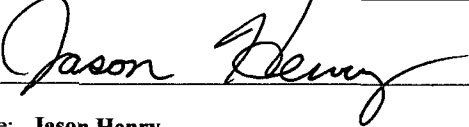
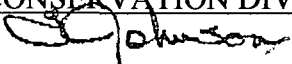
Describe Cause of Problem and Remedial Action Taken.\*

External corrosion of 6" inch pipeline caused a release of crude oil. A clamp was installed on the pipeline to mitigate the release. Throughput for the subject line is 660 bbls/day and the operating pressure of the pipeline is 45 psi. The depth of the pipeline at the release point is approximately 2' bgs. The H2S concentration in the crude is less than 10 ppm and the gravity of the crude is 65.

Describe Area Affected and Cleanup Action Taken.\*

The released crude resulted in a surface stain that measured approximately 6' x 8'. The impacted area will be remediated per applicable guidelines.

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: Jason Henry  | Approved by District Supervisor <br>ENVIRONMENTAL ENGINEER |                          |                                   |
| Title: Remediation Coordinator   | Approval Date: 4.29.09  | Expiration Date: 6.29.09 |                                   |
| E-mail Address: jhenry@paalp.com   | Conditions of Approval:   |                          | Attached <input type="checkbox"/> |
| Date: 04/29/2009 Phone: (575) 441-1099   |   |                          | IRP# 09.4.2166                    |

\* Attach Additional Sheets If Necessary

FGRL0912057827