NUKUI OPERATING COMPANY

Site Security Plan Goodnight 35 Federal No. 1 (NMNM 103604)

KUKUI Operating Company, (KUKUI) is concerned with the protection of human health and the environment and is committed to managing its operation in an environmentally safe manner. KUKUI will operate in such a manner as to protect the health and safety of its employees, contractors and the public, as well as the environment.

This plan provides for the containment of oil and waste water in tanks whose construction material is compatible with the product being stored and located above ground at the facility. The area around the above ground tanks is enclosed by a containment dike so that any spill will terminate and be safely confined within the retaining walls. Containment structures are constructed around storage tanks and consist of low permeable to non permeable materials.

If a spill, either within or adjacent to the containment structure should occur, the usable oil shall immediately be transferred to other storage containers. The unusable waste will be treated and disposed of in accordance with applicable regulations.

Offloading of oil or waste water to transport vehicles will meet applicable requirements of the Occupational Safety and Health Administration and the Department of Transportation.

Prevention :

- All personnel, including contract personnel involved with oil or waste water will be trained and be familiar with this plan.
- Periodic inspection of transport unloading hoses, the replacement of hoses as necessary, and the use of proper hose drainage procedure.
- Warning signs and labels.
- Secure the area before departure.

Security :

- All areas that store oil or waste water are fully fenced and locked.
- Master flow valves and drain valves, when not in use, shall be securely locked in the closed position to help reduce the likelihood of spill occurrences.
- The facility is adequately lighted.