



February 22, 2016

Ms. Terry Gregston
BUREAU of LAND MANAGEMENT
620 E Green Street
Carlsbad, NM 88220

AMARILLO
921 North Bivins
Amarillo, Texas 79107
Phone 806.467.0607
Fax 806.467.0622

ARTESIA
408 West Texas Avenue
Artesia, New Mexico 88210
Phone 575.746.8768

FORT COLLINS
1811 East Mulberry Street
Fort Collins, Colorado
Phone 970.818.5330

MIDLAND
2301 State Hwy 349
Midland, Texas 79706
Phone 432.522.2133
Fax 432.522.2180

OKLAHOMA CITY
7700 North Hudson Avenue
Suite 10
Oklahoma City, Oklahoma 73116
Phone 405.486.7030

SAN ANTONIO
13111 Lookout Way
San Antonio, Texas 78233
Phone 210.265.8025

WOODWARD
1211 34th Street
Suite 13
Woodward, Oklahoma 73801
Phone 580.377.1194

Subject: Soil Assessment and Remediation Work Plan
Energy Transfer Partners
CAL AB Launcher

Dear Ms. Gregston,

Energy Transfer Partners (Energy Transfer) has contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the above referenced location. The results of our soil assessment and proposed remediation activities consist of the following.

Incident Date

The release occurred on January 10, 2015.

Background Information

The Regency Cal AB Launcher release is located approximately thirty-four (34) miles south of Carlsbad, New Mexico. The legal location for this site is Unit Letter A, Section 8, Township 26 South, and Range 29 East in Eddy County New Mexico. More specifically the latitude and longitude for the release are 32.062333 North and -104.001110 West. A site plan is presented in [Appendix I](#).

According to the soil survey provided by the United States Department of Agriculture Natural Resources Conservation Service, the soil in this area is made up of the Dev-Pima complex with 0 to 3 percent slopes. Per the New Mexico Bureau of Geology and Mineral Resources, the local surface and shallow geology is made up of Holocene to upper Pleistocene alluvium. Drainage courses in this area are normally dry. Ground water in the project vicinity is approximately 75-feet below ground surface (bgs) according to the New Mexico Office of the State Engineer. The referenced ground water data is presented in [Appendix II](#).

The ranking for this site is **20** based on the following:

Depth to ground water	<100'
Wellhead Protection Area	>1000'
Distance to surface water body	<200'

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
SPILL MANAGEMENT
GENERAL CONTRACTING

Toll Free 866.742.0742
www.talonlpe.com

Incident Description

On January 10, 2015 a vacuum truck driver attempted to load condensate into the regency pipeline. The driver attached the hose to the wrong valve and sprayed condensate in an approximate 200-foot radius. Subsequent precipitation events in the area caused the fluid to flow down gradient across a Kinder Morgan Right-of-Way (ROW) and into a draw in the direction of the Pecos River.

Upon notification of proper Regency personnel, Talon was contacted to conduct an emergency response and to contain the release. Oil sorbent booms were placed in the draw at the end of the flow path in the draw, at an additional location further down the draw and around the sumps on location to insure containment should a large precipitation event occur. The heavily impacted material on the upper launcher location (including the soil on Kinder Morgan's ROW) was scraped up and stockpiled. The stockpiled soil was covered in plastic and berms were constructed around the stockpile to insure nothing would run-off. A vacuum truck was then dispatched to recover the free standing fluid in the sumps.

Once the impacted area was contained and it was determined that the river was not impacted, Talon personnel conducted soil sampling at the launcher location as well as soil and rain water sampling within the draw (which has since evaporated) where it had pooled.

Remedial Actions Taken

Per BLM request the soil samples were analyzed for TPH, BTEX, Chlorides, and RCRA 8 Metals through Total analysis. The analysis of RCRA Metals indicated concentrations that were of concern to the BLM. At the direction of the BLM additional background sampling was performed utilizing previous analytical methods to demonstrate that the concentration of metals was widespread, pre-existing, and not exclusively associated with the Regency release (laboratory reports for both events can be found in [Appendix V](#)). The laboratory analysis of the background samples was provided to the BLM. Following many discussions on a course of action to take with regard to the indicated heavy metal contamination, the BLM in a letter dated January 15, 2016 agreed that the background level of heavy metals were "comparative" to the concentration of metals found in the flow path.

In the letter dated January 15, 2016 the BLM provided a decision stating that "...The heavy metals are still an environmental concern and a separate investigation into their origin will be conducted..." Concluding additionally that "...Regency release cleanup can proceed..." with the following stipulations:

1. That Regency comply with all State and Federal requirements regarding cleanup and waste disposal activities.
2. That Regency provide a disposal plan to the BLM detailing testing and disposal options.
3. That Regency will gain the approval of the Work Plan from the NMOCD and that approval be forwarded to Ms. Terry Gregston of the BLM prior to beginning work on the final stages of the cleanup.

Initially, with permission of the BLM, the hydrocarbon and chloride contamination in the draw was excavated to a depth of 1-foot bgs. All of the excavated material was stockpiled on a poly liner on the upper launcher spill location. Following this excavation, confirmation samples were taken within the flow path and at four background locations (sample locations are shown on the site map in Appendix I). These soil samples were analyzed for TPH, BTEX, Chlorides and the RCRA 8 Metals using the TCLP analytical method. The TCLP was used to help characterize the metals in the contaminated soil to aid in determining the proper disposal method for the material. The sample locations are labeled C-1 through C-6 and the background locations are labeled BC-1 through BC-4. Additionally, a composite of the spoils pile was also taken for waste disposal characterization. The results of the soil and spoils pile as well as the initial levels of contamination at the site are summarized in the following tables.

Laboratory Results

See [Appendix V](#) for complete report of laboratory results.

1/29/2015 through 2/23/2015

Sample ID	Depth (feet)	BTEX (mg/kg)	Chlorides (mg/kg)	TPH (mg/kg) GRO	TPH (mg/kg) DRO
S-1	0	94.4	247	2870	13300
S-2	0	59.4	474	1960	9110
S-3	0	ND	5200	ND	588
S-4	0	ND	10.7	ND	ND
S-5	0	ND	828	20.1	1670
S-6	0	ND	1720	ND	80.1
S-7	0	ND	4670	ND	55.3
S-1 D	0	0.00898	1870	62.9	1660
S-2 D	0	0.00455	353	527	11500
S-3 D	0	0.0713	62.2	1140	13600
S-4 D	0	ND	45	ND	18.6
S-5 D	0	0.03	371	809	13500
S-6 D	0	0.00619	937	98.5	3450

(ND) Analyte Not Detected

(D) Draw

10/29/2015

Sample ID	Depth (feet)	BTEX (mg/kg)	Chlorides (mg/kg)	TPH (mg/kg) GRO	TPH (mg/kg) DRO
S-1	0	86.6	149	389	9720
S-2	0	0.327	74.4	252	4680
S-3	0	ND	ND	ND	ND
S-4	0	ND	ND	ND	ND
S-5	0	0.536	114	389	7040
S-6	0	ND	1520	ND	ND
S-7	0	ND	4370	ND	ND
S-1 D	0	0.0518	23.1	85.8	691
S-2 D	0	0.729	69.2	306	7850
S-3 D	0	0.0825	823	118	2850
S-4 D	0	ND	499	ND	ND
S-5 D	0	ND	1160	ND	ND
S-6 D	0	ND	1210	ND	ND

(ND) Analyte Not Detected

11/18/15 Confirmation Sampling (Draw)

Sample ID	Depth (feet)	BTEX	Chlorides	Total TPH	Hg	As	Ba	Cd	Cr	Pb	Se	Ag
C-1	1	ND	3.74	ND	ND	ND	0.364	ND	ND	ND	ND	ND
C-2	1	ND	10.4	ND	ND	ND	0.242	ND	ND	ND	ND	ND
C-3	1	ND	15.1	ND	ND	ND	0.308	ND	ND	ND	ND	ND
C-5	1	ND	3.25	ND	ND	ND	0.366	ND	ND	ND	ND	ND
C-6	1	ND	ND	ND	ND	ND	0.632	ND	ND	ND	ND	ND
BC-1	1	ND	2.66	ND	ND	ND	0.269	ND	ND	ND	ND	ND
BC-2	1	ND	ND	ND	ND	ND	0.279	ND	ND	ND	ND	ND
BC-3	1	ND	2.58	ND	ND	ND	0.214	ND	ND	ND	ND	ND
BC-4	1	ND	ND	ND	ND	ND	1.36	ND	ND	ND	ND	ND

(ND) Analyte Not Detected

11/18/15 Generated Soil Stockpile

Sample ID	Depth (feet)	BTEX	Chlorides	Total TPH	Hg	As	Ba	Cd	Cr	Pb	Se	Ag
SP-1	Composite	ND	24	ND	ND	ND	0.399	ND	ND	ND	ND	ND

(ND) Analyte Not Detected

Waste Disposal Plan

As shown by the TCLP analysis of the stock piled soil excavated from the draw, the soil removed from this site is not characterized as hazardous waste. Therefore the waste will be disposed of at a NMOCD permitted solid waste disposal facility, Lea Land, LLC as exempt oilfield waste. A copy of the approved C-138 waste disposal form can be found in [Appendix IV](#).

Proposed Remedial Actions

- The draw portion of the site will be backfilled with clean topsoil. The area will be contoured to match the surrounding terrain and seeded with BLM #1 seed mixture.
- The remaining remediation activities above the draw area will be excavated to a depth of 1-foot bgs. Confirmation soil samples will be taken at locations S-1 through S-7 and analyzed for TPH, BTEX, Chlorides and RCRA 8 Metals. The metals analysis will utilize the TCLP analytical method. The TPH, BTEX and Chloride analysis will utilize the appropriate EPA methods to determine concentrations in soil e.g. EPA 8015M, EPA 8021B, and SM4500Cl-B. Additionally, a composite sample of the spoils pile will be taken utilizing the same analytical methods to characterize and define disposal options.
- The soil generated from excavation activities will be characterized by analytical sampling with results submitted to a State approved landfill for approval. Currently, the existing stock pile is profiled into Lea Land, LLC in accordance with their permit to operate. Additional material will be presented to Lea Land for their approval with eventual disposition of all materials at that facility assuming current conditions remain. Please see [Appendix IV](#) for an approved C-138 authorizing disposal of the current spoils pile.
- Upon receipt of confirmation samples below remedial action levels the laboratory results will be forwarded to BLM and NMOCD for review and permission to backfill the site.
- Upon approval by BLM and NMOCD the location portion of the site will be backfilled with caliche and contoured to match the surrounding location.

Should you have any questions or if further information is required, please do not hesitate to contact our office at 575.746.8768.

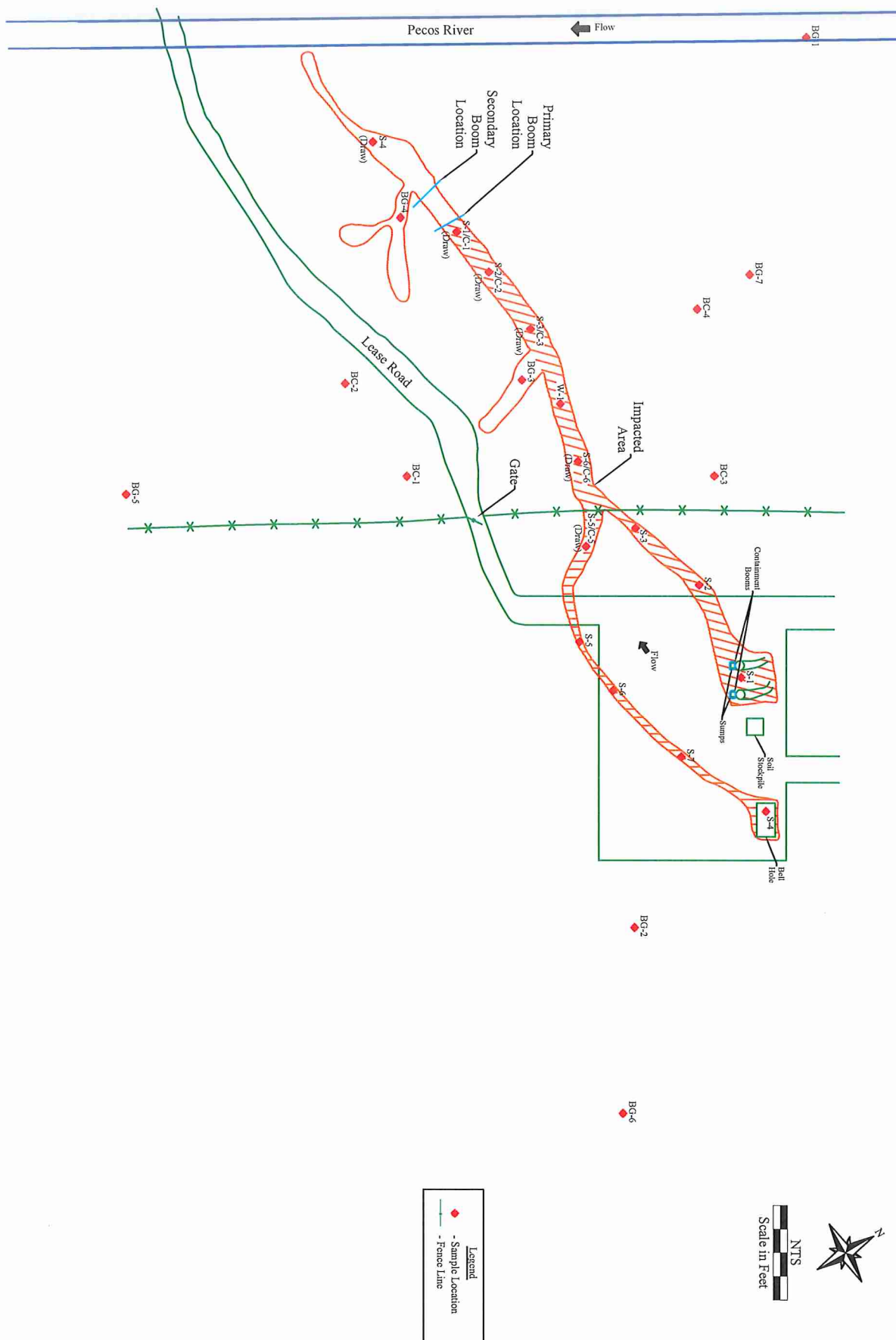
Respectfully submitted,

TALON/LPE


Sheldon L. Hitchcock
Project Manager


David J. Adkins
District Manager

APPENDIX I-SITE PLAN



Date: 11/30/2015

Scale: NTS

Drawn By: TJS

Cal A B Launcher Spill
Southern Union Gas
Eddy County, New Mexico
Figure 3 - Site Plan



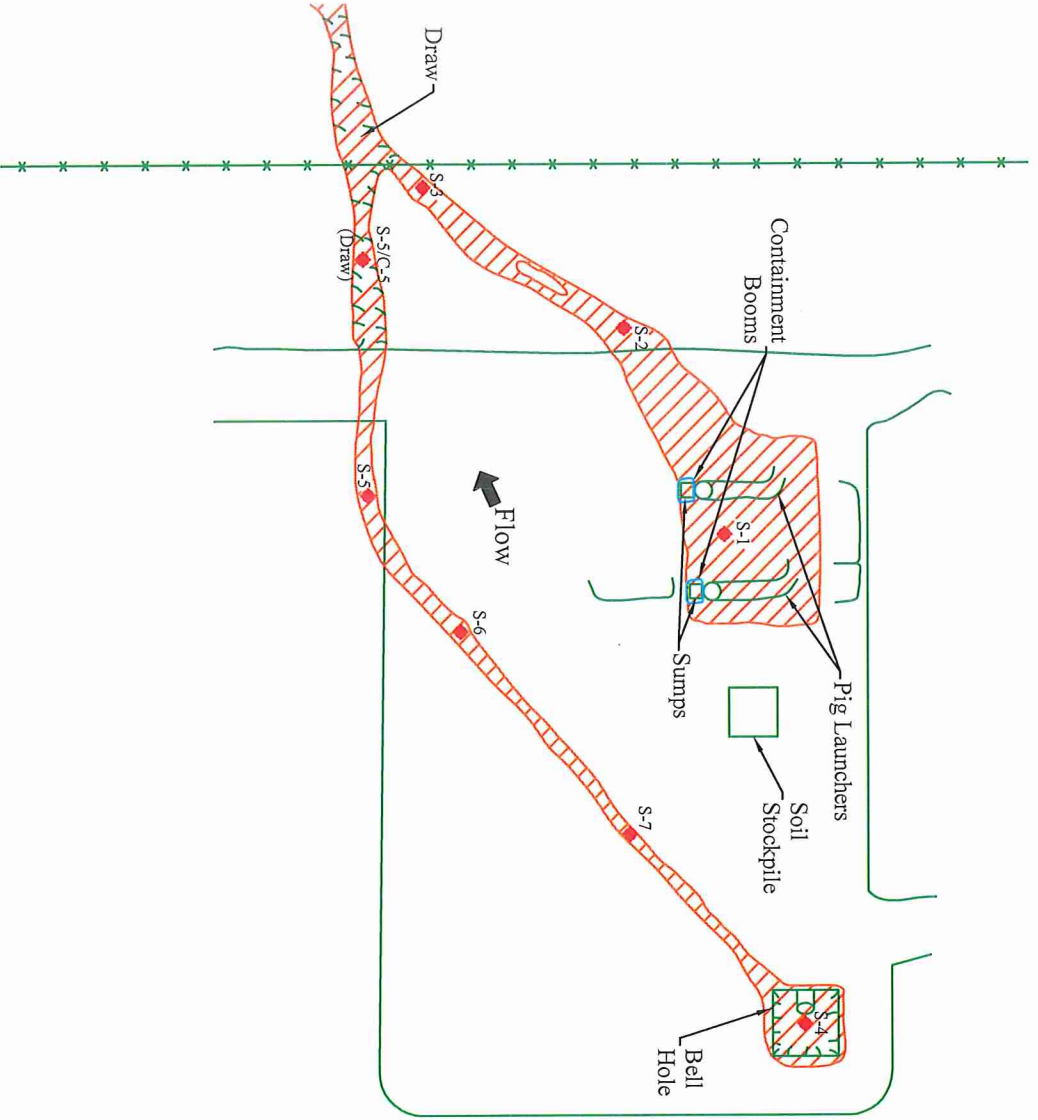
NTS

Scale in Feet



Legend

- ◆ Sample Location
- Fence Line



Date: 07/21/2015

Scale: NTS

Drawn By: TJS

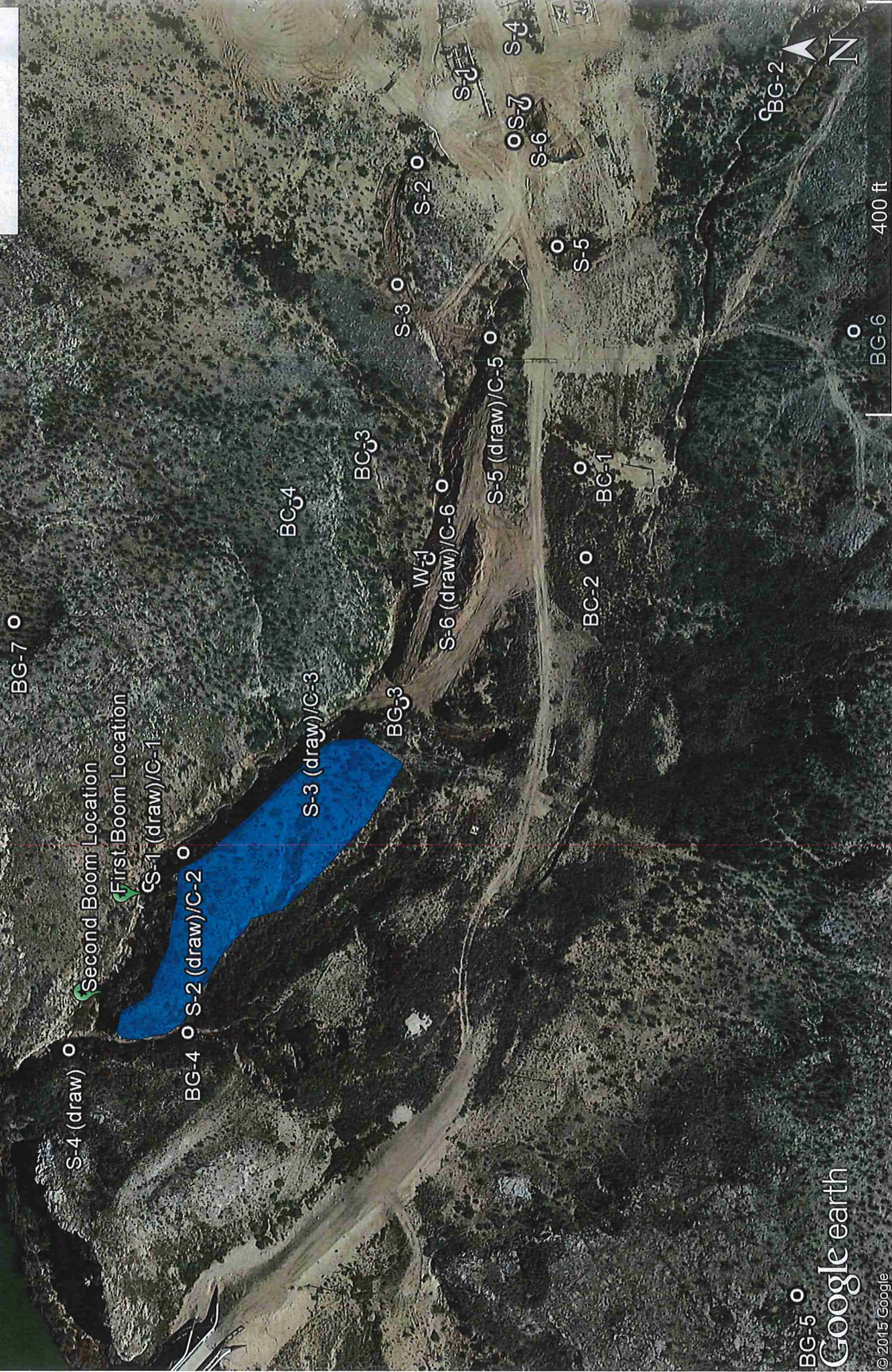
Cal A B Launcher Spill
Southern Union Gas
Eddy County, New Mexico
Figure 2 - Site Plan

Energy Transfer

Cal AB Launcher

Legend

- Arch Area
- Boom Location
- Sample Location



APPENDIX II-GROUNDWATER DATA



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced,
O=orphaned,
C=the file is
closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
C 03507 POD1	C	ED	1	3	3	05	26S	29E	593064	3548313		1445	140	78	62
C 03508 POD1	C	ED	1	3	3	05	26S	29E	593063	3548361		1464	140	75	65
C 02894	C	ED	2	2	3	12	26S	28E	590458	3547061*		4026	240		
C 02160 S8		ED	2	3	3	12	26S	28E	590056	3546653*		4508	200	120	80
C 01668		ED	3	3	12	26S	28E	589957	3546554*			4630	250	100	150

Average Depth to Water: 93 feet

Minimum Depth: 75 feet

Maximum Depth: 120 feet

Record Count: 5

Basin/County Search:

County: Eddy

UTMNAD83 Radius Search (in meters):

Easting (X): 594416

Northing (Y): 3547801

Radius: 5000

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

APPENDIX III-INITIAL C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Regency Gas	Contact Rachel Johnson	
Address P.O. Box 1226 Jal, NM 88252	Telephone No. 325-514-2636	
Facility Name: Cal AB Launcher	Facility Type Pipeline launcher and receiver	
Surface Owner NMBLM	Mineral Owner NMBLM	API No.

LOCATION OF RELEASE

Unit Letter "A"	Section 8	Township 26S	Range 29E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy County
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Latitude 32.002158 Longitude -103.973977

NATURE OF RELEASE

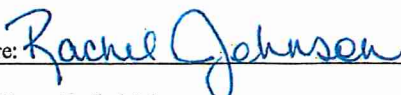
Type of Release: Condensate	Volume of Release: Unknown	Volume Recovered: 0
Source of Release:	Date and Hour of Occurrence: 1/10/15	Date and Hour of Discovery: 1/10/15
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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. * On January 10, 2015 a vacuum truck driver attempted to load condensate into the Regency pipeline. Driver attached the hose to the wrong valve and sprayed condensate within a approx.. 200ft radius. Driver made notifications to the appropriate Regency personnel. The affected area was not remediated in a timely manner; therefore creating a flow path crossing the Kinder Morgan ROW and finally reaching the ravine connecting to the Pecos River. Upon the notifications to Rachel Johnson, Regency Environmental Specialist for the area, Talon and a crew were dispatched. The affected soil has been sampled, area has been assessed, sumps and containments emptied, buoys placed in the ravine, and stockpile set on plastic and covered with plastic. Regency piping area has been bermed and buoyed to avoid further runoff at this time.

Describe Area Affected and Cleanup Action Taken.* Runoff from the piping ran into the ravine and is 1000ft from reaching the Pecos River. Buoys have been placed in the ravine to prevent further damage.

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: 	<u>OIL CONSERVATION DIVISION</u>		
Printed Name: Rachel Johnson	Approved by Environmental Specialist:		
Title: Environmental Specialist	Approval Date:	Expiration Date:	
E-mail Address: rachel.johnson@regencygas.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 1/30/15	Phone: 325-514-2636 (cell)		

* Attach Additional Sheets If Necessary

APPENDIX IV-APPROVED C-138

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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-138
Revised August 1, 2011

*Surface Waste Management Facility
Operator
and Generator shall maintain and make this
documentation available for Division
inspection.

REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE

1. Generator Name and Address: Energy Transfer Partners: 600 N. Maricfield Str. Ste 700 Midland, TX 79701
2. Originating Site: Cal AB Launcher
3. Location of Material (Street Address, City, State or ULSTR): A-S8-T26S-R29E
4. Source and Description of Waste: Excavated soil generated during the remediation of a condensate release.
Estimated Volume 910 yd ³ / bbls Known Volume (to be entered by the operator at the end of the haul) yd ³ / bbls
5. GENERATOR CERTIFICATION STATEMENT OF WASTE STATUS I, Johnnie Bradford, representative or authorized agent for Energy Transfer Partners do hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is: (Check the appropriate classification) <input checked="" type="checkbox"/> RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste. Operator Use Only: Waste Acceptance Frequency <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Weekly <input type="checkbox"/> Per Load <input type="checkbox"/> RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items) <input type="checkbox"/> MSDS Information <input checked="" type="checkbox"/> RCRA Hazardous Waste Analysis <input type="checkbox"/> Process Knowledge <input type="checkbox"/> Other (Provide description in Box 4)
GENERATOR 19.15.36.15 WASTE TESTING CERTIFICATION STATEMENT FOR LANDFARMS I, Johnnie Bradford, representative for Energy Transfer Partners, LP do hereby certify that representative samples of the oil field waste have been subjected to the paint filter test and tested for chloride content and that the samples have been found to conform to the specific requirements applicable to landfills pursuant to Section 15 of 19.15.36 NMAC. The results of the representative samples are attached to demonstrate the above-described waste conform to the requirements of Section 15 of 19.15.36 NMAC.
5. Transporter: Talon/LPE (0308669)

OCD Permitted Surface Waste Management Facility

Name and Facility Permit #: Lea Land, LLC WM-1-035
Address of Facility: MM 64, HWY 62/180 East, Carlsbad, NM 88220

Method of Treatment and/or Disposal:

☐ Evaporation ☐ Injection ☐ Treating Plant ☐ Landfarm ☒ Landfill ☐ Other

Waste Acceptance Status:

☒ APPROVED

☐ DENIED (Must Be Maintained As Permanent Record)

PRINT NAME: Sarah Lynn Hall TITLE: Mktg. Manager DATE: 11/21/16

SIGNATURE: Sarah Lynn Hall TELEPHONE NO.: 405-519-1187
Surface Waste Management Facility Authorized Agent