



Mark Parkinson, Governor
John W. Mitchell, Acting Secretary

DEPARTMENT OF HEALTH
AND ENVIRONMENT

www.kdheks.gov

December 17, 2010

CERTIFIED LETTER -- RETURN RECEIPT REQUESTED

BER SCANNED

Kaw Pipe Line Company
c/o Mr. James H. Wilson
National Cooperative Refinery Association
1391 Iron Horse Road, P.O. Box 1404
McPherson, KS 67460

JAN 04 2011

**RE: NO FURTHER ACTION DETERMINATION FOR THE KAW PIPE LINE-DEANTIE-
IN PROPERTY**

Name of Voluntary Party: Kaw Pipe Line-Bemis South 8"
Legal Description of Property: A portion of NW1/4, Section 13, T11S, R17W
Property Location: 14 miles north and 7 miles east of Hays, Ellis County, Kansas

Voluntary Agreement No. 03VCP0019

Dear Mr. Wilson:

The Kansas Department of Health and Environment (KDHE) has completed its review of the available documents as of December 17, 2010 for the subject property. Based on the information presented in the documents, total petroleum hydrocarbon (TPH) contamination in soil was identified at the subject property. The attached summary identifies the nature and status of the contamination detected.

KDHE's evaluation of the available documents for the subject property indicates that TPH contamination impacting the subject property is present at levels that do not exceed the KDHE approved risk-based cleanup levels. KDHE has determined that contamination at the subject property does not pose a significant risk to human health or the environment. Therefore, pursuant to Kansas Statutes Annotated 65-34, 161 *et seq.*, KDHE declares that No Further Action is necessary at the subject property. This No Further Action determination is issued to Kaw Pipe Line Company and extends to its successors and assigns of the subject property. This determination is conditioned upon Kaw Pipe Line Company recording in the office of the Register of Deeds in and for Ellis County, KDHE's determination summary describing any contamination that may be remaining at the subject property, the enclosed legal map showing property boundaries, and this letter containing KDHE's No Further Action determination.

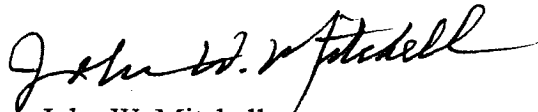
NO FURTHER ACTION DETERMINATION LETTER
Kaw Pipe Line-Dean Tie-In Property
December 17, 2010
Page 2 of 2

An affidavit (form enclosed) indicating that the enclosures have been attached to the property deed must be returned to KDHE prior to termination of the Voluntary Agreement.

KDHE's No Further Action determination applies only to the subject property as identified on the attached map and is based exclusively on information provided to KDHE through December 17, 2010. This determination pertains only to the identified known conditions on the subject property and does not account for activities that may be conducted at the subject property which could cause future releases of contaminants.

If you have any questions concerning KDHE's determination for No Further Action, please contact Project Manager Bryan Bain at (785) 296-5548 or legal counsel, Paul Marx at (785) 296-1330.

Sincerely,



John W. Mitchell
Acting Secretary

JWM/bb

Attachments: KDHE No Further Action Determination Summary
Legal map showing property boundaries
Affidavit form

c: Rick Bean > Jerry Lineback > Bryan Bain > file (C6-026-71821, 2.0)
Paul Marx, KDHE Legal Office
Dan Wells, NWDO

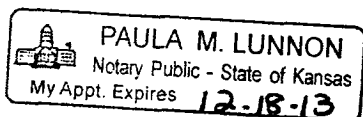
State of Kansas)
County of Shawnee)

This instrument was acknowledged before me on January 3, 2011
by

John W. Mitchell as Acting Secretary

of the Kansas Department of Health and Environment.

Paula M. Lunnon
Notary Public



My appointment expires: 12-18-13

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT
BUREAU OF ENVIRONMENTAL REMEDIATION
1000 SW Jackson, Suite 410
Phone: (785) 296-1673 Fax: (785) 296-7030

VOLUNTARY CLEANUP AND PROPERTY REDEVELOPMENT PROGRAM

NO FURTHER ACTION DETERMINATION SUMMARY

SUMMARY DATE: December 17, 2010

PROPERTY NAME: Kaw Pipe Line-Bemis South 8"
14 miles north and 7 miles east of Hays, Ellis County, Kansas
A portion of NW1/4, Section 13, T11S, R17W

PREPARED BY: Bryan Bain: Bryan Bain Date: 12-17-10
REVIEWED BY: Unit Chief: [Signature] Date: 12-27-10
Section Chief: [Signature] Date: 12-27-10

CONTAMINANTS IDENTIFIED AT PROPERTY:

Soil: Gasoline Range Organics (TPH-GRO) - OA-1 Method,
Diesel Range Organics (TPH-DRO) - OA-2 Method,
Benzene (CAS #71-43-2), Ethylbenzene (CAS #100-41-4),
and Xylenes (CAS #1330-20-7)

Groundwater: Gasoline Range Organics (TPH-GRO) - OA-1 Method,
Diesel Range Organics (TPH-DRO) - OA-2 Method,
Ethylbenzene (CAS #100-41-4), and Xylenes (CAS #1330-20-7)

CONTAMINANTS EVALUATED AT PROPERTY:

Soil: Gasoline Range Organics (TPH-GRO) - OA-1 Method,
Diesel Range Organics (TPH-DRO) - OA-2 Method,
Benzene, Toluene, Ethylbenzene, Xylenes - OA-1 Method
Benzene, Toluene, Ethylbenzene, Xylenes - EPA Method 8021B

Groundwater: Gasoline Range Organics (TPH-GRO) - OA-1 Method,
Diesel Range Organics (TPH-DRO) - OA-2 Method,
Benzene, Toluene, Ethylbenzene, Xylenes - OA-1 Method
Benzene, Toluene, Ethylbenzene, Xylenes - EPA Method 8021B

NO FURTHER ACTION DETERMINATION SUMMARY

Kaw Pipe Line-Bemis 8" property

December 17, 2010

Page 2 of 3

The Kaw Pipe Line-Bemis South 8" property is located approximately 14 miles north and 7 miles east of Hays, Ellis County, Kansas. This property was originally brought to the attention of the Kansas Department of Health and Environment (KDHE) following a KDHE Northwest District Office (NWDO) spill response. An estimated 50 barrels of crude oil was released from an eight inch pipeline on August 7, 2001. The release impacted surface and subsurface soil. Spill response actions taken to mitigate the leak included pipeline repair, excavating the heavily impacted soil at the leak point, and the use of vacuum trucks to remove crude oil free product. The excavated soil was landfarmed onsite.

On July 2, 2002, an initial Geoprobe investigation was conducted by Kaw Pipe Line Company. Soil and groundwater samples resulted in GRO-TPH and DRO-TPH exceeding KDHE Tier 2 RSK standards. Soil sampling data indicated vadose zone crude oil impacts encompassed the area around the pipeline release point. However, only one sample (GP-1 located at the source) detected groundwater contamination.

On July 28, 2003, a Voluntary Agreement (# 03VCP0019) was executed between KDHE and Kaw Pipe Line Company, a subsidiary of National Cooperative Refinery Association, to further evaluate the environmental condition of the subject property. Previous remedial action had not fully delineated contamination at the property; therefore, KDHE determined that a Voluntary Cleanup Investigation (VCI) was required to characterize the extent of impact.

In October 2005, seven Geoprobe borings were advanced to complete soil delineation. Five monitoring wells were installed in August 2006. These wells were sampled on a semi-annual basis from September 2006 to December 2008. Analytical data indicated MW-2 (in the source area) and sometimes MW-3 (immediately down-gradient of the source area) were the only monitoring wells that exceeded groundwater cleanup standards.

Excavation at the subject property began in May 2009 and proceeded intermittently through July 2009. Although the 8 inch pipeline that originally leaked was abandoned after the release, an active 12 inch pipeline still remained in the immediate area. Pillars of soil were left to support the 12 inch pipeline where it crossed the excavation. On June 22, 2009, this 12 inch pipeline developed a pinhole leak due to corrosion and perhaps also fatigued by the excavation activities. The resulting crude oil release flowed approximately 1000 barrels directly into the existing excavation pit.

A section of the active 12 inch pipeline was removed and a new section rerouted around the east side of the open excavation. Since the excavation extended a few feet below the water table, crude oil product was floating on top of the water. Vacuum trucks were utilized to remove free product from the excavation. The pipeline support pillars and any remaining residual soil impacts were then excavated. All of the excavated impacted soil was landfarmed onsite.

NO FURTHER ACTION DETERMINATION SUMMARY

Kaw Pipe Line-Bemis 8" property

December 17, 2010

Page 3 of 3

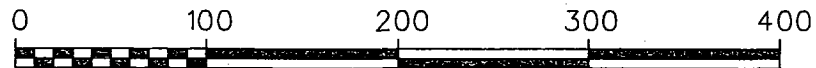
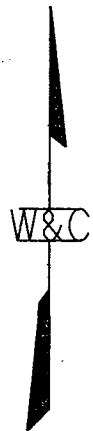
In July 2009, after the excavation was completed, confirmation soil samples were collected from the side walls of the open excavation pit. KDHE staff was present and a verification sample was collected. No floor samples were collected due to water filling in the bottom of the pit and because the soil was excavated several feet below the water table. There was no product or visible sheen floating on the water at this time. Analytical data indicated the excavation wall samples were well below regulatory cleanup standards.

During the multiple phases of excavation, monitoring well # 2 (MW-2) was removed as it was in the center of the excavation pit. The other monitoring wells (MW-3, MW-4, and MW-5) were left in place for additional confirmation sampling.

On August 31, 2010, additional sampling of the remediation plot was conducted with KDHE collecting a verification split sample. Low levels of DRO-TPH was detected, but concentrations were well below the residential Tier 2 Kansas Risk-Based Standards.

Four semi-annual sampling events of the remaining monitoring wells were conducted over a two year interval (2009 and 2010). Data indicated no petroleum hydrocarbon detections. KDHE staff was present during two of those sampling events and a verification samples were collected.

KDHE has determined that any residual petroleum hydrocarbon soil and groundwater impacts at the subject property is insignificant and that all requirements for the VCPRP have been met. Thus, a "No Further Action" determination based upon insignificant contamination is therefore recommended for the subject property.

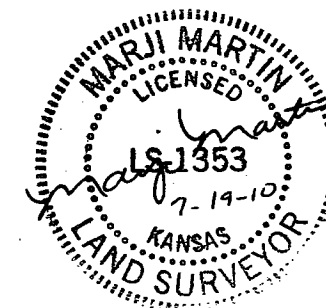
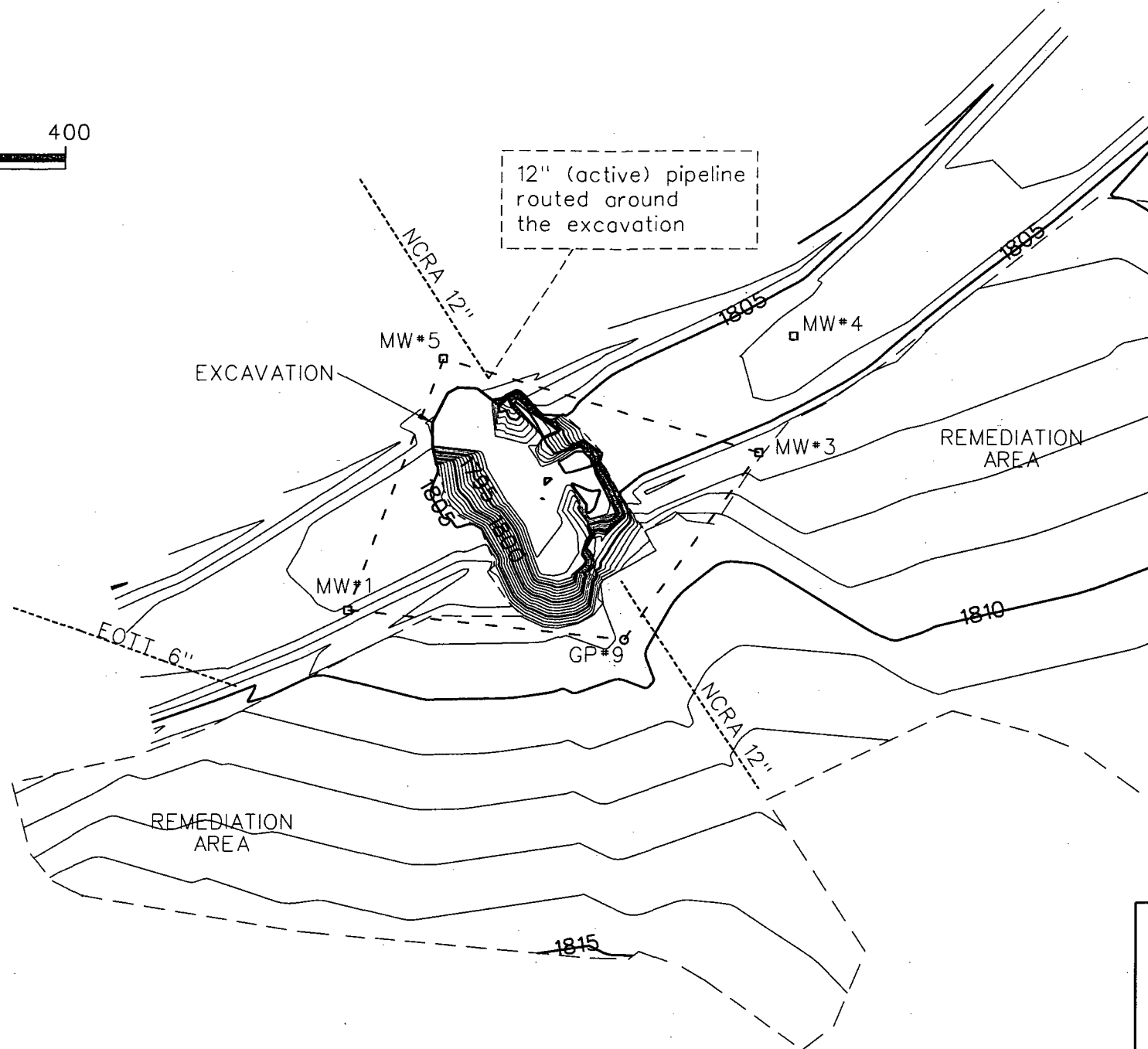


SCALE IN FEET
SCALE: 1" = 100'

LEGEND

- PETROLEUM LINE
- ~~~~~ 640 INDEX CONTOUR
- ~~~~~ INTERMEDIATE CONTOUR
- NFA BOUNDARY
- MW MONITORING WELL
- GP GEOPROBE

ELEVATIONS SHOWN WERE DERIVED FROM AUTONOMOUS GPS SURVEY. NOT TRUE SEA LEVEL DATUM.



NCRA-BEMIS SOUTH
SEC 13, T-11-S, R-17-W
ELLIS COUNTY

NO FURTHER ACTION (NFA) BOUNDARY

MW#1	N 39° 06'00.70770"	W 99° 09'56.01020"	CORNER
MW#3	N 39° 06'01.79780"	W 99° 09'52.48718"	CORNER
MW#5	N 39° 06'02.39344"	W 99° 09'55.21611"	CORNER
GP#9	N 39° 06'00.53565"	W 99° 09'53.62739"	CORNER

GEOPROBE 1A, 15-20 ADDED	10-5-05	TJE
MONITORING WELLS 1-5 ADDED	8-22-06	TJE
EXCAVATION ADDED	6-22-09	JWS
REMOVED PILLARS & 8" PIPELINE	7-23-09	PSB
"NFA" BOUNDARY ADDED	7-16-10	JWS
REVISION	DATE	BY

DESIGN	DRAWN
GLT	JWS

WILSON & COMPANY

Engineers & Architects
Salina, Kansas

DATE: 07/2010

FILE NO. X2420052

FIG 1

