Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Thursday, April 8, 2021 3:02 PM

To: Hhuntington@enduringresources.com; DRogers@enduringresources.com

Cc: Enviro, OCD, EMNRD

Subject: 3RF-28 NEU 2207-16B Water Recycling Facility . Extension of cessation of operations

3RF-28 NEU 2207-16B Water Recycling Facility. Extension of cessation of operations

NMOCD has reviewed the determination of cessation of operations extension request for **3RF-28 NEU 2207-16B Water Recycling Facility** received from Enduring Resources LLC OGRID [372286] on 12/23/2020. The cessation for operations extension request is approved with the following conditions of approval:

- 3RF-28 NEU 2207-16B Water Recycling Facility permit expiration date is September 20, 2023.
- 3RF-28 NEU 2207-16B Water Recycling Facility extension of cessation of operations is approved from January 1, 2021 through July 1, 2021.
- Enduring Resources must recycle at least 61,960 bbl of produced water no later than July 1, 2021 to be considered in operations.
- Enduring Resources will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. Enduring Resources may maintain a higher liquid level if they choose. Please provide the minimum liquid level calculation and the minimum liquid level to be maintained to the OCD no later than May 1, 2021.
- Any withdrawal of fluid from the containment will negate this determination of the cessation of operations
 extension. Once the extension is negated and no longer in effect, an incremental fluid level test will be
 required.
- Enduring Resources will provide written notice to the OCD (email to <u>ocd.enviro@state.nm.us</u>) at least 72 hours, but no more than one week, prior to the incremental fill test and the recommencement of operations. Recommencement of recycling operations means that the operator plans to resume moving fluids through the containment and discharging fluids from the containment. The incremental fill test and notice of the test must be completed before fluids can move through the containment.
 - At the resumption of recycling operations, Enduring Resources is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
 - Enduring Resources will fill the containment. Enduring Resources will pause filling operations at every 10% of total fluid capacity above the minimum level.
 - Enduring Resources will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operation the leak detection system at the end of the 24-hour period.
 - If there are no liquids present in the leak detection system, Enduring Resources may proceed to fill the next 10% volume and repeat the process until the containment full design capacity minus the 3-feet of freeboard is reached. eat the process until the containment full de reached.
 - ➤ If liquids are present, Enduring Resources should immediately cease the incremental fill test and perform a liner inspection. Enduring Resources should provide written notice of the fluid detection and liner inspection findings to OCD Online using a C-147 (long form) with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
 - Upon notification of fluid detection in the leak detection system, the OCD will verify the source of water (condensation versus produced water).

- If the detected fluid is confirmed to be condensation, the OCD will issue a written approval to proceed with the incremental fluid level test.
- If the detected fluid is confirmed to be produced water, Enduring Resources must comply with 19.15.34.13 NMAC. Enduring Resources must provide written notification (email to ocd.enviro@state.nm.us) on the actions taken to comply with 19.15.34.13 NMAC.
- After fluid is detected in the leak detection system, the incremental fill test cannot continue until after a written approval to proceed is issued by the OCD.
- Enduring Resources must submit copies of the detailed containment inspection records for the prior three (3) months and a report detailing the incremental fluid level test process and results to the OCD Online using a C-147 (long form) with the "Other" box checked. "Recommencement of Operations Incremental Fluid Level Test" should be written as the explanation of "Other." Form C-147 must be completed and include information in sections 1 General Information, 2 Recycling Facility, 3 Recycling Containment, 4 Bonding, and 10 Operator Application Certification. Section 9 Recycling Facility and/or Containment Checklist may also need to be partially completed. Operators should verify that the resumption of operations notification does not result in any changes to the recycling containment operating and maintenance plan or the closure plan. If the recommencement of operations will affect the operating and maintenance plan or closure plan, operators should check those boxes in section 9 and provide updated plans or plan addendums as attachments to the C-147.
- Enduring Resources will continue to operate, maintain, and close the 3RF-28 NEU 2207-16B Water
 Recycling Facility in compliance with 19.15.34 NMAC, to include but not limited to: detailed inspection
 records, removal of trash/oil from containment, and monthly C-148 reporting (even if there is zero activity).
- Water reuse and recycling from 3RF-28 NEU 2207-16B Water Recycling Facility is limited to wells owned or operated by Enduring Resources OGRID 372286.
- A minimum of 3-feet freeboard must always be maintained in the recycling containment during operations.
- Enduring Resources should notify the surface owner of the cessation of operations extension request by October 30, 2020.
- Enduring Resources may request a variance for an additional extension to the determination of cessation of operations, which will be reviewed on a case-by-case basis and evaluated on their merit. Extensions are considered for a maximum length of six months. Additional requests must be submitted via OCD Online on a Form C-147 (long form) as an Extension request and should include a variance request and summary per 19.15.34.16 NMAC and the detailed inspection records for the prior three (3) months. The extension request should be submitted no later than July 1, 2021.

Please keep a copy of this electronic communication for your files, as no paper copy of the approval will be delivered. The signed C-147 will be saved in 3RF-28 NEU 2207-16B Water Recycling Facility electronic file on the OCD website:

https://ocdimage.emnrd.state.nm.us/imaging/AEOrderFileView.aspx?appNo=pCS1826341898

Thank you,

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