



Enduring Resources IV, LLC

Main Office- 6300 S. Syracuse Way Suite 525 Centennial, CO 80111

Field Office- 200 Energy Court Farmington, NM 87401

Field Office: 505.636.9720 | Main Office: 303.573.1222

June 10, 2025

Enduring Resources, LLC

Nageezi Unit M25 Staging and G-Tank Area- 3RF-75

Recycling Facility/Containment Cessation Request for 19.15.34 NMAC

New Mexico Oil Conservation Division Attn: Victoria Venegas

Enduring Resources is requesting a cessation of operations for the Nageezi Unit M25 Staging and G-Tank Area (3RF-75) Water Recycling Facility. In accordance with 19.15.34.13.C NMAC, "A recycling containment shall be deemed to have ceased operations if less than twenty percent of the total fluid capacity is used every six months following the first withdrawal of produced water for use. The operator must report cessation of operations to the division."

Enduring is requesting a cessation of operations from 6/2025 through the end of 11/2025. The division may grant an extension to this determination of cessation of operations not to exceed six months. Enduring has included records for the last 6 months of inspections at this facility. Note, during the last 6 months, water storage tanks have been temporarily removed from the facility and will be reinstalled before operations resume. Enduring will follow all regulations set forth under NMAC 19.15.34 for operations at this facility.

Thank You,

Heather Huntington

Heather Huntington

Regulatory Specialist

Enduring Resources

hhuntington@enduringresources.com

505-636-9751

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

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

Form C-147
Revised April 3, 2017

Recycling Facility and/or Recycling Containment

Type of Facility: Recycling Facility Recycling Containment*
Type of action: Permit Registration
 Modification Extension
 Closure Other (explain) Cessation Request 06/2025-11/2025

* 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): Nageezi Unit M25 Staging and G-Tank Area
OCD Permit Number: 3RF-75 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr M Section 25 Township 24N Range 09W County: San Juan
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.
 Recycling Facility:
Location of recycling facility (if applicable): Latitude 36.280341 Longitude -107.748621 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*
 Other, *requires permit for other uses. Describe use, process, testing, volume of produced water and ensure there will be no adverse impact on groundwater or surface water.*
 Fluid Storage
 Above ground tanks Recycling containment Activity permitted under 19.15.17 NMAC explain type _____
 Activity permitted under 19.15.36 NMAC explain type: _____ Other explain _____
 For multiple or additional recycling containments, attach design and location information of each containment
 Closure Report (required within 60 days of closure completion): Recycling Facility Closure Completion Date: _____

3.
 Recycling Containment:
 Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 36.280341 Longitude -107.748621 NAD83
 For multiple or additional recycling containments, attach design and location information of each containment
 Lined Liner type: Thickness 40 mil LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other _____ Volume: 60,000 bbl Dimensions: Diameter 190' x Height 12'
 Recycling Containment Closure Completion Date: _____

4.

Bonding:

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.

5.

Fencing:

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 H**

6.

Signs:

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

Signed in compliance with 19.15.16.8 NMAC

7.

Variiances:

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:

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.

8.

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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA |
| 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain. FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

9.

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 D 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) –

10.

Operator Application Certification:

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: 06/10/25
 e-mail address: hhuntington@enduringresources.com Telephone: 505-636-9751

11.

OCD Representative Signature: Victoria Venegas Approval Date: 06/11/2025
 Title: Environmental Specialist OCD Permit Number: 3RF-75
 OCD Conditions
 Additional OCD Conditions on Attachment

NU M25 AST Leak Dtetection

| DATE | LEAK DETECTION |
|------------|----------------|
| 9/18/2024 | 0" |
| 9/25/2024 | 0" |
| 10/2/2024 | 0" |
| 10/9/2024 | 0" |
| 10/16/2024 | 0" |
| 10/23/2024 | 0" |
| 10/30/2024 | 0" |
| 11/6/2024 | 0" |
| 11/13/2024 | 0" |
| 11/20/2024 | 0" |
| 11/27/2024 | 0" |
| 12/4/2024 | 0" |
| 12/11/2024 | 0" |
| 12/18/2024 | 0" |
| 12/25/2024 | 0" |
| 1/1/2025 | 0" |
| 1/8/2025 | 0" |
| 1/15/2025 | 0" |
| 1/22/2025 | 0" |
| 1/29/2025 | 0" |
| 2/5/2025 | AST RELEASED |

From: [Heather Huntington](#)
To: [Jeff Tafoya](#)
Subject: DJR Operating Nageezi Unit M25 Staging and G-Tank Area AST Notice of Cessation of Operations
Date: Tuesday, June 10, 2025 2:14:00 PM

Good afternoon Mr. Tafoya,

Enduring Resources is requesting a cessation of operations from NMOCD for the DJR Operating Nageezi Unit M25 Staging and G-Tank Area. In accordance with 19.15.34.10.A NMAC, Enduring Resources is required to notify the surface owner of the request, which in this case is BLM. Please consider this email as surface owner notification of this extension request. The requested extension is in accordance with 19.15.34.13.C NMAC, "A recycling containment shall be deemed to have ceased operations if less than twenty percent of the total fluid capacity is used every six months following the first withdrawal of produced water for use. The operator must report cessation of operations to the division."

Enduring is requesting a cessation of operations from 06/2025 through the end of 11/2025. There have been no indications that the leak detection system integrity is compromised. Enduring will continue to operate the facility per regulations in 19.15.34 NMAC.

This email is the surface owner notification of this permit extension request. 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.

Please let us know if you have any questions.

Thank you,

Heather Huntington
Enduring Resources Permitting Technician
505-636-9751

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, June 11, 2025 2:12 PM
To: hhuntington@enduringresources.com
Subject: •3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585]
Attachments: C-147 3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585] 06.11.2025.pdf

3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585]

Good afternoon Ms. Huntington.

NMOCD has reviewed the cessation of operations extension request and related documents, submitted by [371838] DJR OPERATING, LLC on 6/10/2025, Application ID **472853**, for 3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585] in M-25-24N-09W, San Juan County, New Mexico. The extension of the cessation of operations is approved with the following conditions of approval:

- 3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585] extension of cessation of operations is approved from June 1, 2025, to December 1, 2025. **However, if after this 6-month period, the containment was 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 will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [371838] DJR OPERATING, LLC may maintain a higher liquid level if they choose.
- [371838] DJR OPERATING, LLC will provide written notice to OCD Permitting at least 72 hours, but no more than one week, prior to 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.
 - At the resumption of recycling operations, [371838] DJR OPERATING, LLC is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
 - [371838] DJR OPERATING, LLC will fill the containment. [371838] DJR OPERATING, LLC will pause filling operations at every 10% of total fluid capacity above the minimum level.
 - [371838] DJR OPERATING, LLC will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operate the leak detection system at the end of the 24-hour period.
 - If there are no liquids present in the leak detection system, [371838] DJR OPERATING, LLC 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.
 - If liquids are present, [371838] DJR OPERATING, LLC should immediately cease the incremental fill test and perform a liner inspection. [371838] DJR OPERATING, LLC should provide written notice of the fluid detection and liner inspection findings to OCD via OCD Permitting using a C-147 Long with the “Other” box checked and “Notice of fluid detection” written as the explanation of “Other.”
 - If the detected fluid is confirmed to be produced water, [371838] DJR OPERATING, LLC must comply with 19.15.34.13 [371838] DJR OPERATING, LLC must provide written notification to OCD Permitting 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.
 - [371838] DJR OPERATING, LLC must submit copies of the detailed containment inspection records for the prior three months and a report detailing the incremental fluid level test process and results through OCD Permitting 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 affects 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.

- [371838] DJR OPERATING, LLC will continue to operate, maintain, and close 3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [fVV2425356585] in compliance with 19.15.34 NMAC, to include but not limited detailed inspection records, removal of trash/oil from containment, and monthly C-148 reporting (even if there is zero activity).
- A minimum of 3-feet freeboard must always be maintained in the recycling containment during operations.

Please let me know if you have any additional questions.

Regards,

Victoria Venegas ● Environmental Specialist Advanced
EMNRD - Oil Conservation Division
506 W. Texas Ave. Artesia, NM 88210
575.909.0269 | Victoria.Venegas@emnrd.nm.gov

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 472853

CONDITIONS

| | |
|---|---|
| Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401 | OGRID: 371838 |
| | Action Number: 472853 |
| | Action Type: [C-147] Water Recycle Long (C-147L) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|---|----------------|
| vvenegas | • 3RF-75 - NAGEEZI UNIT M25 STAGING AND G-TANK AREA FACILITY [FVV2425356585] extension of cessation of operations is approved from June 1, 2025, to December 1, 2025. However, if after this 6-month period, the containment was 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. | 6/11/2025 |