

Basin Environmental Service Technologies, LLC

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



22 September 2006

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

Re: Closure Request, Cotton Draw Gathering 6" (231735)
Plains Marketing, L. P. Preliminary Site Investigation Report and Remediation
Plan, dated 13 January 2006
Unit K (NE ¼, SW ¼) Section 16, Township 25 South, Range 32 East
Lea County, New Mexico
SRS Number: 2005-228

Dear Mr. Johnson:

Basin Environmental Services (Basin), on behalf of Plains Marketing, L. P. (Plains), is submitting this request for closure of the Cotton Draw Gathering 6" 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 Plan, dated 13 January 2006. A Right-of-Entry permit (ROE # 1178) was obtained from the New Mexico State Land Office (SLO) to conduct remedial activities at the site on 03 November 2005.

Basin Environmental Service Technologies, LLC (Basin) responded and clamped the pipeline release on 04 October 2005, located on the Cotton Draw Gathering 6" Pipeline. The impacted soils were excavated and stockpiled on a 6-mil poly-liner adjacent to the site. As reported on the C-141, dated 10 October 2005, approximately 8 barrels of crude oil were released and 0 barrels recovered. The NMOCD ranking criteria for the Cotton Draw Gathering 6" release site was 0-9 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 5000 mg/kg for TPH-GRO/DRO.

The following NMOCD approved remedial activities were accomplished at the Cotton Draw Gathering 6" pipeline release site:

- In October 2005, Basin conducted excavation activities at the release point and flow path. The excavation was approximately 85 feet long by 50 feet wide and approximately 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 1200 cubic yards of segregated clean overburden and impacted soil were excavated and stockpiled on-site.
- On 14 November 2005, Basin installed five (5) soil borings to evaluate the horizontal and vertical nature and extent of crude oil impacted soil at the pipeline release utilizing an air rotary drill rig operated by Straub Corporation, Stanton, Texas. (see Site Map, Figure 2). Soil boring SB-1 was installed adjacent to the release point, SB-2 and SB-4 at cross gradient positions, SB-3 at an up gradient position and SB-5 at a down gradient position from the release point. The soil borings ranged in depth from 20 feet bgs to 30 feet bgs. Soil samples were collected at 5 feet intervals and selected soil samples were analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results from the seventeen (17) soil samples collected from the installation of the soil borings indicated that constituent concentrations of BTEX and TPH-GRO/DRO were either below NMOCD regulatory standards or not detected above laboratory method detection limits. Laboratory results are attached as Table 1, Soil Chemistry Table.
- On 20 December 2005, five (5) confirmation soil samples were collected from the excavation floor and walls ranging in depth from 5 to 10 feet bgs and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that the five (5) confirmation soil samples were either below NMOCD regulatory standards or not detected above laboratory detection methods.
- A Preliminary Site Investigation Report and Remediation/Closure Plan, dated 13 January 2006, was submitted to NMOCD and SLO and subsequently approved by both. The approved plan proposed blending of the impacted soil on-site and backfilling of the excavation. The blended soil was to be divided into equal grid cells of approximately 350 cubic yards and confirmation soil samples were to be collected from each grid cell to ensure TPH-GRO/DRO concentrations were below 5000 mg/kg. Once backfilling activities were completed and the site contoured to the original rangeland, reseeding with an approved SLO seed mixture would be completed.
- In April 2006, the blending of the impacted soil was conducted. Cells were divided into approximately 350 cubic yards and confirmation soil samples were collected 15 May 2006 and analyzed for constituent concentrations of BTEX and TPH-GRO/DRO. Laboratory results indicated that the three (3) confirmation soil samples exhibited detectable concentrations of BTEX and TPH-GRO/DRO, however, the three (3) soil samples were below NMOCD regulatory standards. Laboratory results are attached as Table 1, Soil Chemistry.

- In April 2006, backfilling of the Maljamar to Lynch Abandoned 10" excavation site was completed and the site was contoured to the surrounding undulating dunal pastureland. As proposed and approved by NMOCD and SLO, 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 13 January 2006. Based on the results of the NMOCD approved remediation activities conducted at the Cotton Draw Gathering 6" 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,



Ken Dutton

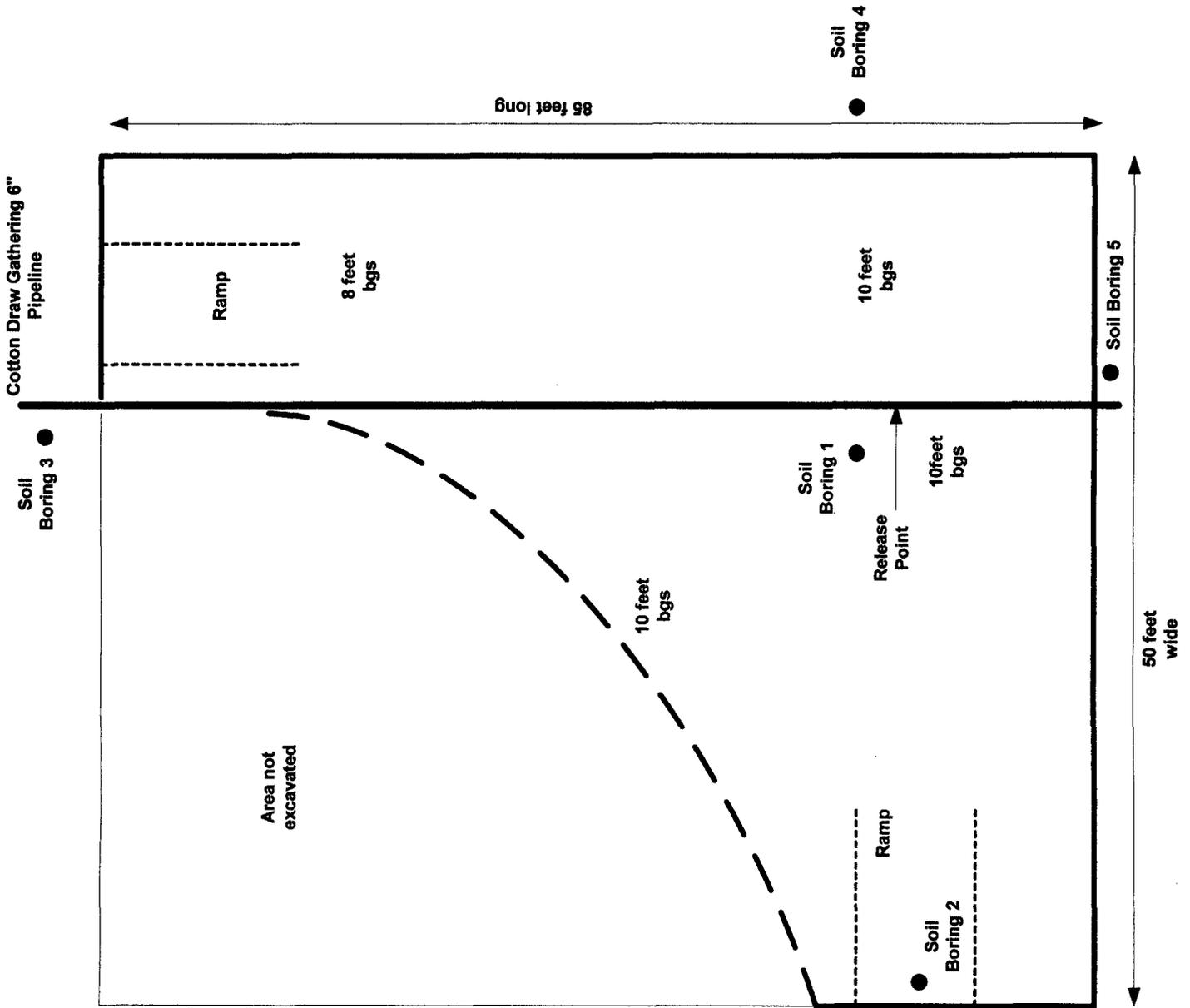
Basin Environmental Services

Attachments: Excavation Site Map
Table 1, Soil Chemistry
Digital Photos
NMOCD C-141 (Initial)
NMOCD C-141 (Final)

Cc: Mr. Thaddeus Kostrubala (NMSLO, Santa Fe, NM)



DESCRIPTION Plains Marketing, L.P. Cotton Draw Gathering 6" NE/SW S16, T25S, R32E Lea County, New Mexico EMS: 2005-00228	TITLE Figure 2 Excavation Site Map & Soil Boring Locations	DRAWN BY Basin Environmental Services kad
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Stockpiled
Clean
Overburden
Soil

Stockpiled
Impacted Soil
on 6-mil poly
liner

TABLE 1

SOIL CHEMISTRY

PLAINS MARKETING, L.P.
 COTTON DRAW GATHERING 6"
 LEA COUNTY, NEW MEXICO
 EMS: 2005-00228

SAMPLE LOCATION	SAMPLE DEPTH (Below normal surface grade)	SAMPLE DATE	METHOD: EPA SW 846-8021B, 5030					METHOD: 8015M			TOTAL TPH	CHLORIDES (mg/kg)
			BENZENE	TOLUENE	ETHYL-BENZENE	M,P-XYLENES	O-XYLENE	GRO	DRO	TOTAL		
			(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)	(mg/kg)			
SB-1 5'	15' bgs	11/14/05	0.045	0.437	0.645	2.10	1.07	508	2410	2920		
SB-1 10'	20' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	78.0	919	997		
SB-1 15'	25' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-1 20'	30' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0	80.3	
SB-1 30'	40' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-2 5'	5' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-2 10'	10' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-2 20'	20' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-3 5'	5' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-3 10'	10' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-3 20'	20' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-4 5'	5' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-4 10'	10' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-4 20'	20' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-5 5'	5' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		
SB-5 10'	10' bgs	11/14/05	<0.025	<0.025	<0.025	<0.025	<0.025	<10.0	<10.0	<10.0		

Plains Marketing, L. P.
Cotton Draw Gathering 6-Inch
NE/SW S16, T25S, R32E
Lea County, NM
Plains EMS: 2005-00228



12/19/2003

Plains Marketing, L. P.
Cotton Draw Gathering 6-Inch
NE/SW S16, T25S, R32E
Lea County, NM
Plains EMS: 2005-00228



Plains Marketing, L. P.
Cotton Draw Gathering 6-Inch
NE/SW S16, T25S, R32E
Lea County, NM
Plains EMS: 2005-00228



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 Pipeline, LP	Contact	Daniel Bryant
Address	P.O. Box 3119 - Midland, Tx 79702	Telephone No.	(432) 557-5865
Facility Name	Cotton Draw Gathering 6"	Facility Type	Pipeline

Surface Owner	NM State Land Office	Mineral Owner		Lease No.	
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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
K	16	25S	32E					Lea

Latitude N 32° 07.648" Longitude W 103° 40.909"

NATURE OF RELEASE

Type of Release	Sweet Crude Oil	Volume of Release	8 bbls	Volume Recovered	0 bbls
Source of Release	6" steel transmission line	Date and Hour of Occurrence	10/04/2005 07:30	Date and Hour of Discovery	10/04/2005 08:00
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	Larry Johnson		
By Whom?	Daniel Bryant	Date and Hour	10/06/2005 10:45		
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.*

Internal Corrosion caused a release of 8 bbls sweet crude oil on a 6" gathering line. Line was clamped to mitigate the release until a pipeline replacement could be made. The pressure of the line is 45 lbs and throughput on the pipeline is approximately 1,250 bbls per month. The gravity of the crude oil is 37.4. H₂S content is <10 ppm. Line depth is approximately 1.5' at the release source.

Describe Area Affected and Cleanup Action Taken.*

Visible staining from the pipeline release measured 50' X 10' yielding 500 ft². Impacted soil will be remediated per NMOCD 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: Daniel Bryant	Approved by District Supervisor:		
Title: Environmental R/C Specialist	Approval Date:	Expiration Date:	
E-mail Address: dmbryant@paalp.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 10/10/05	Phone: (432) 557-5865		

* Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
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1000 Rio Brazos Road, Aztec, NM 87410
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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, L. P.	Contact	Daniel Bryant
Address	P. O. Box 3119- Midland, TX 79702	Telephone No.	(432) 557-5865
Facility Name	Cotton Draw Gathering 6"	Facility Type	Pipeline

Surface Owner	NM State Land Office	Mineral Owner		Lease No.	
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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
K	16	25S	32E					Hobbs

300' Latitude 32° 07.648" North Longitude 103° 40.909"

Received
OCT 2005
Hobbs
OCD
200510252627

NATURE OF RELEASE

Type of Release	Sweet Crude Oil	Volume of Release	8 barrels	Volume Recovered	0 barrels
Source of Release	6-inch steel transmission line	Date and Hour of Occurrence	04 October 2005 @ 0730	Date and Hour of Discovery	04 October 2005 @ 0800
Was Immediate Notice Given?	XX Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Larry Johnson		
By Whom?	Daniel Bryant	Date and Hour	06 October 2005 @ 1045		
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.* Internal corrosion caused a release of 8 barrels sweet crude oil on a 6" gathering line. Line was clamped to mitigate the release until a pipeline replacement could be made. The pressure of the line is 45 lbs and throughput on the pipeline is approximately 1,250 bbls per month. The gravity of the crude oil is 37.4. H2S content is <10 ppm. Line depth is approximately 1.5' at the release point.

Describe Area Affected and Cleanup Action Taken.* Per the approved NMOCD Plains Marketing, L. P., Remediation Plan, dated 13 January 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 22 September 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: <i>Daniel Bryant</i>	OIL CONSERVATION DIVISION	
Printed Name: Daniel Bryant	Approved by District Supervisor: <i>[Signature]</i>	
Title: Environmental R/C Specialist	Approval Date: 11-20-06	Expiration Date: —
E-mail Address: dmbryant@paalp.com	Conditions of Approval: —	Attached <input type="checkbox"/>
Date: 26 September 2006	Phone: (432) 557-5865	

* Attach Additional Sheets If Necessary

Facility - PAC 0628632679
Incident - PAC 0628632832

application - PAC 0628633470
RP# 1077