

February 19, 2018

Dear Mr. Kinder:

Re: EOG Chili Pepper Produced Water Recycling Facility and Recycling Containment located in Lea County, Section 17, Township 23S, Range 35E.

NMOCD has reviewed the submitted documents, dated January 16, 2018, encompassing the C-147 for the proposed Chili Pepper Water Recycling Facility & Recycling Containment. **Option 1** for the Recycling Containment will be used.

NMOCD gives approval for the following variances:

1. The variance request to install and operate the "Bird-X Mega Blaster Pro" system in lieu of Rule indicated netting for bird deterrence is approved. It is the responsibility of the Operator to maintain appropriate function of said system. Other aspects of the Rule relative to bird control/reporting remain in place.
2. The alternate fencing as proposed is also approved.
3. Therefore, the application and permit needs for Facility and Containment are approved.

Thank you for your assistance and cooperation on this matter.

Sincerely,

Bradford Billings

EMNRD

OCD/Santa Fe

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