C-147 REGISTRATION PACKAGE

Betonnie Tsosie Wash Unit M11

May 2024



ENDURING RESOURCES IV, LLC

DJR Operating, LLC A Subsidiary Company of Enduring Resource, LLC

200 Energy Court Farmington, New Mexico 87401 Phone: (505) 636-9720 District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Recycling Facility and/or Recycling Containment
Type of Facility: Recycling Facility Recycling Containment* Type of action: Permit Registration Modification Extension Closure Other (explain)
* At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner.
Be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1. Operator: DJR Operating, LLC (For multiple operators attach page with information) OGRID #: 371838 Address: 200 Energy Court, Farmington, New Mexico 87401
Facility or well name (include API# if associated with a well):Betonnie Tsosie Wash unit M11
OCD Permit Number: <u>3RF-72</u> (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr _ <u>M</u> Section <u>11</u> Township _ <u>23N</u> Range <u>8W</u> County: <u>San Juan</u>
Surface Owner: 🛛 Federal 🗌 State 🗌 Private 🗌 Tribal Trust or Indian Allotment
2. ⊠ Recvcling Facility: Location of recycling facility (if applicable): Latitude 36.235278 Longitude107.659307 NAD83 Proposed Use: Drilling* Completion* Production* Plugging * *The re-use of produced water may NOT be used until fresh water zones are cased and cemented
Liner Seams: 🛛 Welded 🖾 Factory 🗌 Other Volume: <u>86,000</u> bbl Dimensions: Radius <u>81.165'</u> x Height <u>12'</u>
Recycling Containment Closure Completion Date:

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Bonding:

4.

Covered under bonding pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC (These containments are limited to only the wells owned or

operated by the owners of the containment.)

Bonding in accordance with 19.15.34.15(A)(1). Amount of bond \$_____ (work on these facilities cannot commence until bonding

amounts are approved)

Attach closure cost estimate and documentation on how the closure cost was calculated.

Fencing:

5.

Four foot height, four strands of barbed wire evenly spaced between one and four feet

Alternate. Please specify _____ See variance request in registration package Exhibit A_____

6. <u>Signs</u>:

7.

12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

Signed in compliance with 19.15.16.8 NMAC

Variances:

Justifications and/or demonstrations that the proposed variance will afford reasonable protection against contamination of fresh water, human health, and the environment.

Check the below box only if a variance is requested:

 \boxtimes Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. If a Variance is requested, include the variance information on a separate page and attach it to the C-147 as part of the application.

If a Variance is requested, it must be approved prior to implementation.

Siting Criteria for Recycling Containment

Instructions: The applicant must provide attachments that demonstrate compliance for each siting criteria below as part of the application. Potential examples of the siting attachment source material are provided below under each criteria.

General siting

Ground water is less than 50 feet below the bottom of the Recycling Containment. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells						
 Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; written approval obtained from the municipality 	□ Yes ⊠ No □ NA					
 Within the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division 	🗌 Yes 🛛 No					
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; topographic map 	🗌 Yes 🛛 No					
Within a 100-year floodplain. FEMA map	🗌 Yes 🛛 No					
 Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). Topographic map; visual inspection (certification) of the proposed site 	🗌 Yes 🛛 No					
 Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. Visual inspection (certification) of the proposed site; aerial photo; satellite image 	🗌 Yes 🛛 No					
 Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; visual inspection (certification) of the proposed site 	🗌 Yes 🛛 No					
 Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site 	🗌 Yes 🛛 No					

Recycling Facility and/or Containment Checklist:

Instructions: Each of the following items must be attached to the application. Indicate, by a check mark in the box, that the documents are attached.

Design Plan - based upon the appropriate requirements. – Section 3 of the C-147 Registration Package

- Operating and Maintenance Plan based upon the appropriate requirements. Section 4 of the C-147 Registration Package
- Closure Plan based upon the appropriate requirements. Section 5 of the C-147 Registration Package

Site Specific Groundwater Data – Exhibit C of the C-147 Registration Package

Siting Criteria Compliance Demonstrations – Section 2 of the C-147 Registration Package

Certify that notice of the C-147 (only) has been sent to the surface owner(s) – C-147 package is being submitted concurrently to the Division and BLM FFO

Operator Application Certification:

10.

11.

I hereby certify that the information and attachments submitted with this application are true, accurate and complete to the best of my knowledge and belief.

Name (Print): **Heather Huntington** _____ Title: ____Permitting Technician Signature: Heather Huntington Date: e-mail address: hhuntington@enduringresources.com

5/28/24

Telephone: 505-636-9751

Victoria Venegas OCD Representative Signature: Environmental Specialist Title:

OCD Permit Number: <u>3RF-72</u>

_____ Approval Date: <u>06/18/2024</u>

X OCD Conditions

Additional OCD Conditions on Attachment

C-147 REGISTRATION PACKAGE – SUPPLEMENTAL INFORMATION REQUEST

Betonnie Tsosie Wash Unit M11

May 2024



ENDURING RESOURCES IV, LLC

DJR Operating, LLC A Subsidiary Company of Enduring Resource, LLC

200 Energy Court Farmington, New Mexico 87401 Phone: (505) 636-9720 This is a supplemental report to DJR Operating, LLC's C-147 registration package for their proposed Betonnie Tsosie Wash Unit M11 (BTWU M11) Recycling Containment and Recycling Facility. This supplemental report is to address the following questions from the New Mexico Energy Minerals and Natural Resource Department Oil Conservation Division (NMOCD).

Questions 1:

[372286] ENDURING RESOURCES, LLC is requesting a permit for a recycling facility that will consist of two above-ground storage tanks (AST) of 43,000 barrels (bbl) each and an undefined number of frac tanks (*"twenty to thirty 400 bbl vertical frac tanks to be used to treat and recycle produced water for reuse during DJR's drilling and completion activities*"). Please provide the total volume of the facility.

Clarifying Statements:

The <u>recycling containment</u> being applied for will consist of two above ground storage tanks (AST) with a storage volume of 43,000 bbls each. This equates to 83,000 bbls listed and applied for on Form C-147. Per 19.15.34.7 B. NMAC a "*Recycling containment*" is a storage containment which incorporates a synthetic liner as the primary and secondary containment device and is used solely in conjunction with a recycling facility for the storage, treatment or recycling of produced water only for the purpose of drilling, completion, production or plugging of wells used in connection with the development of oil or gas or both. These two AST containments fall within this definition and must meet all applicable requirements of a Recycling Containment in Rule 19.15.34 NMAC.

The twenty to thirty 400 bbl vertical frac tanks are to be used as a <u>recycling facility</u> for the treatment (mechanical and chemical reconditioning process) of produced water as defined in 19.15.34.7 A. NMAC a *"Recycling facility"* is a stationary or portable facility used exclusively for the treatment, re-use or recycling of produced water. A recycling facility does not include oilfield equipment such as separators, heater treaters and scrubbers in which produced water may be used. These tanks will be used as upright gun barrel oil water separators. This oil separation process will prevent having any visible layer of oil on the surface of the recycling containments in accordance with Rule 19.15.34.13 B.(1).

Per 19.15.34.9 A. water (produced water and Entrada water) stored/processed through this temporary recycling facility will be used as part of a permitted operation for drilling, completing, and producing DJR Operating, LLC wells. DJR has requested registration of this facility on the submitted Form C-147.

Questions 2:

Enduring submitted the application to OCD Permitting under a different OGRID than the one provided on Form C-147. Please clarify.

Clarifying Statements:

Per 19.15.34.10 A. "*All operators or owners shall be named in the form C-147*". As such, DJR Operating, LLC and Enduring Resources, LLC are wholly owned subsidiary companies of Enduring Resources, LLC. Leases, rights of way, wells, and other property interests continue to be held in their current entity names. This C-147 registration package was submitted by Enduring Resources, LLC as the operator of DJR Operating, LLC.

Questions 3:

Couldn't find the demonstration that the proposed facility is not located within and unstable area. Please clarify.

Clarifying Statements:

Section 3 subsection 3.8 (Site Stability) of the submitted C-147 registration package briefly addresses Rule 19.15.34.11 A.(8). *"The recycling containment is not located in an unstable area. DJR's construction practices will provide adequate compaction of the pad surface for the anticipated load of the recycling facility and AST containments."* The following additional best management practices are implemented during pad construction to prevent equipment settling and ensuring site stability.

- Prior to earthwork, all trees (if applicable) and slash/brush, is mulched and incorporated into the topsoil. Tree roots and trucks are removed from the site. The topsoil (vegetative root layer) is stripped from location and windrowed along the perimeter of location. Topsoil is not used for pad construction as the organic matter mixed within the soil prevents adequate compaction.
- Subsoil horizons are then utilized to construct a balanced (high areas are cut and used to fill low areas) location. Fill slopes are deposited and compacted in approximate 6-inch lifts with optimal soil moisture content.
- If soil is deemed too wet from inclement weather, it is not utilized as adequate compaction cannot be achieved. Additionally, if construction occurs during winter months, the frost layer if applicable is stripped and sub frost line soil horizons are utilized for construction to achieve adequate compaction that will not settle with warming temperatures.
- Cut and fill slopes around location are 3:1 or better to ensure surface and slope stability.
- The windrowed topsoil and any additional diversions found to be necessary are used to prevent surface sheet flow from entering location.
- Each AST containment will have a properly constructed foundation consisting of a firm, unyielding base, smooth and free of rocks, debris, sharp edges or irregularities to prevent the liner's rupture or tear.

Other factors contributing to site stability include:

- Per 19.15.34.11 A.(7) the location is not in an area overlying a subsurface mine according to New Mexico Energy, Minerals and Natural Resources Department (EMNRD) Mining and Minerals Divisions database.
- This area of New Mexico is not known for underlying caves and karst features.

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TABLE OF CONTENTS

1	INTRODUCTION	1
2.	SITING CRITERIA	
	DESIGN AND CONSTRUCTION SPECIFICATIONS	
	MAINTENANCE AND OPERATING PLAN	
	CLOSURE PLAN	
Ехні	BIT A. VARIANCE REQUESTS	A
Ехні	BIT B. PLAT	В
Ехні	BIT C. GROUND WATER REPORT	C
Ехні	BIT D. DISTANCE TO SURFACE WATER DIAGRAM	D
Exhi	BIT E. SITING CRITERIA MAP	E
Ехні	BIT F. MANUFACTURE SPECIFICATION	. F

1. INTRODUCTION

Applicant	DJR Operating, LLC - Enduring Resources, LLC & DJR Operating, LLC are wholly owned subsidiaries of Enduring Resources, LLC. Leases, rights of way, wells, and other property interests will continue to be held in their current entity names.
OGRID	371838
Project Name	Betonnie Tsosie Wash Unit M11
Project Type	Recycling Facility & Recycling Containment
Legal Location	Southwest ¹ / ₄ of the Southwest ¹ / ₄ of Sec. 11, T23N, R08W and Southeast ¹ / ₄ of the Southeast ¹ / ₄ of Sec. 10, T23N, R08W
Surface Owner	Federal surface managed by the Bureau of Land Management Farmington Field Office

In accordance with 19.15.34 NMAC, DJR Operating, LLC (DJR) requests registration of the proposed Betonnie Tsosie Wash Unit M11 (BTWU M11) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package. The facility will consist of two 43,000 barrel (bbl) above ground storage tanks (AST) and twenty to thirty 400 bbl vertical frac tanks to be used to treat and recycle produced water for re-use during DJR's drilling and completion activities. See Exhibit B for site survey plat and Exhibit D for a diagram of the proposed ASTs and recycling facility layout. This facility will not be used for the disposal of produced water.

The BTWU M11 site is located at 36.235278° N, -107. 659307° W, within Sections 10 and 11, Township 23N, Range 08W, in San Juan County, New Mexico. The site is located on federal lands managed by the Bureau of Land Management Farmington Field Office (BLM FFO). DJR is the operator of the applicable oil and gas mineral rights at this location. BLM FFO has been notified and approved of this site for water storage via the Applications for Permit to Drill (APD) the BTWU 305H, 306H, 721H, 401H, 402H, and 732H. Further detail and environmental analysis of water storage on this site and transportation of fluids through associated layflat surface lines can be found in the clustered Environmental Analysis (EA) document with National Environmental Policy Act (NEPA) register number DOI-BLM-NM-F010-2022-0028-EA. Per New Mexico Oil Conservation Division (NMOCD) Form C-147, DJR will provide A copy of this registration package to the BLM FFO concurrently with the submittal to the division.

This document provides the supplemental information to NMOCD Form C-147 that is required for registration, including siting criteria and demonstrations, design and construction plans, operating and maintenance plans, closure plans, closure and site reclamation requirements, and surface owner notification.

Upon approval of this registration, the recycling containments located at this facility will be operated for up to five years. If needed, DJR will request annual extensions after the five-year registration period to continue operations at the facility, which will require the submission of Form C-147 to the NMOCD at least 30 days prior to the expiration of this registration. The extension request will include a summary of all monthly inspections of the containments, including monitoring of the leak detection systems indicating that the containments integrity has not been compromised.

2. SITING CRITERIA

2.1. Distance to Groundwater

Per 19.15.34.11 B. NMAC, DJR requests use of POD SJ04195 POD 1 in the Southwest ¹/₄ of the Southwest ¹/₄ of Section 11, Township 23N, Range 08W. This water well was drilled to a total depth of 700 feet with depth to ground water measured at 290 feet. This water well is located approximately 650 feet north-northeast of the BTWU M11

site. With the proposed containments being ASTs on ground surface, the groundwater depth is greater than 50 feet below the bottom of the recycling containments. See Exhibit C for water well summary.

2.2. Distance to Surface Water

There are no continuously flowing watercourses within 300 feet; nor, any lakebeds, sinkholes, or playa lakes within 200 of the proposed ASTs as shown in Exhibit E.

There are multiple drainages near the existing location that SWCA Environmental Consultants (SWCA) determined to be "significant" with defined ordinary high-water marks (OHWM). SWCA mapped the OHWM for these drainages and buffered them by 100 and 200 feet. The diagram in Exhibit D and map in Exhibit E displays this data and where the ASTs will be located onsite to be exterior to the 200-foot buffer if produced water is being stored. The AST shown in the aerial imagery within the 200-foot buffer is storing non-potable entrada water only. If produced water is to be introduced to this AST, it would be decommissioned, dismantled, and reconstructed at least 70-feet southeast of its current location to be 200' away from a significant water course measured from the OHWM.

2.3. Distance to Structures

The recycling facility/containment is not located within 1,000 feet of a permanent residence, school, hospital, institution, or church in existence at the time of this application, as shown on the aerial map in Exhibit E.

2.4. Distance to Non-Public Water Supply and Springs

The recycling facility/containment is not located within 500 horizontal feet of a spring or fresh water well used for domestic or stock watering purposes in existence at the time of this application as shown on the aerial map in Exhibit E. The nearest recorded water well is 650 feet north-northeast as described in section 2.1 above. The New Mexico Office of the State Engineer (OSE) has this well point mapped approximately 311 feet southeast of its actual location. Nearest spring/seep according to the National Hydrologic Dataset (NHD) is 2.41 miles east-northeast.

2.5. Distance to Municipal Boundaries and Defined Municipal Fresh Water Well Fields

The recycling facility is not within any incorporated municipal boundaries nor within a defined municipal fresh water well field covered by a municipal ordinance adopted pursuant to Section 3- 27-3 NMSA 1978, as amended.

2.6. Distance to Wetland

The recycling facility/containment is not located within 500 feet of a wetland per the evidence provided below. According to the US Fish and Wildlife Service National Wetland Inventory (NWI) and Exhibit E, the proposed site is located within 500 feet of an ephemeral wash that has been mapped as "Riverine" with classification code: R4SBJ. Please see decoded description below from US Fish and Wildlife Service.

R4SBJ:

System **Riverine** (**R**) : The Riverine System includes all wetlands and deepwater habitats contained within a channel, with two exceptions: (1) wetlands dominated by trees, shrubs, persistent emergents, emergent mosses, or lichens, and (2) habitats with water containing ocean-derived salts of 0.5 ppt or greater. A channel is an open conduit either naturally or artificially created which periodically or continuously contains moving water, or which forms a connecting link between two bodies of standing water.

Subsystem **Intermittent (4)**: This Subsystem includes channels that contain flowing water only part of the year. When the water is not flowing, it may remain in isolated pools or surface water may be absent.

Class **Streambed** (**SB**) : Includes all wetlands contained within the Intermittent Subsystem of the Riverine System and all channels of the Estuarine System or of the Tidal Subsystem of the Riverine System that are completely dewatered at low tide.

Water Regime **Intermittently Flooded (J)**: The substrate is usually exposed, but surface water is present for variable periods without detectable seasonal periodicity. Weeks, months, or even years may intervene between periods of inundation. The dominant plant communities under this Water Regime may change as soil moisture conditions change. <u>Some areas exhibiting this Water Regime do not fall within our definition of wetland</u>

because they do not have hydric soils or support hydrophytes. This Water Regime is generally limited to the arid West.

The data used and displayed near the project area on the US Fish and Wildlife Service Wetland Inventory was mapped as described in the San Juan, Estancia Basin, and Sante Fe County, NM - Supplemental Map Information document as follows:

All feature creation and attribution was completed with on-screen digitization procedures using Esri, ArcGIS Pro 2.7.0, and ArcMap 10.7.1, with advanced editing tools.

The wetland mapping of this project involved an area-wide inventory of wetlands and non-wetland riparian habitats using 2018, year color infrared and true-color aerial imagery. Fieldwork review was conducted for the purpose of verification of wetland features and non-wetland features and a "selective key" of photo-signatures was created. This baseline information served as a guide for identifying and classifying features (as interpreted from the project imagery) within the NWI (version 2.0), and the Landscape Position Landform Water Flow Path and Water Body Type (LLWW, version 2) Classification Systems.

Since the Wetlands Inventory is identified and mapped from a desktop perspective utilizing photo-signatures the resulting data is a desktop approximation of potential wetlands and non-wetland riparian habitat. Thus field investigation is necessary to confirm or deny wetland status based on the presents of hydric soils or support hydrophytes. Riparian habitat in this region would be indicated by cottonwood, willow, elm, invasive salt cedar and russian olive.

Upon field investigation it was determined that there were no hydric soils or hydrophytes indicative of wetland habitat. Nor was there cottonwood, willow, elm, invasive salt cedar or russian olive trees indicative of riparian habitat. The ephemeral drainage was characterized by a dry sandy bottom with no isolated pockets or pools to hold water. Water is present in the drainage only during significant inclement weather events and is void of standing water thereafter. Vegetation in and along the drainage was typical of the surrounding shrubland habitat comprised of sagebrush, rubber rabbitbrush, fourwing saltbush, blue grama grass, and galleta grass being most prominent. There was no vegetative transition to wetland species near or along the drainage. Please see Table 1 below and associated photographs of the subject drainages. The data in Table 1 and photos were provided to DJR by SWCA as a result of their field investigations.

TABLE 1. SUMMARY OF NON-WETLAND WATER FEATURES, TOTAL ACREAGE, AND TOTAL LINEAR FEET
OF FEATURES WITHIN THE SURVEY AREA

SWCA Unique Identifier	Coinciding Mapped NHD Feature Type	OHWM Present (Yes/No)	Arid West SDAM Classification	FEMA Flood Zone	Latitude, Longitude	Total Acres of OHWM within Survey Area	Total Linear Feet of OHWM within Survey Area
ST01	Stream/river	Yes	Ephemeral	Zone X	36.23462, -107.6577	0.62	1,443
ST02	Stream/river	Yes	Ephemeral	Zone X	36.23388, -107.6579	0.04	690
ST03	Stream/river	Yes	Ephemeral	Zone X	36.23608, -107.6607	0.38	135
ST04	Stream/river	Yes	Ephemeral	Zone X	36.23653, -107.6588	0.05	2,190

Zone X = area of minimal flood hazard.



FIGURE 1. OVERVIEW OF ST01, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING UPSTREAM (NORTHEAST).



FIGURE 2. OVERVIEW OF ST01, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING DOWNSTREAM (SOUTHWEST).



FIGURE 3. OVERVIEW OF ST02, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING UPSTREAM (EAST).



FIGURE 4. OVERVIEW OF ST02, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING DOWNSTREAM (WEST).



FIGURE 5. OVERVIEW OF ST03, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING UPSTREAM (EAST).



FIGURE 6. OVERVIEW OF ST03, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING DOWNSTREAM (WEST).

BTWU M11 May 2024 - 4 -



FIGURE 7. OVERVIEW OF ST04, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING UPSTREAM (NORTHEAST).



FIGURE 8. OVERVIEW OF ST04, A NON-WETLAND SURFACE AQUATIC FEATURE (STREAM) CONTAINING AN OHWM, FACING DOWNSTREAM (SOUTHWEST).

2.7. Distance to Subsurface Mines

According to New Mexico Energy, Minerals and Natural Resources Department (EMNRD) Mining and Minerals Divisions database, there are no subsurface mines in Township 23N, Range 8W, San Juan County, New Mexico. Additionally, See Exhibit E showing no existing mines in the vicinity of the proposed project area.

2.8. Site Stability

The recycling containment is not located in an unstable area. DJR's construction practices will provide adequate compaction of the pad surface for the anticipated load of the recycling facility and AST containments.

2.9. Distance to 100-Year Floodplain

The recycling facility/containment is not located within a 100-year (1% annual) floodplain as shown in Exhibit E.

3. DESIGN AND CONSTRUCTION SPECIFICATIONS

Pursuant to 19.15.34.12 NMAC, the following Design Plan presents the minimum standards and specifications for the design and construction of the proposed recycling containments at the BTWU M11 Facility. The facility and recycling containments have been designed to prevent releases and potential overtopping due to wave action (by wind) or rainfall. To supplement the information provided below, the manufacturers specifications for the design and construction of the aboveground containments are provided as Exhibit F.

3.1. Foundation Construction

The containment ASTs will be construction on DJR's Existing BTWU M11 well pad. There are two existing wells in production, one plugged and abandoned well (6 feet below grade), and a production facility on location. The remainder of the well pad unnecessary for the operation and maintenance of these wells will be used for the recycling facility and AST containments.

Each AST containment will have a properly constructed foundation consisting of a firm, unyielding base, smooth and free of rocks, debris, sharp edges or irregularities to prevent the liner's rupture or tear. The containment will ensure confinement of produced water, to prevent releases and to prevent overtopping due to wave action or rainfall. Geotextile will be used under the liner to reduce localized stress-strain or protuberances that otherwise may compromise the liner's integrity. The containments are above ground and will not be subject to water run-on.

3.2. Liner and Leak Detection

The containments used at the facility will be Well Water Solutions and Rentals, Inc. double-lined frac water tank systems. These tank systems are designed to incorporate a 40-mil thickness LLDPE primary (upper) string-

reinforced liner and a 30-mil LLDPE secondary (lower) string- reinforced liner. The primary liner is designed to be impervious, synthetic material that will resist deterioration by ultraviolet light, petroleum hydrocarbons, salt solutions, and acidic/alkaline solutions. Liners will meet or exceed the compatibility requirements of EPA SW-846 Method 9090A. Steel bolts will secure the liners to the top of the AST tanks. Specifications provided by Well Water Solutions and Rentals, Inc. are attached as Exhibit F.

Liner seams will be minimized and will be oriented vertically up and down the containment walls, and not horizontally across the containment. Factory welded seams will be incorporated, where possible. Field seams, welding, and testing on the geosynthetic liners will be performed by a manufacturer qualified person. For any field seams, the liners shall overlap 4 to 6 inches and be thermally sealed. Field seams should be avoided or minimized in corners and irregularly shaped areas. At a point of discharge into, or suction from, the recycling containment, the liner will be protected from excessive hydrostatic force or mechanical damage. External discharge or suction lines will not penetrate the liners.

A leak detection system will be installed between the upper and lower liners of each containment and will consist of a 200-mil geonet drainage layer. The leak detection system will cover the bottom and sides of the containments and include a minimum of 3 feet of freeboard. A 6-inch PVC pipe will be inserted in a sump at the bottom of the containment and between the liners. Each containment will be slightly sloped, with the sump placed at the location with the lowest elevation to facilitate the earliest possible leak detection. A schematic of the leak detection system is included in Exhibit F.

The sump piping will be checked weekly with a water-level meter to determine if leakage is occurring through the primary liner. If water is detected in the leak detection sump, water will be removed to assess if water returns indicating a leak in the primary liner. Controls for surface water run-on is not needed due to the containments being above ground tanks.

3.3. Signage

The facility will have a sign no less than 12" by 24" with lettering not less than 2" in height in a conspicuous place near the facility entrance. The sign will contain the operator's name, location of the facility by quarter-quarter or unit letter, Section, Township, Range, and emergency phone numbers.

3.4. Entrance Protection

Please see variance request attached as Exhibit A.

3.5. Netting

DJR will install bird netting provided by the tank manufacturer over each containment. The netting will be inspected monthly for disrepair. The containments will be inspected weekly for dead migratory birds. DJR will report dead migratory birds and/or other wildlife to the appropriate wildlife agency, surface management agency, and NMOCD.

4. MAINTENANCE AND OPERATING PLAN

4.1. Inspection Timing and Maintenance

Pursuant to 19.15.34.13 NMAC, DJR will follow the maintenance and operational requirements described below. At a minimum, DJR will perform weekly inspections on the containments and leak detection systems while the containments hold fluid. DJR will maintain records and make them available for review by the NMOCD.

- If fluids are found in the sump, the fluids will be sampled and then pumped out.
- DJR will remove any visible oil from the surface of the containments upon discovery.
- DJR will maintain a minimum of three feet of freeboard in the containments at all times.

- The injection and withdrawal of fluids from the containments shall be accomplished through a header, diverter or other hardware that prevents damage to the liner by erosion, fluid jets or impact from installation and removal of hoses or pipes.
- If a leak is discovered in the containments' primary liner above the liquid level in the containment, DJR will repair the primary liner within 48 hours, or request an extension on repair within the 48-hour time limit.
- If a leak is discovered in the containments' primary liner below the liquid level in the containment, DJR will notify the division office of the leak, remove all fluids above the leak level, and repair the primary liner within 48 hours, or request an extension on repair within the 48-hour time limit.
- The facility will be operated in such a way to prevent the collection of surface water.
- An oil absorbent boom or other device will be onsite to contain an unanticipated release.
- The facility will not be used for the storage or discharge of hazardous waste.

4.2. Reporting and Record Keeping

During operation of the recycling facility, DJR will keep accurate records and report monthly to the NMOCD the total volume of water received for recycling, with the volume of fresh water received listed separately, and the total volume of water leaving the facility for disposition of use. Water volume totals will be submitted on NMOCD Form C-148. Accurate records identifying the sources and disposition of recycled water will be maintained during the operation of the facility and made available for review to the NMOCD upon request.

4.3. Cessation of Operations

DJR will consider the recycling containment to have ceased operations if less than 20% of the total fluid volume is used every six (6) months following the first withdrawal of produced water for use. DJR will report cessation of operations to the appropriate NMOCD district office. If additional time is needed for closure, DJR will request an extension from the appropriate NMOCD district office prior to the expiration of the initial six (6) month time period.

5. CLOSURE PLAN

Pursuant to 19.15.34.14 NMAC, the activities summarized below describe the closure and reclamation requirements for the BTWU M11 recycling facility. Within 60 days of closure completion, DJR will submit a closure report on NMOCD Form C-147 and include required attachments to document all closure activities, sampling results, and details on backfilling, capping, or covering, where applicable.

5.1. Containment Closure

DJR will remove all fluids from the facility within 60 days from the date that operations cease and close the containments from use within six months from the date that DJR ceases operations. Alternatively, DJR can request an extension for the removal of fluids from the NMOCD not to exceed an additional two months. DJR can also request an extension for the closure of the containments, not to exceed an additional six months.

DJR will remove all fluids, contents, synthetic liners, and leak detection piping and transfer these materials to an NMOCD-approved facility for disposal. All other equipment associated with the recycling containment and recycling facility will be removed from the site.

5.2. Closure Soil Sampling

Once the containments are removed, DJR will test the soils beneath each containment for contamination with a fivepoint composite sample which includes stained or wet soils, if any, and that sample shall be analyzed for the constituents listed in the following table:

Constituents	Test Method	Groundwater Depth 51 – 100 Feet	Groundwater Depth >100 Feet
Chloride	EPA 300.0	10,000 mg/kg	20,000 mg/kg
TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg	2,500 mg/kg
GRO + DRO	EPA SW-846 Method 8015M	1,000 mg/kg	1,000 mg/kg
BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg	50 mg/kg
Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg	10 mg/kg

TABLE 2. CONTAMINATED SOIL TEST CONSTITUENTS

If any contaminant concentration is higher than the parameter limits listed above, the NMOCD may require additional delineation upon review of the results and DJR must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameter limits listed above, then DJR can proceed to backfill with non-waste containing, uncontaminated, earthen material.

5.3. Reclamation

The location will be interim reclaimed upon completion of use in accordance with the reclamation plan attached to the approved APDs associated with the BTWU 108H and 728H.

EXHIBIT A. VARIANCE REQUESTS

•



ENDURING RESOURCES IV LLC

6300 S Syracuse Way Centennial, CO 80111 Field Office: 505.636.9720 | Main Office: 303.573.1222

Enduring Resources IV, LLC Betonnie Tsosie Wash Unit M11 Recycling Facility/Containment Variance Request for 19.15.34 NMAC

New Mexico Oil Conservation Division Attn: Victoria Venegas

Enduring Resources is requesting variances to the below listed items as outlined in 19.15.34 NMAC. This Recycling Containment/Facility will consist of self-contained free-standing structures instead of a lined earthen pit. The variances requested below will provide equal or better protection of fresh water, public health, and the environment.

Variance Requests:

Inside/Outside Levee Slopes: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(2) which applies to a lined earthen pit. The containment is an AST not an in-ground pond; therefore, will not have inside/outside levee slopes. The AST is a self-contained free-standing structure that will provide equal or better protection than the requirements listed in 19.15.34.12 NMAC.

Liner Anchoring: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(3) which applies to a lined earthen pit. This statute is not applicable to a circular steel AST with liners clamped to the top of the steel shell. We believe this will provide equal or better protection than the requirements listed in 19.15.34.12. NMAC.

Primary Liner: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(4) which applies to the thickness of the primary liner. Enduring Resources proposes the use of a 40-mil LLDPE primary liner and 30-mil LLPDE secondary liner provided by Water Well Solutions and Rentals, Inc. The proposed variance will provide equal or better protection of fresh water, public health and the environment, as the proposed liner meets all other the requirements of NMAC 19.15.34.12 (A)(4) and meets or exceeds the EPA SW-846 method 9090A or subsequent relevant publication.

Fencing: Enduring Resources requests a variance to NMAC 19.15.34.12 (D)(1) and (2) which applies to fencing or enclosing the containment. With the recycling containment being above ground tanks, there is no risk to wildlife or the public as there would be for an earthen pit necessitating fencing. The site will be maintained to prevent harm to wildlife and the public. The freestanding above grade AST will provide equal or better protection to public health and the environment, as the fencing requirements of NMAC 19.15.34.12 (D)(1) and (2).

Thank you,

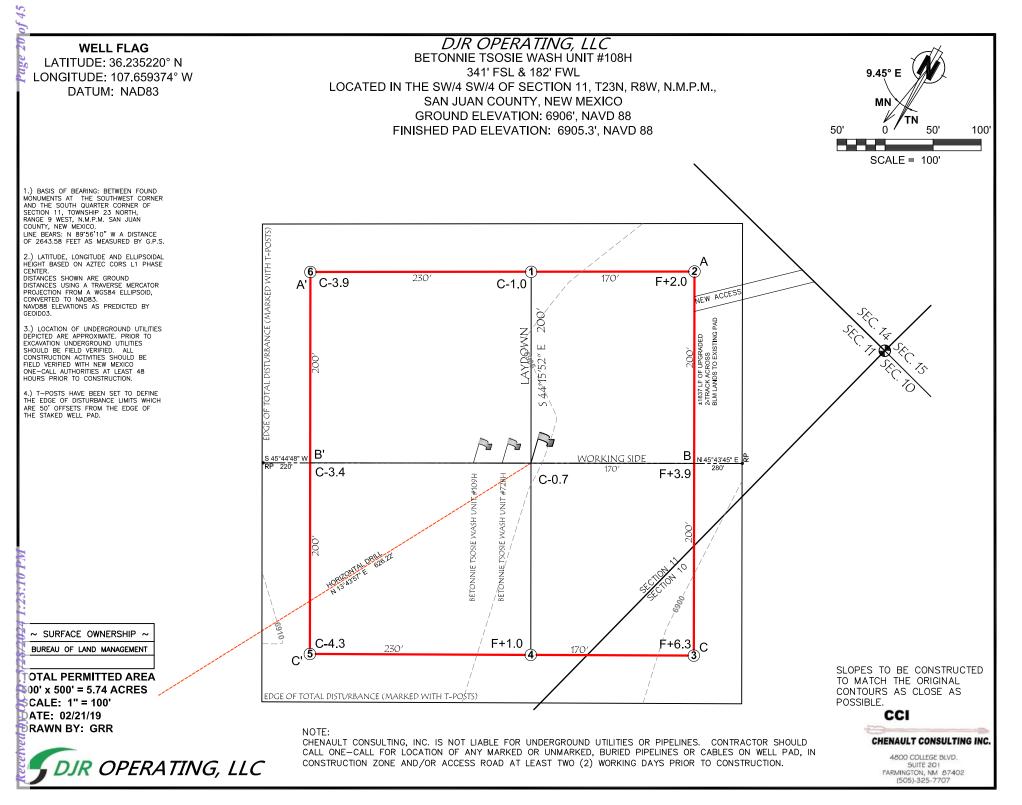
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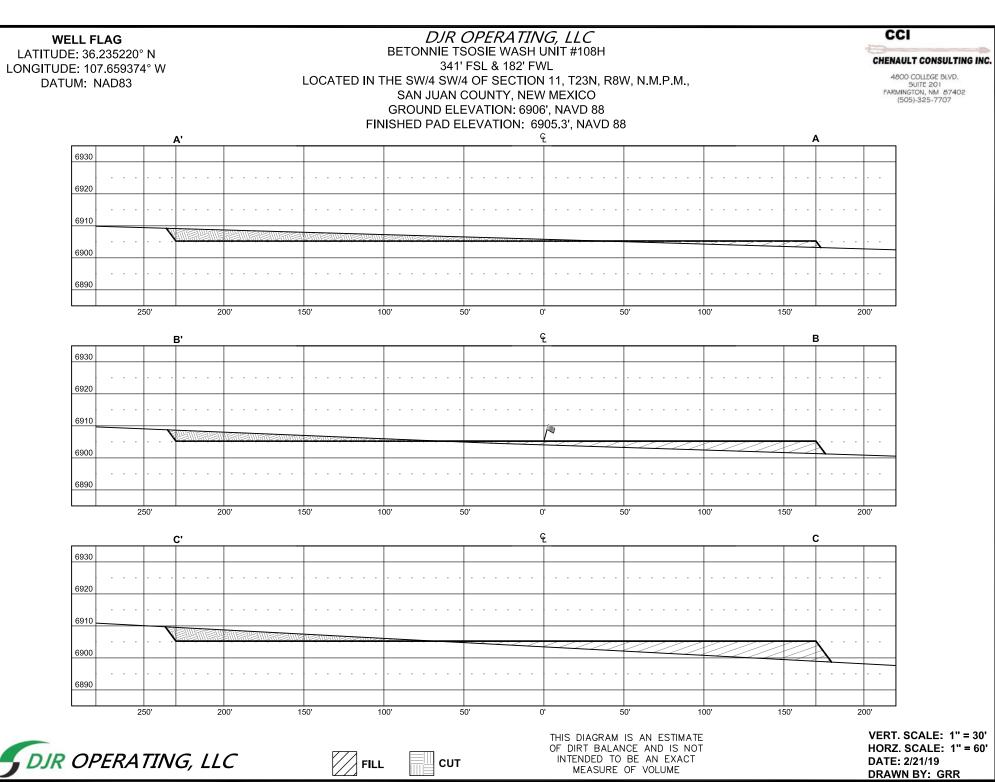
Dave Brown

Regulatory Manager Enduring Resources, LLC. 303.887.3695 – Office 505.636.9731 – Cell

EXHIBIT B. PLAT

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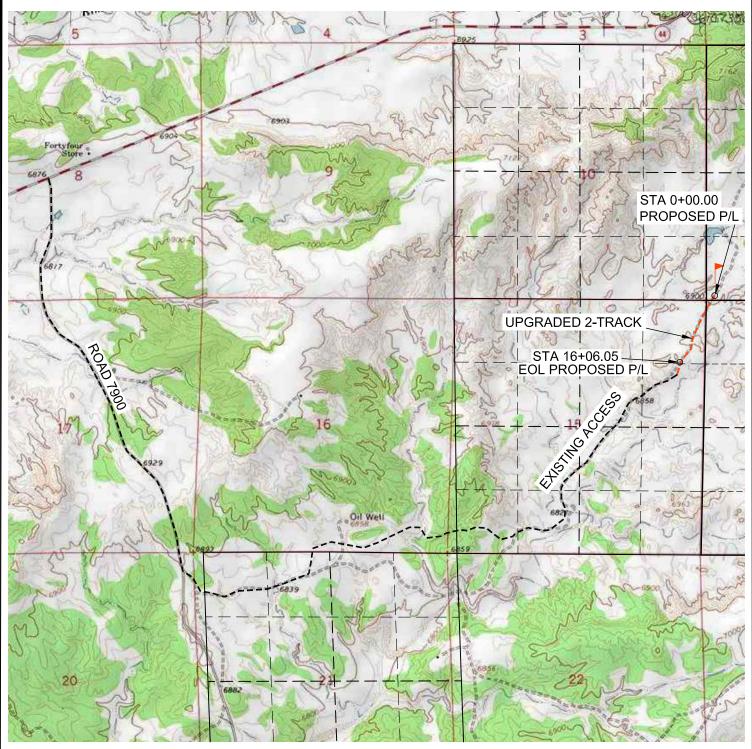




5/28/2024

2:04:32 to Imaging: 6/18/2024 leased Re

WELL FLAGDJR OPERATING, LLCLATITUDE: 36.235220° NBETONNIE TSOSIE WASH UNIT #108HLONGITUDE: 107.659374° W341' FSL & 182' FWLDATUM: NAD83LOCATED IN THE SW/4 SW/4 OF SECTION 11, T23N, R8W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6906', NAVD 88±1837' OF UPGRADED 2-TRACK ACROSS BLM LANDS



U.S.G.S. QUAD: LYBROOK, NW SCALE: 1" = 2000' (1:24,000) DATE: 02/21/19 DRAWN BY: GRR



 BETONNIE TSOSIE WASH UNIT #108H

 ±1837' OF UPGRADED ACCESS

 STA. 0+00
 24" CMP

 STA. 18+36.62
 24" CMP

CCI

CHENAULT CONSULTING INC.

4800 COLLEGE BLVD. SUITE 201 FARMINGTON, NM 87402 (505)-325-7707

BETONNIE TSOSIE WASH UNIT #108H 341' FSL & 182' FWL LOCATED IN THE SW/4 SW/4 OF SECTION 11, T23N, R8W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 39.0 MILES TO ROAD 7900 (INDIAN ROUTE 7061) (M.P. 112.6).
- 2) TURN RIGHT AND GO 1.7 MILES TO A DIRT ROAD WITH CATTLE GUARD.
- 3) TURN LEFT AND GO 0.6 MILES TO "Y" INTERSECTION.
- 4) TURN LEFT AND GO 0.9 MILES TO "T" INTERSECTION.
- 5) TURN LEFT AND GO 1.1 MILES TO ABANDONED 2-TRACK TO BE UPGRADED.

WELL FLAG LOCATED AT LAT. 36.235220° N, LONG.107.659374° W (NAD 83).



CCI

CHENAULT CONSULTING INC.

4800 COLLEGE BLVD. SUITE 201 FARMINGTON, NM 87402 (505)-325-7707

DATE: 02/21/19 DRAWN BY: GRR

EXHIBIT C. GROUND WATER REPORT

•



New Mexico Office of the State Engineer **Point of Diversion Summary**

			(quarters	are 1=N	W 2=N	IE 3=SW	4=SE)			
			(quarter	s are sma	allest to	o largest)		(NAD83 U	TM in meters)	
Well Tag	POD	Number	Q64 Q	16 Q4	Sec	Tws	Rng	Х	Y	
	SJ 0	4195 POD1		1 3	11	23N	08W	261123	4013544 🌍	
Driller Lice	ense:	1394	Driller C	ompar	ıy:	INC	GRAMS	S WELL SEF	RVICE, LLC	
Driller Nan	ne:	PECK, GILBER	Γ Ν.							
Drill Start	Date:	05/09/2016	Drill Fin	ish Dat	te:	0	5/27/20	16 Pl	ug Date:	
Log File Da	ate:	01/09/2017	PCW Rc	v Date	:			So	urce:	Shallow
Pump Type	e:		Pipe Disc	Pipe Discharge Size:					timated Yield:	6 GPM
Casing Size: 5.00			Depth W	Depth Well: 700 feet					t Depth Water:	
ζ.	Wate	er Bearing Stratif	ications:	To	op 1	Botton	Desc	ription		
					0	20	Sand	stone/Grave	l/Conglomerate	
				2	20	360	Sand	stone/Grave	l/Conglomerate	
				29	90	700	Sand	stone/Grave	/Conglomerate	
ζ.		Casing Per	forations:	To	op 1	Botton	l			
					0	20				
				2	20	700				

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

4/5/24 1:33 PM

POINT OF DIVERSION SUMMARY

EXHIBIT D. DISTANCE TO SURFACE WATER DIAGRAM

.

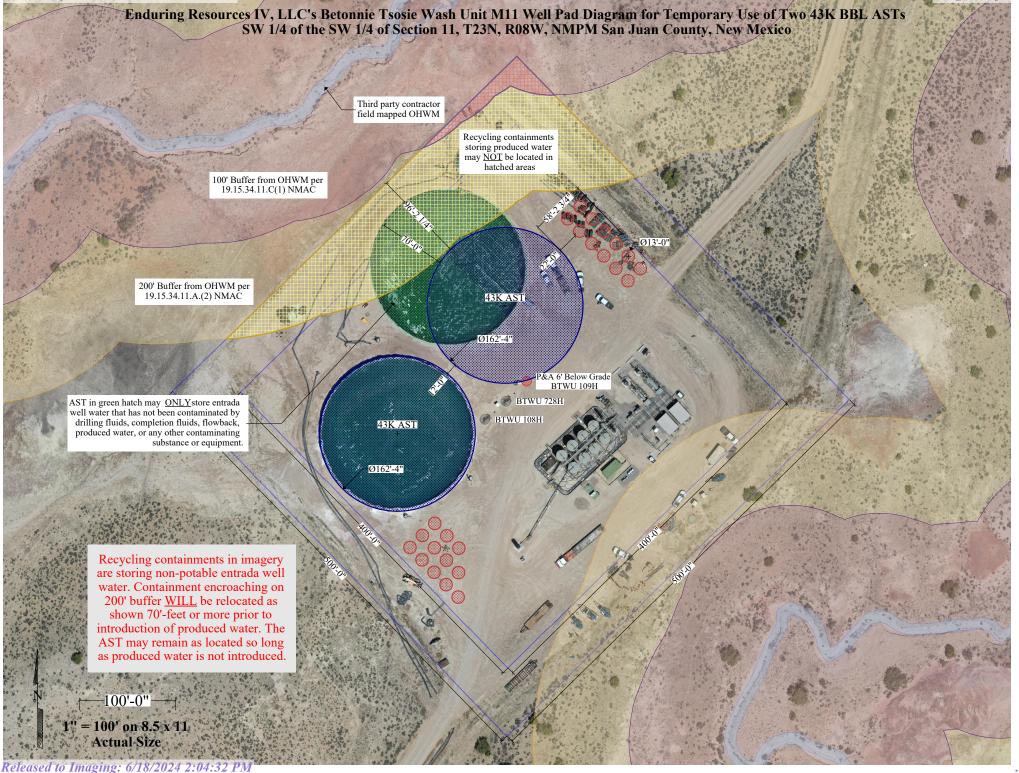
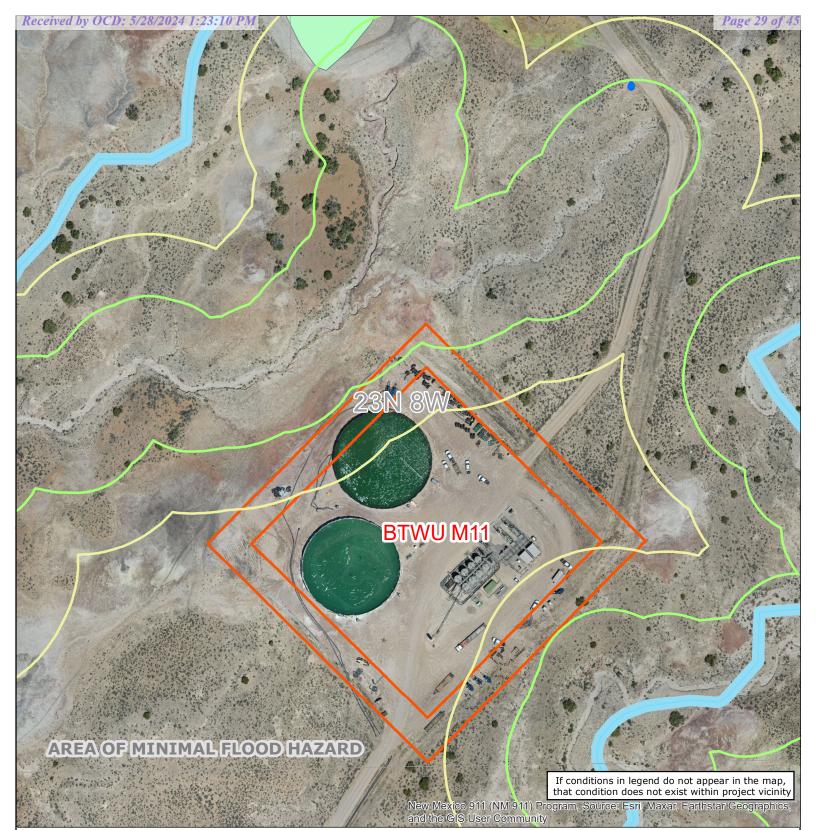


EXHIBIT E. SITING CRITERIA MAP

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BTWU M11 Containment Location

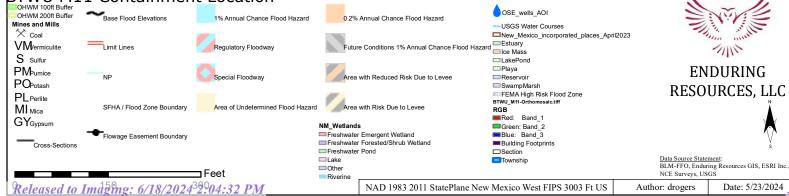
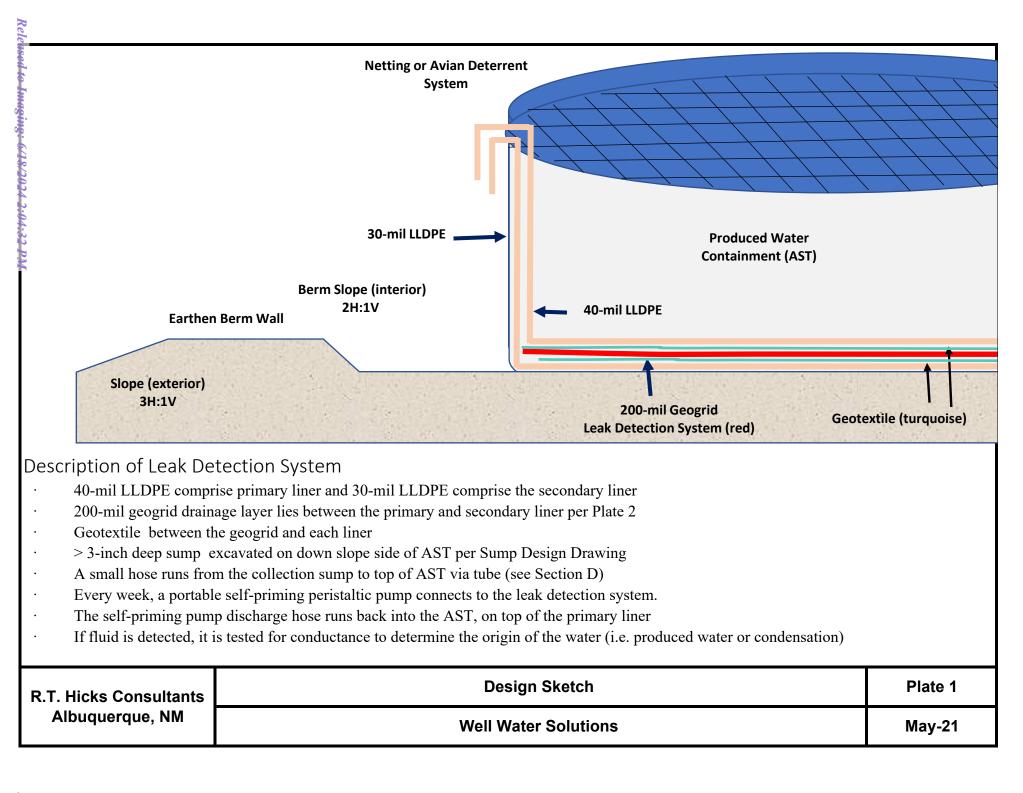


EXHIBIT F. MANUFACTURE SPECIFICATION

.



Page 31 of 45

Use laser level to determine slope of pad and low point of AST

200 mil geogrid placed

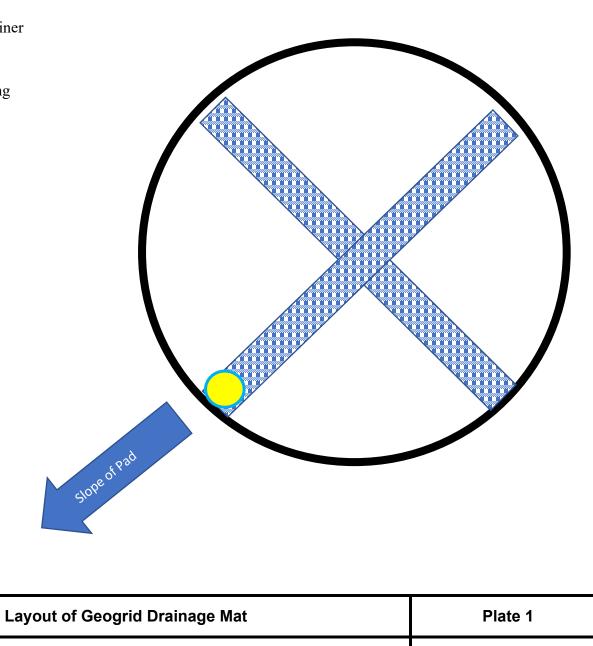
above 8-oz geotextile and 30-mil secondary liner inside of AST after set up, before install of primary liner below 40-mil primary liner

8-oz geotextile is placed

over the 30-mil LLDPE liner inside the steel AST ring under the 40-mil primary liner inside the AST

Sump at lowest point of the AST set up

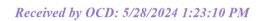






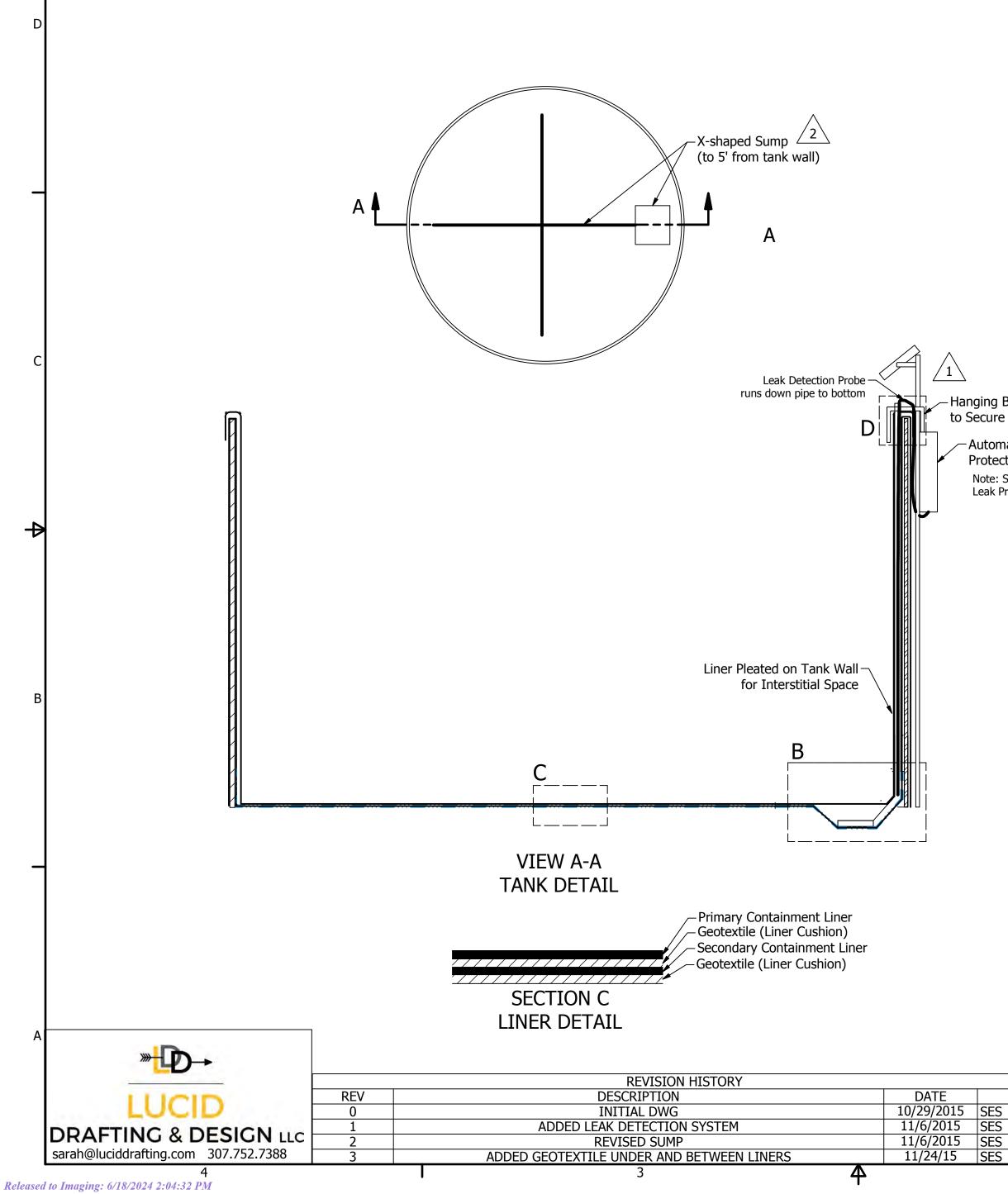
R.T. Hicks Consultants Albuquerque, NM

June 2021



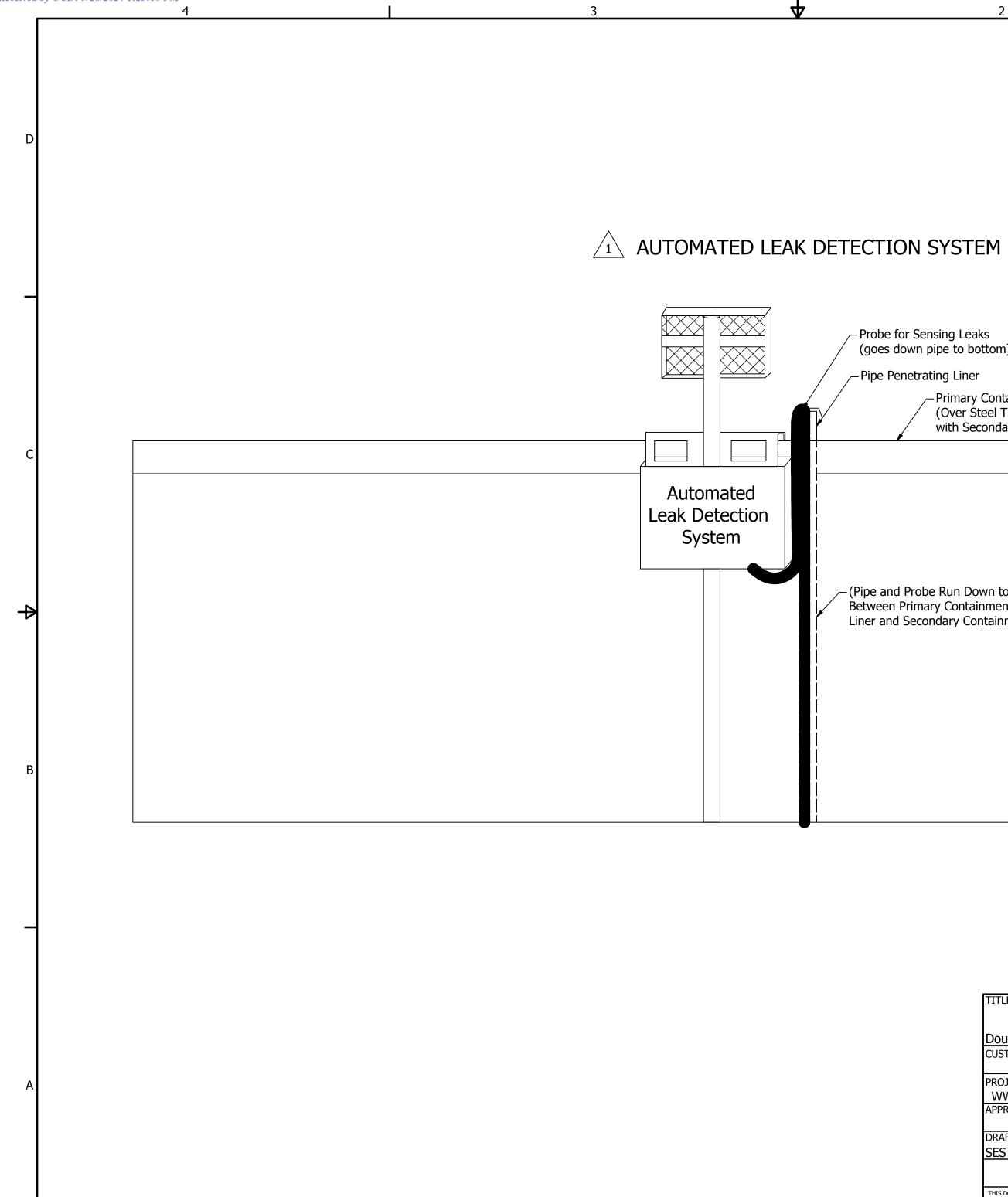
4

WWS DOUBLE-LINED FRAC WATER TANK SYSTEM



-Tube Penetrating Liner -Primary Containment Liner Steel Tank Wall Secondary Containment Liner SECTION D TUBE DETAIL (Automated Leak Detection System Removed for Clarity) Hanging Bracket to Secure to Side of Tank -Automated Leak Protection System Note: See Sheet 2 for Automated Leak Protection System Detail Secondary Containment Liner-Primary Containment Liner -Steel Tank Wall Geotextile (Liner Cushion) Extends 1 ft up side of tank wall, typ. -Geotextile (Liner Cushion) B Perforated Tube for Collection of Leakage Fill up to Wall SECTION B SUMP DETAIL TITLE Double-Lined Frac Tank System CUSTOMER PROJECT/JOB WWS Double-Lined Tank System APPROVAL AND RENTALS, INC. DRAFTER DATE 10/28/2015 BY SES DWG NO REV SIZE С LDD15-WWS-02 3 THIS DOCUMENT IS THE PROPERTY OF WWS AND MAY NOT BE REPRODUCED OR DISTRIBUTED TO THIRD PARTIES WITHOUT THE PRIOR CONSENT OF WWS. SHEET 1 OF 2 1

Page 33 of 45



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4

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В

2

Probe for Sensing Leaks (goes down pipe to bottom)

Primary Containment Liner
 (Over Steel Tank Wall
 with Secondary Containment Liner)

(Pipe and Probe Run Down to Bottom of Tank Between Primary Containment Liner and Secondary Containment Liner)

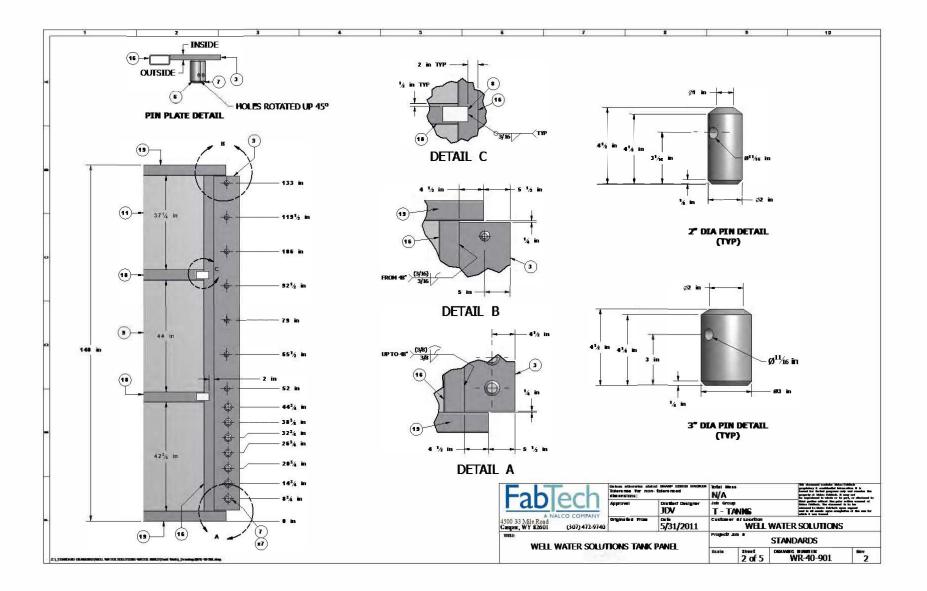
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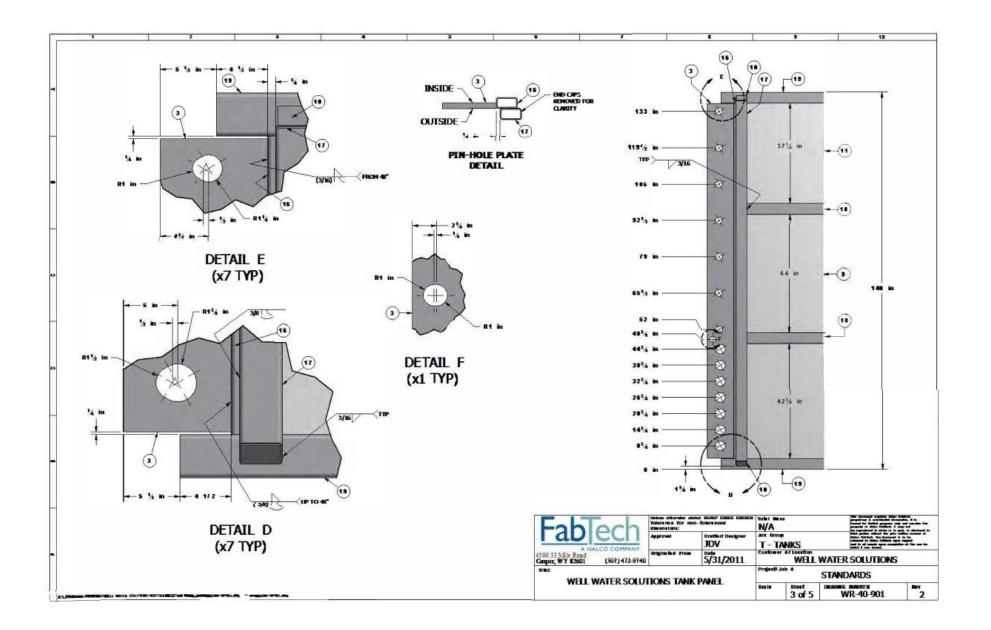
TITLE Double-Lined Frac Tai CUSTOMER PROJECT/JOB WWS Double-Lined Tai APPROVAL DRAFTER	ank System		W	ELL ATE OLL	R JTIONS RENTALS, INC.	
SES	10/28/2015	SIZE		DWG N	0	REV
		C		LDD	15-WWS-02	3
THIS DOCUMENT IS THE PROPERTY OF WWS THIRD PARTIES WITHOUT THE PRIOR CONS	S AND MAY NOT BE REPRODUCED OR DISTRIBUTED TO ENT OF WWS.		*		SHEET 2 OF 2	

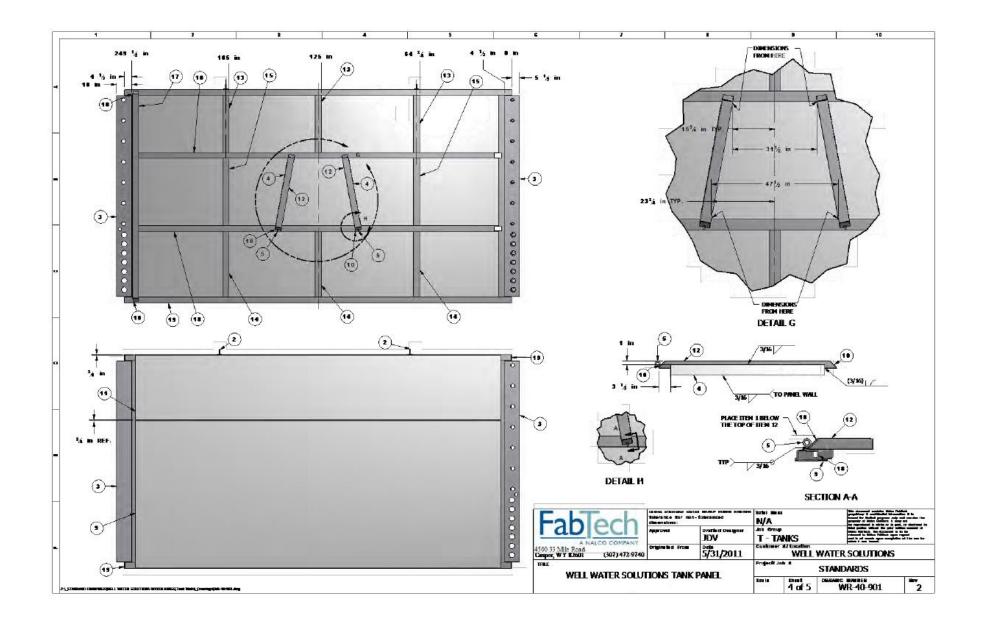
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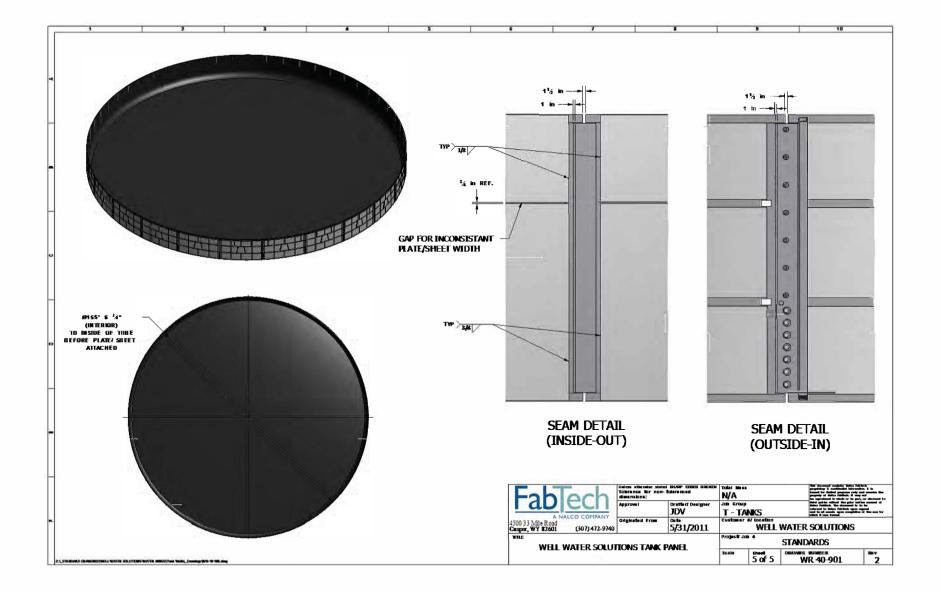
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1					Partes List			
CK	TEM	qıy	DE SCRIPTION	HED TH	LENGTH	MADERIAL	CLENGTH (in)	WEIGHT
	1	14	BAR, ROUND, 5/ 8" (LOCK PM)		6 1/2 in	A36	6.50	
-	2	2	D- RBIG, 1/2" B38, WORKING LOAD 4080 bs	-		A29/ A29M - 91 1045(C-1045), MODIFIED TO WELD DOWN		2
	3	2	FBAR, 1"	10 in	131 1/2 in	A36	131.50	373
-	4	2	FBAR, 10GA	3 in	43 1/8 in	A36		99
	5	2	PAD EYE, #2			CROSEY GROUP, S- 264		
	6	7	PM, 2" DIA		4 1/2 in	KUSIOM KONCEPTS, AIO18	31.50	3
	7	7	PN, 3 * DIA	-		KUSIOM KONCEPTS, AIOTO	31.50	
-		2	PLATE, 3/16"	3 in	4 1/2 in 5 in	ASS	10.00	
		-	PLATE, 3/16"	5 m	246 in	A36	248.00	156
-	10				3 3/4 in	A36	22.50	2
	11		SHEET, 10GA					50
	-	1	SHEET, 10GA	42 1/2 in				
_	12	2	TUBE, 4" x 2" x 1/ 4" (WIER BOTH ENDS)		52 in	ASOOB CLEAN COAT		55
-	13	3	TUBE, 4" x 2" x 3/16"		37 1/4 in	ASOOB CLEAN COAT	74.50	43
	14	3	TUBE, 4" x 2" x 3/16"		42 3/4 in	ASOOB CLEAN COAT	128.25	74
	15	2	TUBE, 4" x 2" x 3/16"		44 in	ASOOB CLEAN COAT	88.00	50
	15	2	TUBE, 4" x 2" x 3/16"	-	132 in	ASOOB CLEAN COAT	264.00	151
_	17	1	TUBE, 4" x 2" x 3/16" (MITER BOTH ENDS)		137 1/2 in	ASOOB CLEAN COAT	137.50	78
	18	2	TUBE, 4" x 2" x 3/16", (RQLL TO 155'- 6 7/8" LD.)		236 3/8 in	ASOOB CLEAN COAT		271
	19	2	TUBE, 4" z 2" z 3/16", (ROLL 10 155'- 6 7/8" LD.)		253 7/8 in	ASOOB CLEAN COAT	507.75	291
		+++			IE5 :	INSIDE EDGE OF TANK		
							10	
. –			BE VISION DATE Standardizze notations 1/17/2912 ADDED THEME 7, 8, 4 16	-TH -TW -TW -TW -TW -TW -TW -TW -TW -TW -TW		COMPANY C		NS









TANK SIZE CHART

TANK SIZE BBLS	PANEL COUNT	INSIDE DIAMETER (FEET)	VOLUME BBLS	BBLS/INCH	SECONDARY CONTAINMENT (ADD 2 PANELS)	SECONDARY CONTAINMENT DIAMETER	TOTAL FEET OF CONTAINMENT
6,000	9	60' 2"	6,090	43.5	11	75'	234'
10,000	12	81' 2"	10,753	76.8	14	95'	298'
13,000	13	87' 10-5/8"	12,609	90.1	15	101'	318'
17,000	15	101.4285	16,800	120	17	115'	361'
20,000	16	108' 2"	19,115	136.53	18	122'	384'
22,000	17	114' 11-7/16"	21,564	154.03	19	135'	426'
27,000	19	128' 6-1/4"	26,954	192.53	21	142'	446"
30,000	20	135' 3-3/8"	29,867	213.35	22	149'	468'
33,000	21	142' 0-9/16"	32,928	235.2	23	156'	489'
36,000	22	148' 9-11/16"	36,139	258.14	24	163'	510'
40,000	23	155' 6-7/8"	39,499	282.14	25	170'	532'
43,000	24	162' 4-1/16"	43,008	307.2	26	176'	553'
47,000	25	169' 1-3/16"	46,667	333.34	27	183'	574'
50,000	26	175' 10-5/16"	50,475	360.54	28	190'	595'
55,000	27	182' 7-9/16"	54,433	388.8	29	196'	617'
60,000	28	189' 4-11/16"	58,539	418.14	30	203'	638'
62,500	29	196' 1/16"	62,500	446.43	31	210'	658'
67,000	30	202' 10 6/16"	66,885	477.75	32	216'	678'
72,000	31	209' 7-7/16"	71,705	512.18	33	223'	701'
77,000	32	216' 4-9/16"	76,405	545.75	34	230'	722'
81,000	33	223' 1-11/16"	81,254	580.39	35	237'	744'

R	U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report 05/28/2024
	Well Name: BETONNIE TSOSIE UNIT	Well Location: T23N / R8W / SEC 11 / SWSW / 36.23522 / -107.659374	County or Parish/State: SAN JUAN / NM
	Well Number: 108H	Type of Well: OIL WELL	Allottee or Tribe Name:
	Lease Number: NMNM76842	Unit or CA Name:	Unit or CA Number: NMNM135219A
	US Well Number: 3004535515	Operator: DJR OPERATING LLC	

Notice of Intent

Sundry ID: 2792626

Type of Submission: Notice of Intent

Date Sundry Submitted: 05/28/2024

Date proposed operation will begin: 05/28/2024

Type of Action: Other Time Sundry Submitted: 01:16 5

Procedure Description: DJR has executed the water storage plan approved in the Betonnie Tsosie Wash Unit 305H, 306H, 721H, 401H, 402H, and 732H APDs to set AST tanks for drilling and completion operations on this location. This is to serve as surface owner notice in accordance with 19.15.34.10.A NMAC as required by NMOCD for C-147 recycling containment registration.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

20240507_Enduring_BTWU_M11_C147_Package_20240528131522.pdf

Received by OCD: 5/28/2024 1:23:10 PM Well Name: BETONNIE TSOSIE UNIT	Well Location: T23N / R8W / SEC 11 / SWSW / 36.23522 / -107.659374	County or Parish/State: SAN 42 of JUAN / NM
Well Number: 108H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM76842	Unit or CA Name:	Unit or CA Number: NMNM135219A
US Well Number: 3004535515	Operator: DJR OPERATING LLC	

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: HEATHER HUNTINGTON

Signed on: MAY 28, 2024 01:15 PM

Name: DJR OPERATING LLC

Title: Permitting Technician

Street Address: 200 Energy Court

City: Farmington

State: NM

Phone: (505) 636-9751

Email address: HHUNTINGTON@ENDURINGRESOURCES.COM

State:

Field

Representative Name: Street Address: City: Phone: Email address:

Zip:

Venegas, Victoria, EMNRD

From:	Venegas, Victoria, EMNRD
Sent:	Tuesday, June 18, 2024 1:55 PM
То:	Heather Huntington
Subject:	3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878]
Attachments:	C-147 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878]
	06.18.2024.pdf

3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878]

NMOCD has reviewed the recycling containment permit application and related documents, submitted by [371838] DJR OPERATING, LLC on 05/28/2024 Application ID 348393, for 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] in M-11-28N-08W, San Juan County, New Mexico. [371838] DJR OPERATING, LLC requested variances from 19.15.34 NMAC for 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878].

The following variances have been approved:

- The variance to 19.15.34.12.A.(2) NMAC for the no side-slope requirement for the AST containment with vertical walls is approved.
- The variance to 19.15.34.12.A.(3) NMAC for the liners to be anchored to the top of the AST steel walls with clips and no anchor trenches is approved.
- The variance to 19.15.34.12.A.(4) NMAC for the installation on the AST containment of a 40-mil nonreinforced LLDPE primary liner is approved. [371838] DJR OPERATING, LLC proposes the use of a 40-mil LLDP E primary liner and 30-mil LLPDE secondary liner provided by Water Well Solutions and Rentals, Inc.

The form C-147 and related documents for 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is approved with the following conditions of approval:

- The purpose of this permit is for oil and gas activities regulated under the NMAC 19.15.34.3 STATUTORY AUTHORITY: 19.15.34 NMAC is adopted pursuant to the Oil and Gas Act, Paragraph (15) of Section 70-2-12(B) NMSA 1978, which authorizes the division to regulate the disposition of water produced or used in connection with the drilling for or producing of oil and gas or both and Paragraph (21) of Section 70-2-12(B) NMSA 1978 which authorizes the regulation of the disposition of nondomestic wastes from the exploration, development, production or storage of crude oil or natural gas.
- 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is approved for five years of operation from the date of permit application of 05/28/2024.
- 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] permit expires on 05/28/2029. If [371838] DJR OPERATING, LLC wishes to extend operations past five years, an annual permit extension request must be submitted using an OCD form C-147 through <u>OCD Permitting</u> by 04/28/2029.
- 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] consists of two (2) above ground tank (ASTs) containments of 43,000.00 BBL each and thirty (30) 400 bbl vertical frac tanks. [371838] DJR OPERATING, LLC must submit a "recycling facility" modification in the event the number of frac tanks exceeds the approved number of thirty (30) 400 bbl vertical frac tanks.
- The AST containment encroaching on the 200-foot buffer zone must be relocated 70 feet or more, as shown on page 24, prior to the introduction of produced water. The AST may remain as it is located as long as

produced water is not introduced into the containment. [371838] DJR OPERATING, LLC <u>must</u> notify OCD when the AST mentioned is relocated.

- Water reuse and recycling from 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is limited to wells owned or operated by [371838] DJR OPERATING, LLC per 19.15.34.15(A)(2) NMAC.
- [371838] DJR OPERATING, LLC shall construct, operate, maintain, close, and reclaim 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] in compliance with NMAC 19.15.34 NMAC.
- [371838] DJR OPERATING, LLC shall notify OCD, through OCD Permitting when construction of 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] commences.
- [371838] DJR OPERATING, LLC shall notify NMOCD through OCD Permitting when recycling operations commence and cease at 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878].
- A minimum of 3-feet freeboard must be maintained at 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] at all times during operations.
- If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdrawal, operations of the 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the cessation of operation, not to exceed six months, may be submitted using a C-147 form through OCD Permitting. If after that 6-month extension period, the 3RF-72 BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.
- [371838] DJR OPERATING, LLC shall submit monthly reports of recycling and reuse of produced water, drilling fluids, and liquid oil field waste on OCD form C-148 via OCD Permitting even <u>if there is zero activity</u>.
- [371838] DJR OPERATING, LLC shall inspect the recycling containment and associated leak detection systems weekly while it contains fluids. The operator shall maintain a current log of such inspections and make the log available for review by the division upon request according to 19.15.34.13.A.
- [371838] DJR OPERATING, LLC shall comply with 19.15.29 NMAC Releases in the event of any release of produced water or other oil field waste at 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878].
- Per 19.15.34.14.G The re-vegetation and reclamation obligations imposed by federal, state trust land or tribal agencies on lands managed by those agencies shall supersede these provisions and govern the obligations of any operator subject to those provisions, provided that the other requirements provide equal or better protection of fresh water, human health and the environment.

Please reference number 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] in all future communications. Regards,

Victoria Venegas • Environmental Specialist Environmental Bureau EMNRD - Oil Conservation Division 506 W. Texas Ave. Artesia, NM 88210 (575) 909-0269 | <u>Victoria.Venegas@emnrd.nm.gov</u> https://www.emnrd.nm.gov/ocd/



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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
ENDURING RESOURCES, LLC	372286
6300 S Syracuse Way	Action Number:
Centennial, CO 80111	348393
	Action Type:
	[C-147] Water Recycle Long (C-147L)

CONDITIONS Created By Condition Condition Date • 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] is approved for five years of operation from the date of permit application of 6/18/2024 vvenegas 05/28/2024. • 3RF-72 - BETONNIE TSOSIE WASH UNIT M11 FACILITY ID [fVV2416953878] permit expires on 05/28/2029. If [371838] DJR OPERATING, LLC wishes to extend operations past five years, an annual permit extension request must be submitted using an OCD form C-147 through OCD Permitting by 04/28/2029.

Action 348393

Page 45 of 45