REMEDIATION SUMMARY & CLOSURE REQUEST

Property:

REGENCY FIELD SERVICES LLC.
R.R Sims 10" MA-3 Line
Release Site
Lea County, New Mexico
Unit Letter "C", Section 3, Township 23 South, Range 37 East
Latitude 32.33946, Longitude -103.15354

December 2014
Apex Project No. 7030714G099

Prepared for:

Regency Field Services LLC
421 West 3rd Street, Suite 250
Fort Worth, TX 76102
Attn: **Ms. Crystal Callaway, BSN, RN, CHMM**

Prepared by:

Thomas Franklin
Project Manager

Tim Reed
Senior Technical Review

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1.0 INTRODUCTION

1.1 Site Description & Background

Apex TITAN, Inc. (Apex) has prepared this Closure Request for the Regency Field Services, LLC (Regency) R.R. Sims 10" MA-3 Line (referred to hereinafter as the "Site" or "subject Site"). This Closure Request is based upon the interpretation of the data collected by Apex and the remedial action conducted to date.

The R.R. Sims 10" MA-3 Line release is located in Unit Letter C, Section 3, Township 23 South, Range 37 East, Lea County, New Mexico (GPS 32.33946, -103.15354). Regency Field Services, LLC. have acquired this pipeline and associated equipment.

Remedial actions were conducted by Apex in accordance with New Mexico Energy, Minerals, and Natural Resources Department (EMNRD), Oil Conservation Division (NMOCD) rules (*NMAC 19.15.29 Release Notification*) and the NMOCD *Guidelines for Remediation of Leaks, Spills and Releases* as guidance.

1.2 Project Objective

The objective of the Remediation Summary and Closure Request is to present documentation of the activities that were performed to date and to request closure of the site.

1.3 Standard of Care

Apex's services are performed in accordance with standards customarily provided by a firm rendering the same or similar services in the area during the same time period. Apex makes no warranties, express or implied, as to the services performed hereunder. Additionally, Apex does not warrant the work of third parties supplying information used in the report (e.g. laboratories, regulatory agencies, or other third parties). This scope of services will be performed in accordance with the scope of work agreed with the client.

1.4 Reliance

This report has been prepared for the exclusive use of Regency, and any authorization for use or reliance by any other party (except a governmental entity having jurisdiction over the Site) is prohibited without the express written authorization of Regency and Apex. Any unauthorized distribution or reuse is at the client's sole risk. Notwithstanding the foregoing, reliance by authorized parties will be subject to the terms, conditions and limitations stated in the proposal, the report, and Apex's Agreement. The limitation of liability defined in the agreement is the aggregate limit of Apex's liability to the client.

2.0 SITE RANKING & PROPOSED REMEDIAL ACTION GOALS

The Site is subject to regulatory oversight by the NMOCD. To address activities related to releases, the NMOCD utilizes the *Guidelines for Remediation of Leaks, Spills and Releases* as guidance, in addition to the NMOCD rules, specifically NMAC 19.15.29 *Release Notification*. These documents establish investigation and abatement action requirements for sites subject to reporting and/or corrective action.

In accordance with the NMOCD's *Guidelines for Remediation of Leaks, Spills and Releases*, Apex utilized the general site characteristics to determine the appropriate "ranking" for the Site. The ranking criteria and associated scoring are provided in the table below:

Ranking Criteria			**Ranking Score**
Depth to Groundwater	<50 feet	20	**10**
	50 to 99 feet	10	
	>100 feet	0	
Wellhead Protection Area, <1,000 feet from a water source, or; <200 feet from private domestic water source.	Yes	20	**0**
	No	0	
Distance to Surface Water Body	<200 feet	20	**0**
	200 to 1,000 feet	10	
	>1,000 feet	0	
Total Ranking Score			**10**

Based on Apex's evaluation of the scoring criteria, the Site would have a Total Ranking Score of 10. This ranking is based on the following:

- The depth to the initial groundwater-bearing zone is 50 to 99 feet at the Site.
- The impacted area is greater than 200 feet from a private domestic water source.
- Distance to the nearest surface water body is greater than 1,000 ft.

Based on a Total Ranking Score of 10, cleanup goals for soils remaining in place include: 10 milligrams per kilogram (mg/Kg) for benzene, 50 mg/Kg for total benzene, toluene, ethlybenzene and xylene (BTEX) and, 1,000 mg/Kg for total petroleum hydrocarbons (TPH).

3.0 INITIAL RESPONSE, EXCAVATION & DRILLING ACTIVITIES

3.1 Initial Response and Excavation Activities

Apex was contacted by Regency in order to respond to a leak. Excavation remediation activities were conducted by Apex and began in the area identified by Regency personnel as shown in Figure 3. Mr. Thomas Franklin, an Apex environmental professional, was present to observe on-Site activities conducted on November 19, 2014 through November 24, 2014. The excavation activities included removing the impacted material from around the underground line and transporting it off site to an approved disposal facility. The final dimensions of the excavation were approximately fifty (50) feet in length, twenty (20) feet in width and twelve (12) to fourteen (14) feet in depth near the center as shown on Figure 3. Select samples were collected in the field from the side walls and the bottom of the excavation. These samples were field screened for hydrocarbons to ensure vertical and horizontal delineation. Approximately five hundred and fifty two (552) cubic yards (yd^3) of impacted soil was transported to Sundance Services Inc. for proper disposal, the manifests are shown in Appendix E.

3.2 Excavation Confirmation Soil Sampling Program

Six (6) side wall soil samples and two (2) bottom hole soil samples were collected from the excavation. These samples were collected by Apex personnel and all the samples were analyzed for BTEX, TPH and chlorides. The results of the confirmation samples were compared to the NMOCD *Guidelines for Remediation of Leaks, Spills and Releases* (Section VI A. Contaminated Soils). The eight (8) confirmation sample results did not exceed the NMOCD clean-up goals as discussed in Section 2.0 above. Subsequently, the Site was vertically and horizontally defined.

4.0 LABORATORY ANALYTICAL METHODS

The samples were analyzed for TPH GRO/DRO utilizing EPA method SW-846 8015, BTEX using EPA method SW-846 8021B and chlorides utilizing EPA method SW-846 300.1. Copies of the laboratory analysis are provided in Appendix D.

Soil samples were collected and placed in laboratory prepared glassware, placed on ice in a cooler. The sample coolers and completed chain-of-custody forms were relinquished to Trace Analysis, Inc. in Midland, Texas for normal turn-around time.

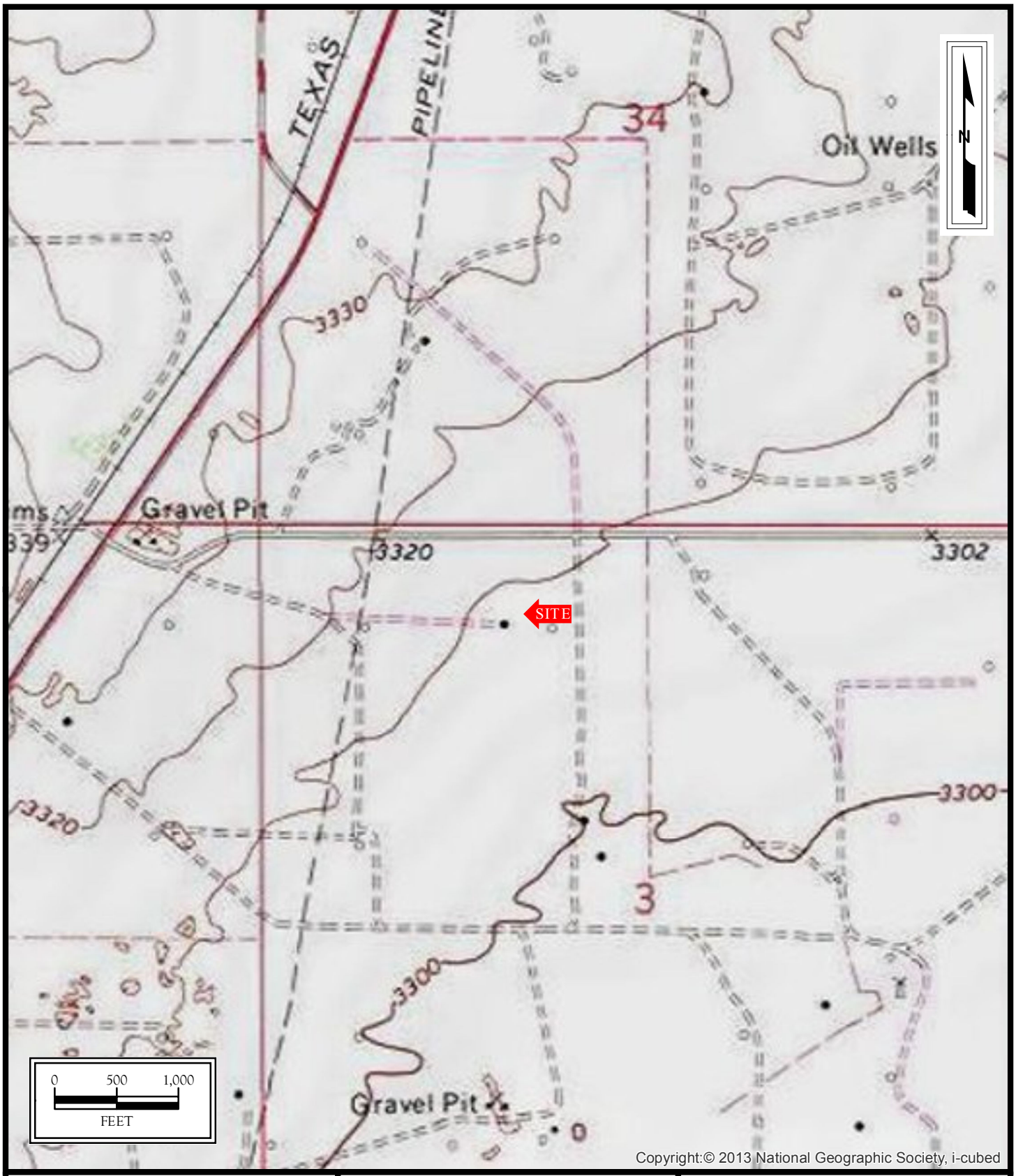
Figure 3 is a Site plan that indicates the approximate location of the confirmation soil samples, in relation to pertinent land features and general Site boundaries, which is included in Appendix A.

5.0 CLOSURE REQUEST

The site was backfilled with clean material as shown in the photos in Appendix C and the surface was brought to grade. Based upon the response actions and laboratory analytical results, no additional remediation appears warranted at this time. Regency respectfully requests closure of this site. The initial and final C-141 is shown in Appendix F.

APPENDIX A

Figures



Regency - RR Sims 10" MA-3 Line
Lea County, New Mexico
32.339465N, 103.153597W

Project No. 7030714G099.001

Apex TITAN, Inc.
505 N. Big Spring Street, Suite 301A
Midland, Texas 79701
Phone: (432) 695-6016
www.apexcos.com
A Subsidiary of Apex Companies, LLC

FIGURE 1
Topographic Map
Rattlesnake Canyon,
NM Quadrangle
1969

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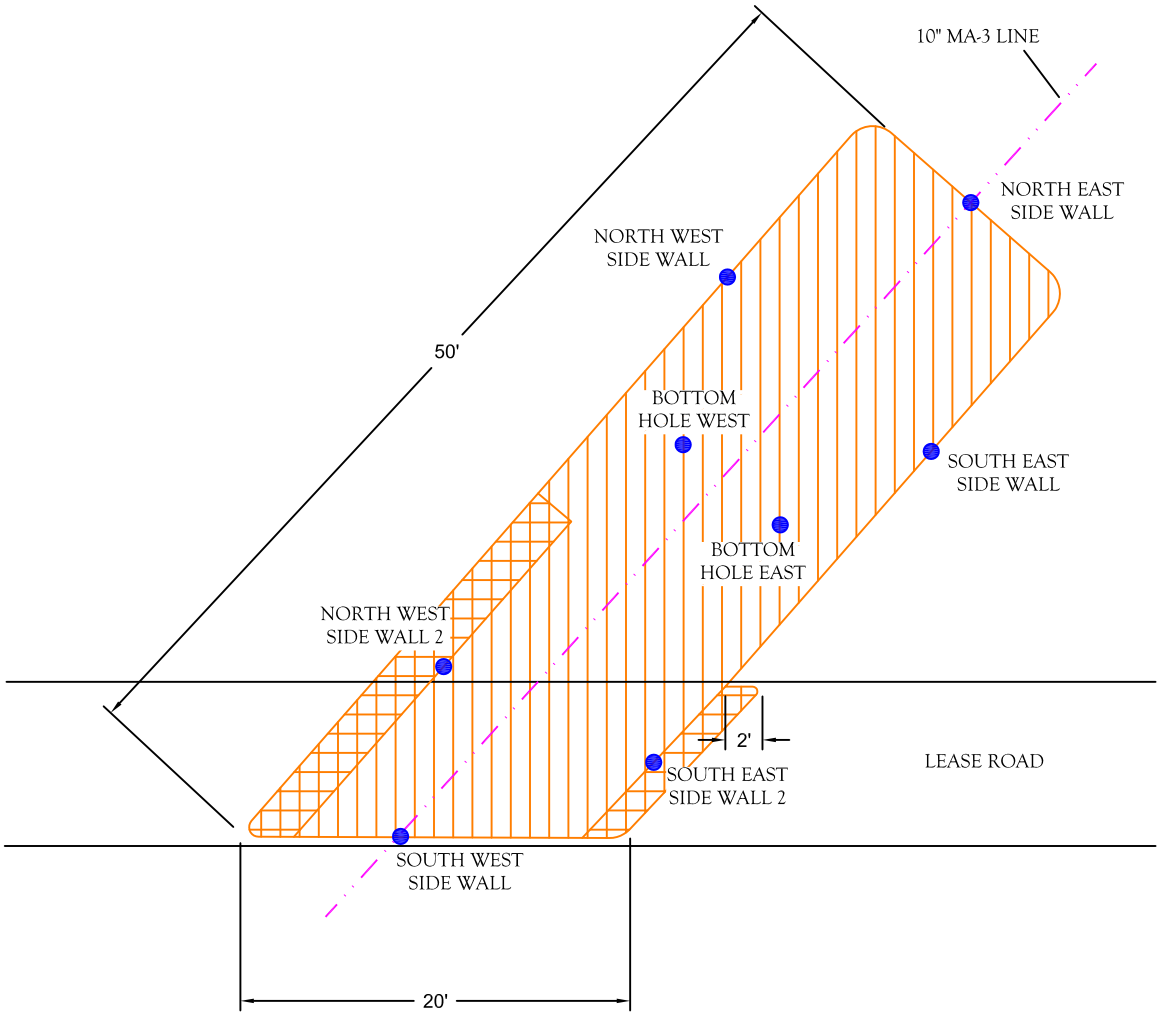
FIGURE 2
Site Vicinity Map



LEGEND:

- PIPELINE
- CONFIRMATION SAMPLE LOCATION
- EXCAVATION 12' to 14' DEEP
- BENCH EXCAVATION 4' DEEP

0 5 10

1" = 10'

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FIGURE 3
Site Map

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APPENDIX B

Soil Analytical Results

TABLE 1
REGENCY - RR SIMS 10" MA-3 LINE
ANALYTICAL RESULTS

Sample ID	Date	Sample Depth (feet)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Xylene (mg/Kg)	Total BTEX (mg/Kg)	TPH (DRO) (mg/Kg)	TPH (GRO) (mg/Kg)	Total TPH (mg/Kg)	Chloride (mg/Kg)
NMOCD - *Guidelines for Remediation of Leaks, Spills and Releases*			***10***	**NE**	**NE**	**NE**	***50***	**NE**		***1,000***	***250***
Confirmation Samples											
NW Side Wall	11/20/2014	6'-8'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	<20.0
NW Side Wall 2	11/25/2014	6'-8'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	50
SE Side Wall	11/20/2014	6'-8'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	<20.0
SE Side Wall 2	11/25/2014	6'-8'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	<20.0
NE Side Wall	11/21/2014	6'-8'	0.0818	0.0602	0.0706	0.162	0.3746	<50.0	<4.00	<50.0	96
SW Side Wall	11/25/2014	6'-8'	0.0831	0.0758	0.0897	0.222	0.4706	<50.0	<4.00	<50.0	250
Bottom Hole West	11/20/2014	14'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	99
Bottom Hole East	11/20/2014	13'	<0.0200	<0.0200	<0.0200	<0.0200	<0.0200	<50.0	<4.00	<50.0	99

mg/Kg- milligrams per Kilograms

NE - Not Established

Concentrations in Bold and Highlighted exceed the NMOCD Guidelines

APPENDIX C

Photos

View North – Buried Line and Impacted Soil

View North – Impacted Soil

View Northeast – Area of NW and SE Side Walls

View Northeast – Area of NE Side Wall

View Southwest – Area of NW and SE Side Walls

View Southwest – Area of SW Side Wall

View Northeast – Replaced old line and backfill

View Northwest – Backfill

View North – Backfill

View West – Backfill