

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

April 20, 2020

Ms. Bonnie Epp Scout Energy Management, LLC 4901 LBJ Freeway, Suite 300 Dallas, TX 75244

RE: Certificate of Completion with Restrictions 12.705-Acres of Land Western Panhandle PFC-6 (Site) Hutchinson County, Texas Voluntary Cleanup Program (VCP) No. 10-40014

Dear Ms. Epp:

Staff of the Railroad Commission of Texas (RRC) Voluntary Cleanup Program is pleased to provide you with the enclosed Certificate of Completion with restrictions for the approximately 12.705-acres of land located at the northwest corner of Pioneer Street and Cottonwood Street near Fritch, Hutchinson County, Texas. The site is more specifically located at latitude 35.6322 and longitude -101.6203 (WGS 84/NAD 83). This letter only applies to historical oil and gas exploration and production activities on the property that are subject to the RRC's jurisdiction. The following major reports were reviewed prior to issuance of this Certificate:

Site Investigation Report and Remedial Action Plan, Panhandle Field Compressor #6, Hutchinson County, Texas, Voluntary Cleanup Program (VCP) No. 10-40014, dated July 8, 2005;

Response Action Completion Report and Site Closure Request, Panhandle Field Compressor #6, Hutchinson County, Texas, Voluntary Cleanup Program (VCP) No. 10-40014, dated June 25, 2007;

2018 Annual Groundwater Monitoring Report & Response Action Completion Report, Panhandle Field Compressor #6, Hutchinson County, Texas, Voluntary Cleanup Program (VCP) No. 10-40014, dated March 13, 2019.

Site History

The site consists of an approximate 12.705-acre tract of land that was developed as a compressor station in the early 1960's and was operated by Colorado Interstate Gas until March 2002. The property was then acquired by El Paso Natural Gas and subsequently sold to Pioneer Natural Resources USA, Inc. (Pioneer) in July 2002. Pioneer performed the investigation and remediation of the historical contamination found at the site from 2002 to August 2018, when the property was sold to Scout Energy Management, LLC (Scout). Scout has conducted all environmental

Ms. Bonnie Epp 4/20/20 Page 2

investigation and remediation activities since August 2018. The compressor station consisted/consists of 14 above ground storage tanks (ASTs), separators, scrubbers, coolers, and meter buildings.

Environmental Investigations

Starting in April 2002, site investigation activities were performed at the site by Eco-logical Environmental Services, Inc. to evaluate the presence and extent of surface and subsurface impacted soils resulting from historic (pre-2002) releases at the site. During the investigation, seven source areas were identified that required subsurface remediation. An additional five areas were also identified and only required surficial remediation to address hydrocarbon staining. Soil sampling results indicated that the following constituents of concern (COCs) were in excess of the Tier 1 residential total soil combined protective concentration levels (PCLs): benzene, toluene, ethylbenzene, total petroleum hydrocarbons (TPH), arsenic, and 1,2,4-trimethylbenzene. These exceedances were found around the compressor areas, the blowcase area, the engine oil secondary containment, and the used oil secondary containment. Based on TPH analysis, a site-specific mixture PCL was calculated for each source area which ranged in concentrations from 620 milligrams per kilogram (mg/kg) to 46,000 mg/kg TPH (C6-C35). Similarly, Tier 2 calculations were used to generate a site-specific arsenic PCL of 20.19 mg/kg.

Soil remediation was completed by a variation of excavation and disposal, excavation and bioremediation, and in-situ bioventing. Excavation activities were conducted at the site between April 2004 and May 2006. An estimated 130 cubic yards of impacted soils above the Tier 1 residential PCLs and approximately 166 cubic yards of surface stained soils were excavated, remediated, and backfilled. Approximately 29 cubic yards of TPH and arsenic contaminated soil from the used oil secondary containment area was disposed of off-site. Bioremediation of excavated soils was conducted in a bermed area and included soil shredding, followed by the application of Oil Gator and water. Oil Gator is a biodegradable, hydrocarbon absorbent fiber. A total of four biovent wells were installed at the site in an effort to encourage biodegradation of the hydrocarbons. The biovent wells were installed at depths ranging from 42 and 53 feet below ground surface (bgs).

Soil confirmation samples were collected from the bottom of each excavation area and each sidewall every 50 linear feet. Soil confirmation samples were also collected from the stockpile soils that underwent bioremediation prior to backfilling. Confirmation samples indicated that all COCs from each excavation area and the stockpile soils were below the critical PCLs. Confirmation samples were not collected from the areas that only required surficial remediation to address hydrocarbon staining. These areas did not exceed the critical PCLs and remediation efforts were only for aesthetic purposes.

Based on the initial sampling results and identification of the source areas, additional soil borings were installed within each source area at depths ranging from 0 to 50 feet, 0 to 100 feet, and some greater than 100 feet. Soil samples from each boring were collected at 5 foot intervals, 10 foot intervals, or 20 foot intervals depending on the total depth of the boring. Soil samples collected from these borings showed no exceedances of the critical PCLs, except for one sample at 40 feet bgs within the east side of the west compressor pad. This sample exhibited an exceedance of toluene and ethylbenzene for the soil to groundwater PCLs. Additionally, the laboratory detection

Ms. Bonnie Epp 4/20/20 Page 3

limits for benzene were above the soil-to-groundwater PCL. Based on these findings, groundwater monitor wells were installed across the site to evaluate if groundwater had been impacted.

Two groundwater bearing zones were encountered at the site. The upper groundwater bearing unit (UGWBU) was encountered at approximately 42 feet bgs and the lower groundwater bearing unit (LGWBU) was encountered at approximately 77 feet bgs. A total of 28 monitor wells and two permanent injection wells were installed across the site. Three of the 28 monitor wells were installed in the LGWBU and the remainder were installed in the UGWBU. An additional 6 temporary injection wells were installed in the UGWBU across the site to treat soil contamination via hydrogen peroxide injection treatments. Benzene and TPH was detected at concentrations greater than the Tier 1 residential groundwater PCLs in several of the monitor wells. Light nonaqueous phase liquids (LNAPL) were also detected at various thickness across the site. A mobile dual phase extraction system was utilized at the site between 2006 and 2008, as well as between 2010 and 2011. The mobile dual phase system removed a total of 35,166 pounds of product. Between 2009 and 2011, a pump and treat system was installed on the two permanent injection wells to also remove LNAPL. The system removed approximately 11,084 pounds of product. A mixture specific TPH PCL of 9.3 milligrams per liter was calculated for the site. Based on the final groundwater sampling event in December 2018, LNAPL at the site had been removed to the extent practicable, all TPH concentrations were below the site-specific mixture PCL, and benzene concentrations in groundwater were stable and/or declining.

Environmental Restrictive Covenant

Based on the findings of the soil and groundwater assessments performed at the Site, an institutional control restricting the use of groundwater from 0 to 84 feet bgs was determined to be an acceptable remedy for contamination remaining in groundwater at the Site. A restrictive covenant (Document No. 00373294) was filed and recorded with the Hutchinson County Clerk on February 6, 2020. The Affected Property is described as a 12.705-acre tract and more fully described in Exhibit "A" of the enclosed restrictive covenant. The following restrictions apply to the entire 12.705-acre tract:

- 1. No part of the Affected Property shall be used for residential land use as defined in this Restrictive Covenant.
- 2. The investigation and assessment reports identified impacted soil at 5 feet bgs, 40 feet bgs, and impacted groundwater at 40 feet bgs. Penetration of the impacted groundwater beneath the Affected Property for any purpose shall only be conducted in such a manner as to prevent the migration or release of contaminates to any other zone or environmental media and to prevent uncontrolled exposure to human and ecological receptors.
- 3. Use of consumption of groundwater beneath the affected property ranging from ground surface to 84 feet bgs, shall be prohibited except for monitoring and remediation purposes.
- 4. Any water wells completed on the affected Property must be installed by a Texas Department of Licensing and Regulation (TDLR)-licensed water well driller in accordance with applicable rules. Installed wells shall not be screened/perforated from the surface to 84 feet bgs unless for authorized monitoring purposes and the collection of samples for analysis.

Ms. Bonnie Epp 4/20/20 Page 4

5. These restrictions shall be a covenant running with the land.

Monitor Well Plugging and Abandonment

Plugging and abandonment activities of all remaining on-site monitor wells was performed in February 2020 and in accordance with requirements outlined in 16 TAC Chapter 76.

On behalf of the RRC, staff of the Site Remediation Section thank you for your participation in the Voluntary Cleanup Program. Questions may be directed to me via telephone at 512-463-3384 or by email at leslie.bruce@rrc.texas.gov.

Sincerely,

Cesto A. Bruce

Leslie Bruce VCP/Brownfields Program Coordinator

CC: Spencer Jackson, Scout Energy Management, LLC (via email)
Zach Capehart, Geosyntec Consultants (via email)
Brent Miller, Geosyntec Consultants (via email)
Dottie Metcalf-Lindenburger, Geosyntec Consultants (via email)

VOLUNTARY CLEANUP PROGRAM FINAL CERTIFICATE OF COMPLETION WITH RESTRICTIONS

As provided for Chapter 91, Subchapter 0, Texas Natural Resource Code.

I, PETER G. POPE, ASSISTANT DIRECTOR OF THE SITE REMEDIATION SECTION, OIL AND GAS DIVISION, RAILROAD COMMISSION OF TEXAS, CERTIFY UNDER CHAPTER 91, SUBCHAPTER 0, TEXAS NATURAL RESOURCE CODE, THAT NECESSARY RESPONSE ACTIONS HAVE BEEN COMPLETED FOR VOLUNTARY CLEANUP PROGRAM SITE VCP NO. 10-40014 FOR THE TRACT OF LAND DESCRIBED IN EXHIBIT "A", BASED ON THE AFFIDAVIT OF COMPLETION OF RESPONSE ACTION, EXHIBIT "B" AND WHICH ARE FURTHER DESCRIBED IN THE APPROVED FINAL REPORT FOR THE SITE. THE APPLICANT WAS NOT A RESPONSIBLE PARTY UNDER SECTION 91.113. ON THE DATE OF ISSUANCE OF THIS CERTIFICATE THE APPLICANT IS QUALIFIED TO OBTAIN THE PROTECTION FROM LIABILITY PROVIDED BY CHAPTER 91, SUBCHAPTER O, TEXAS NATURAL RESOURCE CODE.

EXECUTED on AApril 2020

Pete Assistant L ope

Site Remediation Section

STATE OF Texas

COUNTY OF Travis

BEFORE ME, personally appeared Peter G. Pope, Assistant Director, Site Remediation Section, of the Railroad Commission of Texas, known to me to be the person and agent of said commission whose name is subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2 Day of April 2020.

Notary Public in and for the State of Texas

RESHMAS. CHARLES Notary Public-State of Texas Notary ID #12958027-4 Commission Exp. OCT. 02, 2021

Notary without Bond

EXHIBIT "A" RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM LEGAL DESCRIPTION 12.705-ACRE TRACT

VCP No. 10-40014

Commencing at the 5/8" rebar with a plastic cap found at the Southeast corner of said 11.571 acre tract of land whence the Southeast corner of said Section 92 bears S 00°08'58" E, 300 feet as described in said Volume 139, Page 223 of the Deed of Trust Records of Hutchinson County, Texas;

The second se

THENCE S 89°54'04" W - bearings contained herein are relative to true North as determined from G.P.S. observations - along the South line of said 11.571 acre tract of land for a distance of 849.93 feet to a 5/8" rebar with a plastic cap found at the Southwest corner of said 11.571 acre tract of land;

THENCE N 00°09'02" W along the West line of said 11.571 acre tract of land for a distance of 592.92 feet to a 2" iron pipe in concrete found at the Northwest corner of said 11.571 acre tract of land, same being a point on the South line of said Lot 80 of Double Diamond Estates Unit No. 3;

THENCE S 89°53'11" W along the South line of said Lot 80 for a distance of 31.54 feet to a ½" X 24" rebar with a plastic cap stamped "DAVIS GEOMATICS" set at the Southwest corner of said Lot 80, same being a point on the Southeasterly right-of-way line of Pueblo Drive;

THENCE N 54°35'41" E along the West line of said Lot 80 and the Southeasterly right-of-way line of said Pueblo Drive for a distance of 129.61 feet to a 3/8" rebar found at the Northwest corner of said Lot 80, same being the point of intersection of the Southeasterly right-of-way line of said Pueblo Drive and the South right-of-way line of Harbor Drive;

THENCE N 89°52'04" E along the South right-of-way line of said Harbor Drive for a distance of 585.81 feet to a 3/8" rebar found at the beginning of a curve to the left;

THENCE along said curve to the left, having a radius of 90.00 feet, a long chord bearing of N 83°30'57" E and a long chord length of 20.07 feet, for an arc length distance of 20.09 feet to a 3/8" rebar found at the Northeast corner of said Lot 68 of Double Diamond Estates;

THENCE S 00°23'45" E along the East line of said Lot 68 for a distance of 77.43 feet to a 3/8" rebar found at the Southeast corner of said Lot 68, same being a point on the North line of said 11.571 acre tract of land;

THENCE N 89°50'11" E along the North line of said 11.571 acre tract of land for a distance of 169.66 feet to a 2" iron pipe in concrete found at the Northeast corner of said 11.571 acre tract of land;

THENCE S 00°08'58" E along the East line of said 11.571 acre tract of land for a distance of 593.14 feet to the POINT OF BEGINNING of this tract of land; Said tract contains a computed area of 12.705 acres of land as described.

Exhibit A - Metes and Bounds Description

EXHIBIT "B" RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM AFFIDAVIT OF COMPLETION

VCP No. 10-40014

EXHIBIT "B" RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM AFFIDAVIT OF COMPLETION OF RESPONSE ACTION

I, Scott Gladden, the Vice President of Scout Energy Management LLC ("Applicant"), affirm that Applicant has completed the necessary response actions, pursuant to Chapter 91, Subchapter O, Texas Natural Resource Code, at the approximately 12.705-Acre tract of land described in Exhibit "A" (Site) of this certificate pertaining to Voluntary Cleanup Program (VCP) No. 10-40014 located in Hutchinson County, Texas. The Applicant has submitted and received approval from the Railroad Commission of Texas (RRC) on all plans and reports required by the Voluntary Cleanup Agreement. The plans and reports were prepared using a prudent degree of inquiry of the Site consistent with accepted industry standards to identify all contaminants, waste and contaminated media of regulatory concern. The response actions for the site have achieved response action levels as determined by the standards of the RRC and remain protective as long as the following controls are maintained:

- 1. No part of the Affected Property shall be used for residential land use as defined in this Restrictive Covenant.
- 2. The investigation and assessment reports identified impacted soil at 5 feet below ground surface (bgs), 40 feet bgs, and impacted groundwater at 40 feet bgs. Penetration of the impacted soil and groundwater beneath the Affected Property for any purpose shall only be conducted in such a manner as to prevent the migration or release of contaminants to any other zone or media and to prevent uncontrolled exposure to human and ecological receptors.
- 3. Use or consumption of groundwater beneath the Affected Property ranging from ground surface to 84 feet bgs, shall be prohibited except for monitoring and remediation purposes.
- 4. Any water wells completed on the Affected Property must be installed by a Texas Department of Licensing and Regulation (TDLR)-licensed water well drilled in accordance with applicable rules. Installed wells shall not be screened/perforated from the surface to 84 feet bgs for authorized monitoring purposes and the collection of samples for analysis.
- 5. These restrictions shall be a covenant running with the land.

These restrictions were filed in the Hutchinson County Clerk's office on February 6, 2020 under Document No. 00373294 (Attachment 1). The response actions eliminate substantial present or future risk to public health and safety and to the environment from releases and threatened releases of contaminants at or from the Site. The Applicant has not acquired this certificate of completion by fraud, misrepresentation, or knowing failure to disclose material information. Further information concerning the response actions at this Site may be found in the final report at the central office of the RRC filed under VCP No. 10-40014.

The preceding is true and correct to the best of my knowledge and belief.

Applicant By:

Print Name: Scott Gladden

STATE OF TEXAS COUNTY OF DALLAS

BEFORE ME, personally appeared Scott Gladden, known to me to be the Vice President of Scout Energy Management, LLC, whose name is subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of April 2020.



Kelsuy attaway Notary Public in and for the State of Texas

ATTACHMENT 1 RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM Institutional Control Document No. 00373294

VCP No. 10-40014

Railroad Commission of Texas Environmental Restrictive Covenant

STATE OF TEXAS	§
	§
COUNTY OF HUTCHINSON	§

This Environmental Restrictive Covenant ("Restrictive Covenant") is filed and recorded in the Real Property Records of Hutchinson County, Texas, pursuant to the authority of the Railroad Commission of Texas ("Commission") to control and clean up pollution caused by activities over which the Commission exercises jurisdiction in accordance with Section 91.113 of the Texas Natural Resources Code and affects the real property described as follows:

Scout Energy Group IV, LP (Scout) is the record Owner of fee title to the real property and premises, and appurtenances thereto, located in Hutchinson County, Texas, consisting of a 12.705 Acre Tract out of the H. & T.C. Survey, Section 92, Block 46, in Hutchinson County, Texas, according to deed recorded in Volume 139, page 223 in the Deed Records of the office of the County Clerk of Hutchinson County, Texas, and more fully described on **Exhibit A**, which is attached hereto and incorporated herein, and identified as the "Property".

Soil and groundwater on the property is impacted by certain identified constituents of concern ("COCs"). The property, all of which is considered to be the Affected Property, is presented on Exhibit A, and can be described as follows:

Commencing at the 5/8" rebar with a plastic cap found at the Southeast corner of said 11.571-acre tract of land whence the Southeast corner of said Section 92 bears S 00°08'58" E, 300 feet as described in said Volume 139, Page 223 of the Deed of Trust Records of Hutchinson County, Texas;

THENCE S 89°54'04" W - bearings contained herein are relative to true North as determined from G.P.S. observations - along the South line of said 11.571-acre tract of land for a distance of 849.93 feet to a 5/8" rebar with a plastic cap found at the Southwest corner of said 11.571-acre tract of land;

THENCE N 00°09'02" W along the West line of said 11.571-acre tract of land for a distance of 592.92 feet to a 2" iron pipe in concrete found at the Northwest corner of said 11.571-acre tract of land, same being a point on the South line of said Lot 80 of Double Diamond Estates Unit No. 3;

THENCE S 89°53'11" W along the South line of said Lot 80 for a distance of 31.54 feet to a ¹/₂" X 24" rebar with a plastic cap stamped "DAVIS GEOMATICS" set at the Southwest corner of said Lot 80, same being a point on the Southeasterly right-of-way line of Pueblo Drive;

Page 1 of 10

THENCE N 54°35'41" E along the West line of said Lot 80 and the Southeasterly right-of-way line of said Pueblo Drive for a distance of 129.61 feet to a 3/8" rebar found at the Northwest corner of said Lot 80, same being the point of intersection of the Southeasterly right-of-way line of said Pueblo Drive and the South right-of-way line of Harbor Drive;

THENCE N 89°52'04" E along the South right-of-way line of said Harbor Drive for a distance of 585.81 feet to a 3/8" rebar found at the beginning of a curve to the left;

THENCE along said curve to the left, having a radius of 90.00 feet, a long chord bearing of N 83°30'57" E and a long chord length of 20.07 feet, for an arc length distance of 20.09 feet to a 3/8" rebar found at the Northeast corner of said Lot 68 of Double Diamond Estates;

THENCE S 00°23'45" E along the East line of said Lot 68 for a distance of 77.43 feet to a 3/8" rebar found at the Southeast corner of said Lot 68, same being a point on the North line of said 11.571-acre tract of land;

THENCE N 89°50'11" E along the North line of said 11.571-acre tract of land for a distance of 169.66 feet to a 2" iron pipe in concrete found at the Northeast corner of said 11.571-acre tract of land;

THENCE S 00°08'58" E along the East line of said 11.571-acre tract of land for a distance of 593.14 feet to the POINT OF BEGINNING of this tract of land; Said tract contains a computed area of 12.705 acres of land as described.

This Restrictive Covenant is required for the following reasons:

The Affected Property is/was a former natural gas compressor facility, otherwise known as Panhandle Field Compressor No. 6 that was operated by Pioneer Natural Resources USA, Inc. (PNR) from July 1, 2002 to August 31, 2018; wherein COCs attributable to the operations at Panhandle Field Compressor No. 6 impacted soil and groundwater and an environmental investigation and response action was required in accordance with Commission regulations. PNR, followed by Scout Energy Management, LLC (Scout) upon Scout's acquisition of the Affected Property on August 31, 2018, performed the response action to characterize and remediate the COCs.

The remediation was performed in such a manner that COCs remained in soil and groundwater at the Affected Property when the Restrictive Covenant was filed with the County. The COCs and the maximum levels remaining in the Affected Property are specified on Exhibit B - COCs Remaining in Soil and Groundwater. The investigation, assessment, remediation and analytical data are contained in the RRC project case file *Voluntary Cleanup Program (VCP) number 10-40014* and further summarized in the following reports:

• "Site Investigation Report and Remedial Action Plan," dated July 8, 2005, PNR.

Page 2 of 10

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- "Response Action Completion Report and Site Closure Request VCP No.: 10-50014," dated June 25, 2007, PNR.
- "2018 Annual Groundwater Monitoring Report & Response Action Completion Report," dated March 13, 2019, Scout.

Copies of the reports may be obtained from Scout Energy Partners, Pioneer Natural Resources USA, Inc., El Paso Corporation, and from the Commission under VCP #10-40014.

The response action has been approved by the Commission based on the presumption that the **Affected Property**, will be protective of commercial/industrial land use with the implementation of this Restrictive Covenant.

For purposes of this Restrictive Covenant the terms

- "commercial/industrial land use" means use of property for anything other than use for human habitation or for other purposes with a similar potential for human exposure. Human habitation includes but is not limited to residential land use.
- "environmental medium" means a material found in the natural environment such as soil, groundwater, air, surface water, and sediments, or a mixture of such materials with liquids, sludges, gases, or solids.
- "exposure pathway" means the course that a COC takes from a source area to ecological or human receptors and includes a source area, a point of exposure, and an exposure route (e.g., ingestion), as well as a transport mechanism if the point of exposure is different from the source area.
- "residential land use" means use for dwellings, such as single-family houses and multi-family apartments, children's homes, nursing homes, residential portions of government-owned lands (local, state or federal), day care facilities, educational facilities, hospitals, residential portions of ranch and farm land, and parks (local, state or federal).

Based on information contained in the investigation, assessment and monitoring reports, as long as an incomplete exposure pathway is maintained to impacted soil and groundwater exceeding health-based values then the COCs associated with the Affected Property pose no significant present or future risk to humans or the environment. With the filing of this document, the Commission does not require any further remediation of the Affected Property as long as an incomplete exposure pathway is maintained to impacted soil and groundwater exceeding health-based values.

Upon the filing and recording of this Restrictive covenant in the County Real Property Records, the Commission does not require any further remediation of the Affected **Property** if the Affected **Property** is not put to residential land use and the restrictions identified in this Restrictive Covenant are implemented.

This Restrictive Covenant is necessary to assure that all present and future owners, operators, lessors, or lessees of the Affected Property are aware of its condition and do not use the Affected Property or any groundwater below the surface of the Affected Page 3 of 10

Property in any manner inconsistent with this Restrictive Covenant.

In consideration of the response actions leading to final approved remediation of the **Property**, the landowner of the Property has agreed to place the following restrictions on the **Property** in favor of the Commission and the State of Texas. Now therefore, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following Restrictive Covenant in favor of the Commission and the State of Texas are placed on the **Property** described on **Exhibit A**, to-wit:

- 1. No part of the **Affected Property** shall be used for residential land use as defined in this Restrictive Covenant.
- 2. The investigation and assessment reports identified impacted soil at 5 feet below ground surface (bgs), 40 feet bgs, and impacted groundwater at 40 feet bgs. Penetration of the impacted soil and groundwater beneath the **Affected Property** for any purpose shall only be conducted in such a manner as to prevent the migration or release of contaminants to any other zone or media and to prevent uncontrolled exposure to human and ecological receptors.
- 3. Use or consumption of groundwater beneath the **Affected Property** ranging from ground surface to 84 feet bgs, shall be prohibited except for monitoring and remediation purposes.
- 4. Any water wells completed on the Affected Property must be installed by a Texas Department of Licensing and Regulation (TDLR)-licensed water well drilled in accordance with applicable rules. Installed wells shall not be screened/perforated from the surface to 84 feet bgs for authorized monitoring purposes and the collection of samples for analysis.
- 5. These restrictions shall be a covenant running with the land.

For additional information, exposure assumptions with the Restrictive Covenant, please request the information from the Commission or from Scout.

Contact Addresses:

- Railroad Commission of Texas Oil and Gas Division Site Remediation Section P. O. Box 12967 1701 N. Congress Austin, Texas 78711-2967
- Scout Energy Group IV, LLC Legal Department
 4901 LBJ Freeway, Suite 300

Page 4 of 10

SOR

Dallas, Texas 75244

- Pioneer Natural Resources USA, Inc. 5205 N O'Connor Blvd, Suite 200 Irving, TX 75039
- **El Paso Corporation** • 1001 Louisiana Street, Suite 1000 Houston, TX 77002

As of the date of this Restrictive Covenant, the record owner of fee title to the Affected Property is owned by Scout Energy Group IV, LP with an address:

4901 LBJ Freeway Suite 300 • Dallas, Texas 75244

This Restrictive Covenant may be rendered of no further force or effect only by a release executed by the Commission and filed in the same Real Property Records as those in which this Restrictive Covenant is filed.

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Executed this 16th day of Dec. 2019

PROPERTY OWNER: Scout Energy Group IV, LP

Signature

Printed Name:

Jon C. Piot

Title:

Managing Director

STATE OF TEXAS COUNTY OF DALLAS

BEFORE ME, on this the day of Dec., 2019, Jon C. Piot, Managing Director of Scout Energy Group IV GP, LLC, a Texas limited liability company, the sole general partner of Scout Energy Group IV LP, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and they acknowledged to me that they executed the same for the purposes and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE



F OFFICE	$\left(\begin{array}{c} 0 \end{array} \right)$
Signature	Juna Budges
Notary Pul	olic in and for the State of Texas
County of	Dallas
My Commi	ssion Expires: 08.05.2020

88573294 68 21381 325"

Accepted as Third-Party Beneficiary this 19^{14} day of <u>Dec.</u>, 2019.

Railroad Commission of Texas By: Printed Name:

Title: Manager

STATE OF TEXAS

COUNTY OF MOORE

BEFORE ME, on this the <u>9</u> day of <u>k camber</u> 2019, personally appeared <u>nater Pope</u>, <u>manager</u> on behalf of the Oil and Gas Division of the Railroad Commission of Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and they acknowledged to me that they executed the same for the purposes and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE

Signature

Notary Public in and for the State of Texas

County of Travis

My Commission Expires:

RESHMAS. CHARLES Notary Public-State of Texas Notary ID #12958027-4 Commission Exp. OCT. 02, 2021

Notary without Bond

Commencing at the 5/8" rebar with a plastic cap found at the Southeast corner of said 11.571 acre tract of land whence the Southeast corner of said Section 92 bears S 00°08'58" E, 300 feet as described in said Volume 139, Page 223 of the Deed of Trust Records of Hutchinson County, Texas;

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THENCE S 89°54'04" W - bearings contained herein are relative to true North as determined from G.P.S. observations - along the South line of said 11.571 acre tract of land for a distance of 849.93 feet to a 5/8" rebar with a plastic cap found at the Southwest corner of said 11.571 acre tract of land;

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THENCE N 89°50'11" E along the North line of said 11.571 acre tract of land for a distance of 169.66 feet to a 2" iron pipe in concrete found at the Northeast corner of said 11.571 acre tract of land;

THENCE S 00°08'58" E along the East line of said 11.571 acre tract of land for a distance of 593.14 feet to the POINT OF BEGINNING of this tract of land; Said tract contains a computed area of 12.705 acres of land as described.

Exhibit A - Metes and Bounds Description

88573294 8k 21391 325ª

1.1.1.1.1.1.1.1

Exhibit A – Plat Map

Page 9 of 10



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Exhibit B – COCs Remaining in Soil and Groundwater

Upon completion of the remediation, COCs at the following maximum levels, exceeding the regulatory action level, remained in subsurface soil and/or groundwater beneath the **Affected Property**:

Environmental Media (1) (2) (Soil, groundwater or air)	Constituents Remaining (3)	Maximum Detected Sample Concentration (4) (5)	Date of Sample Collection	PSH Measured Apparent Thickness in Feet (6)(8)	Depth BGS and Location (1) (2) (6), (7)
Soil	Benzene	<0.540 mg/kg	6/23/2006	NA	5 Feet, PFC6-CB6
Soil	TPH (C12-C35)	6,010 mg/kg	6/23/2006	NA	5 Feet, PFC6-CB6
Soil	TPH (C6-C35)	6,010 mg/kg	6/23/2006	NA	5 Feet, PFC6-CB6
Soil	Benzene	<0.268 mg/kg	11/18/2005	NA	40 Feet, PFC6-CB4
Soil	Toluene	26.1 mg/kg	11/18/2005	NA	40 Feet, PFC6-CB4
Soil	Ethylbenzene	9.54 mg/kg	11/18/2005	NA	40 Feet, PFC6-CB4
Groundwater	Benzene	0.0077 mg/kg	12/15/2018	NA	42 Feet, MW-2
Groundwater	Benzene	0.0063 mg/kg	12/15/2018	NA	43 Feet, MW-4
Groundwater	Benzene	0.0545 mg/kg	12/15/2018	NA	42 Feet, MW-5
Groundwater	Benzene	0.0055 mg/kg	12/15/2018	NA	43 Feet, MW-6
Groundwater	Benzene	0.0053 mg/kg	12/16/2018	NA	42 Feet, MW-8
Groundwater	Benzene	0.0085 mg/kg	12/16/2018	NA	43 Feet, MW-9
Groundwater	Benzene	0.0173 mg/kg	12/15/2018	NA	43 Feet, MW-10
Groundwater	Benzene	0.0509 mg/kg	12/15/2018	NA	40 Feet, MW-16
Groundwater	Benzene	0.243 mg/kg	12/15/2018	NA	43 Feet, MW-26

- (1) Groundwater A saturated geologic formation, group of formations, or part of a formation.
- (2) Soil includes surface soils and subsurface soils. For surface soil, the soil zone extending from ground surface to five feet in depth for commercial/industrial land use; or to the top of the uppermost groundwater-bearing unit or bedrock, whichever is less in depth. For subsurface soil, the portion of the soil zone between the base of surface soil and the top of the groundwater-bearing unit(s).
- (3) Constituents identified as Site-specific COCs that exceed the regulatory action level within the "Affected Property".
- (4) milligrams per kilograms (mg/kg)
- (5) milligrams per liter (mg/l)
- (6) Phase-Separated Hydrocarbons (PSHs)
- (7) Monitor Well (MW);
- (8) Not Applicable (NA)

Page 10 of 10

STATE OF TEXAS

COUNTY OF HUTCHINSON

I herebs certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of: Hutchinson County as stamped hereon by me. Feb 06,2020 at 12:54F Receipt Number - 120296 By, Kelly Ratliff, Deputy

Jan Barnes, Hutchinson County Clerk Hutchinson County