

**PHASE I ENVIRONMENTAL SITE  
ASSESSMENT**

**on**

**199.51-Acre Tract**  
Smith Road and Klutts Drive  
McLendon-Chisholm, Texas

**ALPHA REPORT NO. E05873**  
**September 16, 2005**

Prepared for:

**Alta Mesa Holding Inc.**  
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Attention: Ms. Dalene Ball

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September 16, 2005

**Alta Mesa Holding Inc.**  
2220 Larry Drive  
Dallas, Texas 75228  
Attention: Ms. Dalene Ball

Re: Phase I Environmental Site Assessment  
**199.51-Acre Tract**  
**Smith Road and Klutts Drive**  
McLendon-Chisholm, Texas  
ALPHA Report No. E05873

We are pleased to submit results of the Phase I Environmental Site Assessment conducted on the property referenced above. This study has been authorized by Ms. Dalene Ball on August 31, 2005, and performed in accordance with ALPHA Proposal Number 16427 dated August 22, 2005.

This report contains information obtained from on-site observations, results of a review of selected documents describing conditions on the Site, recent activities on and around the property, and our opinions concerning the potential existence of environmental impairments on and in the near vicinity of the Site. Please note, conditions on and adjacent to the property can change with the passage of time and results and opinions provided in this report are not considered applicable for more than 6 months from the date of this report.

ALPHA TESTING, INC. appreciates the opportunity to be of service on this project. If we can be of further assistance, please contact our office.

Sincerely yours,  
**ALPHA TESTING, INC.**

Heather K. Holthaus  
Project Manager

Christopher F. Talamini, P.G.  
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Copies: (3) Alta Mesa Holding Inc.



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## **1.0 EXECUTIVE SUMMARY**

The property is a 199.51-acre, rectangular shaped, undeveloped tract of land located at the north corner of Smith Road and Klutts Drive in the City of McLendon-Chisholm, Rockwall County, Texas (hereinafter, the "Site", or the "subject Site"). ALPHA's scope of work includes observation of readily accessible areas of the Site and adjoining nearby properties, review of government environmental database records, and interviews with local residents or property owners and government personnel. The findings of this study are presented as follows:

The Site is currently unimproved agricultural land. Historically, the Site has been utilized as agricultural rangeland. Historical land use in the general vicinity of the Site includes agricultural production with some residential developments.

- ALPHA reviewed USGS topographic maps, geologic and soils maps, and performed interviews with local governmental agencies pertaining to the Site. The documents and interviews revealed no known prior history of environmental concerns or liens associated with the Site.
- Based on a review of historical information including aerial photographs, Sanborn maps and city directories, no evidence of recognized environmental conditions was observed in association with the Site.
- A review of state and federal regulatory databases identified no facilities that might pose a reasonable environmental concern to the Site.
- No evidence of hazardous chemicals or materials, surficial staining, distressed vegetation, underground/above ground storage tanks, hazardous waste disposal, or hazardous waste storage was observed on the Site. The Site and adjoining property reconnaissance revealed no evidence of recognized environmental conditions associated with the Site.

ALPHA has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 for a 199.51-acre, rectangular shaped, undeveloped tract of land located at the north corner of Smith Road and Klutts Drive in the City of McLendon-Chisholm, Rockwall County, Texas. Any exceptions to, or deletions from, this practice are described in Section 2.5 of this report. **This assessment has revealed no evidence of recognized environmental conditions in connection with the Site.**



## **2.0 INTRODUCTION**

### **2.1 Objective**

The objective of ALPHA's reporting requirements for the Phase I ESA is to provide "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined in 42 United States Code (USC) § 9601 (35) (B) in order to identify recognized environmental conditions associated with the property hereafter defined in Appendix E. A recognized environmental condition is the presence or likely presence of any hazardous substances or petroleum products on a commercial property under conditions that indicate an existing release, a past release, or a material threat of a release. In addition, this investigation is intended to satisfy one of the requirements to qualify for the innocent landowner defense to Comprehensive Environmental Response, Compensation and Liability (CERCLA). It is ALPHA's policy to perform all Phase I ESAs in general accordance with the terms and provisions of the "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process", ASTM Standard 1527-00 (the ASTM Standard) published by the American Society for Testing and Materials.

### **2.2 Special Terms and Conditions**

ALPHA has observed the degree of care and skill generally exercised by the profession under similar circumstances and conditions in performing this Phase I ESA. Observations and findings developed by ALPHA must be considered as opinions and conclusions based on our professional judgment concerning the significance of the limited data gathered during the course of the site assessment. Specifically, ALPHA does not and cannot represent the Site as containing no hazardous or toxic materials, products, or other latent conditions beyond those observed by ALPHA during its site assessment. Further, the services herein shall in no way be construed, designed or intended to be relied upon as legal interpretation or advice.

This study and report have been prepared on behalf of and for the reliance of Alta Mesa Holding Inc. (the Client) solely for use in an environmental evaluation of the Site and limited to the scope of work outlined in this report. The scope of services performed in execution of this investigation may not be appropriate to satisfy the needs of other users, and any use or re-use of this document regarding the findings, conclusions, or recommendations will be at the risk of the said user.

### **2.3 Limitations**

No Environmental Site Assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of this Phase I Environmental Site Assessment is intended to reduce, but not eliminate, such uncertainty. This assessment is limited to the environmental conditions of the Site.



Findings in this report are based on document reviews, Site observations, and interviews as set forth in this report. All standard items set forth in the Scope of Services for this Phase I Environmental Site Assessment are subject to exclusion based upon reasonable attainability of the information available for this specific property as defined in the ASTM Standard. Any exclusions from the standard scope of services have been noted in the body of this report. ALPHA does not warrant or guarantee the environmental conditions of the Site or warrant the Client's ability to assert innocent landowner defense under CERCLA, or any comparable state or local law.

Documents and data provided by the Client, designated representatives of the Client, or other interested parties consulted and/or data reviewed in the preparation of this report have been reviewed and may be referenced herein, with the understanding that ALPHA TESTING, INC. assumes no responsibility or liability for their accuracy.

#### **2.4 Scope of Services and Methodology**

In order to accomplish the purposes of this study, the following scope of services was provided to obtain current information to identify recognized environmental conditions in connection with the Site.

The property reconnaissance is designed to:

- Observe any visual signs of potential contamination by hazardous substances, chemicals, or petroleum products at the Site and from off-site sources that may impair the Site.
- Identify significant emissions, discharges, and hazardous wastes at the Site and adjoining properties.

Review of the status of facilities in the following federal, and state databases:

<b><u>Entity</u></b>	<b><u>Search Distance</u></b>
Federal NPL Site List	1-Mile Radius
Federal CERCLIS Site List	½-Mile Radius
Federal CERCLIS NFRAP Site List	Site and Adjacent properties
Federal RCRA Non-CORRACTS TSD Facilities	½-Mile Radius
Federal RCRA CORRACTS Facilities	1-Mile Radius
Federal RCRA Generators	Site and Adjacent properties
Federal ERNS List	Site Only
State SPL Lists	1-Mile Radius
State Landfill and/or Solid Waste Lists	½-Mile Radius
State LUST Lists	½-Mile Radius
State Registered UST Lists	Site and Adjacent properties
State Registered AST Lists	Site Only



Identify owners and uses of the subject property and uses of the adjacent properties since 1940 or to the year of first development, whichever is older. The sources for this information may include the following:

Review of available aerial photographs	¼-Mile Radius
City Directories	Site Only
USGS Current Topographic Map	1-Mile Radius
City Zoning Map	1/8-Mile Radius
Building Permits	Site Only
Sanborn Maps	Site Only

Identify wells, storage tanks (above and below ground), and waste disposal facilities (seepage pits, dry wells, septic systems, and landfills), whether active or closed. Review available information on soil or groundwater quality, geological, hydrogeologic, hydrologic, flood plains, and topographical data for the property and proximity of the Site. Specifically not included in the scope of service is intrusive or non-intrusive testing of any sort to determine the extent or concentration of any of the above-mentioned materials.

### **2.5 Exclusions and Exceptions to the ASTM Standard 1527-00**

There are no exclusions from ASTM Standard 1527-00 in this report. However, the following exception should be noted. As previously mentioned, the ASTM standard requires that owners and uses of the subject property be identified "back to the property's obvious first developed use, or back to 1940, whichever is earlier."

Historical aerial photographs dating back to 1941 were reviewed. Additional historical records dating between 1940 and 1941 were not reasonably attainable for this property. During the time period from 1940 to 1941, the Site was situated in a rural setting. Therefore, it is our opinion that additional historical records covering the period between 1940 and 1941 would not likely reveal any significant environmental information associated with the subject property.

## **3.0 SITE DESCRIPTION**

### **3.1 Location and Legal Descriptions**

The property is a 199.51-acre, rectangular shaped, undeveloped tract of land located at the north corner of Smith Road and Klutts Drive in the City of McLendon-Chisholm, Rockwall County, Texas. The general location of the Site is shown on a portion of the Forney North, Texas USGS 7.5-minute quadrangle map and detailed in the Site Topographic Map identified as Figure 1 in Appendix A to this report.



### **3.2 Site and Vicinity Characteristics**

The Site and vicinity are located in the southern portion of the City of McLendon-Chisholm. This is a rural portion of McLendon-Chisholm consisting primarily of undeveloped agricultural land with some residential developments in the area. The Site is presently undeveloped agricultural land. McLendon-Chisholm and the vicinity are located in North Texas where the climate is warm temperate, subtropical, and humid. Summers are hot, with an average temperature of 84 degrees F, and winters are cool, with an average temperature of 48 degrees F. Average precipitation in the North Texas area is approximately 35 inches per annum. A Site Vicinity Map is included as Figure 2 in Appendix A to this report.

### **3.3 Descriptions of Structures, Roads, and Other Improvements**

Access to the Site is from Smith Road, southwest of the Site, and Klutts Drive, southeast of the Site. An unpaved road crosses the central portion of the Site. A reconnaissance of the property revealed the Site as unimproved land. A Site Plan is included as Figure 3 in Appendix A to this report.

### **3.4 Environmental Liens and Users Specialized Knowledge**

According to the Standard the "user" is the party seeking to use the ASTM Standard to perform an environmental site assessment of a property. If the user is aware of any specialized knowledge or experience that is material to the recognized environmental conditions in connection with the property, it is the user's responsibility to communicate any information based on such specialized knowledge or experience to ALPHA. The "user" for this assessment is Alta Mesa Holding Inc., represented by Ms. Dalene Ball. It is ALPHA's understanding that Ms. Ball is not aware of any environmental concerns associated with the Site.

### **3.5 Current Uses of Subject Property and Adjacent Properties**

Currently the Site is undeveloped agricultural land. At the time of the reconnaissance, no occupants were observed at the Site.

The uses of surrounding and adjacent properties were determined based on physical observations made at the time of the assessment by both walking and driving the vicinity of the subject Site.

**NORTHWEST** - Undeveloped agricultural land borders the subject Site on the northwest. The properties to the northwest appear to be topographically cross-gradient and up-gradient to the Site.





- NORTEAST** - Undeveloped agricultural land and a farmhouse with outbuildings border the subject Site on the northeast. The properties to the northeast appear to be topographically cross-gradient and down-gradient to the Site.
- SOUTHEAST** - Klutts Drive abuts the subject Site on the southeast. Southeast of the road is undeveloped agricultural land and a farmhouse. The properties to the southeast appear to be topographically cross-gradient and down-gradient to the Site.
- SOUTHWEST** - Smith Road abuts the subject Site on the southwest. Southwest of the road are several single-family residences and undeveloped agricultural land. The properties to the southwest appear to be topographically up-gradient to the Site.

Based on observations made of the adjoining properties and data reviewed, the current uses of the adjoining and near-vicinity properties to the Site do not appear to be an environmental concern.

### **3.6 Past Uses of the Subject Site and Adjacent Properties**

Historical background information for the Site was obtained by a review of reasonably available historical data and through interviews with knowledgeable persons concerning the Site and surrounding area.

#### ***3.6.1 Aerial Photographs***

To determine former land uses of the Site and surrounding properties, ALPHA reviewed aerial photographs of the Site for the years 1941, 1961, 1980, 1984, 1995, 2001 and 2005. A review of the photographs and other historical information is presented below.

**1941, 1961 and 1980** - The Site appears to be primarily agricultural land. A farmhouse and several outbuildings were located along Klutts Drive at the central portion of the Site. A few outbuildings are also observed at the center of the Site, along an unpaved road crossing the property. Adjacent and surrounding properties appear to be primarily agricultural land developed with some farmhouses and outbuildings.

**1984, 1995 and 2001** - The Site, adjacent properties and surrounding properties (beyond adjacent) appear to be relatively unchanged from the previous aerial photograph, with one exception. The on-site farmhouse and outbuildings are no longer observed on the Site.



**2005** - The Site and adjoining properties appear much the same as current day as described in the previous section.

No potential recognized environmental conditions were observed on the historical aerial photographs or maps. Copies of the 1941 and 1995 aerial photographs are presented in Appendix C to this report.

### *3.6.2 Title Information*

Land America Commonwealth Title of Dallas, Inc. has provided Rockwall County deed records for the Site. The deed records provided were from 1992 to the present for the Site. Review of the information did not reveal any names of previous owners that would appear to be an environmental concern associated with the Site. Documentation concerning the deed records research is presented in Appendix F to this report.

### *3.6.3 Sanborn Fire Insurance Maps and Other Historical Maps*

Sanborn Fire Insurance Maps identify historic land use, property structure type and utilization, and the presence of aboveground and underground storage tanks. Sanborn Maps typically cover only the central business districts. ALPHA conducted a research of Sanborn Maps and other miscellaneous historic maps utilizing the online TexShare internet database. Sanborn Maps for the City of McLendon-Chisholm were not available for review.

ALPHA reviewed the Forney North, Texas USGS 7.5-minute quadrangle map, dated 1968 (Revised 1973). The topographic map depicts the Site as primarily undeveloped land with a structure improved at the south-central portion of the Site. Adjacent properties are depicted primarily as vacant land, with some residential structures. The surrounding properties (beyond adjacent properties) appear to be primarily vacant land. No potential recognized environmental conditions, including oil and gas production wells, water wells, pipelines or storage tanks, were identified based on a review of the topographic quadrangle map.

### *3.6.4 City Directories*

Cole and other private city directories list businesses and residences by street address and aid in determining former site occupants. Typically, these sources record addresses in towns and cities and not unincorporated county areas. City directories for the City of McLendon-Chisholm were not available for review by ALPHA. As a general rule, the absence of an area or address tends to support evidence that the area is not historically associated with significant development.



### *3.6.5 Historical and Other Interviews*

ALPHA has attempted to contact Ms. Beverly Farrar, the current owner of the Site; however, all attempts were unsuccessful. According to the Rockwall County Central Appraisal District, Ms. Farrar purchased the Site in 1996, and the property is listed as utilized for agricultural purposes. In the event that the response of the current owner alters the conclusions put forth in this report, an addendum will be submitted to the Client.

### **3.7 Physical Setting**

The Forney North, Texas USGS 7.5-minute quadrangle map, dated 1968 Revised 1973, shows the Site to range from approximately 485 feet to approximately 530 feet above mean sea level. Branches of Brushy Creek cross the southwestern and northeastern portions of the Site, flowing to the south.

The Geologic Atlas of Texas, Dallas Sheet Sheet, (1972 Revised 1988), published by the University of Texas Bureau of Economic Geology, indicates the Site is located over soils formed from the Neylandville Marl and the Marlbrook Marl Geologic Formation. The Neylandville Marl and Marlbrook Marl unit contains two formations. The Neylandville Formation is mostly calcareous, silty, sandy, clay with sand increasing upwards. The thickness of this formation is 125 feet. The Marlbrook Marl is made mostly of calcareous, variably silty clay with silt increasing upwards. The thickness of this formation is 350 feet.

According to the Soil Survey of Rockwall County, Texas U.S. Department of Agriculture Soil Service, June 1977, the soil at the Site is Houston Black clay, Heiden clay, Ferris soil, and Trinity clay, frequently flooded. The Houston Black clay is a deep, moderately well drained, gently sloping soil on smooth uplands with one to three percent slopes. The soil is very dark gray to dark grayish brown clay with olive brown mottles to a depth of 70 inches. The permeability is slow, the available water capacity is high, and runoff is medium. The Heiden clay is a deep, well drained, gently sloping soil found on uplands with one to three percent slopes. The soil consists of very dark grayish brown to brown clay underlain to a depth of 78 inches with shaley clay mottled in shades of gray and yellow. The permeability is very slow, the available water capacity is high and runoff is medium. The Ferris-Heiden complex consists of the Ferris and the Heiden soils in such an intricate pattern that the two soils cannot be mapped separately. Typically the Ferris soil is on the steeper slopes and the Heiden soil is in the valleys. The Ferris soil is described as a moderately to strongly sloping, moderately alkaline, yellowish brown to brownish gray clay to a depth of approximately 72 inches underlain by gray shaley clay. For this type of soil surface runoff is rapid, permeability is very slow, available water capacity is high, and the hazard of erosion is severe. The Heiden clay is a deep, well drained, gently sloping soil found on uplands with one to three percent slopes. The soil consists of very dark grayish brown to brown clay underlain to a depth of 78 inches with shaley clay mottled in shades of gray and yellow. The permeability is very slow, the available water capacity is high, and runoff is medium. The Trinity clay, frequently flooded is deep, poorly drained soil on flood plains that flood two or



three times in most years. This soil is moderately alkaline and dark gray to very dark brownish gray in color. Permeability of this soil is very slow and available water capacity is high.

The upper most groundwater on the Site is likely to occur (if at all) in discontinuous "perched" water bearing units that may be seasonal and occur when water migrates down through desiccation cracks in clayey soils or migrates along seams of more permeable sandy soils. Recharge areas for these units are typically local and can be influenced by surface development of impervious cover (buildings, parking lots, roads), major road construction (underpasses, utility trenches) and variations in annual rainfall. These shallow units and local creeks and streams are the water bearing zones most likely to be impacted by releases from underground storage tank facilities or surface spills. The groundwater flow direction in these unconfined aquifer units is highly variable but is generally toward the nearest down-gradient water body (lakes, creeks, rivers) and can be approximated by observing the surface topography. Using the assumptions outlined above, the groundwater flow direction at the Site appears to be to the east-southeast for the northeastern portion of the Site, and to the west and south for the southwestern portion of the Site.

### **3.8 Prior Report Review**

Previous ESA or geotechnical reports of environmental significance for the Site were not provided for review.

## **4.0 RECORDS REVIEW**

### **4.1 Standard Environmental Records Sources**

Databases of facilities registered with federal, state and local regulatory agencies were reviewed to identify registered facilities within specific distances as prescribed in ASTM Standard 1527-00. The record review was obtained directly from ATLAS Environmental Research, Inc.

The information obtained by reviewing these records is subject to the accuracy of the information provided by these sources that are updated periodically. Acronyms, which are commonly used to identify databases, are defined in the acronyms section found in Appendix E to this report. Copies of the regulatory information are presented in Appendix D to this report.



#### 4.1.1 Federal Regulatory Agencies

Database	Description	ASTM Search Radius (Miles)	Facilities
<b>Federal</b>			
<b>NPL</b>	The National Priorities List (NPL) is the USEPA's database of uncontrolled or abandoned hazardous waste facilities that have been listed for priority remedial actions under the Superfund Program.	1.0	0
<b>CERCLIS</b>	The CERCLIS database is a compilation of facilities that the USEPA has investigated or is currently investigating for a release or threatened release of hazardous substances pursuant to CERCLA.	0.5	0
<b>CERCLIS NFRAP</b>	NFRAP (No Further Remedial Action Planned) refers to facilities that have been removed and archived from its inventory of CERCLA sites.	Site & Adjacent	0
<b>RCRIS CORRACTS</b>	The USEPA also maintains a Resource Conservation and Recovery Information System (RCRIS) CORRACTS database of Resource Conservation and Recovery Act (RCRA) facilities that are undergoing "corrective action". A "corrective action" order is issued when there has been a release of hazardous waste or constituents into the environment from a RCRA facility.	1.0	0
<b>RCRIS Non-CORRACTS TSD</b>	The USEPA maintains a database of RCRA facilities associated with treatment, storage, and disposal (TSD) of hazardous materials.	0.5	0
<b>RCRIS Generators</b>	The USEPA maintains a database of facilities that generate hazardous waste. This database includes facilities that generate hazardous waste as part of their normal business practices. Generators are listed as either large, small, or conditionally exempt. Large quantity generators (LQG) produce at least 1000 kg/month of non-acutely hazardous waste or 1 kg/month of acutely hazardous waste. Small quantity generators (SQG) produce 100-1000 kg/month of non-acutely hazardous waste. Conditionally exempt small quantity generators (CESQG) are those that generate less than 100 kg/month of non-acutely hazardous waste.	Site & Adjacent	0
<b>ERNS</b>	The Emergency Response Notification System (ERNS) is a listing compiled by the USEPA on reported releases of petroleum and hazardous substances to the air, soil, and/or water.	Site	0

- The review of the NPL, CERCLIS/NFRAP, RCRIS Non-CORRACTS TSD, RCRIS CORRACTS, RCRA Generators and ERNS databases did not identify regulated facilities within the specified ASTM search radius.



#### 4.1.2 State/Local Records Review

Database	Description	ASTM Search Radius (Miles)	Facilities
<b>State</b>			
SPL	The TCEQ maintains a database of state equivalent national priority list (SPL) facilities in the State of Texas.	1.0	0
SCL	The TCEQ maintains a database of state equivalent CERCLIS (SCL) facilities in the State of Texas.	0.5	0
CLI	The TCEQ maintains a database of closed/abandoned municipal solid waste landfills located within Texas. The database information may include the facility name, class, operation type, area, estimated operational life, and owner.	0.5	0
SWF	The TCEQ maintains a database of Solid Waste Facilities located within Texas. The database information may include the facility name, class, operation type, area, estimated operational life, and owner.	0.5	0
LUST	The TCEQ provides a computer generated database of the Leaking Underground Storage Tanks in the State of Texas.	0.5	0
UST	The TCEQ has compiled a database of registered Underground Storage Tanks in the State of Texas which may include the owner and location of the USTs.	Site & Adjacent	0
SUP	The TCEQ has compiled a database of registered state superfund list which lists facilities that may constitute an imminent and substantial endangerment to public health and safety or the environment due to a release or threatened release of hazardous substances into the environment.	0.5	0
IOP	The TCEQ provides a computer database of registered Innocent Owner / Operator Programs in the State of Texas.	0.25	0
VCP	The TCEQ provides a computer database of registered Voluntary Cleanup Programs in the State of Texas.	0.25	0

- The review of the SPL, SCL, CLI, SWF, LUST, UST, SUP, IOP and VCP databases did not identify regulated facilities within the specified ASTM search radius.

#### 4.2 Additional Record Sources

ALPHA submitted an Open Records Request to the Rockwall County Fire Marshal regarding fires, hazardous material spills, hazardous material storage, underground and/or aboveground storage tank installations/removals, or other environmental incidents documented for the Site. This request is pending and in the event that the response of the Fire Department alters the conclusions put forth in this report, an addendum will be submitted to the Client.

### 5.0 SITE AND ADJOINING PROPERTIES RECONNAISSANCE

#### 5.1 Site Observations

The Site and adjacent properties reconnaissance was performed on September 13, 2005 by an Environmental Scientist for ALPHA TESTING, INC. The purpose of the Site visit was to observe visual or detect olfactory evidence of potential environmental concerns.



Additionally, surrounding land use was noted for review of potential Site impact. At the time of the reconnaissance it was sunny and approximately 95 degrees Fahrenheit. The ground surface was dry. A reconnaissance of the Site revealed the property is primarily undeveloped agricultural land containing a corrugated metal shed along the south-central portion of the Site. Photographs from the Site visit are included in Appendix B to this report.

The property observation was performed by observing the interior and perimeter of the Site to document the presence of potential environmental concerns including past or present petroleum storage tanks (PSTs), hazardous materials or substances, surface stains, distressed vegetation, solid waste disposal and electrical transformers. A Site Plan of the subject property indicating the shape of the property and relevant features observed during the property visit is included as Figure 3 in Appendix A to this report.

The following table summarizes site observations.

Summary of Site Observations		
Category	Item or Feature	
<i>Hazardous Chemicals, Petroleum Substances, or Waste Storage</i>	Evidence of underground storage tanks or ancillary UST equipment	
	Evidence of aboveground storage tanks	X
	Drums, barrels and/or containers $\geq$ 5 gallons	X
	Pipeline markers	
<i>Drainage or Collection Systems</i>	Sumps, cisterns, catch basins and/or dry wells	
	Septic tanks and/or leach fields	
<i>PCB Equipment</i>	Pad or pole mounted transformers	
<i>Evidence of Releases or Potential Releases</i>	Distressed vegetation	
	Stained soil	
	Stained pavement or similar surface	
	Leachate and/or waste seeps	
	Surface water discoloration, odor, sheen, and/or free floating product	
<i>Solid Waste Disposal Areas</i>	Strong, pungent or noxious odors	
	Trash, debris and/or other waste materials	
	Dumping or disposal areas	X
	Construction/demolition debris and/or dumped fill dirt	
<i>Other Notable Site Features</i>	Surface water bodies	X
	Quarries or pits	
	Wells	

Those entries above designated by an "X" indicate that the Item or Feature was observed during the site inspection. These are discussed in more detail in the following sections. If no "X" designation appears above, then the Item or Feature was not observed on the date of the site inspection.



### **5.2 Hazardous Chemicals, Petroleum Substances, and Waste Storage**

ALPHA observed one (1) approximately 2,000-gallon, farm-type AST located at the south-central portion of the Site, off Klutts Drive and an on-site unpaved road that crosses the central portion of the Site. The AST did not appear to be currently utilized, and was observed to be empty and stored on it's side. No evidence of stains, leaks or spills was observed on or around the AST.

ALPHA observed several 55-gallon drums in the vicinity of the AST. The drums were filled with household-type trash and debris, and appeared to have been used as trashcans. Additionally, household-type trash and debris was observed within and around the on-site metal shed. No evidence of stains, leaks or spill was observed on or around the 55-gallon drums or metal shed.

ALPHA inspected the Site for USTs and containers of hazardous substances, chemicals, or petroleum products. No evidence of USTs, ancillary piping, hazardous substances, pipelines and/or chemical or petroleum usage or storage as defined in 40 CFR, Paragraph 302.4 was observed on the subject Site during the completion of the site inspection.

### **5.3 Drainage or Collection Systems**

No evidence of sumps, sand traps, cisterns, catch basins and/or dry wells was observed on the Site.

### **5.4 Indications of PCB Equipment**

The abbreviation PCB refers to polychlorinated biphenyls. PCBs are a family of man-made chemicals that contain 209 individual compounds with varying toxicity. Commercial formulations of PCBs enter the environment as mixtures consisting of a variety of PCBs and impurities. Some commercial PCB mixtures are known in the United States by their industrial trade name, Aroclor. Because of their insulating and nonflammable properties, PCBs have been used widely as coolants and lubricants in transformers, capacitors, and other electrical equipment. The manufacture of PCBs stopped in the United States in October 1977 because of evidence that PCBs accumulate in the environment and may cause health hazards for humans (Agency for Toxic Substances and Disease Registry; June 1989 statement; [www.atsdr.cdc.gov/ToxProfiles/phs8821.html](http://www.atsdr.cdc.gov/ToxProfiles/phs8821.html)).

Transformers can contain dielectric oil, which may be PCB contaminated. ALPHA did not observe any electrical transformers at the Site.





### **5.5 Evidence of Releases or Potential Releases**

Visual observation of the Site and adjacent properties did not identify distressed vegetation, staining, or evidence of surface migration of petroleum releases or hazardous materials onto or off of the Site.

### **5.6 Solid Waste Disposal Areas**

No points of general municipal waste collection or dumpster type collection bins were observed on the subject Site. However, some trash and debris was observed on the south-central portion of the Site, located along Klutts Drive and the unpaved road that crosses the central portion of the Site. The debris consisted of general household waste, tires, lumber and old farm equipment. Most of the debris was contained or in the near vicinity of the on-site corrugated metal shed.

### **5.7 Other Notable Site Features**

Dry creek beds were observed crossing the northeast and southwest portions of the Site. Some small stock-ponds were also observed on the Site. No visible evidence of other notable site features including quarries, pits or water wells was observed at the Site during the site inspection.

## **6.0 ADDITIONAL SERVICES**

Per the agreed-upon scope-of-services detailed in ALPHA's proposal, additional services (e.g., asbestos evaluation/testing, wetlands evaluation, lead based paint evaluation/testing, lead in drinking water testing, radon testing, etc.) were not performed during the completion of this study.

## **7.0 FINDINGS AND CONCLUSIONS**

ALPHA has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 for a 199.51-acre, rectangular shaped, undeveloped tract of land located at the north corner of Smith Road and Klutts Drive in the City of McLendon-Chisholm, Rockwall County, Texas. Any exceptions to, or deletions from, this practice are described in Section 2.5 of this report. **This assessment has revealed no evidence of recognized environmental conditions in connection with the Site.**



**8.0 SIGNATURE OF ENVIRONMENTAL PROFESSIONAL**

The Phase I Environmental Site Assessment for the referenced subject property has been performed and reviewed by the undersigned environmental professionals possessing the training and experience necessary to conduct a Phase I ESA in accordance with ALPHA Proposal Number 16427 dated August 22, 2005.

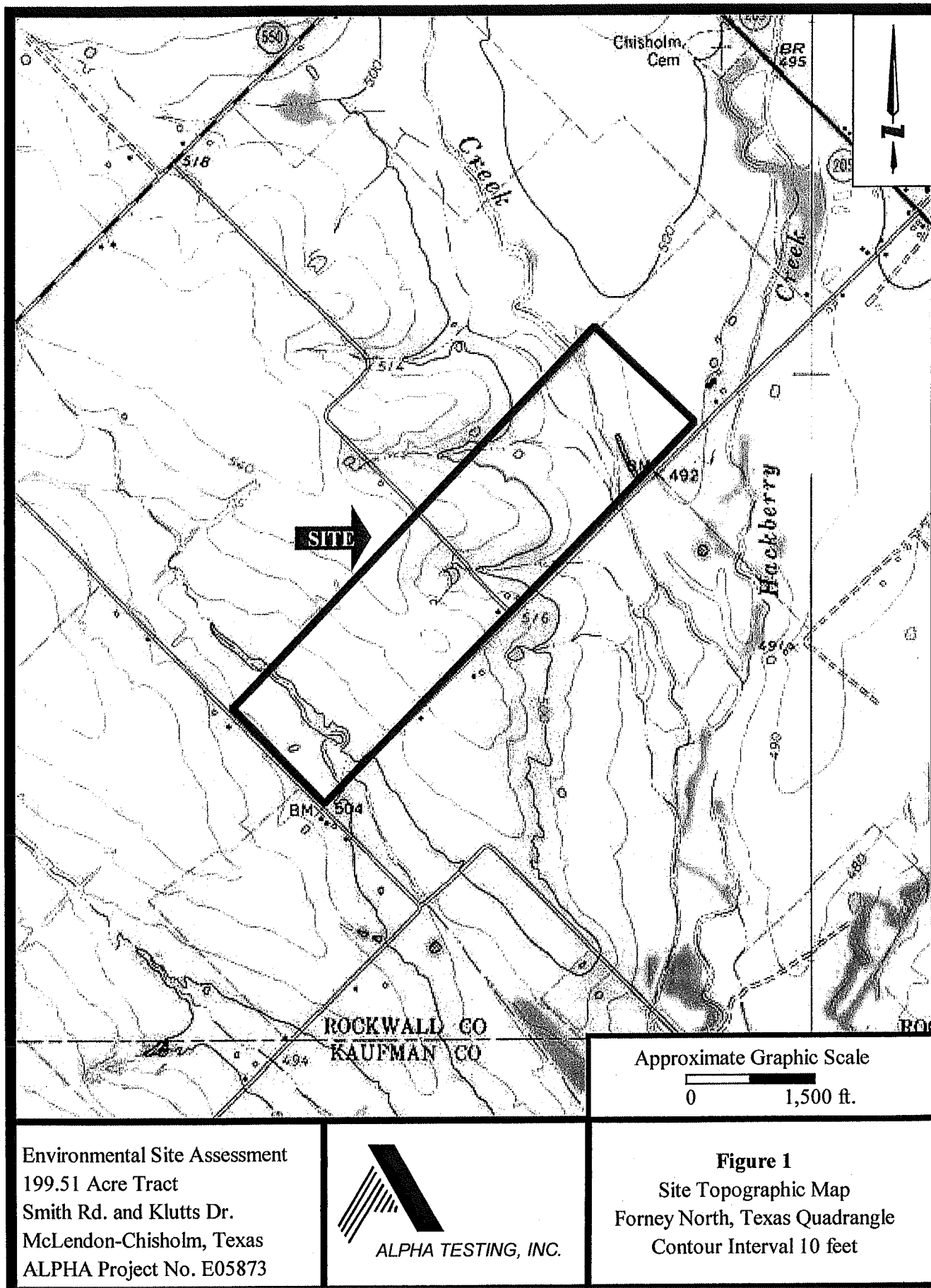
Heather K. Holthaus  
Project Scientist

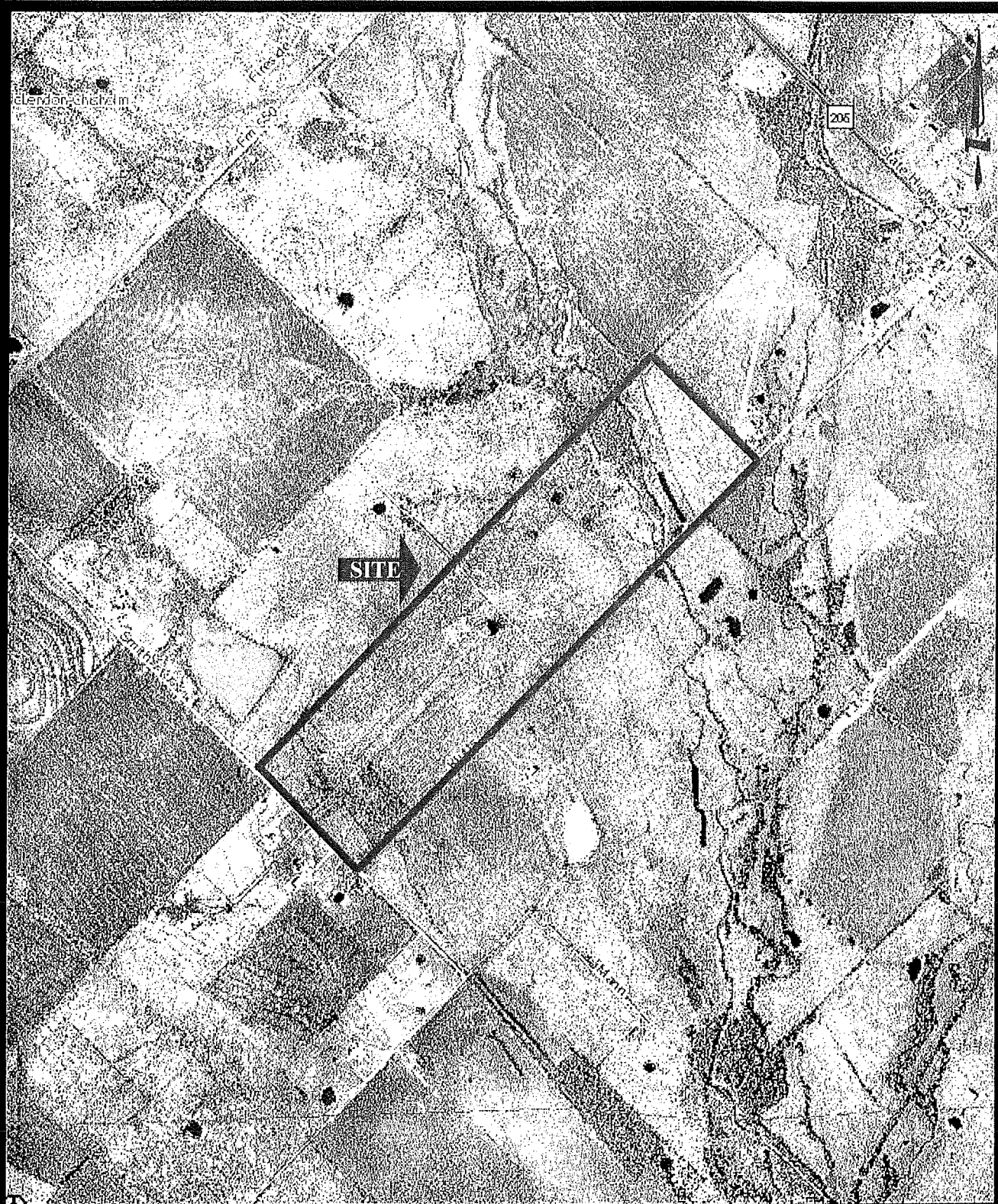
Christopher F. Talamini, P.G.  
Environmental Department Manager



# **APPENDIX A**

## **FIGURES**



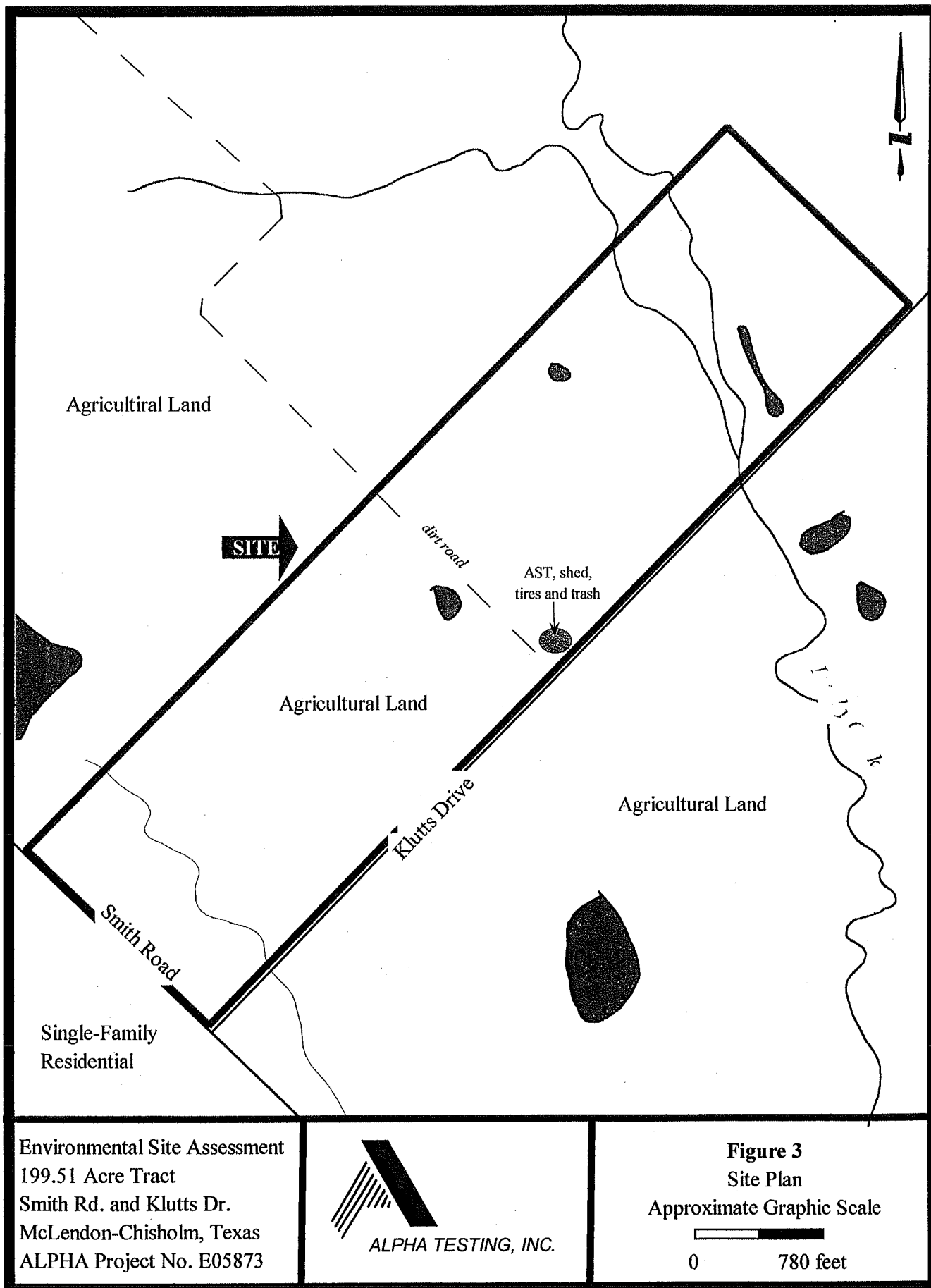


Environmental Site Assessment  
 199.51 Acre Tract  
 Smith Rd. and Klutts Dr.  
 McLendon-Chisholm, Texas  
 ALPHA Project No. E05873



**Figure 2**  
 Site Vicinity Map  
 2005

Approximate Graphic Scale  
 0 1,500 ft.

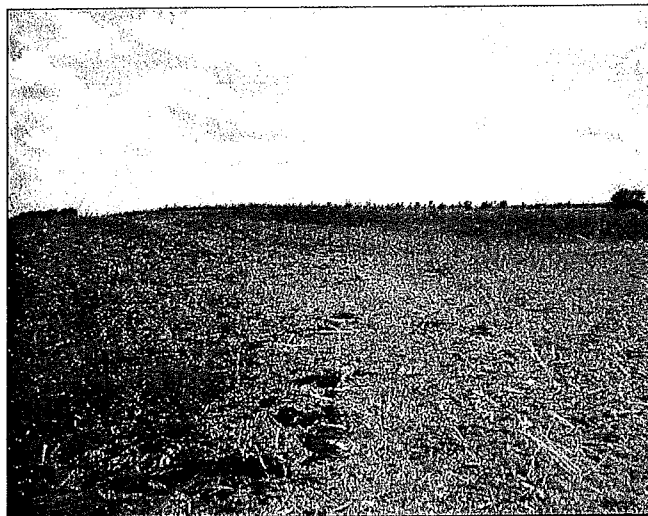




**APPENDIX B**  
SITE PHOTOGRAPHS



1.) General view of the northeast portion of the Site.



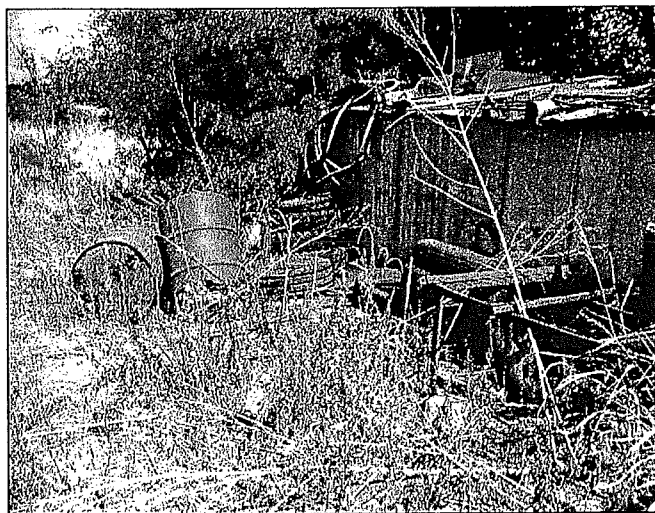
2.) General view of the southwestern portion of the Site.



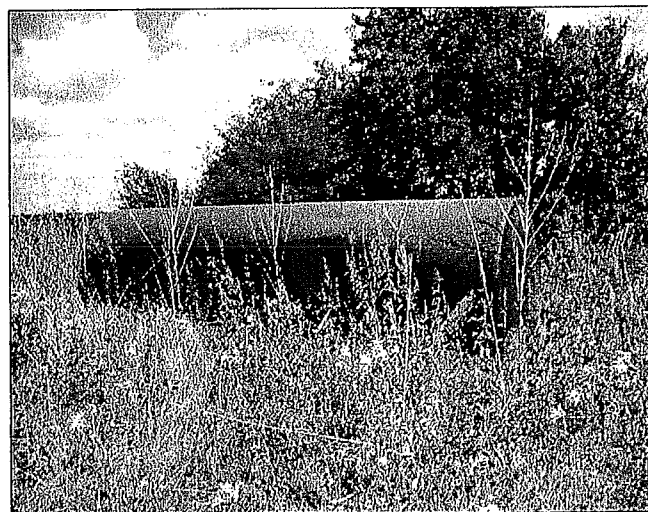
3.) View of the creek beds on the Site.



4.) View of the old farm equipment at the Site.



5.) General view of the corrugated metal shed with the trash and debris on the Site.



6.) View of the empty AST at the Site.







**APPENDIX C**  
HISTORICAL AERIAL PHOTOGRAPHS



Approximate Graphic Scale  
0 900 ft.

Environmental Site Assessment  
199.51 Acre Tract  
Smith Rd. and Klutts Dr.  
McLendon-Chisholm, Texas  
ALPHA Project No. E05873



**Aerial Photograph**  
  
1941



Approximate Graphic Scale

0 1,000 ft.

Environmental Site Assessment  
199.51 Acre Tract  
Smith Rd. and Klutts Dr.  
McLendon-Chisholm, Texas  
ALPHA Project No. E05873



ALPHA TESTING, INC.

Aerial Photograph

1995



**APPENDIX D**  
REGULATORY RECORDS REVIEW

# ***ATLAS E.R. Map Report***

## ***(Exceeds ASTM Standard E1527-00)***

---

### Area of Review:

Atlas Job 05-09-912  
199.51 Acre Tract – McLendon-Chisholm  
Rockwall County, Texas

### Site (Centerpoint) Coordinates:

North 32° 49.710' (32.8285)  
West 96° 23.166' (-96.3861)

### Prepared For:

Debbie Jackson  
Alpha Testing, Inc.  
Dallas, Texas

---

*Prepared on September 5, 2005 by  
Atlas Environmental Research, Inc.  
8705 Shoal Creek Blvd., Suite 207  
Austin, Texas 78757  
1-800-940-0977*

## *Report Summary*

Section	ASTM Database & Date	Radius	# Sites Mapped	# LUs *	MapIDs
1 **	RCRIS (excludes TSDs) – 7/14/2005	¼ mile	0	0	
1.1 **	TSDs & CORRACTS – 7/14/2005	1 mile	0	0	
2	CERCLIS – 8/22/2005	½ mile	0	0	
3	NFRAP – 8/22/2005	½ mile	0	0	
4	NPL – 8/22/2005	1 mile	0	0	
5 ***	ERNS – 5/19/2000	¼ mile	0	0	
5A ***	NRS – 3/15/2002	¼ mile	0	0	
6	State Superfund – 4/26/2005	1 mile	0	0	
7	LPST – 4/4/2005	½ mile	0	0	
8	PST – 6/10/2005	¼ mile	0	1	
9	MSW Landfills – 5/24/2004	½ mile	0	0	
9A	Closed / Abandoned Landfills	½ mile	0	0	
10	VCP – 5/10/2005	½ mile	0	0	
10A	BSA – 5/10/2005	½ mile	0	0	
10B	IOP – 5/10/2005	½ mile	0	0	

Total Sites Mapped = 0

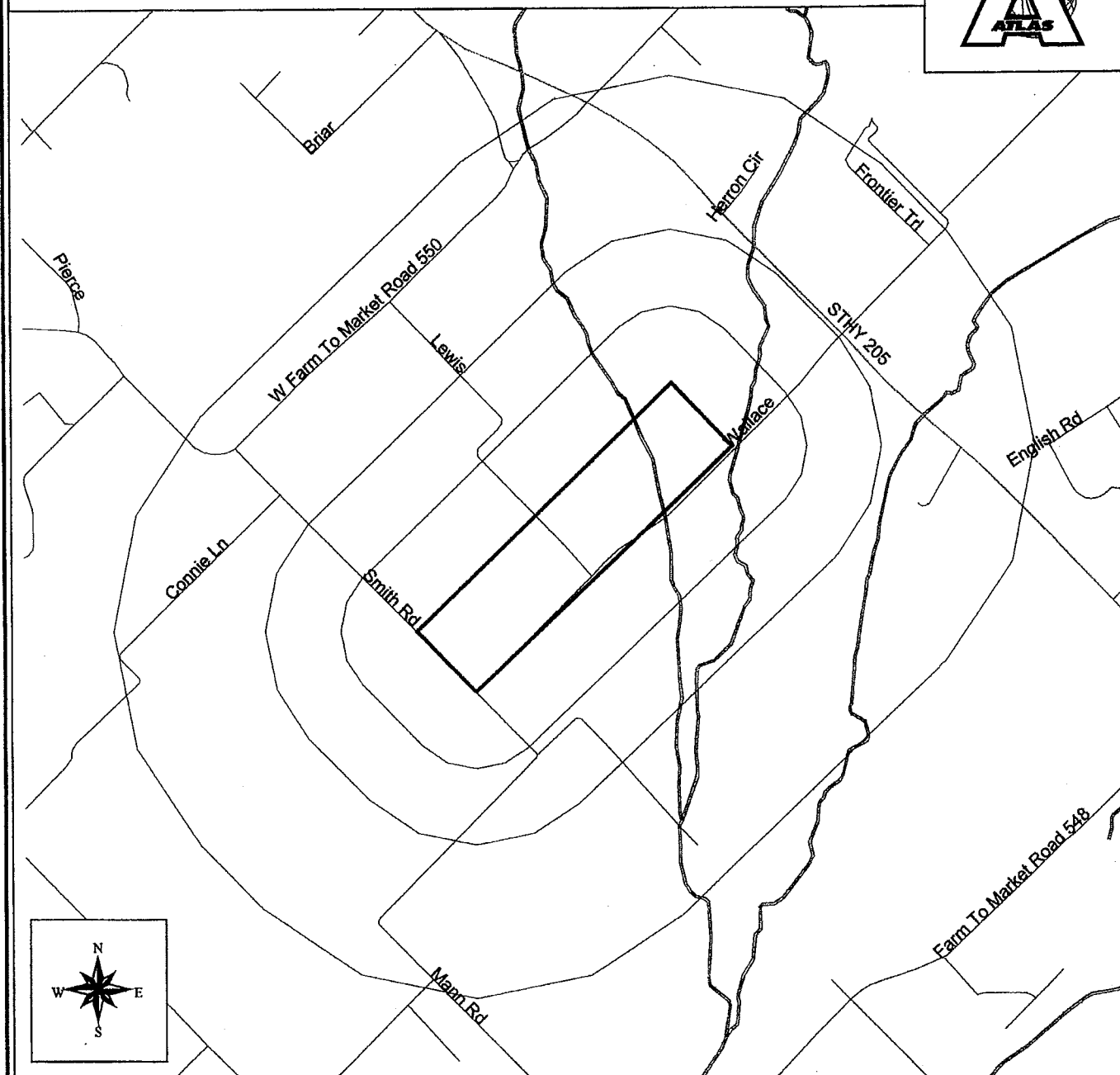
1 = Total LUs

\* Location Unknown Sites (LUs) - Extensive effort is made to ensure that as many sites as possible are geocoded or manually pointed for an Atlas E.R. Map & Report. However, due to inaccurate and /or insufficient information within a particular database, some sites cannot be accurately located and may be noted as "LU" in this report. These sites will not appear on the map, but full database information has been included in the report. These sites may or may not be within the area but are submitted for your review.

\*\* All RCRIS Facilities listed within the EPA's CORRACTS (Corrective Action) Database have been included in this report if they are determined to be within the area of review.

\*\*\* The NRS (National Response System) replaced the ERNS (Emergency Response Notification System) database in the year 2000. It is the sole federal point of contact for spills information.

Atlas Job #05-09-912, September 5, 2005  
 199.51 Acre Tract - McLendon-Chisholm  
 Rockwall County, Texas



Mapped to 1/4 mile =  
 RCRIS, ERNS / NRS, PST

Mapped to 1/2 mile =  
 CERCLIS, NFRAP, LPST, Landfills / CLI,  
 VCP / BSA / IOP

Mapped to 1 mile =  
 RCRIS TSDs & CORRACTS, NPL, Superfund

Approximate Locations Only  
 1/4, 1/2, & 1 Mile Radii Shown

1:30000

1320 0 1320 Feet

Atlas E.R. Map Legend - ASTM E1527-00 Standard plus CLI, VCP, BSA, IOP

- |                             |                                        |
|-----------------------------|----------------------------------------|
| ▲ Section 1 - RCRIS         | ▲ Section 6 - Superfund Point          |
| ▲ Section 1.1 - RCRIS TSD   | ● Section 6 - Superfund Boundary       |
| ▲ Section 2 - CERCLIS       | ▲ Section 7 - LPST                     |
| ▲ Section 3 - NFRAP         | ▲ Section 8 - RST                      |
| △ Section 4 - NPL           | ▲ Section 9/9A - MSW / CLI Landfills   |
| ▲ Section 5/5A - ERNS / NRS | ◆ Section 10/10A/10B - VCP / BSA / IOP |

Additional Features

- |       |                           |
|-------|---------------------------|
| ○     | Airports                  |
| ●     | Major Water               |
| ○     | Parks                     |
| +++++ | Railroads                 |
| —     | Rivers & Bayous           |
| ★     | Subject Property          |
| —     | Subject Property Boundary |

Atlas E.R., Inc. / 1.800.940.0977

Online at [WWW.ENVIRONMENTALMAPS.COM](http://WWW.ENVIRONMENTALMAPS.COM)

## Texas Petroleum Storage Tanks (PST)

## Atlas E.R. Map Report

Source: Texas Commission on Environmental Quality (TCEQ)

Section 8, Page 1

Database Updated: June 10, 2005

*Disclaimer - Atlas Environmental Research will not be held financially liable for any errors or omissions that may occur in the Atlas E.R. Map / Report as a result of the information obtained from the EPA / TCEQ, or as a result of the geocoding / data warehousing process. All information in this report has been obtained from state and / or federal publically available databases and is presented "as is." None of this information has been changed or verified by Atlas Environmental Research and, therefore, may be inaccurate and / or incomplete. Certain errors within this database may prevent a site from geocoding or even from being manually pointed on the map. For these reasons, it is recommended that all data received be field verified and that the area of review be field surveyed to help ensure that no sites are overlooked in the due diligence process.*

### Facility Name, Location, & Manager:

LEONARD WHITE  
BOX 231  
ROCKWALL  
75087

L. WHITE  
2147228198

Operator First Name:  
Operator Last Name:  
Operator Phone:

Facility Number: 31711

Registration Date: 052086

Facility Type: Unidentified

# Underground Tanks: 0002

# Above-Ground Tanks: 0000

### Owner Information:

ESTATE OF LEONARD WHITE

2147228198

MAP ID  
LU

0

Distance from site (feet)

0

Distance from site (miles)

Direction from site

-X (Decimal Degrees)

Y (Decimal Degrees)

Tank ID	Installed Date	Tank Status	Status Date	Tank Capacity	UST / AST
2	08311987	Removed from ground	08311992	0000000	Underground
Compartment: A Capacity: 0 Substance: Gasoline Other Substance: No Data			Tank Material: Steel Other Tank Material: Pipe Material: Steel Other Pipe Material:		
1	08311987	Removed from ground	08311992	0000000	Underground
Compartment: A Capacity: 0 Substance: Diesel Other Substance: No Data			Tank Material: Steel Other Tank Material: Pipe Material: Steel Other Pipe Material:		





**APPENDIX F**  
SUPPORTING DOCUMENTATION



**This section reserved for supporting documentation**



# **APPENDIX G**

CHAIN OF TITLE

SENT BY: \*;

214 373 4420;

SEP-1-05 4:55PM;

PAGE 2/3

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ROCKWALL COUNTY TITLE DATABASE  
COMMONWEALTH - DALLAS  
ORDER NUMBER:  
CERTIFIED THRU: 07/20/2005PRTSCHG  
RUN DATE: 07/28/2005LIMITED BY: CLARK  
REQUESTED FROM RUN DATE: 01/05/1981 TO RUN DATE: 07/28/2005 Print Sequence: File Date

SEARCHED FOR -&gt; Ab: 0000133 Ac: Part:

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GRANTOR		GRANTEE									
CLARK JACK M DECD				165093	08/22/1996		1150	112	AFFIDVT HRSP		
CLARK JANE T DECD				165093	08/22/1996		1150	112	AFFIDVT HRSP		

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POLK PAUL E		CLARK RAY INC		120370	07/21/1992		709	183	MECH LIEN		
POLK SANDRA K		CLARK RAY INC		120370	07/21/1992		709	183	MECH LIEN		
WILLIAMS SANDRA K		CLARK RAY INC		120370	07/21/1992		709	183	MECH LIEN		
CLARK RAY INC		LEWIS RG DR		120457	07/24/1992		733	305	TFR OF LIEN	0709/0183	
CLARK RAY INC		DALLAS TREASURY C U		122840	10/22/1992		890	149	ASCMT LIEN		
CLARK RAY INC		CLARK RAY INC		138995	04/07/1994		890	149	MECH LIEN		
POLK PAUL E		CLARK RAY INC		138995	04/07/1994		890	149	MECH LIEN		
POLK SANDRA K		CLARK RAY INC		138995	04/07/1994		890	149	MECH LIEN		

MATCHES FOUND ->	Ab: 0000133	Ac:	Part:	DOCUMENT	FILE DT	LATHAM K	VOL	PAGE	DOC TYPE	REMARKS	AMOUNT
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CLARK JANE T		ROCKWALL COUNTY		120505	07/27/1992		710	217	DEED		

MATCHES FOUND ->	Ab: 0000133	Ac:	Part:	DOCUMENT	FILE DT	LATHAM K	VOL	PAGE	DOC TYPE	REMARKS	AMOUNT
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CLARK JANE T		MCLENDON CHISOLM		168638	12/13/1996		1186	171	AMENDMENT		

\*\* END OF REPORT \*\*

SENT BY: \*;

214 373 4420;

SEP-1-05 4:56PM;

PAGE 3/3

PAGE# 1  
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ROCKWALL COUNTY TITLE DATABASE  
COMMONWEALTH DALLAS  
\* \* \* \* \* ORDER NUMBER: GP2230000896  
CERTIFIED THRU: 07/20/2005  
REQUESTED FROM RUN DATE: 01/05/1983 TO RUN DATE: 07/28/2005

Print Sequence: File Date

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CARRIS MICHAEL P					168638	12/13/1996		1186	171	AMENDMENT		
CLARK JANE					168638	12/13/1996		1186	171	AMENDMENT		
HAILEY HALLIE M					168638	12/13/1996		1186	171	AMENDMENT		
LEWIS DAVID A ADM					168638	12/13/1996		1186	171	AMENDMENT		
LEWIS TA EST					168638	12/13/1996		1186	171	AMENDMENT		
FARRAR BEVERLY ET AL					22300008	07/28/2005				GRNTY FILE		
GP2230000896					22300008	07/28/2005				GRNTY FILE		
COMMONWEALTH DALLAS												

\*\* END OF REPORT \*\*



# **APPENDIX E**

## DEFINITIONS



## **COMMON REGULATORY AND TECHNICAL ACRONYMS**

<b>ACM</b>	Asbestos Containing Materials
<b>AHERA</b>	Asbestos Hazard Emergency Response Act
<b>AST</b>	Above ground Storage Tank
<b>CERCLIS</b>	Comprehensive Environmental Response, Compensation, and Liability and Information System
<b>DOT</b>	Department of Transportation
<b>EPA</b>	Environmental Protection Agency
<b>ERNS</b>	Emergency Response Notification System
<b>ESA</b>	Environmental Site Assessment
<b>LPST</b>	Leaking Petroleum Storage Tank
<b>LUST</b>	Leaking Underground Storage Tank
<b>NPL</b>	National Priority List
<b>O&amp;M</b>	Operations and Maintenance Program (for asbestos containing material)
<b>PCB</b>	Polychlorinated Biphenyl
<b>PLM</b>	Polarized Light Microscopy
<b>PST</b>	Petroleum Storage Tank
<b>RCRA</b>	Resource Conservation Recovery Act
<b>RCRIS</b>	Resource Conservation Recovery Information System
<b>TNRCC</b>	Texas Natural Resource Conservation Commission
<b>USDA</b>	United States Department of Agriculture
<b>USGS</b>	United States Geological Survey
<b>UST</b>	Underground Storage Tanks



## Definitions

The terms, as used in this report, have the following meanings:

**CERCLA** - Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 *et seq.*

**CERCLIS** - Comprehensive Environmental Response, Compensation and Liability Information System Maintained by EPA.

**Drum** - A Container (Typically, But not necessarily, holding 55 gallons of liquid) which may be used to store Hazardous Substances.

**Hazardous Substance** - A substance defined as a hazardous substance pursuant to CERCLA 42 USC 9601 (14), as interpreted by EPA regulations and the courts: ☐ (A) any substance designated pursuant to section 1321(b) (2)(A) of Title 33, (B) any element, compound, mixture, solution, or substance designated pursuant to section 9602 of this title, ☐ any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (42 USC 6921) (but not including any waste the regulation of which under the Solid Waste Disposal Act (42 USC 6901 *et seq.*) has been suspended by Act of Congress), (D) any toxic pollutant listed under section 1317 (a) of Title 33, (E) any hazardous air pollutant listed under section 112 of the Clean Air Act (42 USC 7412), and (F) any imminently hazardous chemical substance or mixture with respect to which the Administrator ( of EPA) has taken action pursuant to Section 2606 of Title 15. The term does not include petroleum, including crude oil, or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel ( or mixtures of natural gas and such synthetic gas). ☐

**Hazardous Waste** - Any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (42 USC 6921) (but not including any waste the regulation of which under the Solid Waste Disposal Act (42 USC 6901 *et seq.*) has been suspended by Act of Congress). The Solid Waste Disposal Act of 1980 amended RCRA. RCRA defines a hazardous waste in 42 U.S.C. 6903, as: ☐ a solid waste, or combination of solid wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may (A) cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; or (B) pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed. ☐





Page 2

**Material Safety Data Sheet (MSDS)** - Written or printed material concerning a hazardous substance which is prepared by chemical manufacturers, importers and employers for hazardous chemicals pursuant to OSHA's Hazard Communication System, 29 CFR 1910.1200(g).

**Occupants** - Those tenants, subtenants or other persons or entities using the Property or a portion of the Property.

**Petroleum Products** - Those substances included within the meaning of the Petroleum Exclusion to CERCLA, 42 USC 9601 (14), as interpreted by the courts and EPA, that is: petroleum including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of 42 USC 9601 (14), natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). (The word fraction refers to certain distillates of crude oil, including gasoline, kerosene, diesel oil, jet fuels, and fuel oil, pursuant to ☐ Standard Definitions of Petroleum Statistics ☐ prepared by the American Petroleum Institute, 4th Ed.1988)

**Property** - The real property that is the subject of the Environmental Site Assessment described in this Standard Practice. Real property includes buildings and other fixtures and improvements located on the property and affixed to the land.

**RCRA** - Resource Conservation and Recovery Act as amended, 42 U.S.C. 6901 et seq.

**Recognized Environmental Conditions** - The presence or likely presence of any Hazardous Substances or Petroleum Products on a Property under conditions that indicate an existing release, a past release, or a material threat of a release of any Hazardous Substance or Petroleum Products into structures on the Property or into the ground, groundwater or surface water of the Property. The term includes Hazardous Substances or Petroleum Products even under conditions in compliance with laws. The term is not intended to include de minimis conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.