AP - 007

ANNUAL MONITORING REPORT

YEAR(S):

2003

ANNUAL MONITORING REPORT

EOTT ENERGY, LLC
DARR ANGELL #2
SW ¼, SE ¼ OF SECTION 11, TOWNSHIP 15 SOUTH, RANGE 37 EAST
NW ¼, NE ¼ OF SECTION 14, TOWNSHIP 15 SOUTH, RANGE 37 EAST
LEA COUNTY, NEW MEXICO

PREPARED FOR:

EOTT ENERGY, LLC 5805 EAST HIGHWAY 80 MIDLAND, TEXAS 79701

PREPARED BY:

ENVIRONMENTAL TECHNOLOGY GROUP, INC. 2540 WEST MARLAND HOBBS, NEW MEXICO 88240

APRIL 2003

Robert B Eidson Chance I. Johnson
Geologist / Senior Project Manager New Mexico Regional Manager

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INTRODUCTION

Environmental Technology Group, Inc. (ETGI), on behalf of EOTT Energy, LLC (EOTT), prepared this Annual Monitoring Report in compliance with the New Mexico Oil Conservation Division (NMOCD) letter of May 1998, requiring submittal of an Annual Monitoring Report by April 1 of each year. The report presents the results of the quarterly groundwater monitoring events only. For reference, the Site Location Map is provided as Figure 1.

Groundwater monitoring was conducted during four quarterly events in calendar year 2002 to assess the levels and extent of dissolved phase and phase separated hydrocarbon (PSH) constituents. The groundwater monitoring events consisted of measuring static water levels in the monitor wells, checking for the presence of PSH, and purging and sampling of each well exhibiting sufficient recharge. Monitor wells containing measurable levels of PSH were not sampled.

FIELD ACTIVITIES

The site monitor wells were gauged and sampled on February 14, June 13, August 25 and December 13, 2002. During each sampling event the monitor wells designated to be sampled were purged of approximately three well volumes of water or until the wells were dry using a PVC bailer or electrical Grundfos Pump. Groundwater was allowed to recharge and samples were obtained using disposable Teflon samplers. Water samples were collected in clean, glass containers provided by the laboratory and placed on ice in the field. Purge water was collected in a polystyrene tank and disposed of by Pate Trucking, Hobbs, New Mexico or Vista Trucking of Eunice, New Mexico utilizing a licensed disposal facility (NMOCD AO SWD-730).

GROUNDWATER GRADIENT

Locations of the monitor wells and the inferred groundwater gradient, as measured on December 13, 2002, are depicted on Figure 2 the Site Groundwater Gradient Map. The groundwater elevation data for this reporting period is provided as Table 1. Groundwater elevation contours generated from the final quarterly event of calendar year 2002 water level measurements indicated a general gradient of approximately 0.002 ft/ft to the southeast as measured between groundwater monitor wells MW-1 and MW-3. The depth to groundwater as measured from the top of the well casing ranged between 57.82 to 66.70 feet in the shallow alluvial aquifer.

A measurable thickness of PSH was detected in recovery and monitor wells RW-1, RW-2 and MW-2 during the annual monitoring period. Maximum thicknesses of 10.33 feet in recovery well RW-1, 9.71 feet in recovery well RW-2 and 7.56 feet in monitor well MW-2 were recorded this period as shown on Table 1.

LABORATORY RESULTS

Groundwater samples obtained during the sampling events were delivered to AnalySys Inc., Austin, Texas for determination of dissolved phase Benzene, Toluene, Ethylbenzene and Xylene (BTEX) constituent concentrations by EPA Method SW846-8260b. The groundwater chemistry data is provided as Table 2 and copies of the Laboratory Reports are provided as Appendix A. Groundwater samples which exceeded regulatory standards for benzene and BTEX are indicated on Figure 3, the NMOCD Site Map.

Laboratory results for all of the site groundwater samples obtained during the calendar year 2002 monitoring period, indicate that dissolved phase benzene and BTEX concentrations were below NMOCD regulatory standards for all of the on-site monitor wells.

SUMMARY

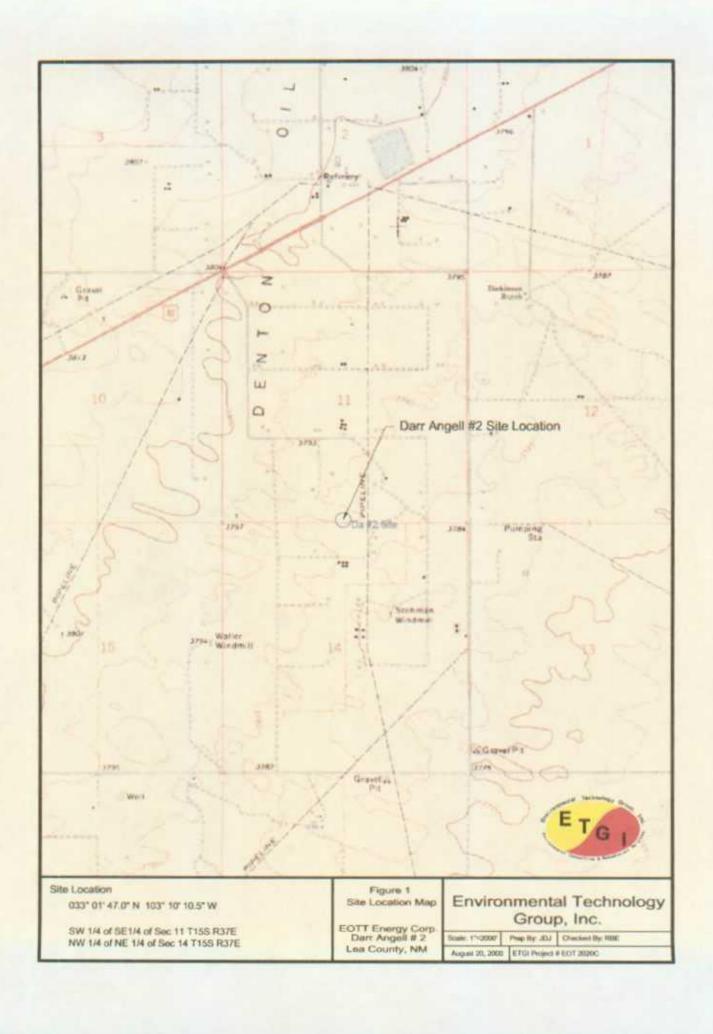
This report presents the results of monitoring activities for the annual monitoring period of calendar year 2002. A measurable thickness of PSH was detected in recovery and monitor wells RW-1, RW-2 and MW-2, during the annual monitoring period. Maximum thicknesses of 10.33 feet in recovery well RW-1, 9.71 feet in recovery well RW-2 and 7.56 feet in monitor well MW-2 were recorded this period. Approximately 1,747 gallons of PSH was recovered from the site during this reporting period by the automated recovery system installed at the site. Recovered PSH was reintroduced into the EOTT transportation system at the Lea Station Facility, Monument, New Mexico.

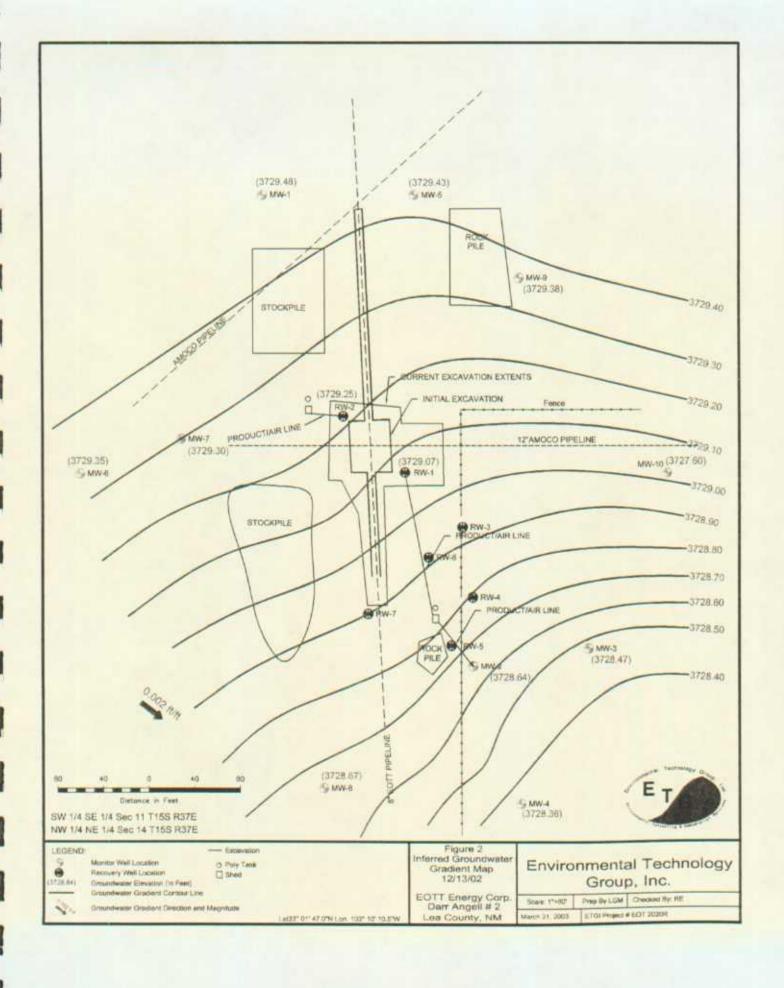
Groundwater elevation contours generated from the final quarterly event of calendar year 2002 water level measurements indicate a general gradient of approximately 0.002 ft/ft to the southeast as measured between groundwater monitor wells MW-1 and MW-3.

Laboratory results for all of the site groundwater samples, obtained during the calendar year 2002 monitoring period indicate that dissolved phase benzene and BTEX constituent concentrations were below NMOCD regulatory standards for all of the on-site monitor wells.

DISTRIBUTION

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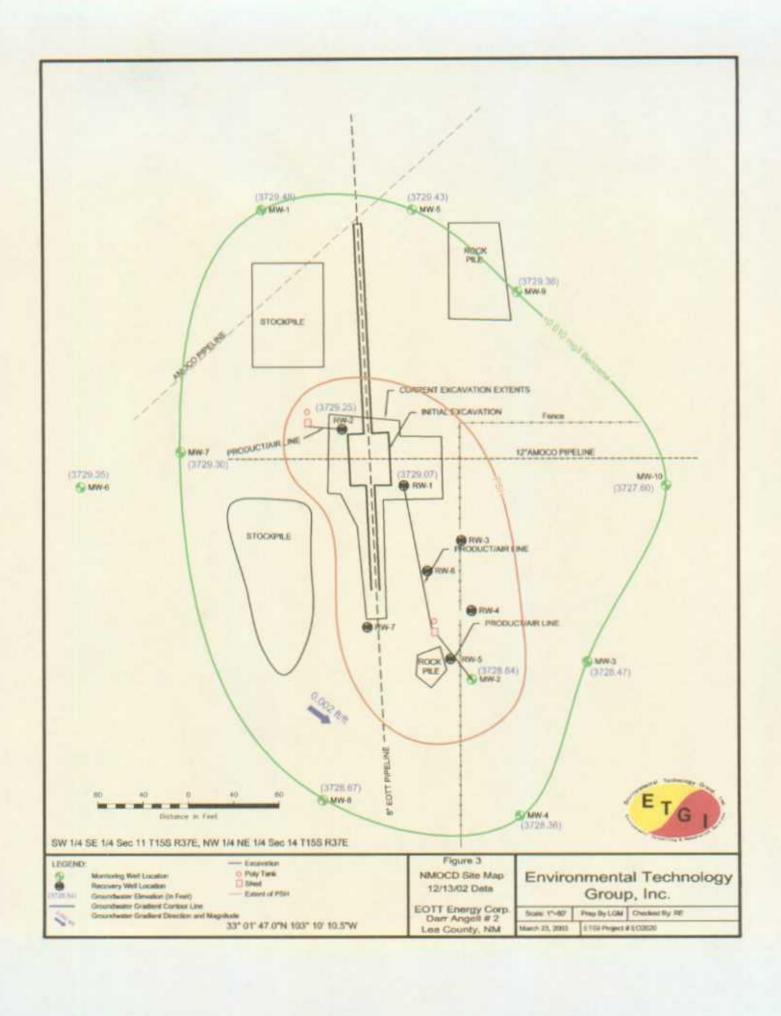


TABLE 1 GROUNDWATER ELEVATION

EOTT ENERGY, LLC DARR ANGELL 2 LEA COUNTY, NEW MEXICO ETGI PROJECT # EO 2020

WELL NUMBER	DATE MEASURED	TOP OF CASING ELEVATION	DEPTH TO PRODUCT	DEPTH TO WATER	PSH THICKNESS	CORRECTED GROUND WATER ELEVATION
MW - 1	06/16/00	3,788.04	-	57.35	0.00	3,730.69
	09/13/00	3,788.04	-	57.46	0.00	3,730.58
	11/15/00	3,788.04	-	57.61	0.00	3,730.43
	02/14/01	3,788.04	-	57.44	0.00	3,730.60
	06/07/01	3,788.04	<u>-</u>	57.80	0.00	3,730.24
	09/19/01	3,788.04	-	57.88	0.00	3,730.16
	10/11/01	3,788.04	-	57.95	0.00	3,730.09
	02/14/02	3,788.04	-	58.15	0.00	3,729.89
	06/13/02	3,788.04	-	58.30	0.00	3,729.74
	08/25/02	3,788.04		58.40	0.00	3,729.64
	12/13/02	3,788.04	-	58.56	0.00	3,729.48
MW - 2	06/16/00	3,788.41		58.62	0.00	3,729.79
	09/13/00	3,788.41	58.44	60.13	1.20	3,729.30
	11/15/00	3,788.41	58.15	62.26	4.11	3,729.64
	02/14/01	3,788.41	57.94	64.26	6.32	3,729.52
	06/07/01	3,788.41	57.83	65.05	7.22	3,729.50
	09/19/01	3,788.41	57.98	65.37	7.39	3,729.32
	10/11/01	3,788.41	58.44	63.41	4.97	3,729.22
	02/14/02	3,788.41	58.16	65.44	7.28	3,729.16
	06/13/02	3,788.41	58.30	65.63	7.33	3,729.01
	08/25/02	3,788.41	58.33	65.89	7.56	3,728.95
	12/13/02	3,788.41	59.02	64.00	4.98	3,728.64
MW - 3	06/16/00	3,787.94	-	58.27	0.00	3,729.67
	09/13/00	3,787.94	-	58.38	0.00	3,729.56
	11/15/00	3,787.94	-	58.48	0.00	3,729.46
	02/14/01	3,787.94	-	58.48	0.00	3,729.46
	06/07/01	3,787.94	-	58.69	0.00	3,729.25
	09/19/01	3.787.94	-	58.82	0.00	3,729.12
	10/11/01	3,787.94		58.84	0.00	3,729.10
	02/14/02	3.787 94	-	59.04	0.00	3,728.90
	06/13/02	3,787.94	-	59.21	0.00	3,728.73
	08/25/02	3.787.94		59.30	0.00	3,728.64
	12/13/02	3,787.94	-	59,47	0.00	3,728.47

GROUNDWATER ELEVATION

EOTT ENERGY, LLC DARR ANGELL 2 LEA COUNTY, NEW MEXICO ETGI PROJECT # EO 2020

WELL NUMBER	DATE MEASURED	TOP OF CASING ELEVATION	DEPTH TO PRODUCT	DEPTH TO WATER	PSH THICKNESS	CORRECTED GROUND WATER ELEVATION
MW - 4	09/13/00	3,787.76	-	58.32	0.00	3,729.44
	11/15/00	3,787.76	-	58.41	0.00	3,729.35
	02/14/01	3,787.76	-	58.40	0.00	3,729.36
	06/07/01	3,787.76		58.62	0.00	3,729.14
	09/19/01	3,787.76	-	58.77	0.00	3,728.99
	10/11/01	3,787.76	-	58.78	0.00	3,728.98
	02/14/02	3,787.76	-	58.97	0.00	3,728.79
	06/13/02	3,787.76	-	59.13	0.00	3,728.63
	08/25/02	3,787.76	-	59.24	0.00	3,728.52
	12/13/02	3,787.76	-	59.40	0.00	3,728.36
MW - 5	09/19/01	3,787.73		57.84	0.00	3,729.89
	10/11/01	3,787.73	-	57.85	0.00	3,729.88
	02/14/02	3,787.73	-	58.04	0.00	3,729.69
	06/13/02	3,787.73	-	58.13	0.00	3,729.60
	08/25/02	3,787.73		58.30	0.00	3,729.43
	12/13/02	3,787.73	-	58.46	0.00	3,729.27
MW - 6	09/19/01	3,788.31	_	58.35	0.00	3,729.96
	10/11/01	3,788.31	-	58.44	0.00	3,729.87
	02/14/02	3,788.31	_	58.62	0.00	3,729.69
	06/13/02	3,788.31	-	58.78	0.00	3,729.53
	08/25/02	3,788.31	~	58.87	0.00	3,729.44
	12/13/02	3,788.31	-	58.96	0.00	3,729.35
MW - 7	09/19/01	3,788.65	-	58.96	0.00	3,729.69
	10/11/01	3,788.65	-	59.05	0.00	3,729.60
	02/14/02	3,788.65	-	59.23	0.00	3,729.42
	06/13/02	3,788.65	-	59.38	0.00	3,729.27
	08/25/02	3,788.65	-	59.48	0.00	3,729.17
	12/13/02	3,788.65	-	59.65	0.00	3,729.00
MW - 8	09/19/01	3,787.60	_	58.29	0.00	3,729.31
	10/11/01	3,787.60	-	58,32	0.00	3,729.28
	02/14/02	3.787.60	-	58.49	0.00	3,729.11
	06/13/02	3,787.60	-	58.66	0.00	3.728.94
	08/25/02	3.787 60		58.76	0.00	3,728.84
	12/13/02	3.787.60	_	58.93	0.00	3,728.67

GROUNDWATER ELEVATION

EOTT ENERGY, LLC DARR ANGELL 2 LEA COUNTY, NEW MEXICO ETGI PROJECT # EO 2020

WELL NUMBER	DATE MEASURED	TOP OF CASING ELEVATION	DEPTH TO PRODUCT	DEPTH TO WATER	PSH THICKNESS	CORRECTED GROUND WATER ELEVATION
MW - 9	09/19/01	3,787.27	-	57.65	0.00	3,729.62
	10/11/01	3,787.27	-	57.65	0.00	3,729.62
	02/14/02	3,787.27	<u>-</u>	57.82	0.00	3,729.45
	06/13/02	3,787.27	-	57.98	0.00	3,729.29
	08/25/02	3,787.27	-	58.09	0.00	3,729.18
	12/13/02	3,787.27	-	58.26	0.00	3,729.01
MW - 10	02/14/02	3,787.50	-	58.47	0.00	3,729.03
	06/13/02	3,787.50	-	58.64	0.00	3,728.86
	08/25/02	3,787.50	-	58.72	0.00	3,728.78
	12/13/02	3,787.50	_	59.90	0.00	3,727.60
RW - 1	06/16/00	3,787.45	55.49	65.63	10.14	3,730.44
	09/13/00	3,787.45	55.53	65.92	10.39	3,730.36
	11/15/00	3,787.45	55.68	66.08	10.40	3,730.21
	02/14/01	3,787.45	55.80	66.19	10.39	
	06/07/01	3,787.45	55.90	66.25	10.35	3,730.00
	09/19/01	3,787.45	N.A.		N.A.	-
	10/11/01	3,787.45	N.A.		N.A.	-
	02/14/02	3,787.45	56.22	66.55	10.33	3,729.68
	06/13/02	3,787.45	56.40	66.65	10.25	3,729.51
	08/25/02	3,787.45	56.49	66.70	10.21	3,729.43
	12/13/02	3,787.45	57.04	65.97	8.93	3,729.07
RW - 2	06/16/00	3,787.83	55.98	64.71	8.73	3,730.54
	09/13/00	3,787.83	55.93	65.42	9.49	3,730.48
	11/15/00	3,787.83	56.06	65.57	9.51	3,730.34
	02/14/01	3,787.83	56.18	65.43	9.25	3,730.26
	06/07/01	3,787.83	56.28	65.90	9.62	3,730.11
	09/19/01	3,787.83	N.A.		N.A.	-
	10/11/01	3,787.83	N.A.		N.A.	-
	02/14/02	3,787.83	56.58	66.29	9.71	3,729.79
	06/13/02	3,787.83	58.40	59.50	1.10	3,729.27
	08/25/02	3,787.83	58.44	59.85	1.41	3,729.18
	12/13/02	3,787.83	57.26	66.04	8.78	3,729.25

Note: Baseline TCC elevation of RW-1 changed 3/5/02 due to resurvey to 3787.45

N.A. indicates well was inaccessible during gauging event.

GROUNDWATER CHEMISTRY

EOTT ENERGY, LLC DARR ANGELL 2 LEA COUNTY, NEW MEXICO ETGI PROJECT # EO 2020

All concentrations are in mg/L

SAMPLE	SAMPLE	SW 846-8260b					
LOCATION	DATE	BENZENE	TOLUENE	ETHYL- BENZENE	TOTAL XYLENES		
MW-1	06/16/00	<0.001	<0.001	<0.001	<0.001		
	09/13/00	<0.001	<0.001	<0.001	<0.001		
	11/15/00	< 0.001	<0.001	<0.001	<0.001		
	02/14/01	<0.001	<0.001	<0.001	<0.001		
	06/07/01	0.005	<0.001	<0.001	<0.001		
	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	< 0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.003	<0.001	<0.001	<0.001		
MW-2	06/16/00	0.711	0.475	0.143	0.541		
MW-3	06/16/00	0.001	<0.001	<0.001	<0.001		
	09/13/00	<0.001	<0.001	<0.001	<0.001		
	11/15/00	<0.001	<0.001	<0.001	<0.001		
	02/14/01	<0.001	<0.001	<0.001	<0.001		
	06/07/01	0.005	<0.001	<0.001	<0.001		
	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	< 0.001	<0.001	<0.001	<0.001		
	08/25/02	< 0.001	<0.001	<0.001	<0.001		
	12/13/02	0.003	<0.001	<0.001	<0.001		
MW-4	07/14/00	<0.001	<0.001	<0.001	<0.001		
	09/13/00	<0.001	<0.001	<0.001	<0.001		
	11/15/00	<0.001	<0.001	<0.001	<0.001		
	02/14/01	<0.001	< 0.001	<0.001	<0.001		
	06/07/01	0.007	<0.001	<0.001	<0.001		
	09/19/01	< 0.001	<0.001	<0.001	< 0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	0.002	<0.001	<0.001	<0.001		
	06/13/02	0.002	<0.001	<0.001	<0.001		
	08/25/02	<0.001	< 0.001	<0.001	<0.001		
	12/13/02	0.009	<0.001	0.001	<0.001		

GROUNDWATER CHEMISTRY

EOTT ENERGY, LLC DARR ANGELL 2 LEA COUNTY, NEW MEXICO ETGI PROJECT # EO 2020

All concentrations are in mg/L

SAMPLE	SAMPLE	SW 846-8260b					
LOCATION	DATE	BENZENE	TOLUENE	ETHYL- BENZENE	TOTAL XYLENES		
MW-5	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.002	<0.001	<0.001	<0.001		
MW-6	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	< 0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.001	<0.001	<0.001	<0.001		
MW-7	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.001	<0.001	<0.001	<0.001		
MW-8	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	< 0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.001	<0.001	<0.001	<0.001		
M W -9	09/19/01	<0.001	<0.001	<0.001	<0.001		
	10/11/01	<0.001	<0.001	<0.001	<0.001		
	02/14/02	<0.001	<0.001	<0.001	<0.001		
	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	< 0.001	<0.001	<0.001		
	12/13/02	0.002	<0.001	<0.001	<0.001		
MW-10	06/13/02	<0.001	<0.001	<0.001	<0.001		
	08/25/02	<0.001	<0.001	<0.001	<0.001		
	12/13/02	0.002	<0.001	<0.001	<0.001		
EB1	08/25/02	<0.001	<0.001	< 0.001	<0.001		
	12/13/02	<0.001	<0.001	<0.001	<0.001		
				<u> </u>			

DARR ANGELL 2 ETGI Project # EO 2020

- Leak occurred: 7/29/99;
- Release amount: 25 barrels, 15 recovered at emergency response;
- Approximately 3,128 cubic yards of soil was excavated and stockpiled onsite;6,000 cy soil
- The on-site crude oil release was attributed to structural failure due to external corrosion on the 8-inch steel pipeline currently operated by EOTT Energy Corp. (EOTT);
- 10 monitor wells and 7 recovery wells are on-site and are monitored on a quarterly basis, 1 MW has been retro-fitted with a PSH skimming pump and is connected to the automated recovery system; 5 new RW's (RW-3 through RW-7) were installed in November/December 2002 and will be incorporated into the automated recovery system to increase PSH recovery efficiency rates; PSH recovery/containment areas were consolidated into one area; dissolved phase constituent concentrations documented on-site are below the NMOCD benzene and BTEX regulatory standards;
- Approximately 1,377 gallons of PSH (33 barrels) have been recovered;
- Stage II Abatement Plan submitted September 2002, Annual Groundwater Monitoring Report to be submitted April 1, 2003; Addendum to the Stage II Abatement Plan will be prepared and submitted upon completion of upgrades to the automated recovery system.

ONE CALL	11/19/2002			I		
			-			
DARR ANGELL #2	CO. ID: 739					
				<u> </u>		
EFFECTIVE: OCT.	21 - DEC. 9, 2002					
CALL BACK: DEC. 5	, 2002			CONTACTED		
DA-2	SW, SE Sec. 11, T 15	S, R 37E				
	NW, NE Sec 14, T 159	6, R 37E				
	250 Yd Radius					
	Confirmation #2002471265					
	AMOCO					
	EOTT					
			-			
Directions:	From Lovington East on 82 for 11.2 miles. Turn at first					
	south. Turn					
immediatley east and proceed .2 mi, turn south,						
	1.3 mile. Turn west for .2 mi. Turn south to fenced in area					