Basin Environmental Service Technologies, LLC

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Effective Solutions

25 October 2006

Received

Mr. Larry Johnson
New Mexico Oil Conservation Division, District 1
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Closure Request, North Hobbs 8-Inch (231735)
Plains Marketing, L. P. Preliminary Site Investigation Report and Remediation/Closure Plan, dated 25 April 2006
Unit M (SW ¼, SW ¼) Section 29, Township 18 South, Range 38 East
Lea County, New Mexico
Plains SRS Number: 2006-059

Dear Mr. Johnson:

Basin Environmental Service Technologies, LLC (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this request for closure of the North Hobbs 8-Inch remediation site at the above referenced location. Soil remediation activities were successfully accomplished as proposed in the New Mexico Oil Conservation Division (NMOCD) approved Preliminary Site Investigation Report and Remediation/Closure Plan, dated 25 April 2006.

Basin responded and clamped the pipeline release on 10 February 2006, located on the North Hobbs 8-Inch Pipeline. The North Hobbs 8-Inch was subsequently de-oiled, cold cut and capped by Basin under the direction of Plains operations personnel. The impacted soils were excavated and stockpiled on a 6-mil poly-liner adjacent to the site. As reported on the C-141, dated 14 February 2006, approximately 10 barrels of crude oil were released and 3 barrels recovered. The NMOCD ranking criteria for the North Hobbs 8-Inch release site was >19 which sets the soil remediation levels for benzene, toluene, ethylbenzene, and xylenes (BTEX), and total petroleum hydrocarbons – gasoline range organics/diesel range organics (TPH-GRO/DRO) at 50 mg/kg for total BTEX and 100 mg/kg for TPH-GRO/DRO.

The following NMOCD approved remedial activities were accomplished at the North Hobbs 8-Inch pipeline release site:

application - pPAC0605428301
incident - nPAC0605428056

RP#713

- In February 2006, Basin conducted excavation activities at the release point and flow path. The excavation was approximately 110 feet long by 75 feet wide and approximately 18 feet below ground surface (bgs). The impacted soils were placed on a 6-ml poly-liner adjacent to the excavation for future remedial activities. Approximately 3500 cubic yards of impacted soil and 2500 cubic yards of segregated clean overburden were excavated and stockpiled on-site. See attached Figure 2, Excavation Site Map.

- On 28 February 2006, four (4) delineation soil samples were collected from the excavation floor delineation trench and walls ranging in depth from approximately 13 to 30 feet bgs and analyzed for constituent concentrations of TPH-GRO/DRO. Laboratory results indicated that three (3) delineation soil samples exceeded NMOCD regulatory standards and the remaining delineation soil sample was below NMOCD regulatory standards. Based on the laboratory results, excavation of the crude oil release site continued.

- On 08 March 2006, a soil boring was installed, utilizing an air rotary drill rig operated by Straub Corporation, Stanton, Texas, at the release point on the excavation floor (18 feet bgs) to a depth of 58 feet bgs to evaluate the vertical impact of the crude oil release. Soil samples were collected at 5 feet intervals, field screened with a Photoionization Detector (PID) and the selected soils samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that the eight (8) soil samples were below NMOCD regulatory standards for constituent concentrations of BTEX but that seven (7) of the eight (8) soil samples exceeded NMOCD regulatory standards for TPH-GRO/DRO. Groundwater was encountered at approximately 56 feet bgs and a groundwater sample was collected and analyzed for BTEX. Laboratory results indicated the groundwater sample was below NMOCD regulatory standards for constituent concentrations of BTEX.

- On 13 and 14 March 2006, at the request of Hobbs NMOCD District 1, three (3) groundwater monitor wells were installed, one (1) up gradient and two (2) down gradient of the release point to evaluate the groundwater (see Figure 4, Soil Boring & Monitoring Well Locations). Soil samples were collected at 5 feet intervals; field screened with a PID and selected soils samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Six (6) soil samples were selected for analysis from each of the three (3) groundwater monitoring well installations ranging in depth from 5 to 55 feet bgs, resulting in a total of eighteen (18) soil samples. Laboratory results of the eighteen (18) soil samples indicated that constituent concentrations of BTEX and TPH-GRO/DRO were not detected above laboratory method detection limits.

- On 16 and 17 March 2006, the three (3) groundwater monitoring wells were developed, purged and sampled. Additionally, the TFH water well adjacent (cross gradient) to the release site was sampled. The groundwater samples were

analyzed for constituent concentrations of BTEX and Chlorides. Laboratory results of the three (3) groundwater monitoring wells and TFH well groundwater samples indicated constituent concentrations of BTEX were not detected above laboratory method detection limits and Chlorides were below NMOCD regulatory standards. On 13 June 2006 and 14 September 2006, quarterly groundwater sampling events were conducted. The three (3) groundwater monitoring wells were gauged and purged in accordance with Environmental Protection Agency (EPA) guidelines. Laboratory results indicated that constituent concentrations of BTEX were either below NMOCD regulatory standards or not detected above laboratory method detection limits for the two (2) quarterly groundwater monitoring events (see Table 2, Groundwater Chemistry). Groundwater monitoring will be conducted on a quarterly schedule and submission of the NMOCD annual groundwater monitoring report will be accomplished.

- On 27 March 2006, confirmation soil samples were collected from the floor and walls of the excavated area (see Figure 3, Excavation Final Soil Sampling Locations). The soil samples were field screened with a PID and analyzed for BTEX and TPH-GRO/DRO. Laboratory results of the eight (8) soil samples collected from the floor and walls of the excavation indicated that TPH-GRO/DRO and BTEX constituent concentrations were either below NMOCD regulatory standards or were not detected above laboratory method detection limits.

- A Preliminary Site Investigation Report and Remediation/Closure Plan, dated 25 April 2006, was submitted to NMOCD and subsequently approved. The approved plan proposed to mechanically screen the impacted soil, separate the high content of caliche rock, blend impacted soils, and utilize the separated caliche rock as partial backfill in accordance with standard NMOCD approved practices. Additionally, as approved by NMOCD, a 40-mil poly line was proposed to be installed at the base of the excavation (18 feet bgs) to inhibit vertical migration of contaminants in soil left in place below the cap.

- In April and May 2006, the impacted mechanically screened soil was transported to the Plains Lea Station Land Farm (LSLF) for remediation. Additionally, blending of the impacted soil was conducted in conjunction with transporting the mechanically screened impacted soil to the LSLF. Cells were divided into approximately 500 cubic yards and confirmation soil samples were collected 16 May 2006 and 01 June 2006, and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that the six (6) confirmation soil samples were below laboratory method detection limits for constituent concentrations of BTEX. Laboratory results indicated detectable concentrations of TPH-GRO/DRO for three (3) soil samples; however, the three (3) soil samples were below NMOCD regulatory standards, and two (2) soil samples were below laboratory method detection limits. The remaining north stockpile # 2 soil sample exceeded NMOCD regulatory standards for constituent concentrations of TPH-GRO/DRO at 177 mg/kg. Approximately 500 cubic yards

from the north stockpile # 2 cell was also transported to the LSLF. The Laboratory results are attached as Table 1, Soil Chemistry.

- In June and July 2006, after installation of the 40-mil poly liner, backfilling of the North Hobbs 8-Inch excavation site was completed and the site was contoured to the surrounding pastureland. As proposed and approved by NMOCD, reseeding of the release site was conducted in September 2006.

The remediation activities were completed in accordance with the NMOCD approved Plains Marketing, L. P., Preliminary Site Investigation Report and Remediation/Closure Plan, dated 25 April 2006. Based on the results of the NMOCD approved remediation activities conducted at the North Hobbs 8-Inch release site, Basin, on behalf of Plains, requests that the NMOCD consider the soil issue at this site eligible for closure under the *New Mexico Oil Conservation Division Guidelines for Remediation of Leaks, Spills and Releases (1993).*

In accordance with a directive from the NMOCD office in Santa Fe, New Mexico, Plains will conduct the final of four (4) groundwater monitoring events in the fourth quarter of 2006. If the results of this final groundwater sampling event indicate BTEX constituent concentrations are below NMOCD guidelines, then Plains will request closure for the groundwater also.

Should you have any questions or comments, please contact me at (505) 441-2124.

Sincerely,

Ken Dutton
Basin Environmental Services

Attachments: Table 1, Soil Chemistry
Table 2, Groundwater Chemistry
Figure 2, Excavation Site Map
Figure 3, Excavation Final Soil Sampling Locations
Figure 4, Soil Boring & Monitor Well Locations
Digital Photos
NMOCD C-141 (Initial)
NMOCD C-141 (Final)

TABLE 1
SOIL CHEMISTRY

PLAINS MARKETING L.P.
NORTH HOBBS 8-INCH
LEA COUNTY, NEW MEXICO
PLAINS SRS: 2006-059

SAMPLE LOCATION	SAMPLE DEPTH (Below Normal Surface Grade)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH	METHOD 300
			BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO		CHLORIDES
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)
Floor @ 30'	30' bgs	02/28/06						96.5	873	970	
East Wall	13' bgs	02/28/06						<10	<10	<10	
South Wall	16' bgs	02/28/06						22	887	909	
West Wall	16' bgs	02/28/06						107	1425	1530	
SB-1 5'	23' bgs	03/08/06	0.061	0.832	1.79	5.09	0.327	815	3398	4210	
SB-1 10'	28' bgs	03/08/06	0.045	0.606	1.03	2.07	0.684	921	4302	5220	
SB-1 15'	33' bgs	03/08/06	0.033	0.178	0.342	0.611	0.144	199	1622	1820	
SB-1 20	38' bgs	03/08/06	<0.025	<0.025	0.081	0.149	<0.025	11.8	246.3	258	
SB-1 25'	43' bgs	03/08/06	<0.025	<0.025	0.083	0.152	<0.025	22.6	442	465	
SB-1 30'	48' bgs	03/08/06	<0.025	0.056	0.081	0.150	<0.025	16.6	201	218	
SB-1 35'	53' bgs	03/08/06	<0.025	0.058	0.082	0.151	<0.025	<10.0	144	144	
SB-1 40'	58' bgs	03/08/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-1 5'	5' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-1 15'	15' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	10.9
MW-1 25'	25' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-1 35'	35' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-1 45'	45' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-1 55'	55' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 5'	5' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	

TABLE 1 (cont)
SOIL CHEMISTRY

PLAINS MARKETING L.P.
NORTH HOBBS 8-INCH
LEA COUNTY, NEW MEXICO
SRS: 2006-059

SAMPLE LOCATION	SAMPLE DEPTH (Below Normal Surface Grade)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH	METHOD 300 CHLORIDES
			BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO		
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)
MW-2 15'	15' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 25'	25' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 35'	35' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 45'	45' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-2 55'	55' bgs	03/13/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 5'	5' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 15'	15' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 25'	25' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 35'	35' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 45'	45' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
MW-3 55'	55' bgs	03/14/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
S/E Wall	12' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
S. Wall	13' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	12.9	12.9	
S/W Wall	13' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
W. Wall	15' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
N. Wall	13' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
N/E Wall	14' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
E. Wall	12' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	
N. Exc. Flr	18' bgs	03/27/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	

TABLE 1 (cont)
SOIL CHEMISTRY

PLAINS MARKETING L.P.
NORTH HOBBS 8-INCH
LEA COUNTY, NEW MEXICO
SRS: 2006-059

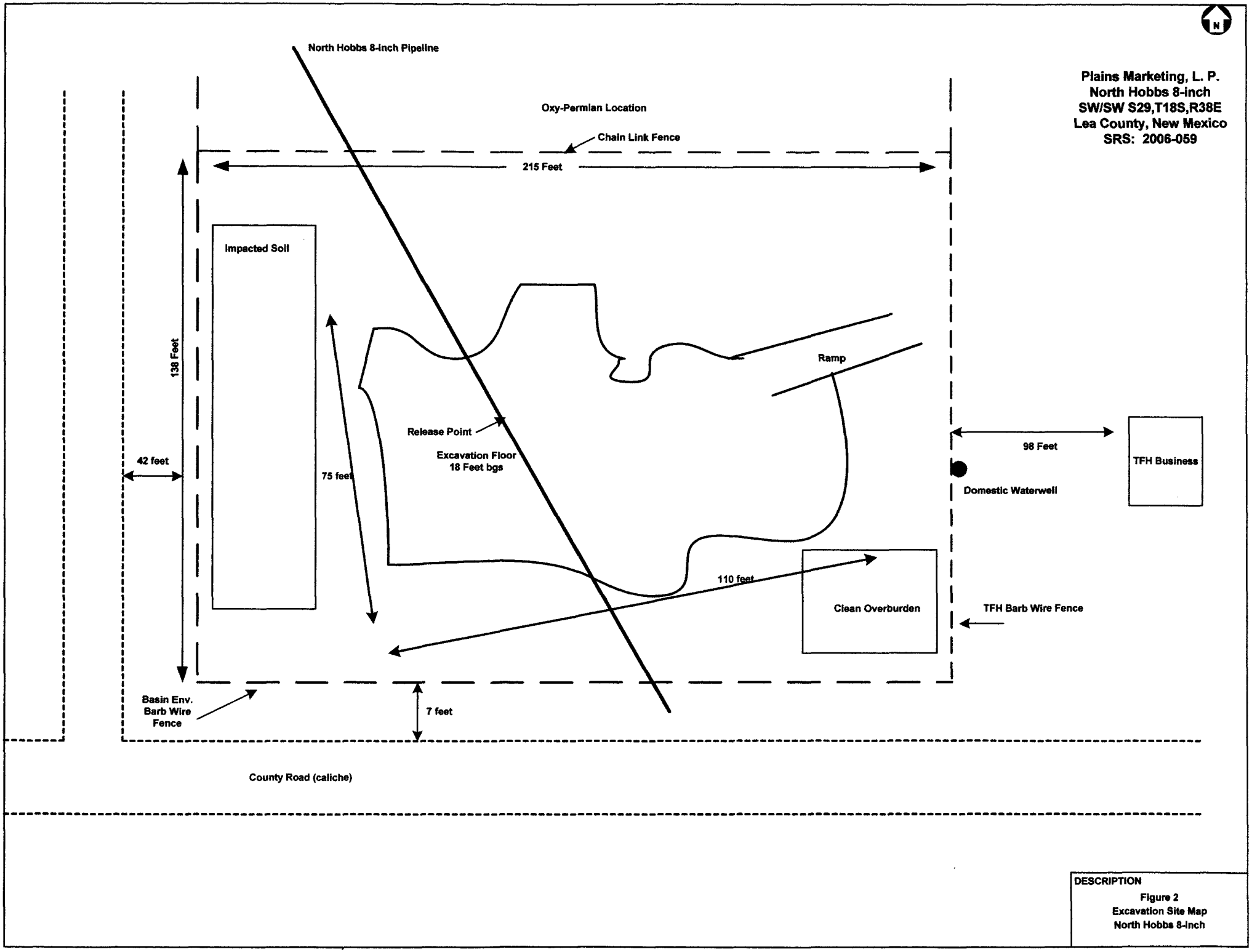
SAMPLE LOCATION	SAMPLE DEPTH (Below Normal Surface Grade)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH	METHOD 300 CHLORIDES
			BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL-BENZENE (mg/kg)	M,P-XYLENES (mg/kg)	O-XYLENE (mg/kg)	GRO (mg/kg)	DRO (mg/kg)	(mg/kg)	(mg/kg)
Quad 1	N/A	05/16/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	<10	<10	
Quad 2	N/A	05/16/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	<10	<10	
N. Stockpile 1	N/A	06/01/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	59.4	59.4	
N. Stockpile 2	N/A	06/01/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	177	177	
S. Stockpile 1	N/A	06/01/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	21.9	21.9	
S. Stockpile 2	N/A	06/01/06	<0.025	<0.025	<0.025	<0.025	<0.025	<10	22.9	22.9	
N. H Cal Pit	N/A	06/27/06						<10	<10	<10	
NMOCD CRITERIA			**10**	**TOTAL BTEX 50**						**100**	

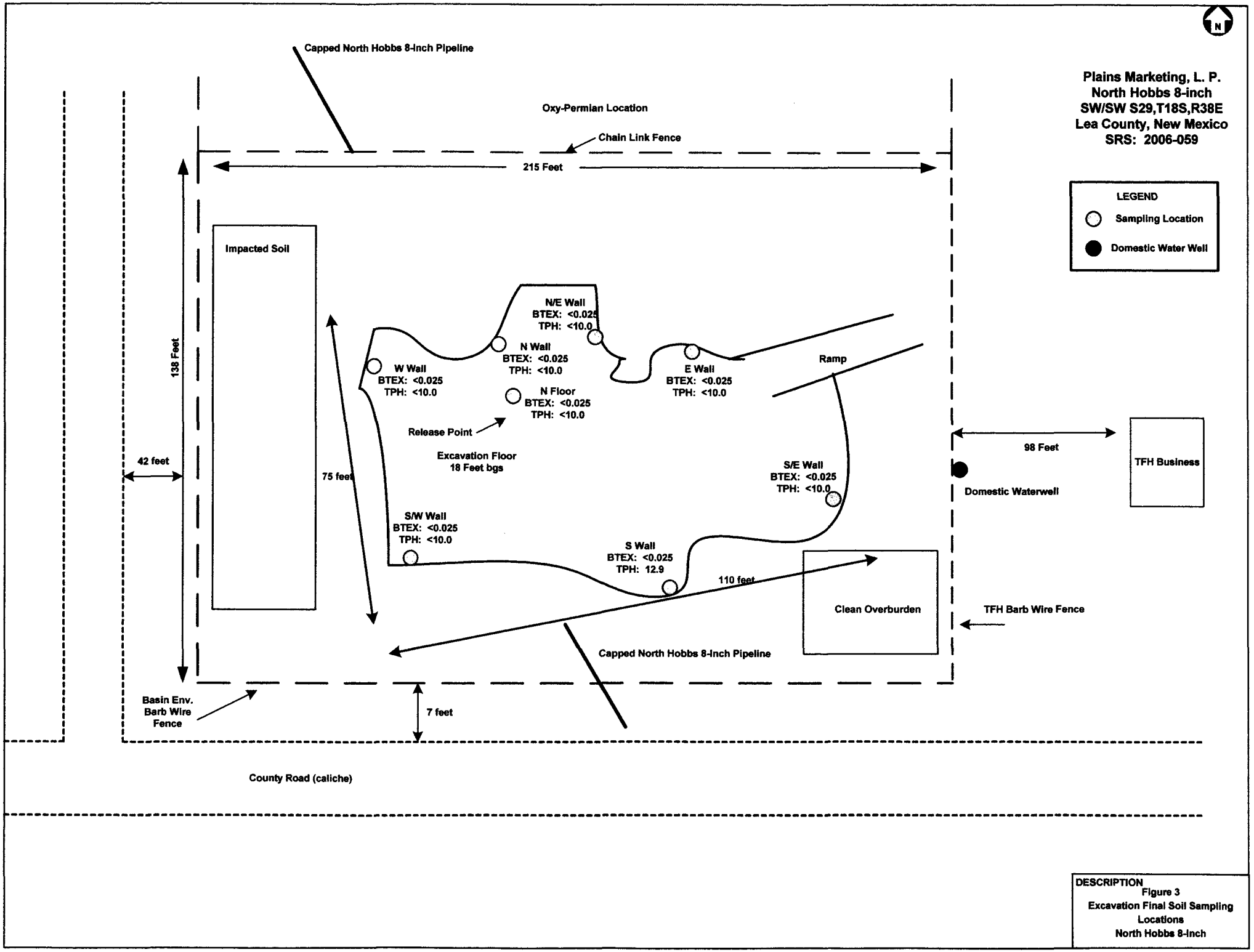
TABLE 2

GROUNDWATER CHEMISTRY

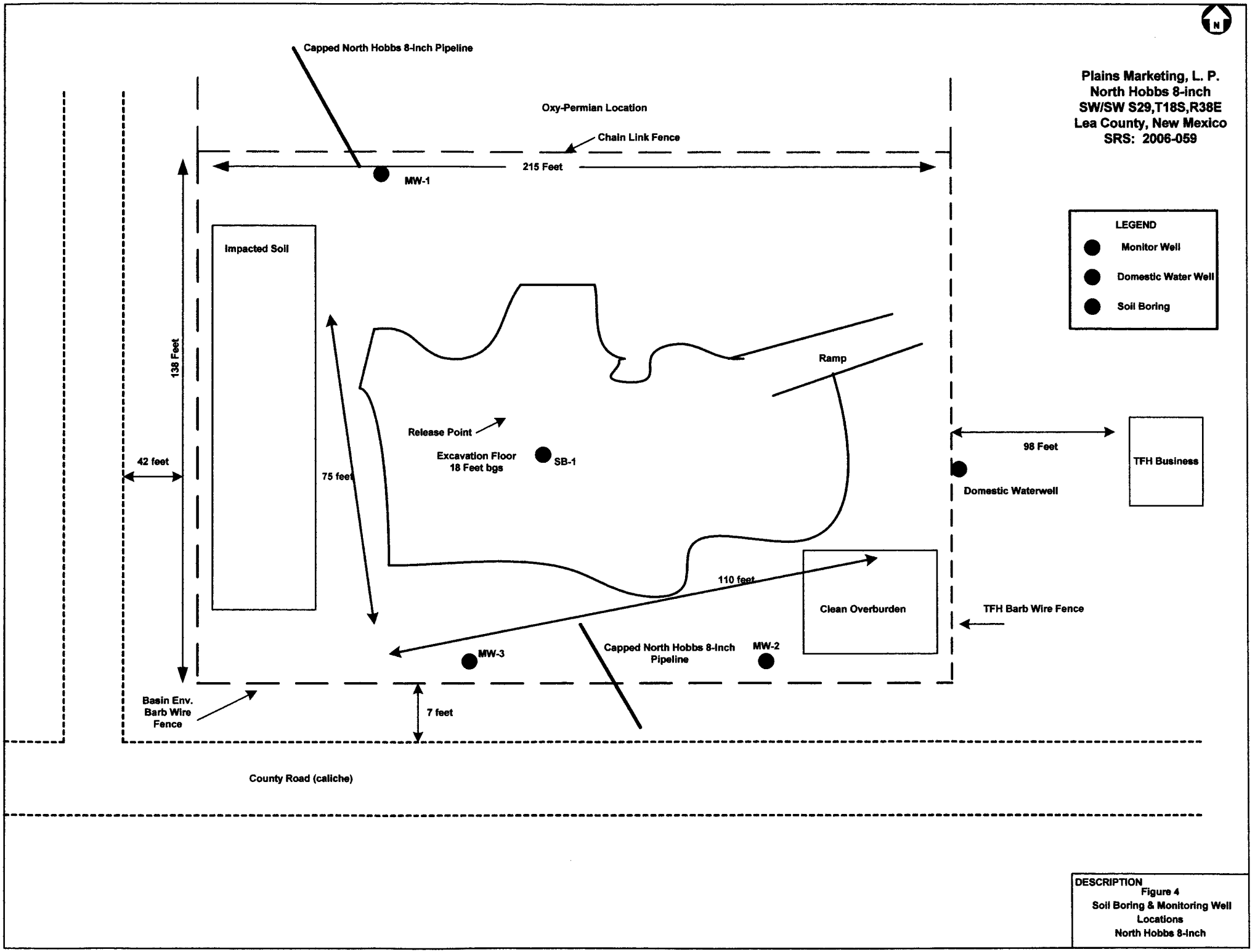
PLAINS MARKETING, L.P.
NORTH HOBBS 8-INCH
LEA COUNTY, NEW MEXICO
PLAINS SRS: 2006-059

SAMPLE LOCATION	SAMPLE DATE	METHODS: EPA SW 846-8021B, 5030					Method: 160.1	Method: 300.0
		BENZENE (mg/L)	TOLUENE (mg/L)	ETHYL-BENZENE (mg/L)	M,P-XYLENES (mg/L)	O-XYLENES (mg/L)	TDS (mg/L)	CHLORIDES (mg/L)
SB-1	03/08/06	<0.001	<0.001	0.003	0.006	<0.001		
TFH W/W	03/17/06	<0.001	<0.001	<0.001	<0.001	<0.001		86.0
MW-1	03/17/06	<0.001	<0.001	<0.001	<0.001	<0.001		45.7
	06/13/06	<0.001	<0.001	<0.001	<0.001	<0.001		
	09/14/06	<0.001	<0.001	<0.001	<0.001	<0.001		
MW-2	03/17/06	<0.001	<0.001	<0.001	<0.001	<0.001		64.0
	06/13/06	<0.001	<0.001	<0.001	<0.001	<0.001		
	09/14/06	<0.001	<0.001	<0.001	<0.001	<0.001		
MW-3	03/17/06	<0.001	<0.001	<0.001	<0.001	<0.001		69.0
	06/13/06	<0.001	<0.001	<0.001	0.004	0.001		
	09/14/06	<0.001	<0.001	<0.001	<0.001	<0.001		


Plains Marketing, L. P.
North Hobbs 8-inch
SW/SW S29,T18S,R38E
Lea County, New Mexico
SRS: 2006-059
North Hobbs 8-Inch Pipeline
Oxy-Permian Location
Chain Link Fence
215 Feet
Impacted Soil
138 Feet
42 feet
75 feet
Release Point
Excavation Floor
18 Feet bgs
Ramp
98 Feet
TFH Business
Domestic Waterwell
110 feet
Clean Overburden
TFH Barb Wire Fence
Basin Env.
Barb Wire
Fence
7 feet
County Road (caliche)
DESCRIPTION
Figure 2
Excavation Site Map
North Hobbs 8-Inch

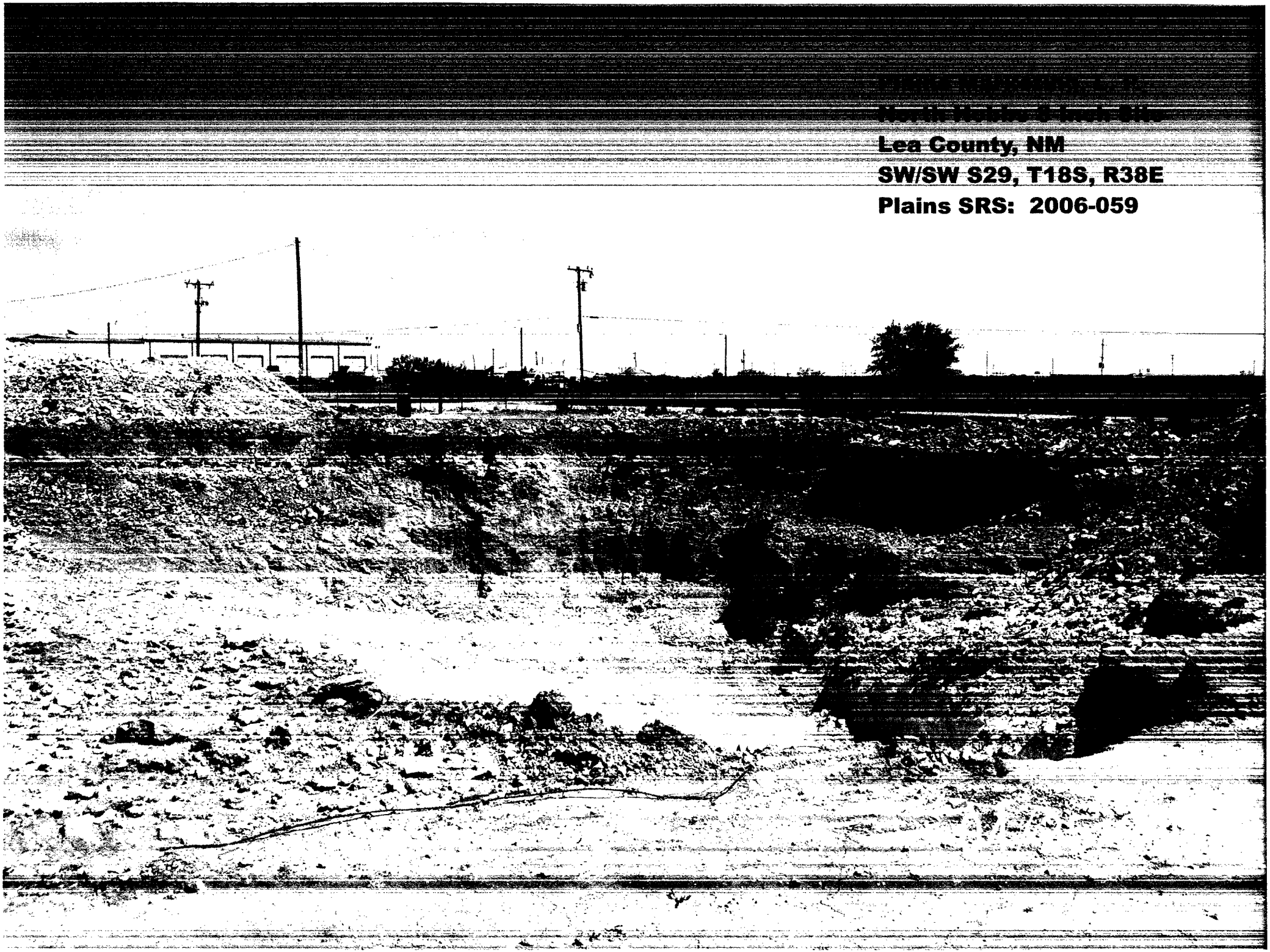


DESCRIPTION
Figure 3
Excavation Final Soil Sampling Locations
North Hobbs 8-Inch

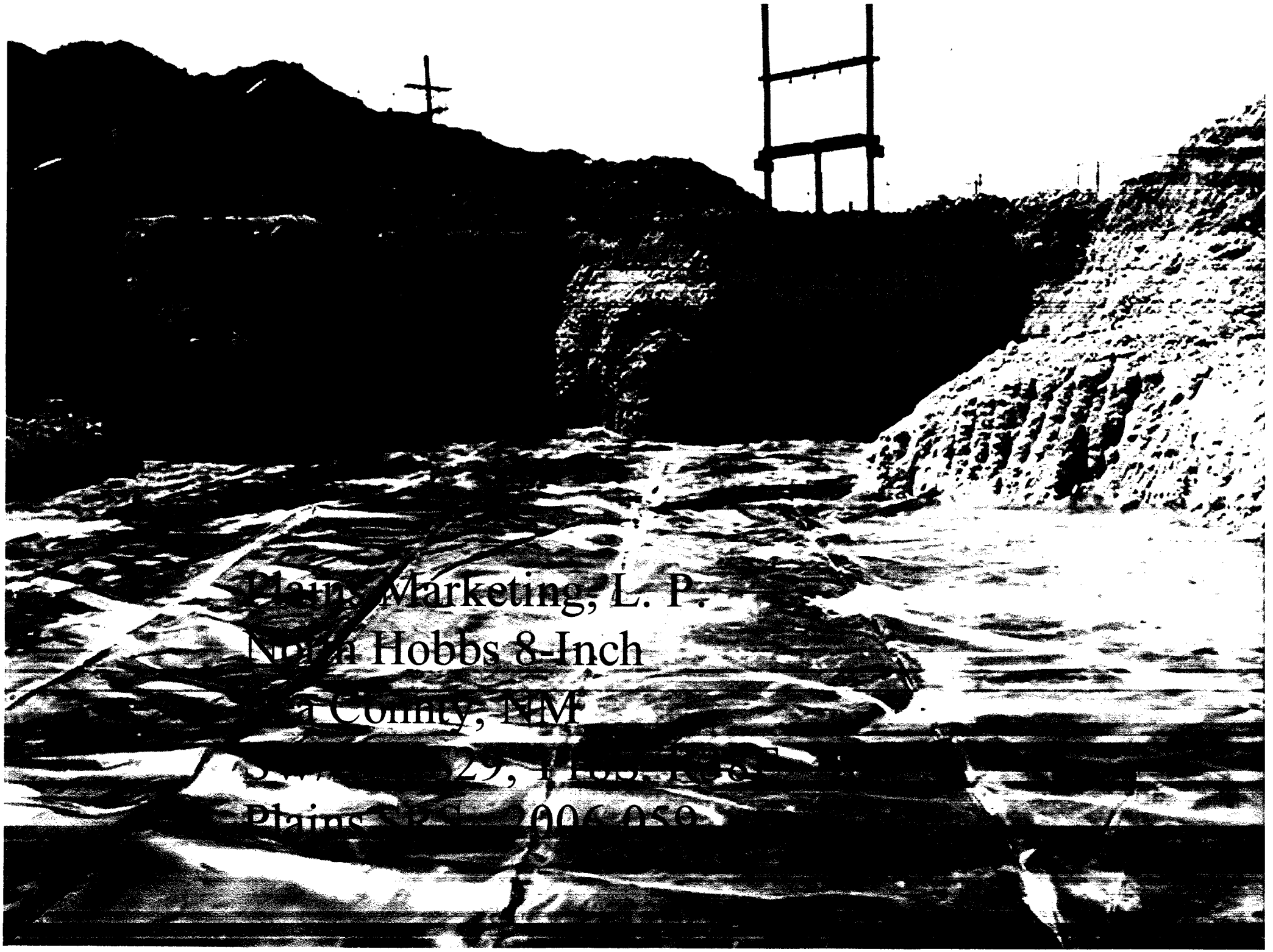


DESCRIPTION

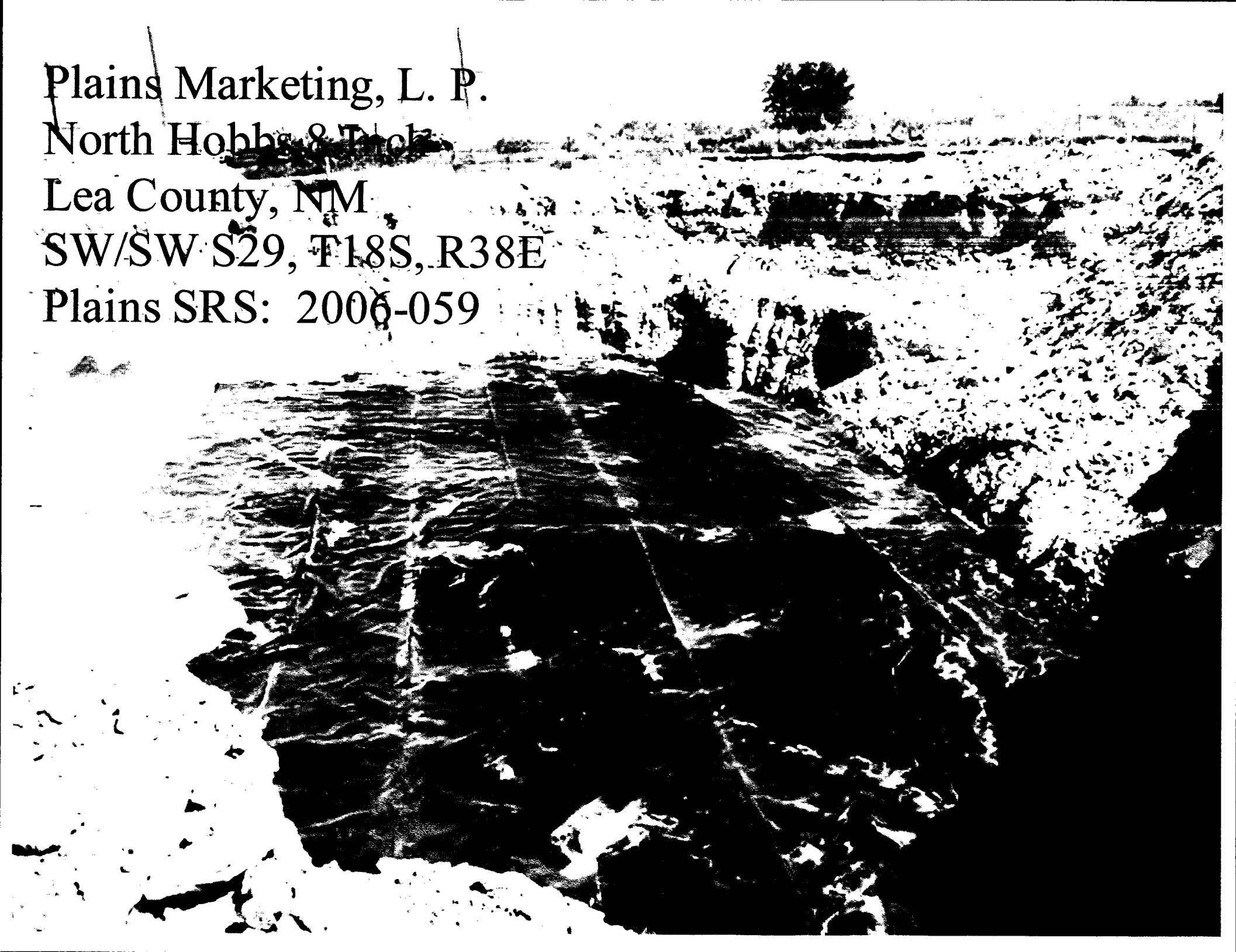
Figure 4
Soil Boring & Monitoring Well Locations
North Hobbs 8-Inch


Lea County, NM
SW/SW S29, T18S, R38E
Plains SRS: 2006-059


Excavation Floor 18 Feet bgs


Plains Marketing, L. P.
North Hobbs 8-Inch
Lea County, NM

Plains Marketing, L. P.
North Hobbs 8 Inch
Lea County, NM
SW/SW S29, T18S, R38E
Plains SRS: 2006-059




Plains Marketing, L. P.
North Hobbs 8-Inch
Lea County, NM
SW/SW S29, T28S,
R38E
Plains SRS: 2006-059


Lea County, NM
Plains SRS: 2006-039


Plains Marketing, L.P.
Plains SRS: 2006-059
NOVEMBER 2006


10/25/2006

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

x Initial Report ☐ Final Report

Name of Company Plains Pipeline	Contact Camille Reynolds
Address 3112 W. US Hwy 82, Lovington, NM 88260	Telephone No. 505-441-0965
Facility Name North Hobbs 8 Inch	Facility Type 8"Steel Pipeline

Surface Owner R,M and S Enterprises	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
M	29	18S	38E					Lea

Latitude 32° 42' 40.2" **Longitude** 103° 10' 41.7"

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 10 barrels	Volume Recovered 3 barrels
Source of Release 8" Steel Pipeline	Date and Hour of Occurrence 2-09-06 @ 9:00	Date and Hour of Discovery 2-09-06 @ 10:00
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Pat Caperton	
By Whom? Camille Reynolds	Date and Hour 2-09-06 @ 11:00	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* Internal corrosion of a 8 inch steel pipeline resulted in a release of sour crude oil. A clamp was installed on the line to mitigate the release. The line is a 8 inch steel gathering pipeline that produces approximately 200 barrels of crude oil per day. The pressure on the line is approximately 20 psi and the gravity of the sour crude oil is 37. The sour crude has an H_2S content of 210 ppm. The line was approximately 1.5 feet bgs at the release point.

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was approximately 400 ft^2.

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 Camille Reynolds

Printed Name: Camille Reynolds

Title: Remediation Coordinator

E-mail Address: cjreynolds@paalp.com

Date: 2-14-06 Phone: 505-441-0965

OIL CONSERVATION DIVISION

Approved by District Supervisor:

Approval Date: Expiration Date:

Conditions of Approval: Attached ☐

1RP-713

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 XX Final Report

Name of Company Plains Marketing, L. P.	Contact Camille Reynolds
Address 3112 W. US Hwy 82, Lovington, NM 88260	Telephone No. (505) 441-0965
Facility Name North Hobbs 8-Inch	Facility Type 8" Steel Pipeline

Surface Owner R, M & S Enterprises	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
M	29	18S	38E					Lea

Latitude 32°, 42', 40.2" North **Longitude** 103°, 10', 41.7" West.

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 10 barrels	Volume Recovered 3 barrels
Source of Release 8-inch Steel Pipeline	Date and Hour of Occurrence 09 February 2006 @ 0900	Date and Hour of Discovery 09 February 2006 @ 1000
Was Immediate Notice Given? XX Yes ☐ No ☐ Not Required	If YES, To Whom? Pat Caperton	
By Whom? Daniel Bryant	Date and Hour 09 February 2006 @ 1100	
Was a Watercourse Reached? ☐ Yes XX☐ No	If YES, Volume Impacting the Watercourse.	

Received

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* Internal corrosion of a 8 inch steel pipeline resulted in a release of sour crude oil. A clamp was installed on the line to mitigate the release. The line is an 8-inch steel gathering line that produces approximately 200 barrels of crude per day. The pressure on the line is approximately 20 psi and the gravity of the sour crude oil is 37. The sour crude has an H2S content of <10 ppm. The line was approximately 1.5 feet bgs at the release point.

Describe Area Affected and Cleanup Action Taken.* Per the approved NMOCD Plains Marketing, L. P., Remediation /Closure Plan, dated 25 April 2006, the crude oil release site was excavated; the impacted soil placed on a poly-liner adjacent to the excavation, confirmation soil samples were collected from the floor & walls of the excavation. Once the excavation confirmation soil samples were below NMOCD regulatory standards; the stockpiled soils were blended, confirmation soil samples collected, and the site was backfilled with the blended material and contoured to the original rangeland topography.

SEE ATTACHED BASIN ENVIRONMENTAL SERVICE TECHNOLOGIES LETTER DATED 25 OCTOBER 2006, CLOSURE REQUEST, WITH ATTACHMENTS FOR DETAILS OF REMEDIAL ACTIVITIES CONDUCTED.

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: Camille Reynolds	OIL CONSERVATION DIVISION
Printed Name: Camille Reynolds	Approved by District Supervisor: ENVIRO ENGR
Title: Remediation Coordinator	Approval Date: 10.31.06 Expiration Date:
E-mail Address: cjreynolds@paalp.com	Conditions of Approval: Attached ☐
Date: 25 October 2006 Phone: (505) 441-0965	

* Attach Additional Sheets If Necessary