

NM2 - _____ 19_____

**GENERAL
CORRESPONDENCE
YEAR(S):**

_____ 2013 - 2016 _____

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



July 24, 2014

Ms. Crystal D. Callaway
Regency Energy Partners LP
301 Commerce Street, Suite 700
Fort Worth, Texas 76109

**Re: Revised 2013 Annual Report and 5-Year Monitoring Report and Background Sampling Plan Review
Regency Energy Partners LP
Permit NM2-019 Centralized Surface Waste Management Facility
Location: SE/4, NW/4 Section 36, Township 23 South, Range 36 East, NMPM
Lea County, New Mexico**

Dear Ms. Callaway:

The Oil Conservation Division (OCD) has reviewed Regency Energy Partners LP's (Regency) revised 2013 Annual Report and 5-Year Monitoring Report, dated July 23, 2014 and received by OCD via email on July 24, 2014, which proposes to re-establish proper treatment and vadose zone sampling protocols and sampling frequencies and proposes a background sampling plan to re-establish a new facility background and PQLs in order to compare to the vadose zone monitoring results to determine if a release had occurred and if follow-up actions are required to be completed. The initial April 11, 2001 background sample results identified the presence of Total Petroleum Hydrocarbons (TPH) at a concentration of 134 mg/Kg. Historical sampling data demonstrates and supports that TPH is not naturally occurring in the vadose zone, 2-3 feet below the ground surface.

Based on the information provided in the request, the proposed treatment and vadose zone sampling protocols and sampling frequencies and the background sampling plan are hereby approved with the following understandings and conditions:

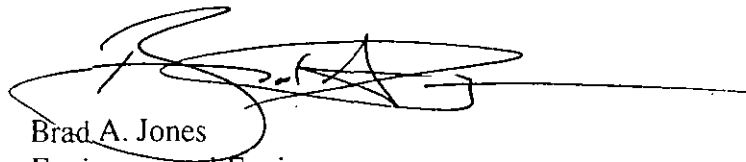
1. Regency shall comply with all applicable requirements of the Oil and Gas Act (Chapter 70, Article 2 NMSA 1978), and all conditions specified in this approval and shall operate in accordance with the July 23, 2014 submittal; and
2. Regency shall obtain written approval from OCD prior to implementing any changes to the July 23, 2014 background sampling plan

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Please be advised that approval of this request does not relieve Regency of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve Regency of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,



Brad A. Jones
Environmental Engineer

BAJ/baj

Cc: OCD District I Office, Hobbs