

March 12, 2018

Dear Mr. Harwell:

Re: Advance Energy Partners Hat Mesa Produced Water Recycling Facility and Recycling Containment located in Lea County, Section 35, Township 21S, Range 33E.

NMOCD has reviewed the submitted documents, dated February 2018, encompassing the C-147 for the proposed Merchant Water Recycling Facility & Recycling Containment.

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 approved.
3. The alternate 40-mil HDPE secondary liner is approved.
4. Therefore, the application and permit needs for Facility and Containment are approved.

Please be advised that 1) a minimum of 3 ft. freeboard must be maintained at all times during the operation of the recycling containment; and 2) submit monthly C-148s to NMOCD- Santa Fe. Thank you for your assistance and cooperation on this matter.

Sincerely,

Bradford Billings

EMNRD

OCD/Santa Fe

Be advised: Please keep a copy of this electronic communication for your files, as no paper copy will be delivered.