

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 March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED
OCD - ARTESIA
NOV 20 2006

MLB 0709632247

Release Notification and Corrective Action

nMLB 0709633383

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Holly Energy Partners 242 939	Contact:	Johnny Lackey
Address	311 West Quay, Artesia, NM 88210	Telephone No.:	505-746-5490
Facility Name	Navajo Crude Oil Pipeline	Facility Type:	Crude Oil Pipeline

Surface Owner	Mineral Owner	Lease No.:	N/A
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	NW 28	18S	28E					Eddy

NATURE OF RELEASE



Type of Release	Crude Oil	Volume of Release:	75 Bbls	Volume Recovered:	~15 Bbls
Source of Release	Pipeline Leak	Date and Hour of Occurrence	11/22/06, unknown	Date and Hour of Discovery	11/22/06, 12:00pm
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher, w/OCD		
By Whom?	Johnny Lackey, Holly Energy Partners		Date and Hour:	11/22/06, 1:20pm	
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.*	
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Describe Cause of Problem and Remedial Action Taken.*	External corrosion on the Navajo Artesia 6" crude oil pipeline. SESI notified to get samples and delineate extent of contamination.
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Describe Area Affected and Cleanup Action Taken.*	Approximately 15 bbls of free standing crude oil was vacuumed up. We will evaluate the extent of soil contamination and will remediate as needed.
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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: Johnny Lackey	Approved by: District Supervisor  by MB	
Title: Manager, Environmental, Health & Safety	Approval Date: DEC 13 2006	Expiration Date:
Date: 11/22/06 Phone: 505-746-5490	Conditions of Approval: Remediation per NMOCD Approved Remediation Plan	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

pMLB 0915252515

2RP-313



HOLLY ENERGY PARTNERS

November 22, 2006

Mike Bratcher
Oil Conservation Division
1301 West Grand Avenue
Artesia, NM 88210

Dear Mr. Bratcher,

Enclosed please find two copies of the notification report for the leak which occurred on November 22, 2006 on Navajo Pipeline's 6 inch Artesia crude oil pipeline.

Please give me a call at 505 746-5490 if you need additional information.

Sincerely,

Johnny Lackey
Manager, Environmental, Health & Safety



Corporate Office
100 Crescent Court, Suite 1600
Dallas, Texas 75201-6927
214-871-3555

Operations Office
P.O. Box 1260 / 311 W Quay
Artesia, New Mexico 88210
505-748-8940

Bratcher, Mike, EMNRD

From: Bratcher, Mike, EMNRD
Sent: Friday, April 06, 2007 8:22 AM
To: Price, Wayne, EMNRD; VonGonten, Glenn, EMNRD
Subject: FW: Request for Backfill Approval, Artesia 6" Mainline Crude Line
Attachments: Memo to OCD Bratcher 04-04-07.pdf

This is probably going to be a groundwater impact site. Let me know if you guys want to be involved or your thoughts on this proposal.

Thanks,

Mike Bratcher
NMOCD District 2
505-748-1283 Ext.108
505-626-0857

From: David Boyer [mailto:dgboyer@sesi-nm.com]
Sent: Thursday, April 05, 2007 11:15 AM
To: Bratcher, Mike, EMNRD
Subject: Request for Backfill Approval, Artesia 6" Mainline Crude Line

Mike,

The request is attached in PDF format.
Your approval is requested.
Thank you,

David G. Boyer, P.G.
Hydrogeologist
Safety and Environmental Solutions, Inc.
P.O. Box 1613
703 E. Clinton, Suite #102
Hobbs, NM 88241
office 505-397-0510
fax 505-393-4388
cell 505-390-7067
email dgboyer@sesi-nm.com

This inbound email has been scanned by the MessageLabs Email Security System.

4/6/2007



Safety & Environmental Solutions

703 E. Clinton #102, P.O. Box 1613

Hobbs, New Mexico 88241

(505) 397-0510

Fax (505) 393-4388

Memorandum

Date: 4/4/07

To: Mike Bratcher, NMOCD Field Rep.

cc: Albert Reyes, Holly Energy

From: David G. Boyer *DGB*

RE: Request to Backfill Excavation, Artesia 6" Mainline Crude Spill

Summary of Events and Current Conditions

On November 22, 2006 a leak was discovered on the Holly Energy Partner's Artesia 6" Mainline Crude pipeline approximately ½ mile northwest of the Artesia station crude storage tank. The leak was reported to the OCD Artesia District Office within two hours of discovery. Approximately 75 barrels were reported released with 15 barrels recovered. A copy of the completed C-141 form is attached.

Within the next six weeks approximately 3,256 cubic yards of contaminated material were excavated and removed from the location to Artesia Aeration, an OCD-approved disposal facility. The current status of the excavation is shown on the attached sheet. It has depths ranging from 10 to 15 ft. below ground surface with a ramp to the surface. The northeastern area has a depth of 2 to 3 ft.

Sampling showed the area under the pipeline has TPH still exceeding 10,000 mg/Kg, with lesser values perpendicular to the line. Sampling to the northeast showed lesser values with sample #8B at 978 mg/kg.

On February 1 and again on February 7-10 three boreholes (#9, #10 and #11) were drilled at the sites indicated on the map. Boreholes 9 and 10 were drilled in the immediate vicinity of the pipeline. The first borehole terminated in dry redbeds at 105 ft. lithology above the redbeds was predominantly sand and poorly cemented sandstone. Hydrocarbon staining and odor was present in most every sample except the redbed clay. From 95 to 100 ft., immediately about the redbed, the lithology was poorly cemented sandstone which was product saturated. See the attached table for analytical results of the soil sampling.

The second borehole was drilled to a depth of 102 ft. on February 7 and deepened to 107 ft. on February 8 with the installation of a temporary casing. The lithology to 97 ft. again was sand and sandstone; the bottom sandstone core was product saturated. Redbeds started at about 98.5 ft. The temporary well was installed and measured the following morning. Water was at 95.8 ft.; no product thickness was measured but a thick sheen was noted. Bailing dried the well after removal of 3.7 gallons. It recovered slowly, but the temporary casing was removed before full recovery.

The third borehole was drilled in the northeast corner of the excavation to a depth of 20 ft. below the bottom of the excavation, or about 31 ft. below land surface. No hydrocarbons were detected in the borehole samples (see attached table). All boreholes were plugged to the bottom of the excavation with bentonite.

No further delineation in the vicinity of the excavation can be performed due to the need to prevent caving of the excavation and to protect the pipeline.

Request to Backfill the Excavation

We hereby request permission to back fill the current excavation so that the exposed pipeline can be stabilized and the delineation of the extent of the contamination can continue. There are some stockpiled dirt piles on site that result from construction of the ramp to the bottom of the excavation. Also, there may be some near-surface contaminated soil to the northeast in the direction of the surface leak. This soil will be blended with existing soil such that soil placed first in the excavation will have a TPH concentration of less than 1,000 mg/Kg in accordance with OCD Guidelines for Remediation of Leaks, Spills and Releases.

Additional investigation will be placement of monitor wells to determine impacts to the thin perched water zone detected with borehole 10. A separate workplan will be submitted for that work.

If you have any questions, please contact me at 397-0510.

DGB/DGB

Field Sampling Results

Sample ID	Date	TPH (mg/Kg)	Benzene (mg/Kg)	Total BTEX (mg/Kg)
S-1, (+5)	12/5/06	2,300	--	--
S-2, (+20)	12/5/06	>10,000	--	--
S-3, (+17)	12/5/06	8,600	--	--
S-4, (+10)	12/5/06	>10,000	--	--
S-5, (+9)	12/5/06	>10,000	--	--
S-6, (+3)	12/5/06	7,580	--	--
S-7, (+3)	12/5/06	>10,000	--	--
S-2A*	12/11/06	>10,000	--	--
S-3A*	12/11/06	>10,000	--	--
S-4A*	12/11/06	>10,000	--	--
S-5A*	12/11/06	4,650	--	--
S-6A*	12/11/06	762	--	--
S-7A*	12/11/06	634	--	--
S-8A*	12/11/06	>10,000	--	--
S-2B, (+20')	12/18/06	9,540	--	--
S-3B, (+17')	12/18/06	6,680	--	--
S-4B, (+10')	12/18/06	>10,000	--	--
S-8B, (+3')	12/18/06	978	--	--

Notes:

Samples taken from bottom of excavation. Add number in parenthesis to obtain approximate depth beneath land surface.

* Sample from depth of excavation at time of sampling

Laboratory Results of Field Sampling

Sample ID	Date	TPH (mg/Kg)	Benzene (mg/Kg)	Total BTEX (mg/Kg)
S-1, (+5)	12/5/06	4,000	<0.50	21.6
S-5A*	12/11/06	6,500	++	++
S-6A*	12/11/06	680	0.25	0.25
S-7A*	12/11/06	600	0.52	0.52
S-2B, (+20)	12/18/06	5,300	--	--
S-8B, (+3)	12/18/06	520	--	--
S-9, 0-5' (+15)	2/1/07	2,370	<0.50	67.9
S-9, 8-10' (+15)	2/1/07	1,970	<0.50	58.1
S-9, 18-20' (+15)	2/1/07	2,500	<0.50	76.1
S-9, 28-30' (+15)	2/1/07	1,700	<0.50	43.1
S-9, 38-40' (+15)	2/1/07	2,190	<0.25	12.3
S-9, 49-50' (+15)	2/1/07	2,190	<0.25	33.7
S-9, 59-60' (+15)	2/1/07	278	<0.10	1.6
S-9, 68-69' (+15)	2/1/07	<10	<0.005	<0.005

Sample ID	Date	TPH (mg/Kg)	Benzene (mg/Kg)	Total BTEX (mg/Kg)
S-9, 79-80' (+15)	2/1/07	860	<0.10	7.5
S-9, 84-85' (+15)	2/1/07	<10	<0.005	<0.005
S-9, 87-88' (+15)	2/1/07	<10	<0.005	<0.005
S-10, 9-10' (+12)	2/7/07	5,700	3.2	235.2
S-10, 19-20' (+12)	2/7/07	2,400	3.9	205.9
S-10, 27-28' (+12)	2/7/07	2,000	1.0	119.6
S-10, 39-40' (+12)	2/7/07	1,800	<1.0	92.2
S-10, 49-50' (+12)	2/7/07	3,000	<1.0	126
S-10, 59-60' (+12)	2/7/07	2,400	<1.0	141
S-10, 68-69' (+12)	2/7/07	2,300	<1.0	122
S-10, 79-80' (+12)	2/7/07	3,100	<1.0	148.5
S-10, 89-90' (+12)	2/7/07	<10	<1.0	<1.0
S-11, 4-5' (+11')	2/9/07	<10	<0.005	<0.005
S-11, 9-10' (+11')	2/9/07	<10	<0.005	<0.005
S-11, 14-15' (+11')	2/9/07	<10	<0.005	<0.005
S-11, 19-20' (+11')	2/9/07	<10	<0.005	<0.005

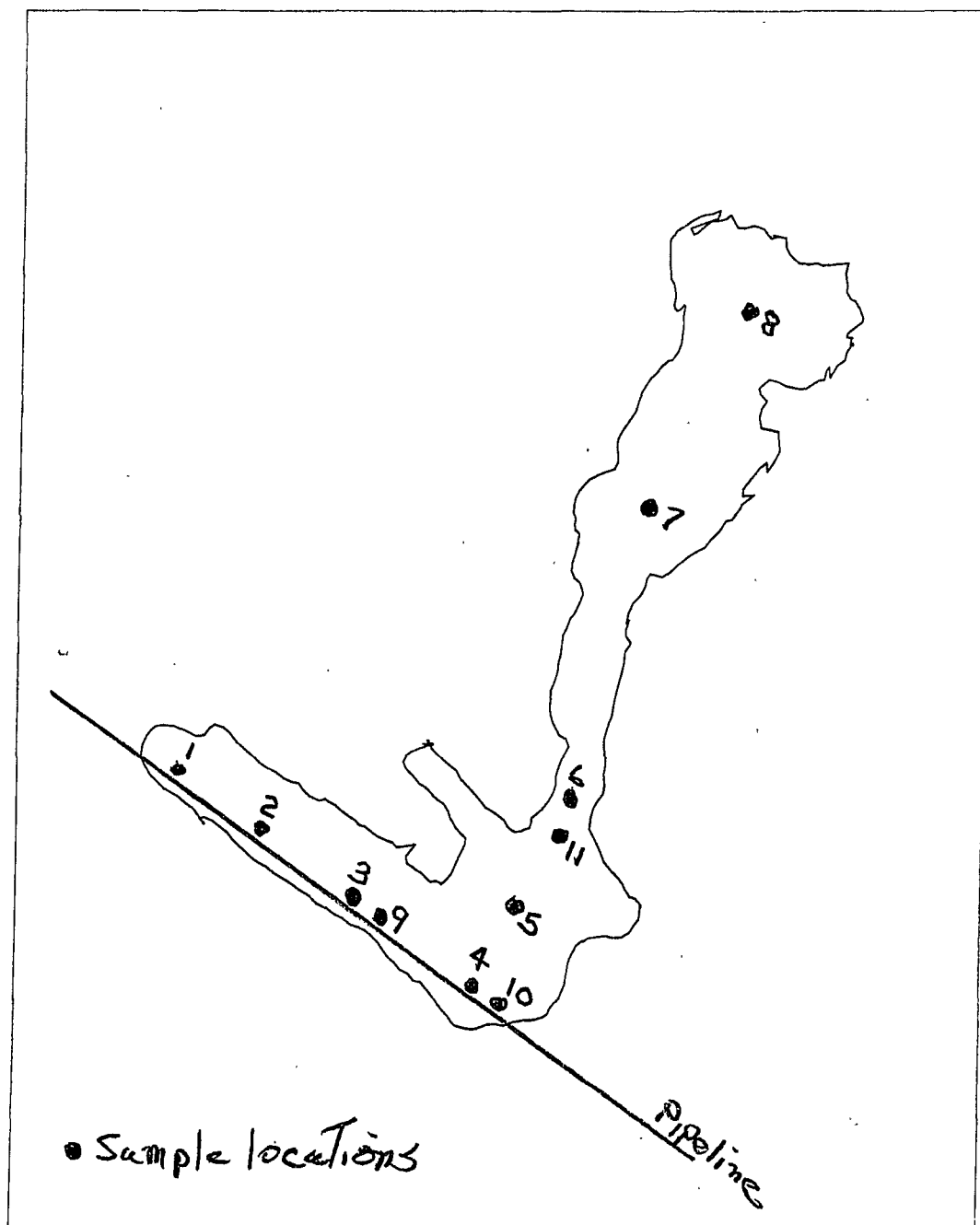
Notes:

Samples 1, 2, and 8 taken at bottom of excavation. Add number in parenthesis to obtain approximate depth beneath land surface.

Samples 9-11: Depth measured from bottom of excavation. Add number in parenthesis to obtain depth beneath land surface.

* Sample from depth of excavation at time of sampling

++ Sample for BTEX only if TPH <5,000



Holly Artesia 6" Mainline Crude Release

Lat/Long
WGS 1984

N
↑

Scale 1:800
0 100.0
Feet

HOL-06-006.cor
4/3/2007

GPS Pathfinder[®] Office

 **Trimble**