

15 October 2015

Re: Crude-oil contamination on 2.55-acre parcel in Cody, Wyoming formerly owned by Marathon Pipe Line Company

This document and its attachments are provided to report the results of my investigation of crude-oil contamination on the subject parcel and record other relevant information about this situation.

I purchased this land in 2005 from Linville Limited, a Wyoming partnership comprising Robert L. and Ramona S. Linville. At time of purchase I was aware of small amounts of asphalt-like material on the surface at various locations within the parcel but had no reason to believe there was anything more than scattered remnants of old asphalt road pavement or perhaps a few small spills. In April 2015 I started removing the visible contamination and soon found there was much more than I expected.

To provide a brief history based on public records, Marathon Pipe Line Company (MPLC) and its predecessor companies constructed and operated a 200-foot-long segment of the 8-inch Oregon Basin-to-Cody crude-oil pipeline as well as a portion of what they referred to as the "Cody Truck Delivery Facilities" on the subject parcel.

Illinois Pipe Line Company obtained its easement for the crude-oil pipeline in 1927.

In 1935 Illinois Pipe Line Company leased a 0.30-acre parcel that was almost entirely within the boundary of the subject 2.55-acre parcel. On this site was constructed a portion of the Cody Truck Delivery Facilities. This leased parcel is significant because as of this writing it appears that the vast majority of the crude-oil contamination is within the boundary of the 0.30-acre parcel.

Attached Sheet 1 of 2 shows the boundary of the subject 2.55-acre parcel as well as the boundary of the leased 0.30-acre parcel of the preceding paragraph.

Ohio Oil Company purchased the subject 2.55-acre parcel in 1945 and in 1960 conveyed the same to MPLC by quitclaim deed.

The City of Cody annexed various lands including the subject parcel in 1978 with passage of Ordinance 78-15. A City of Cody zoning map dated 21 January 1980 shows this parcel zoned as "B – Zone" which is the residential zone that allows apartment houses and multi-family dwellings in addition to single-family dwellings. The zoning today is essentially unchanged.

MPLC granted a warranty deed for the subject 2.55-acre parcel (along with another nearby 0.9-acre parcel that was the site of the rest of the Cody Truck Delivery Facilities) to Robert L. and Ramona S. Linville in June 1985. An MPLC drawing of the Cody Truck Delivery Facilities (Land & Structure Map - last revision date 23 April 1962) was recorded with the warranty deed from MPLC to the Linvilles.

Attached Sheet 2 of 2 provides a graphical representation of the thickness of crude-oil contamination found during my sampling process, which generally consisted of excavating transects on 10-foot centers across the areas known or likely to have contamination. Each small square on the drawing indicates a point at which I made measurements along a transect. The entire boundary of the leased 0.30-acre parcel and the southwesterly boundary of the subject 2.55-acre parcel appear on this sheet.

Generally the observed contamination had a clearly defined bottom on dry cobble material. In a few areas the contamination went much deeper into the cobble. At one location I excavated to seven (7) feet deep and never reached uncontaminated material.

Most of the contaminated material observed looked like black rock and had little or no odor. Some of the material was much more "oily" and would actually shine and flow when warmed by summer sunlight. In some places there are many square-headed bolts and square nuts embedded in the contaminated material, possibly indicating some of the contamination happened as the facilities were being dismantled.

As of 02 September 2015 I have hauled 15.92 tons of contaminated material to the Cody Landfill. The landfill supervisor accepted this material as cover material and did not charge for the disposal thereof.

As shown on Sheet 2 of 2, an active irrigation ditch operated by McMillin Water Association crosses the property, flowing from the south to the north and east. This ditch is generally in service from mid-May to mid-October each year. The last actual user of water from this ditch is just south of the subject parcel (upstream). At present the water flowing in the ditch across the parcel goes through an inverted siphon under Sheridan Avenue and then to a vacant parcel north of Sheridan Avenue where it soaks into the ground.

It is this writer's understanding from witness accounts and inspection of historical aerial photographs that the south-to-north portion of this irrigation ditch did not exist until some time after the Cody Truck Delivery Facilities were removed from the property.

The water in the ditch is usually about five feet wide at the south edge of the property and the tops of the ditch banks are as much as four feet higher than the surrounding ground through which the transects were excavated. The transects ended at the toes of the ditch banks on both sides.

Observations made at the toes of the ditch banks on both sides indicate there may be significant unmapped crude-oil contamination under the ditch and its banks.

Based on an approximately 30-foot-long piece of 8-inch steel pipe left in place by a salvage operation, it appears the pipeline was a few feet east of the south-to-north section of the ditch, under the ditch bank.

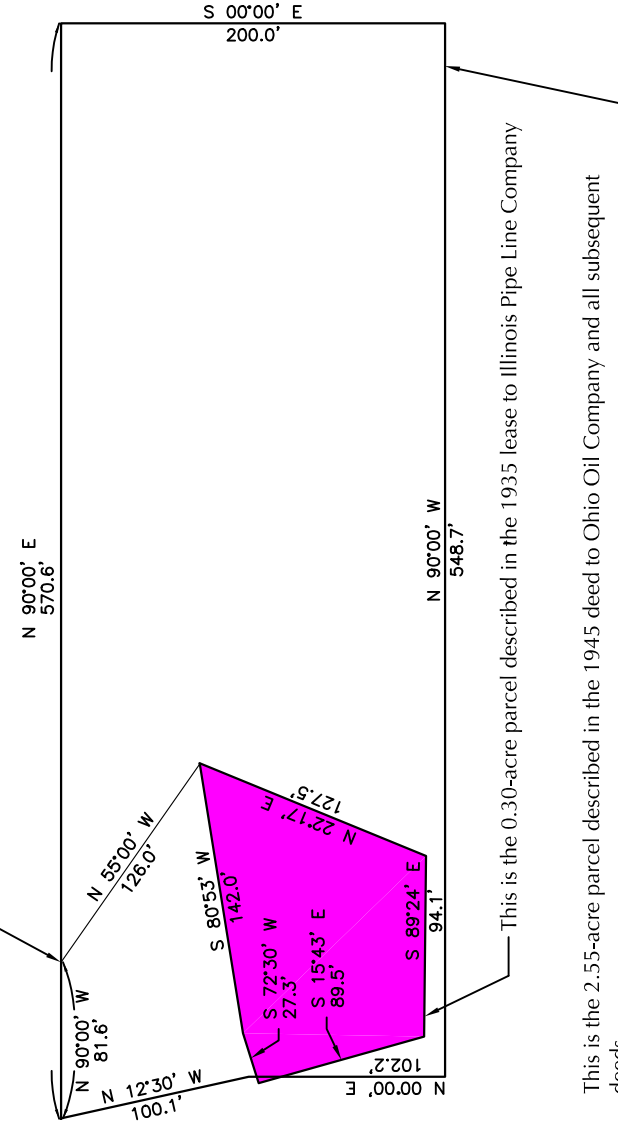
Thank you for your kind consideration. Please let me know if you would like to discuss this matter or need any information on other facets of this issue.

Sincerely,

/s/ Glenn Borkenhagen

Attachments: Sheet 1 of 2 - 15 October 2015 – Boundaries of subject and leased parcels
Sheet 2 of 2 – 03 September 2015 – Map showing thickness of observed contamination

Center-east sixteenth corner (referred to as northwest corner of NE1/4 SE1/4 in 1935 lease to Illinois Pipe Line Company and northeast corner of NW1/4 SE1/4 in 1945 deed to Ohio Oil Company) of Section 33 (Resurvey Tract 71), Township 53 North Range 101 West of the Sixth Principal Meridian, Park County, Wyoming.



This is the 2.55-acre parcel described in the 1945 deed to Ohio Oil Company and all subsequent deeds.

This is the 0.30-acre parcel described in the 1935 lease to Illinois Pipe Line Company

The Park County Assessor refers to this parcel as PIDN 05530107100296.

A December 2014 Record of Survey is recorded in the office of the Park County Clerk as Document Number 2014-5803 and filed in Plat Cabinet H at page 244.

On 13 October 2015 the City of Cody assigned this parcel a street address of 2850 Sheridan Avenue.



Borkenhagen Parcel - Cody, Wyoming Lease and Deed Boundaries

