

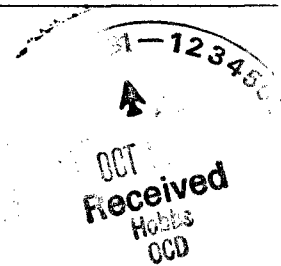
Basin Environmental Service Technologies, LLC

P. O. Box 301
Lovington, New Mexico 88260
kdutton@basinenv.com
Office: (505) 396-2378 Fax: (505) 396-1429



27 October 2006

1 RP-1107



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

Re: Closure Request, 8" Loop Line on Lea to Hendrick (231735)
Plains Marketing, L. P. Preliminary Site Investigation Report and
Remediation/Closure plan, dated 13 December 2005
Unit A (NE ¼, NE ¼) Section 17, Township 22 South, Range 37 East
Lea County, New Mexico
Plains EMS Number: 2005-00204

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 8" Loop Line on Lea to Hendrick remediation site at the above referenced location. 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 13 December 2005.

Basin responded and clamped the pipeline release on 23 August 2005, located on the 8" Loop Line on Lea to Hendrick Pipeline. Plains operations personnel conducted permanent repairs to the 8" Loop Line on Lea to Hendrick pipeline in September 2005. The impacted soils were excavated and stockpiled on a 6-mil poly-liner adjacent to the site. As reported on the C-141, dated 25 August 2005, approximately 80 barrels of crude oil were released and 65 barrels were recovered. NMOCD ranking criteria for the 8" Loop Line on Lea to Hendrick release site is 10-19, which sets the 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 1000 mg/kg for TPH-GRO/DRO.

Facility - FPAC0630454133
Incident - FPAC0630454251
application - FPAC0630454813

RP1107

The following NMOCD approved remedial activities were accomplished at the 8" Loop Line on Lea to Hendrick pipeline release site:

- In August and September 2005, Basin conducted excavation activities at the release point and flow path. The excavation is approximately 85 feet long by 30 feet wide and ranges in depth from approximately 8 to 10 feet below ground surface (bgs). The impacted soils were placed on a 6-mil poly-liner adjacent to the excavation for future remedial activities. Approximately 1080 cubic yards of impacted soil was excavated and stockpiled on-site. See attached Figure 2, Excavation Site Map.
- On 13 September 2005, six (6) confirmation soil samples were collected from the walls and floor of the excavation. The soil samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results of the six (6) soil samples indicated that BTEX concentrations were not detected above laboratory method detection limits. Laboratory results indicated that constituent concentrations of TPH-GRO/DRO were not detected above laboratory method detection limits for two (2) soil samples and the remaining four (4) were below NMOCD regulatory standards, with the exception of the south sidewall, which exceeded NMOCD regulatory standards at 1260 mg/kg. Laboratory results are attached as Table 1, Soil Chemistry Table. Excavation of the south wall was extended approximately 2 feet and a confirmation soil sample was collected on 04 October 2005. Laboratory results indicated that constituent concentrations of BTEX and TPH-GRO/DRO were not detected above laboratory method detection limits and no further excavation was required. See attached Figure 3, Soil Sampling Locations.
- A proposed Preliminary Site Investigation Report and Remediation/Closure Plan, dated 13 December 2005, was submitted to NMOCD and subsequently approved. The approved plan proposed transporting the impacted soil to the Plains Lea Station Land Farm (LSLF), obtain backfill material from the landowner, contour the excavation to the original rangeland grade and reseed with approved grass seed.
- In January 2006, Basin transported the impacted soil to LSLF and backfilled the 8" Loop Line on Lea to Hendrick excavation site with backfill material obtained from the landowner. The site was then contoured to the surrounding dunal pastureland. Reseeding of the site with approved grass seed was conducted in September 2006.

The remediation activities were completed in accordance with the NMOCD approved Plains Marketing, L. P., Remediation/Closure Plan, dated 13 December 2005. Based on the results of the NMOCD approved remediation activities conducted at the 8" Loop Line on Lea to Hendrick release site, Basin, on behalf of Plains, requests that the NMOCD consider this site as eligible for closure under the *New Mexico Oil Conservation Division Guidelines for Remediation of Leaks, Spills and Releases (1993)*.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Ken Dutton".

Ken Dutton

Basin Environmental Services

Attachments: Table 1, Soil Chemistry Table
Figure 2, Excavation Site Map
Figure 3, Soil Sampling Locations
Digitals
NMOCD C-141 (Initial)
NMOCD C-141 (Final)

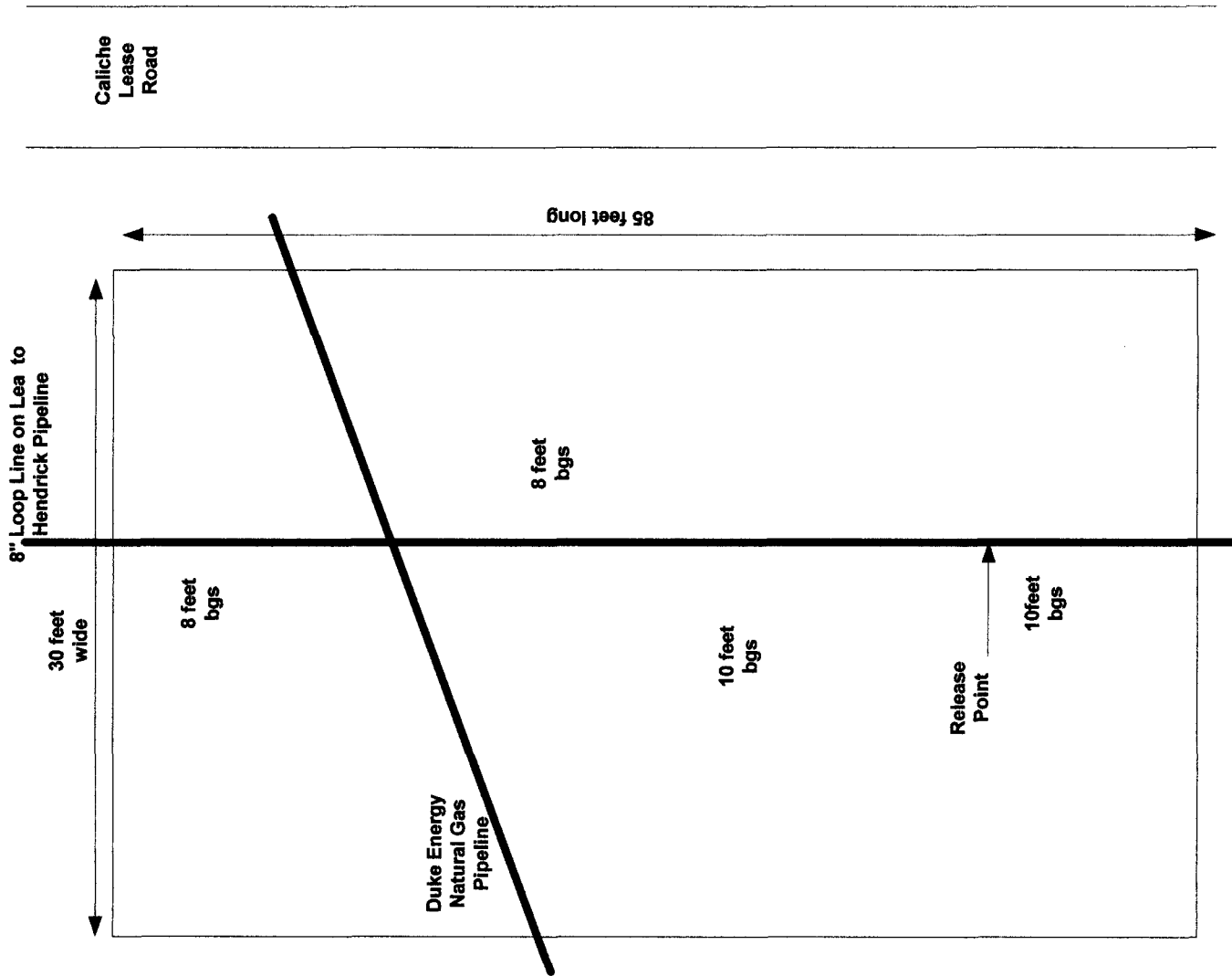
CC: Mr. Tim Wolters, Executor, Midland Bank of America

TABLE 1

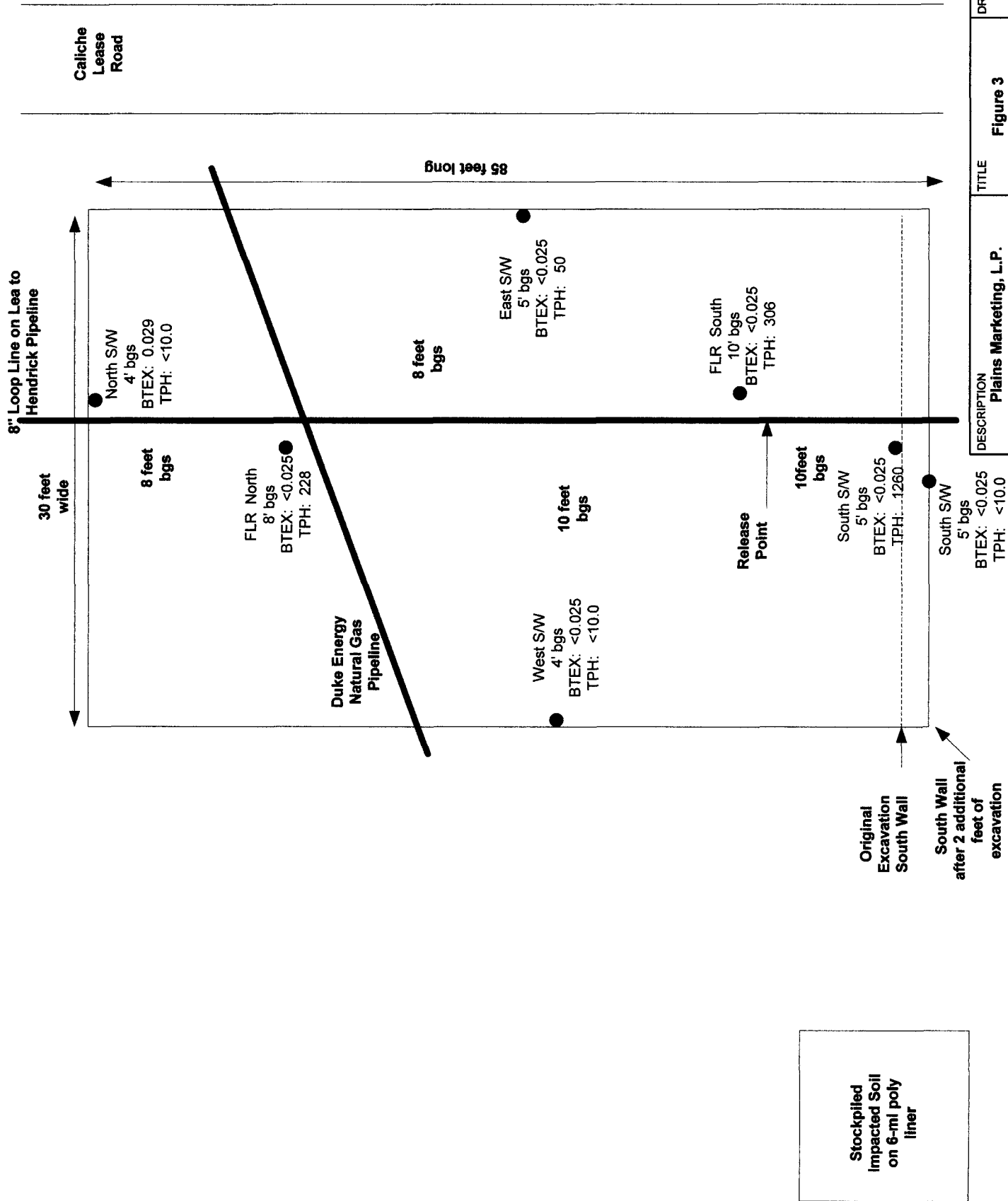
SOIL CHEMISTRY

PLAINS MARKETING, L.P.
8" LOOP LINE ON LEA TO HENDRICK
LEA COUNTY, NEW MEXICO
EMS: 2005-00204

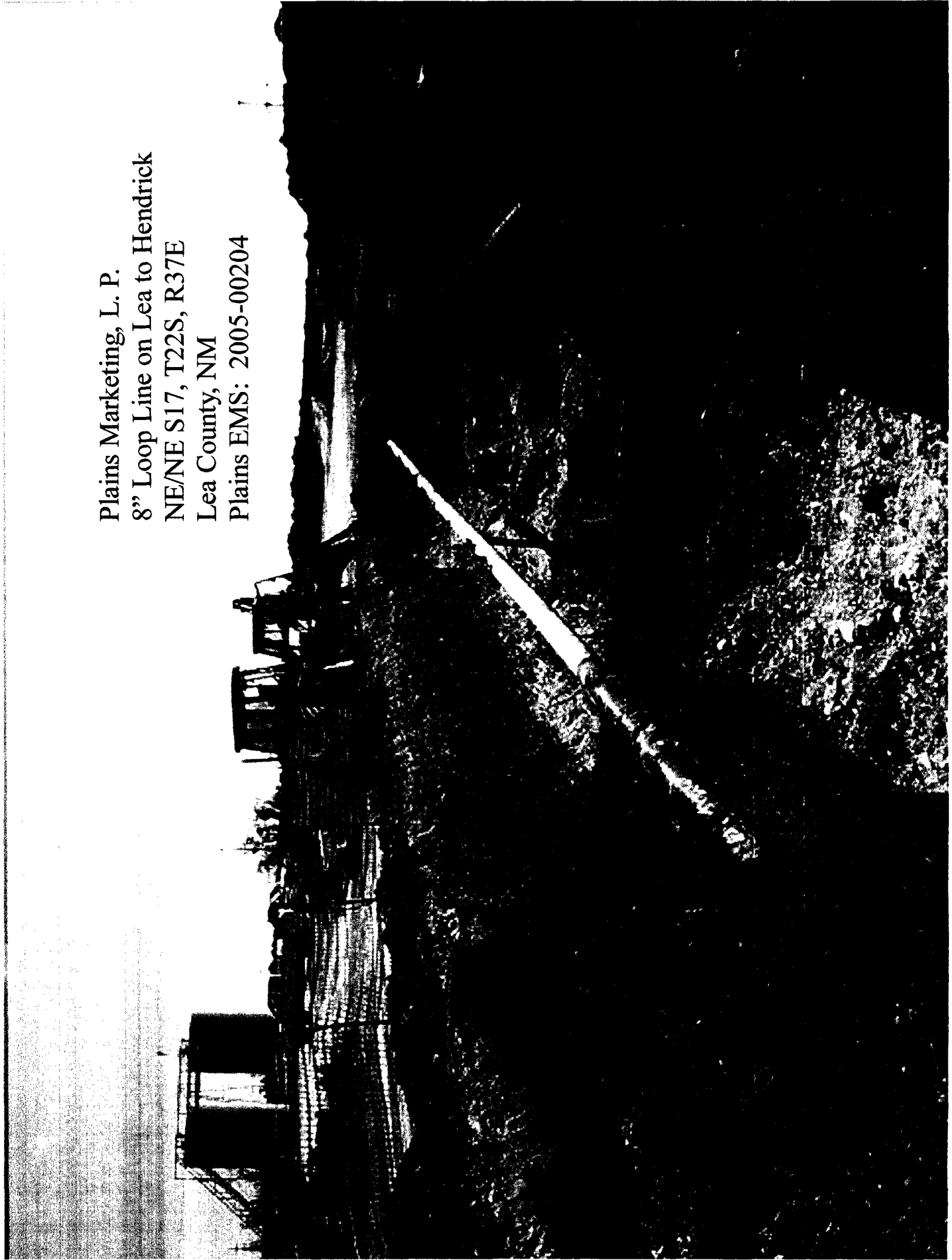
SAMPLE LOCATION	SAMPLE DEPTH (Below normal surface grade)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M		TOTAL TPH	CHLORIDES
			BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO		
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)
North SW	4' bgs	09/13/05	<0.025	<0.025	<0.025	0.029	<0.025	<10	<10	<10	
West SW	4' bgs	09/13/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10	<10	<10	
South SW	5' bgs	09/13/05	<0.025	<0.025	<0.025	<0.025	<0.025	69.8	1190	1260	
East SW	5' bgs	09/13/05	<0.025	<0.025	<0.025	<0.025	<0.025	14.6	35.4	50	
FLR North	8' bgs	09/13/05	<0.025	<0.025	<0.025	<0.025	<0.025	13.1	215	228	9.92
FLR South	10' bgs	09/13/05	<0.025	<0.025	<0.025	<0.025	<0.025	11.2	295	306	
STCKPL	3' bgs	09/13/05	0.038	1.19	2.02	4.12	1.79	2040	9090	11,100	
South SW	5' bgs	10/04/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10	<10	<10	
NMOCDCriteria			10	TOTAL BTEX 50						1000	



DESCRIPTION	TITLE	DRAWN BY
Plains Marketing, L.P. 8" Loop Line on Lea to Hendrick NE/NE S17, T22S, R37E Lea County, New Mexico	Figure 2 Excavation Site Map	Basin Environmental Services kad



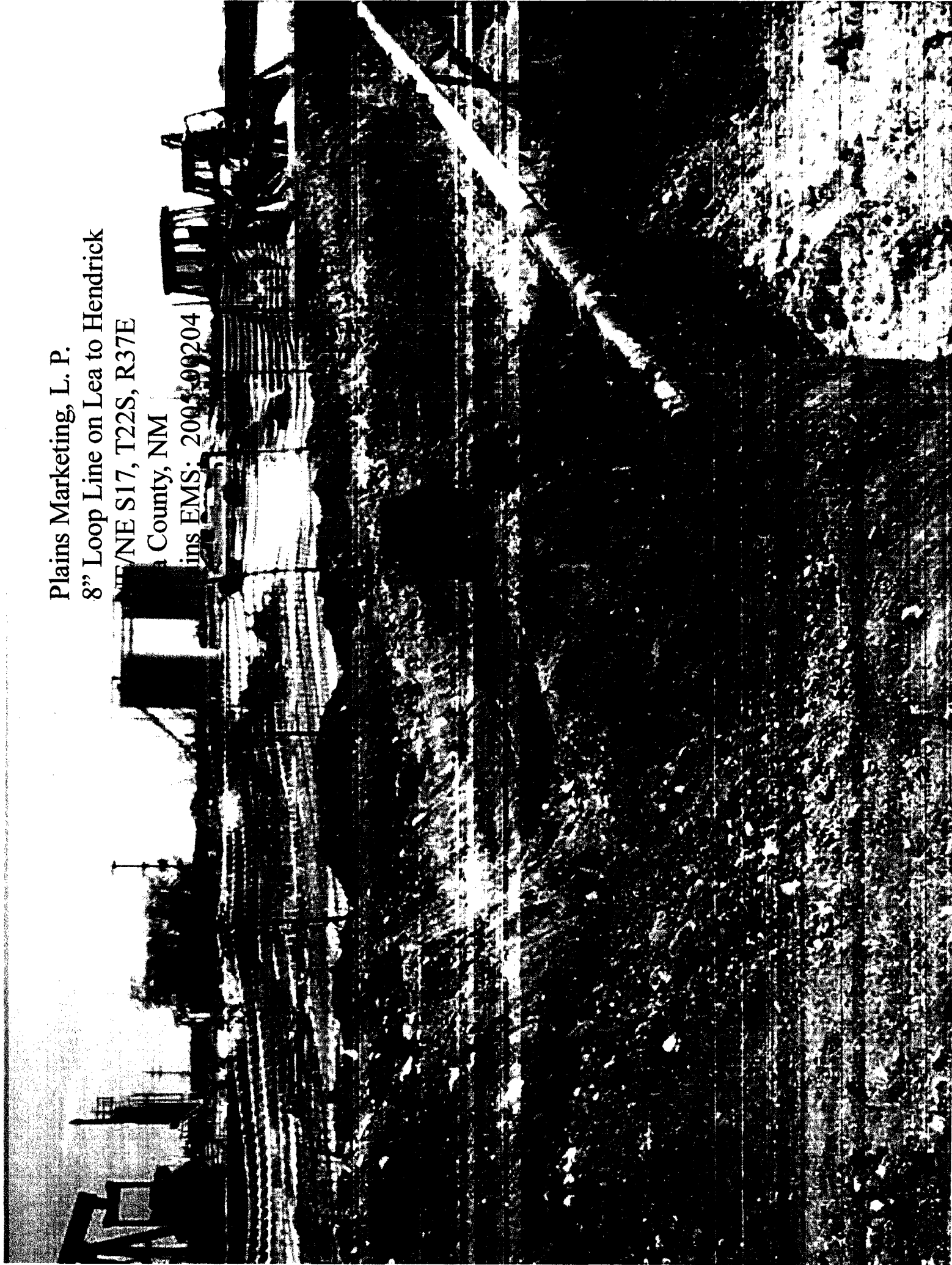
Plains Marketing, L. P.
8" Loop Line on Lea to Hendrick
NE/NE S17, T22S, R37E
Lea County, NM
Plains EMS: 2005-00204



Plains Marketing, L. P.
8" Loop Line on Lea to Hendrick
NE S17, T22S, R37E

County, NM

ins EMS: 2004-00204



Plains Marketing, L. P.
8" Loop Line on Lea to Hendrick
NE/NE S17, T22S, R37E
Lea County, NM
Plains EMS: 2--5-00204



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 ☐ Final Report

Name of Company Plains Marketing, LP	Contact Camille Reynolds
Address 3112 W. US Hwy 82, Lovington, NM 88260	Telephone No. 505-441-0965
Facility Name 8" Loop Line on Lea to Hendrick	Facility Type 8" Steel Pipeline

Surface Owner Millard Deck Estate	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter A	Section 17	Township 22S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude 32° 23' 54.1" Longitude 103° 10' 41.4"

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 80 barrels	Volume Recovered 65 barrels
Source of Release 8" Steel Pipeline	Date and Hour of Occurrence 8-23-05 @ 14:15	Date and Hour of Discovery 8-23-05 @ 14:15
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink	
By Whom? Camille Reynolds	Date and Hour 8-23-05 @ 16:50	
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 excavation of pipeline for replacement a 2" valve was struck on the 8" steel pipeline. A bull plug was installed on the line to mitigate the release. The line is an 8 inch steel transmission pipeline that produces approximately 8,000 to 10,000 barrels of crude oil per day. The pressure on the line is approximately 40 psi and the gravity of the sweet crude oil is 39.2. The sweet crude has an H₂S content of <10 ppm

Describe Area Affected and Cleanup Action Taken.* The impacted soil was excavated and stockpiled on plastic. Aerial extent of surface impact was approximately 1,975 ft².

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: <i>Camille Reynolds</i>	OIL CONSERVATION DIVISION	
Printed Name: Camille Reynolds	Approved by District Supervisor:	
Title: Remediation Coordinator	Approval Date:	Expiration Date:
E-mail Address: cjreynolds@paalp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8-25-05	Phone: 505-441-0965	

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Energy Minerals and Natural Resources
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Santa Fe, NM 87505

1RP-1107

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 Marketing, L. P.	Contact	Camille Reynolds
Address	3112 W. US Hwy 82, Lovington, NM 88260	Telephone No.	(505) 441-0965
Facility Name	8" Loop Line on Lea to Hendrick	Facility Type	8" Steel Pipeline
Surface Owner	Millard Deck Estate	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
A	17	22S	37E					Lea

75' Latitude 32°, 23', 54.1" North Longitude 103°, 10', 41.4"

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	80 barrels	Volume Recovered	65 barrels
Source of Release	8" Steel Pipeline	Date and Hour of Occurrence	23 August 2005 @ 1415	Date and Hour of Discovery	23 August 2005 @ 1415
Was Immediate Notice Given?	XX Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Gary Wink		
By Whom?	Camille Reynolds	Date and Hour	23 August 2005 @ 1650		
Was a Watercourse Reached?	<input type="checkbox"/> Yes XX <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

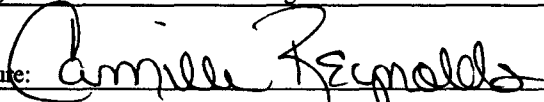
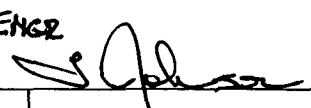
If a Watercourse was Impacted, Describe Fully.*	
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Describe Cause of Problem and Remedial Action Taken.* During excavation of pipeline for replacement, a 2" valve was struck on the 8" steel pipeline. A bull plug was installed on the pipeline to mitigate the release. The line is an 8 inch steel transmission pipeline that produces approximately 8,000 to 10,000 barrels of crude per day. The pressure on the line is approximately 40 psi and the gravity of the sweet crude oil is 39.2. The sweet crude has an H2S content of <10 ppm.

Describe Area Affected and Cleanup Action Taken.* Per the approved NMOCD Plains Marketing, L. P., Remediation/Closure Plan, dated 13 December 2005, 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 transported to the Plains Lea Station Land Farm, the site was backfilled with backfill material obtained from the landowner and contoured to the original rangeland topography.

SEE ATTACHED BASIN ENVIRONMENTAL SERVICE TECHNOLOGIES LETTER DATED 27 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: 		OIL CONSERVATION DIVISION	
Printed Name: Camille Reynolds		Approved by District Supervisor: 	
Title: Remediation Coordinator		Approval Date: 10-31-06	Expiration Date: -
E-mail Address: cjreynolds@paalp.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: 27 October 2006	Phone: (505) 441-0965		

* Attach Additional Sheets If Necessary