

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

Form C-141
MAY 13 2009
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 | 14 - inch Vac to Jal BLM | Facility Type | 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 |
| N | 24 | 25S | 37E | | | | | Lea |

Latitude N 32° 6' 36" Longitude W 103° 7' 8"

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---|----------------------------|-----------------------|
| Type of Release | Crude Oil | Volume of Release | 18 bbls | Volume Recovered | 0 bbls |
| Source of Release | 14" Steel Pipeline | Date and Hour of Occurrence | 04/09/2009 | Date and Hour of Discovery | 04/09/2009 10:00 a.m. |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | Larry Johnson on 05/13/2009 (release originally estimated 3-4 bbls, revised volume on 05/13/2009) | | |
| By Whom? | Jason Henry | Date and Hour | 05/13/2009 @ 0900 | | |
| 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.*

During the purging of the 14-inch Sweet Vac to Jal Line, a release of crude oil occurred due to external corrosion. Throughput for the subject line is 0 bbls/day because the line is inactive and was being purged at the time of the release. 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 38.

Describe Area Affected and Cleanup Action Taken.*

The released crude resulted in a surface stain that measured approximately 50' x 30'. 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: | | |
| Title: Remediation Coordinator | Approval Date: 5.13.09 | Expiration Date: 7.20.09 | |
| E-mail Address: jhenry@paalp.com | Conditions of Approval: | Attached <input type="checkbox"/> | |
| Date: 05/13/2009 | Phone: (575) 441-1099 | REP# 09.5.2182 | |

* Attach Additional Sheets If Necessary

FGRL 0913532523