

July 18, 2006

VIA EMAIL: [Larry.Johnson@state.nm.us](mailto:Larry.Johnson@state.nm.us)

Mr. Larry Johnson  
Environmental Engineer  
New Mexico Oil Conservation Division – District 1  
1625 North French Drive  
Hobbs, New Mexico 88240



**Re: Form C-141 and Remediation Proposal, Crude Oil Spill, Targa Midstream Services, L.P., Eunice Middle Gas Plant, Unit Letter G (SW/4, NE/4), Section 3, Township 21 South, Range 37 East, Lea County, New Mexico**

Dear Mr. Johnson:

This letter is submitted to the State of New Mexico Oil Conservation Division (“OCD”) on behalf of Targa Midstream Services, L.P. (“TMS”) by Larson and Associates, Inc. (“LA”), its consultant, for a crude oil spill that occurred at its Eunice Middle Gas Plant (“Facility”) on June 28, 2006. The spill occurred while a contractor, E.D. Walton Construction Company, Inc. (“EDW”) was operating a dozer near the south side of the Facility and accidentally contacted a crude oil pipeline in unit letter G (SW/4, NE/4), Section 3, Township 21 South, Range 37 East, in Lea County, New Mexico. The pipeline is owned by Plains All American Pipeline, L.P. (“PAAPLP”).

EDW personnel contained the spill using an earthen dike constructed with the dozer and notified TMS, Plains and the OCD. On June 29, 2006, EDW personnel submitted Form C-141 to the OCD District 1 office located in Hobbs, New Mexico. During a follow-up discussion, the OCD personnel instructed EDW personnel that TMS was responsible for the spill since it was working for TMS and the incident occurred on TMS property. The latitude and longitude for the spill is North 32° 25’ 16.9” and West 103° 08’ 47.8”, respectively. Form C-141 is attached. Contact information for TMS is as follows:

Mr. James Lingnau, Area Manager  
Targa Midstream Services, L.P.  
¾-Mile South on 4<sup>th</sup> Street  
Eunice, New Mexico 88231  
(505) 394-2534  
[JLingnau@targaresources.com](mailto:JLingnau@targaresources.com)

application # *PPACO 620531051*  
*RP# 963*

Mr. Larry Johnson  
Page 2  
July 18, 2006

**Remediation Plan**

Ground water occurs at approximately 32 feet below ground surface (“bgs”) and no domestic wells or surface water is present within 1,000 horizontal feet of the spill, therefore, recommended remediation action levels for the spill are 10 mg/Kg (benzene), 50 mg/Kg (50 mg/Kg) and 100 mg/Kg (TPH). TMS will remediate the spill by excavating contaminated soil until laboratory analysis of samples collected from the sides and bottom of the excavation are below the RRAL. Since the release involved crude oil and not produced water, no samples will be analyzed for chloride. LA will provide the OCD with at least 48-hours notice prior to remediation, 24-hours notice prior to collecting final soil samples and request permission from OCD to fill the excavation upon successful remediation of the spill. A final report will be submitted to the OCD within 45-days after receiving the final laboratory report. Please contact Mr. James Lingnau with TMS at (505) 394-2534 or email [JLingnau@targareesources.com](mailto:JLingnau@targareesources.com) if you have questions. I may be reached with questions at (432) 687-0901 or email [mark@laenvironmental.com](mailto:mark@laenvironmental.com).

Sincerely,

*Larson and Associates, Inc.*

A handwritten signature in black ink, appearing to be 'M', enclosed within a large, loopy oval shape.

Mark J. Larson, P.G., C.P.G., C. G. W. P.  
Sr. Project Manager/President

Encl.

cc: James Lingnau/TMS  
Cal Wrangham/TMS  
Don Embrey/TMS

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: Targa Midstream Services, L.P.	Contact: James Lingnau
Address: 3/4-Mile South on 4 <sup>th</sup> Street, Eunice, NM 88231	Telephone No.: (505) 394-2534
Facility Name: Eunice Middle Gas Plant	Facility Type: Natural Gas Processing Plant

Surface Owner: Versado Gas Processor, L.P.	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

Unit Letter G	Section 3	Township 21S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County: Lea
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Latitude: N32° 25' 16.9" Longitude: W103° 08' 47.8"

**NATURE OF RELEASE**

Type of Release: Crude Oil	Volume of Release: 90 BBL	Volume Recovered: 83 BBL
Source of Release: Crude Oil Pipeline	Date and Hour of Occurrence: 06/28/2006 / 13:00	Date and Hour of Discovery: 06/28/2006 / 13:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Verbal to Patricia Caperton	
By Whom? Cody Reid, E.D. Walton Construction Company, Inc.	Date and Hour: 06/28/2006 / 16:00	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

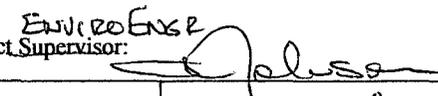
If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

Dozer operated by E.D. Walton employee punctured pipeline. Pipeline owner, Plains Pipeline, L.P., was notified and spill was contained by pushing up dirt with dozer. Plains personnel closed valve, initiated repairs and resumed operations.

Describe Area Affected and Cleanup Action Taken.\* Affected area measures about 45' x 108' and spill was contained inside earthen dike. Targa has requested Larson and Associates, Inc. ("LA"), its consultant, to coordinate remediation, which will include excavation and disposal of contaminated soil at an OCD approved commercial surface waste management facility (landfarm). Remediation action levels are as follows: benzene (10 mg/Kg), BTEX (50 mg/Kg) and TPH (100 mg/Kg). The pipeline contained crude oil, therefore, no samples will be collected for chloride. OCD will be notified at least 48 hours in advance of remediation, 24-hours in advance of collecting final soil samples and permission will be requested from OCD in advance of filling the excavation. A final report will be submitted to OCD upon successful remediation of the spill and will include laboratory documentation, photographs and a site drawing.

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Mark J. Larson	Approved by District Supervisor: 	
Title: Sr. Project Manager, Larson and Associates, Inc. (Agent)	Approval Date: 6-27-07	Expiration Date: 9-27-07
E-mail Address: mark@laenvironmental.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 07/18/2006 Phone: (432) 687-0901 (Office) (432) 556-8656 (Cell)	SUBMIT FINAL C-141	

\* Attach Additional Sheets If Necessary