C-147 REGISTRATION PACKAGE

Ponderosa Unit F31 AST Pad
Recycling Containment and Recycling Facility

August 2025

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

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) _____

*** 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): **Ponderosa Unit F31 AST Pad**

OCD Permit Number: _____ (For new facilities the permit number will be assigned by the district office)

U/L or Qtr/Qtr **SE/NW** Section **31** 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 **36.273224** Longitude **-107.833266** 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 **36.273224** Longitude **-107.833266** 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.

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:

☒ 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	☐ Yes ☒ No ☐ 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	☐ 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

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) **– C-147 package is being submitted concurrently to the Division and BLM FFO. See Exhibit C of the C-147 Registration Package for additional surface owner notification.**

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: **08/06/25**
e-mail address: **hhuntington@enduringresources.com** Telephone: **505-636-9751**

11.
OCD Representative Signature: Victoria Venegas **Approval Date:** 08/13/2025
Title: Environmental Specialist **OCD Permit Number:** 3RF-90
☒ OCD Conditions
☒ Additional OCD Conditions on Attachment

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1. INTRODUCTION

Applicant	DJR Operating, LLC - Enduring Resources, LLC & DJR Operating, LLC are wholly owned subsidiaries of Enduring Resources IV, LLC. Leases, rights of ways, wells, and other property interests will continue to be held in their current entity names.
OGRID	371838
Project Name	Ponderosa Unit F31 AST Pad Recycling Containment and Recycling Facility
Project Type	Recycling Facility & Recycling Containment
Legal Location	Southeast ¼ of the Northwest ¼ of Section 31, Township 24N, Range 09W
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) a subsidiary company of Enduring Resources IV, LLC requests registration of their Ponderosa Unit F31 AST Pad (Ponderosa F31 AST Pad) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package.

The recycling containment will consist of one 60,000 barrel (bbl) above ground storage tank (AST). 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.* This AST containment falls within this definition and must meet all applicable requirements of a Recycling Containment in Rule 19.15.34 NMAC.

The recycling facility will consist of up to thirty 400 bbl vertical frac tanks with a consolidated volume of 12,000 bbls to treat (mechanical and chemical reconditioning process) produced water for reuse. DJR will only set as many tanks anticipated to be needed based on incoming volumes and extent of treatment necessary. 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 containment 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 and containment will be used as part of a permitted operation for drilling, completing, and producing DJR Operating, LLC and Enduring Resources, LLC wells.

See Exhibit A for site survey plat and Exhibit B for a site diagram of the proposed AST and recycling facility layout. This facility will not be used for the disposal of produced water.

The Ponderosa Unit F31 AST Pad is located at 36.273224° N, -107.833266° W, within Section 31, Township 24N, Range 09W, 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 and water recycling. This AST pad was planned as associated infrastructure to DJR's Ponderosa Unit 2409-F31 well pad project and permitted via four approved Applications for Permit to Drill from this location. See Exhibit C, approved Form 3160-3 Application for Permit to Drill or Reenter for the Ponderosa F31 2409 Federal COM 124H (30-045-38371) one of the four approved APDs detailing use of this AST pad. Additionally, 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 supplemental information to NMOCD Form C-147 that is required for registration, including siting criteria and demonstrations, design and construction plan, operating and maintenance plan, closure plan, closure and site reclamation requirements, and surface owner notification.

Upon approval of this registration, the recycling containment located at this facility will be operated for up to five years.

If the AST containment is found to be needed beyond five years, DJR will submit annual extensions to NMOCD on Form C-147 at least 30 days prior to expiration. The extension request will include a summary of all monthly inspections of the containment, including monitoring of the leak detection system indicating that the containment's integrity has not been compromised.

2. SITING CRITERIA

2.1. Depth to Groundwater 19.15.34.11 A.(1)

Per 19.15.34.11 B. NMAC, DJR requests use of POD SJ-01714 in the Southwest ¼ of the Southeast ¼ of Section 36, Township 24N, Range 10W. This water well was drilled to a total depth of 442 feet with depth to ground water measured at 284 feet. This water well is located approximately 4,500 feet southwest of the Ponderosa F31 Staging Area. With the proposed containment being an above ground tank, water depth of 284 feet, and AST pad elevation 80 plus vertical feet (downgradient) from this water well, the groundwater depth is greater than 50 feet below the bottom of the recycling containment. See Exhibit D for the water well summary. Additional average depth to ground water information can be found below.

Average, Minimum, and Maximum depth to ground water within T24N R09W = 742', 515', 1073'
Average, Minimum, and Maximum depth to ground water within T23N R09W = 3516', 173', 6830'
Average, Minimum, and Maximum depth to ground water within T24N R10W = 439', 284', 595'
Average, Minimum, and Maximum depth to ground water within T23N R10W = No report data available

2.2. Distance to Surface Water 19.15.34.11 A.(2)

There are no continuously flowing watercourses within 300 feet; nor, any other significant watercourse or lakebeds, sinkholes, or playa lakes within 200 feet of the proposed AST.

DJR contracted Barr Engineering Co. (Barr) in June of 2025 to assess all surrounding drainages per 19.15.34.11 A.(2) NMAC. In the report provided to DJR, Barr Summarized the following. This report is attached hereto as Exhibit F:

> *Based on the regulatory framework (Section 1), evaluation of the survey area, and the USACE Albuquerque District's current policies regarding jurisdictional determinations, it is Barr's professional opinion that under the current CWA rule, there are no features present in the survey area that would be considered jurisdictional WOTUS.*
>
> *Pursuant to 19.15.34 NMAC, no drainages with an OHWM were observed within 300 feet of the Ponderosa F31 2409 Federal Com G-Tank/Staging Area pad. No FEMA 100-year flood zones are in the survey area. These conclusions are based on Barr's professional opinion. The USACE has the final regulatory authority to determine the presence and extent of jurisdictional WOTUS. The NMOCD has the final regulatory authority for determining the presence of continuously flowing watercourses, significant watercourses, or wetlands and their boundaries for the permitting and registration applicable to 19.15.34 NMAC.*

2.3. Distance to Structures 19.15.34.11 A.(3)

The recycling 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 Map 2, there are no permanent residences, schools, hospitals, institutions, or churches within the 1000-foot buffer ring of the staging area. A field visit verified there has been no new structure erected since the aerial imagery was obtained.

2.4. Distance to Non-Public Water Supply and Springs 19.15.34.11 A.(4)

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 Exhibit E Map 1 and 2. Map 1 shows wells and springs/seeps regardless of use type in the surrounding area and Map 2 shows that no water wells, springs, or seeps are located within the 500-foot buffer of the pad. The nearest fresh water well according to New Mexico Office of the State Engineer (NM-OSE) for domestic or stock water use is referenced above in subsection 2.1 at 4,500 feet away. Nearest spring/seep according to the National Hydrologic Dataset (NHD) is 2.75 miles South-Southwest.

The historic pond seen immediately east-northeast of the AST pad within the 500-foot buffer ring on Exhibit E Map 2 was a manmade dirt tank that has since silted in and the containment berm eroded away. There are no nearby springs/seeps or water wells that would have supplied water to this dirt tank.

2.5. Distance to Municipal Boundaries and Defined Municipal Fresh Water Well Fields 19.15.34.11 A.(5)

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. Please see Exhibit E Map 1 showing the nearest municipal boundary being Bloomfield New Mexico approximately 29.7 miles Northwest.

2.6. Distance to Wetland 19.15.34.11 A.(6)

The recycling facility/containment is not located within 500 feet of a wetland per the evidence provided below and detailed in the Aquatic Resource Delineation Technical Memorandum attached hereto as Exhibit F.

According to the US Fish and Wildlife Service National Wetland Inventory (NWI) and Exhibit E Map 2, the proposed site is located within 500 feet of an ephemeral drainage that has been mapped as “Riverine” with classification code: R4SBJ and within 500-feet of a pond with classification code: PUS2A. Please see decoded descriptions below from US Fish and Wildlife Service for each of these.

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. **Some areas exhibiting this Water Regime do not fall within our definition of wetland because they do not have hydric soils or support hydrophytes. This Water Regime is generally limited to the arid West.***

PUS2A:

> *System **Palustrine (P)** : The Palustrine System includes all nontidal wetlands dominated by trees, shrubs, persistent emergents, emergent mosses or lichens, and all such wetlands that occur in tidal areas where salinity due to ocean-derived salts is below 0.5 ppt. It also includes wetlands lacking such vegetation, but with all of the*

following four characteristics: (1) area less than 8 ha (20 acres); (2) active wave-formed or bedrock shoreline features lacking; (3) water depth in the deepest part of basin less than 2.5 m (8.2 ft) at low water; and (4) salinity due to ocean-derived salts less than 0.5 ppt.

*Class **Unconsolidated Shore (US)** : Includes all wetland habitats having two characteristics: (1) unconsolidated substrates with less than 75 percent areal cover of stones, boulders or bedrock and; (2) less than 30 percent areal cover of vegetation. Landforms such as beaches, bars, and flats are included in the Unconsolidated Shore class.*

*Subclass **Sand (2)** : The unconsolidated particles smaller than stones are predominantly sand, although finer or coarser sediments may be intermixed.*

*Water Regime **Temporary Flooded (A)** : Surface water is present for brief periods (from a few days to a few weeks) during the growing season, but the water table usually lies well below the ground surface for the most of the season.*

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.

DJR contracted Barr Engineering Co. (Barr) in June of 2025 to assess all surrounding drainages per 19.15.34.11 A.(2) NMAC. In the report provided to DJR, Barr Summarized the following. This report is attached hereto as Exhibit F:

The mapped NWI impounded wetland (pond) associated with this channel, as shown on Map 1, was site verified to not exist. Photograph 3 shows the existing conditions at this location. Vegetation is comprised of saltcedar (Tamarix sp.), greasewood (Sarcobatus vermiculatus), and Russian knapweed (Acroptilon repens). No wetland or open water features occur within the project area or 500 feet of the site boundary.

The field survey verified the absence of any wetlands or other surface water features in the survey area. No significant watercourses were identified within 200 feet of the site and no open water or wetland indicators were recorded within 500 feet of the Ponderosa F31 2409 Federal Com G-Tank/Staging Area during the site visit in July 2025.

2.7. Distance to Subsurface Mines 19.15.34.11 A.(7)

According to New Mexico Energy, Minerals and Natural Resources Department (EMNRD) Mining and Minerals Divisions database, there are no subsurface mines in Township 24N, Range 9W, San Juan County, New Mexico. See Exhibit E Map 1 showing mines regardless of status near the project area. The nearest EMNRD recorded permit (being a withdrawn permit) is a Humate pit approximately 20 miles southeast.

2.8. Site Stability 19.15.34.11 A.(8)

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

The following additional best management practices will be implemented during pad construction to prevent equipment settling and ensure site stability.

- Prior to earthwork, all trees (if applicable) and slash/brush, will be mulched and incorporated into the topsoil. Tree roots and trucks will be removed from the site. The topsoil (vegetative root layer) and mulched organic matter will be stripped from location and windrowed along the perimeter of location. Topsoil will not be used for pad construction as the organic matter mixed within the soil prevents adequate compaction.
- Subsoil horizons will be utilized to construct a balanced (high areas are cut and used to fill low areas) location. Fill slopes will be deposited and compacted in approximate 6-inch lifts with optimal soil moisture content.
- No soil deemed too wet from inclement weather will be utilized for construction as adequate compaction cannot be achieved. Additionally, if construction occurs during winter months, the frost layer if applicable will be stripped and sub frost line soil horizons utilized for construction to achieve adequate compaction that will not settle with warming temperatures.
- Cut and fill slopes around location will be 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.
- The 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 the New Mexico EMNRD Mining and Minerals Divisions database.
- This area of New Mexico is not known for underlying caves and karst features.

2.9. Distance to 100-Year Floodplain 19.15.34.11 A.(9)

The recycling facility/containment is not located within a 100-year (1% annual) floodplain. As shown in Exhibit E Map 2, the project is in Zone X (area of minimal flood hazard). The nearest 100-year flood hazard area within the same watershed shown in Exhibit E Map 2 is 1.4 miles southeast.

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 containment at the Ponderosa F31 AST Pad. The facility and recycling containment have been designed to prevent release 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 containment are provided as Exhibit G.

3.1. Foundation Construction

The containment AST will be constructed on DJR's Ponderosa F31 AST Pad. The AST footprint 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 is used under the liner to reduce localized stress-strain or protuberances that otherwise may compromise the liner's integrity. The containment is above ground and is not subject to water run-on.

3.2. Liner and Leak Detection

The containment will be Well Water Solutions and Rentals, Inc. or similar double-lined frac water tank system. 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 meet or exceed the compatibility requirements of EPA SW-846 Method 9090A. Steel bolts secure the liners to the top of the AST tank. Specifications provided by Well Water Solutions and Rentals, Inc. are attached as Exhibit G.

Liner seams are minimized and are oriented vertically up and down the containment walls, not horizontally across the containment. Factory welded seams are incorporated, where possible. Field seams, welding, and testing on the geosynthetic liners is performed by a manufacturer qualified person. For any field welded seams, liners will overlap 4 to 6 inches and be thermally sealed. Field seams are avoided or minimized in corners and irregularly shaped areas.

At a points of discharge into, or suction from, the recycling containment, the liner is protected from excessive hydrostatic force or mechanical damage. External discharge or suction lines do not penetrate the liners.

A leak detection system is installed between the upper and lower liners of the containment and consists of a 200-mil geonet drainage layer. The leak detection system covers the bottom and sides of the containment and includes a minimum of 3 feet of freeboard. A 6-inch PVC pipe is inserted in the sump at the bottom of the containment and between the liners. Each containment is 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 G.

The sump piping is 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 containment being above ground level.

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 H.

With the recycling containment being an AST with 12-foot wall height, entrance to containment would have to be intentional. There is no risk of accidental entrance into the containment by wildlife or the public. The site will be maintained to prevent harm to wildlife and the public.

3.5. Netting

DJR will install bird netting provided by the tank manufacturer over the containment. The netting will be inspected monthly for disrepair. The containment 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 containment and leak detection system while the containment holds fluid. DJR will maintain records and make them available for review by 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 containment upon discovery.
- DJR will maintain a minimum of three feet of freeboard in the containment at all times.
- The injection and withdrawal of fluids from the containment 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 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 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 Ponderosa F31 AST Pad. 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 and containment within 60 days from the date that operations cease and close the containment from use within six months from the date that DJR ceases operations. Alternatively, DJR can request an extension for the removal of fluids from NMOCD not to exceed an additional two months. DJR can also request an extension for the closure of the containment, 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 containment is removed, DJR will test the soils beneath for contamination with a five-point composite sample which includes stained or wet soils, if any, and that sample shall be analyzed for the constituents listed in the following table:

TABLE 1. CONTAMINATED SOIL TEST CONSTITUENTS

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

If any contaminant concentration is higher than the parameter limits listed above, 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 reclaimed upon completion of use in accordance with the reclamation plan attached to the Ponderosa F31 2409 Federal COM 124H approved APD. This reclamation plan was developed with, and approved by, the surface managing agency.

EXHIBIT A. PLAT

A SURVEY FOR

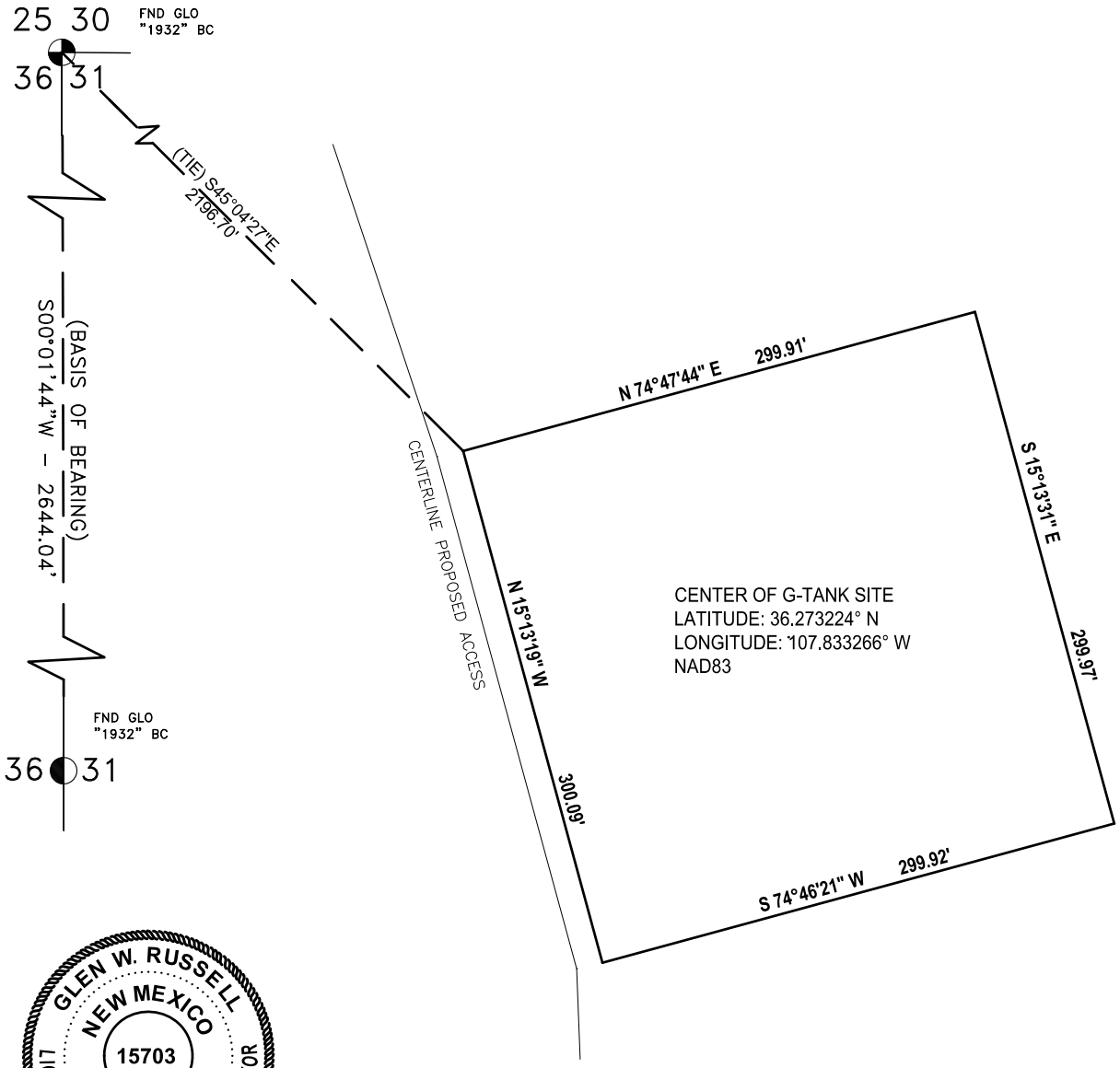
DJR OPERATING, LLC

PONDEROSA F31 2409 FEDERAL COM G-TANK/STAGING AREA

LOCATED IN THE

NW/4 OF SECTION 31, T-24-N, R-9-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO



50' 0 50' 100'

Scale: 1"=100'

NOTES:

1.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 2 WORKING DAYS PRIOR TO CONSTRUCTION.

2.) THIS IS NOT A BOUNDARY SURVEY.

I, GLEN W. RUSSELL, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

GLEN W. RUSSELL DATE JULY 10, 2023

GLEN W. RUSSELL, PLS
NEW MEXICO L.S. #15703

BASIS OF BEARING: AS MEASURED BY GPS BETWEEN FOUND MONUMENTS AT THE NORTHWEST CORNER AND THE WEST QUARTER CORNER OF SECTION 31, TOWNSHIP 24 NORTH, RANGE 9 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO. BEARS S00°01'44"W A DISTANCE OF 2644.04' AS MEASURED BY G.P.S. LOCAL GRID NAD83.

SURVEY CREW:	GWR	DRAWN BY:	AMR
DATE OF SURVEY:	2/9/22	DATE:	1/18/23

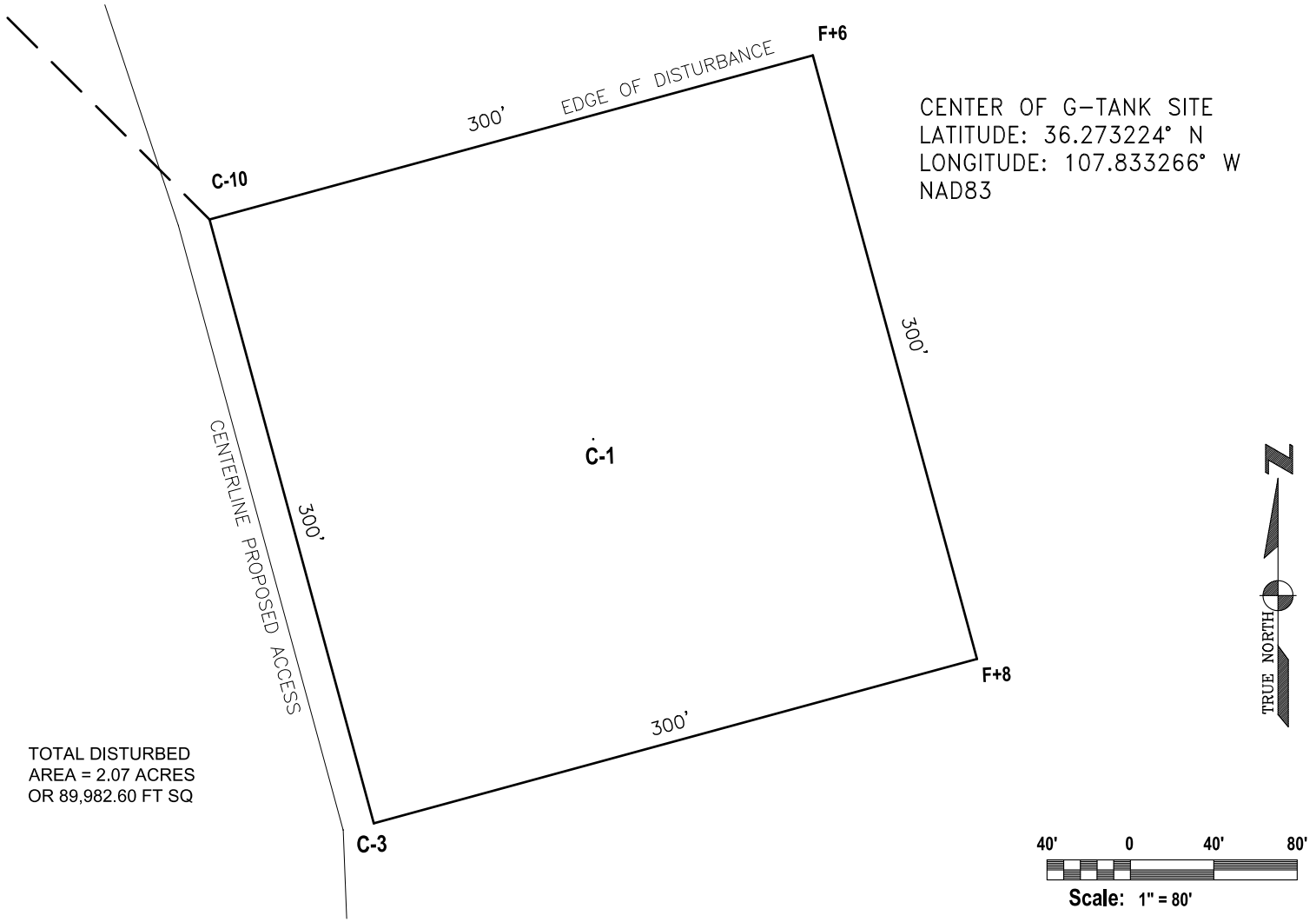
REV.		
	1	GWR NAME CHANGE 5/2/23
	2	GWR NAME CHANGE 7/10/23

VECTOR SURVEYS, LLC
Professional Land Surveys, Mapping,
GPS Surveys & Oil Field Services
122 N Wall Avenue, Farmington, NM 87401
Phone (505) 320-9595
E-Mail: vectorgr001@msn.com

WORK ORDER NO.:	DJR044	CAD FILE:	PFC F31 2409 G-TANK

DJR OPERATING, LLC.

PONDEROSA F31 2409 FEDERAL COM G-TANK/STAGING AREA
LOCATED IN THE NW/4 SECTION 31, T-24-N, R-9-W, NMPM,
SAN JUAN COUNTY, NM
GROUND ELEVATION: 6830', DATE: FEBRUARY 9, 2022



CENTER OF G-TANK SITE
LATITUDE: 36.273224° N
LONGITUDE: 107.833266° W
NAD83

TOTAL DISTURBED
AREA = 2.07 ACRES
OR 89,982.60 FT SQ

NOTES:

1. VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

EXHIBIT B. RECYCLING FACILITY AND RECYCLING CONTAINMENT SITE DIAGRAM

B

DJR Operating, LLC's Ponderosa Unit F31 AST Pad Diagram for Use of One 60K BBL AST in the SE/4 of the NW/4 of Section 31, T24N, R09W, NMPM San Juan County, New Mexico

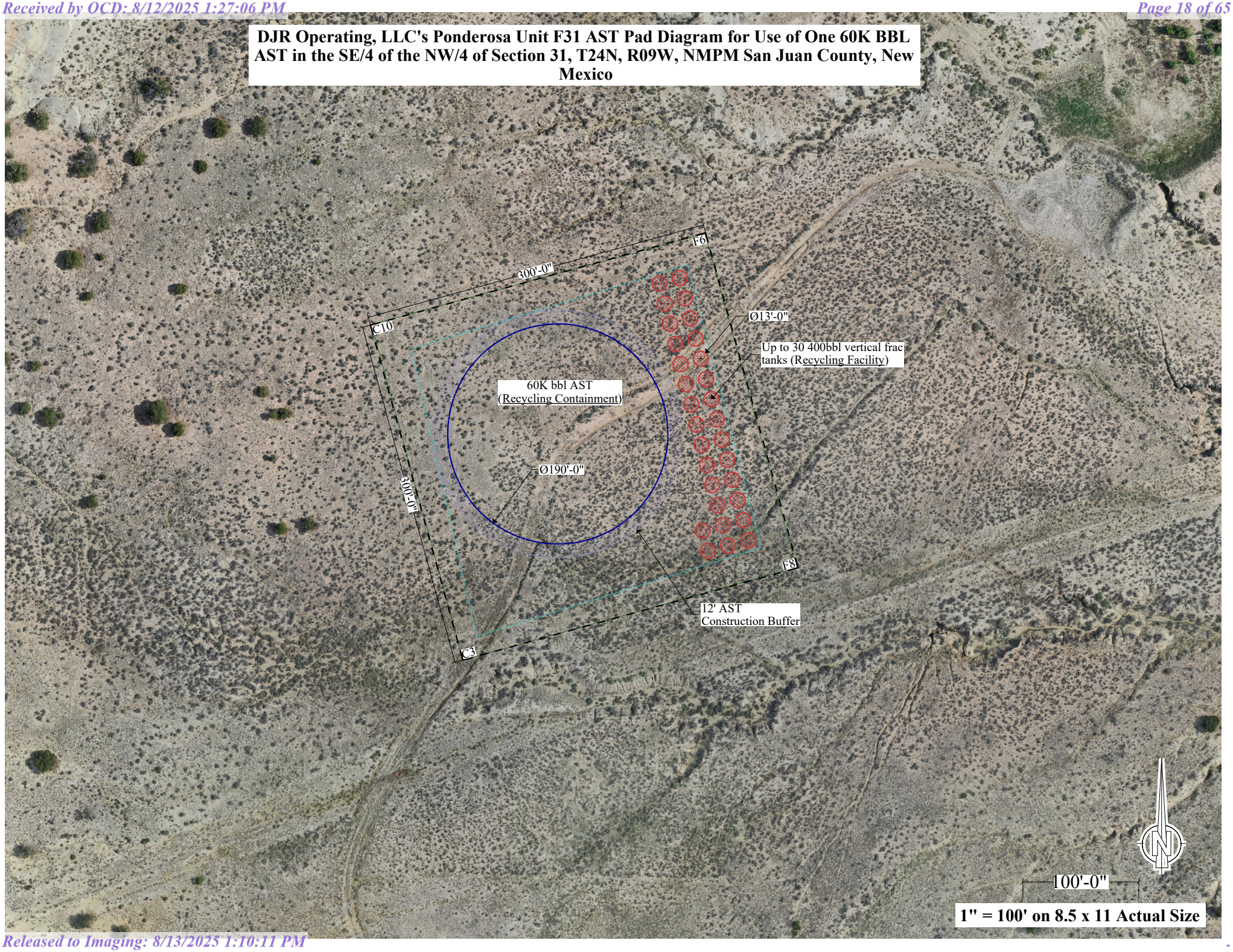


EXHIBIT C. SURFACE OWNER NOTIFICATION

C

Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

2. Name of Operator

9. API Well No.
30-045-38371

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool, or Exploratory

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface
At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office*

12. County or Parish

13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

16. No of acres in lease

17. Spacing Unit dedicated to this well

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth

20. BLM/BIA Bond No. in file

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

22. Approximate date work will start*

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature

Name *(Printed/Typed)*

Date

Title

Approved by *(Signature)*

Name *(Printed/Typed)*

Date

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

APPROVED WITH CONDITIONS

(Continued on page 2)

*(Instructions on page 2)

Approval Date: 08/16/2024

EXHIBIT D. GROUND WATER REPORT

D

Point of Diversion Summary

quarters are 1=NW 2=NE 3=SW 4=SE
quarters are smallest to largest

NAD83 UTM in meters

Well Tag	POD Nbr	Q64	Q16	Q4	Sec	Tws	Rng	X	Y	Map
	SJ 01714		SW	SE	36	24N	10W	244334.0	4017107.0 *	🌎

*** UTM location was derived from PLSS - see Help**

Driller License:		**Driller Company:**			
Driller Name:					
Drill Start Date:	1963-08-06	**Drill Finish Date:**	1964-01-29	**Plug Date:**	
Log File Date:		**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	3
Casing Size:	6.63	**Depth Well:**	442	**Depth Water:**	284

7/1/25 10:07 AM MST **Point of Diversion Summary**

New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are smallest to largest)

(In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Map	Well Depth	Depth Water	Water Column
SJ 00001		SJ	SJ		SE	NW	12	23N	09W	253534.0	4014427.0 *		695	630	65
SJ 00144		SJ	SJ	NW	NW	SW	31	23N	09W	244786.0	4007922.0 *		100		
SJ 01710		SJ	SJ		NW	SW	25	23N	09W	252985.0	4009203.0 *		550	173	377
SJ 04301 POD2		SJ	SJ		NE	SW	19	23N	09W	245436.0	4010999.6		6630	6432	198
SJ 04301 POD3		SJ	SJ		SE	SW	24	23N	09W	253586.5	4010276.6		7408	6830	578

Average Depth to Water: **3516 feet**

Minimum Depth: **173 feet**

Maximum Depth: **6830 feet**

Record Count: 5

Basin/County Search:
Basin: SJ

PLSS Search:
Range: 09W
Township: 23N

*** UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are smallest to largest)

(In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Map	Well Depth	Depth Water	Water Column
SJ 01255		SJ	SJ		NW	NW	07	24N	09W	245350.0	4024741.0 *		1100	1073	27
SJ 01712		SJ	SJ		NE	SE	27	24N	09W	251195.0	4018933.0 *		528	515	13
SJ 04587 POD1		SJ	SJ		NE	SW	25	24N	09W	253560.7	4018930.3		800	640	160

Average Depth to Water: **742 feet**

Minimum Depth: **515 feet**

Maximum Depth: **1073 feet**

Record Count: 3

Basin/County Search:
Basin: SJ

PLSS Search:
Range: 09W
Township: 24N

*** UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer

Water Column/Average Depth to Water

No report data available.

Basin/County Search:
Basin: SJ

PLSS Search:
Range: 10W
Township: 23N

*** UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.) (R=POD has been replaced, O=orphaned, C=the file is closed) (quarters are smallest to largest) (In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Map	Well Depth	Depth Water	Water Column
SJ 01713		SJ	SJ		SE	SE	33	24N	10W	239936.0	4017203.0 *		373		
SJ 01714		SJ	SJ		SW	SE	36	24N	10W	244334.0	4017107.0 *		442	284	158
SJ 03141		SJ	SJ	SW	NE	NW	29	24N	10W	237520.0	4019956.0 *		640	595	45

Average Depth to Water: **439 feet**

Minimum Depth: **284 feet**

Maximum Depth: **595 feet**

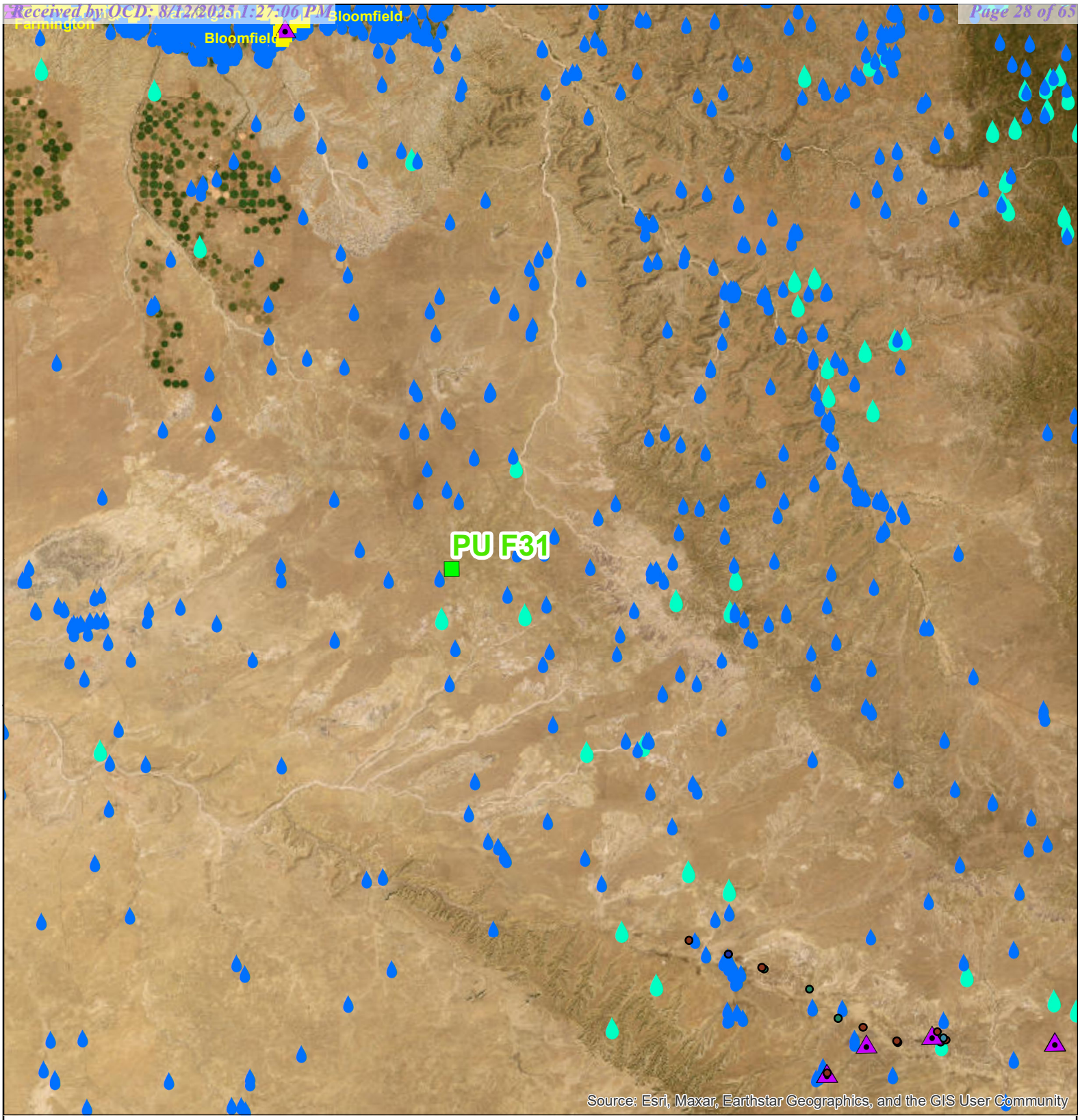
Record Count: 3

Basin/County Search:
Basin: SJ

PLSS Search:
Range: 10W
Township: 24N

*** UTM location was derived from PLSS - see Help**

EXHIBIT E. SITING CRITERIA MAPS



PU F31 Containment Location Map1
Siting Critieria

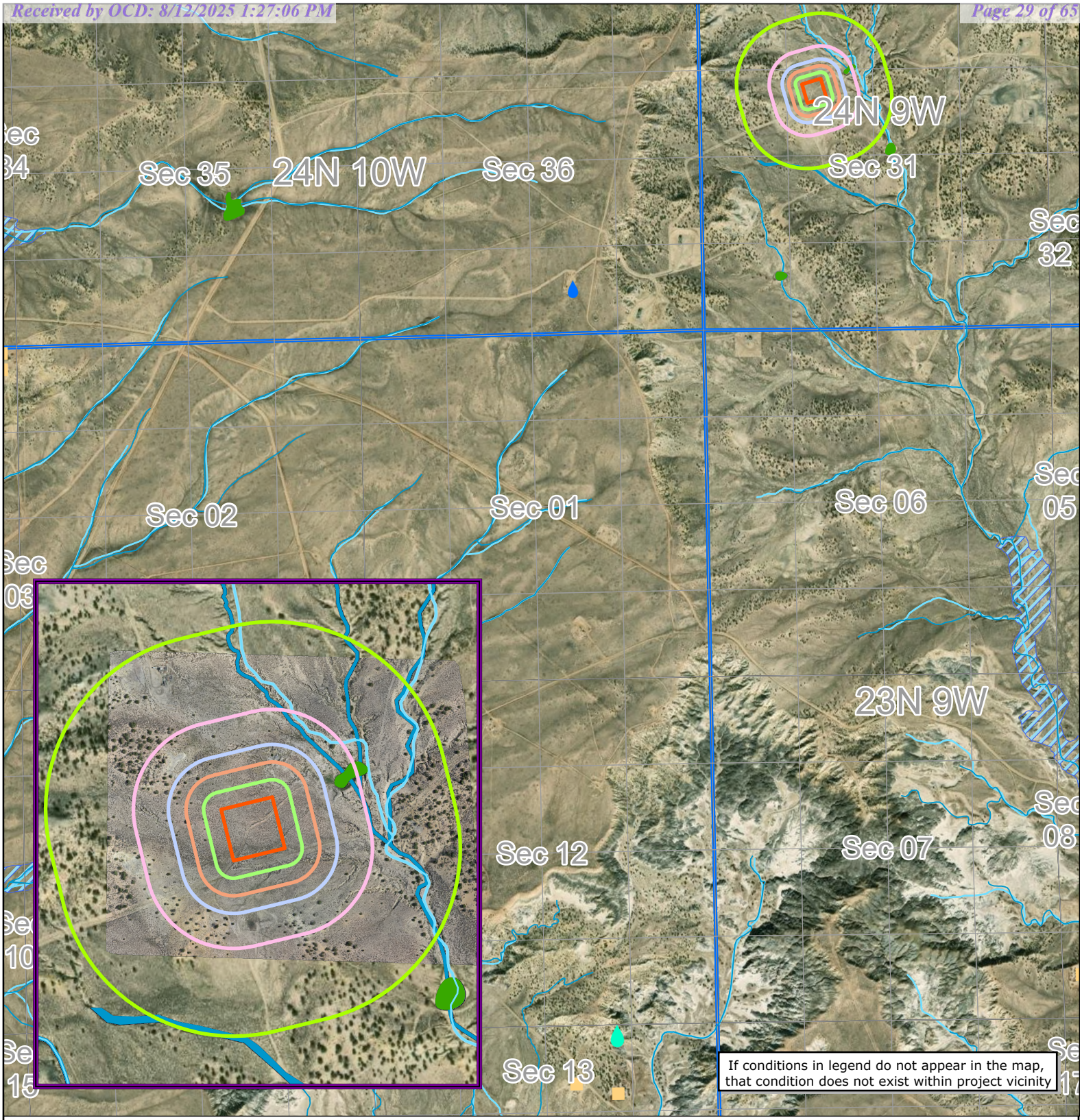
- OSE Water Wells
- Spring Seep
- New_Mexico_incorporated_places_April2023
- Active Mining
- Active Mining, Active Reclamation
- Approved
- Enforcement
- No Permit
- No Response
- Pending
- Released
- Temporary Suspension
- Under Development

ENDURING RESOURCES, LLC

Miles
0 5 10 15 20

Data Source Statement:
BLM-FFO, Enduring Resources GIS, ESRI Inc., NCE Surveys, USGS

NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US	Author: drogers	Date: 10/24/2024



PU F31 Containment Location Map 2
Siting Criteria

ENDURING RESOURCES, LLC

OSE Water Wells
Spring Seep
Residence
100
200
300
500
1000
PU F31
USGS Water Courses
Active Mining
Active Mining, Active Reclamation
Approved
Enforcement
No Permit
No Response
Pending
Released
Temporary Suspension
Under Development

NM_Wetlands
Freshwater Emergent Wetland
Freshwater Forested/Shrub Wetland
Freshwater Pond
Lake
Other
Riverine

USA_Wetlands
Marine
Estuary
Marsh, Swamp, Bog, Prairie
Riverine
Lake, Reservoir
NHDWaterbody
FEMA High Risk Flood Zone

0 1,250 2,500 3,750 5,000 Feet

Data Source Statement:
BLM-FFO, Enduring Resources GIS, ESRI Inc., NCE Surveys, USGS

NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US	Author: drogers	Date: 7/1/2025

EXHIBIT F. AQUATIC RESOURCES DELINEATION TECHNICAL MEMORANDUM

Technical Memorandum

To: Casey Haga, Enduring Resources IV, LLC
From: Julia Hanson
Subject: Aquatic Resources Delineation
Date: July 30, 2025
Project: Ponderosa F31 2409 Federal Com G-Tank/Staging Area

DJR Operating, LLC (DJR) retained Barr Engineering Co. (Barr) to conduct an aquatic resources delineation survey for the Ponderosa F31 2409 Federal Com G-Tank/Staging Area pad located in the NW ¼ of Section 31, Township 24 North, Range 9 West, New Mexico Principal Meridian, San Juan County (Map 1). The pad would be 300 feet by 300 feet for a total disturbance of 2.07 acres. The center coordinates for the site are 36.273224° N, -107.833266° W, North American Datum 1983 Zone 13N. The site is on Bureau of Land Management Farmington Field Office-managed land. The survey area included the Ponderosa F31 2409 Federal Com G-Tank/Staging Area and a 500-foot buffer around the site.

The purpose of the aquatic resources delineation survey was to identify the potential presence and extent of features that may be considered jurisdictional Waters of the United States (WOTUS) under Section 404 of the Clean Water Act (CWA), as amended (33 United States Code §1251 et seq.). The United States Army Corps of Engineers (USACE) administers the CWA Section 404. DJR is applying for a permit to transport, store, and recycle produced water for reuse in drilling and completing oil/natural gas wells per Title 19, Chapter 15, Part 34 (19.15.34) of the New Mexico Administrative Code (NMAC).

This technical memorandum reports the survey findings and aquatic resources that may be considered jurisdictional WOTUS, including wetlands and aquatic resources exhibiting an ordinary high-water mark (OHWM) following the USACE methods and guidance.

1 Regulatory Framework

1.1 Federal

In September 2023, USACE issued a final rule revising the definition of WOTUS to include traditional navigable waters, wetlands adjacent to traditional navigable waters, and relatively permanent waters defined as tributaries and wetlands adjacent to navigable waters that have a continuous surface connection and standing or continuously flowing bodies of water (EPA 2025). The USACE defines wetlands as special aquatic sites “that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions” (USACE 1987).

The USACE has the regulatory authority and discretion to determine the jurisdictional status of aquatic resources at a given site.

1.2 New Mexico State

19.15.34 NMAC applies to the transportation, disposal, recycling, reuse, or the direct surface or subsurface disposition by use of water produced or used in connection with the development or production of oil or gas or both; in road construction or maintenance, or other construction; and the

generation of electricity or other industrial processes. 19.15.34 NMAC also applies to transporting drilling fluids and liquid oil field waste.

Depending on the proposed activity, a permit or registration (Form C-147) for recycling and reuse of produced water, drilling fluids, and liquid oil field waste, including recycling containment, is required by the New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division (OCD). Form C-147 siting criteria require that recycling containment not be located:

- where groundwater is less than 50 feet below the bottom of the containment;
- 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 OHWM);
- within 500 feet of a spring or freshwater well used for domestic or stock watering purposes in existence at the time of the initial registration;
- within incorporated municipal boundaries or within a defined municipal freshwater well field covered by a municipal ordinance adopted under Section 3-27-3 New Mexico Statutes 1978, as amended, unless the municipality specifically approves the recycling containment in writing;
- within 500 feet of a wetland; or
- within a 100-year floodplain.

Watercourse is defined in 19.15.2.7 NMAC as “a river, creek, arroyo, canyon, draw, or wash or other channel having definite banks and bed with visible evidence of the occasional flow of water.” Wetlands are defined in 19.15.2.7 NMAC as “areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions in New Mexico.” The term “significant” is not defined in NMAC.

2 Methods

Before initiating fieldwork, Barr completed a desktop evaluation of the survey area using the best available information, including the following:

- US Geological Survey (USGS) 7.5-minute topographic quadrangles for local and regional environmental settings relevant to the project area's surface waters, wetlands, and contours.
- National Hydrography Dataset (NHD) for mapped "bluelines"—perennial, intermittent, and ephemeral drainages—and other water features in the project area.
- National Wetlands Inventory (NWI) maps generated by the US Fish and Wildlife Service (USFWS) for the project area.
- Natural Resources Conservation Service (NRCS) Web Soil Survey information for the project area.
- Floodplain data from the Federal Emergency Management Agency (FEMA) Mapping Information Platform.

- ESRI ArcGIS Online World Imagery.

2.1 Wetlands

The survey area was evaluated for the presence of wetlands using guidance provided in the *1987 Corps of Engineers Wetlands Delineation Manual* (USACE 1987) and the *Regional Supplement to the USACE Wetland Delineation Manual*: *Arid West Region* (USACE 2008). Under the delineation procedures identified in these manuals, an area must exhibit characteristic wetland hydrology, hydric soils, and hydrophytic vegetation to be considered a wetland. In addition, the USACE requires that all three conditions be met under normal conditions for an area to be defined as a wetland (USACE 1987).

2.2 Non-Wetland Waters

Barr biologists evaluated the presence/absence and characteristics of the OHWM along all non-wetland water features (e.g., streams, creeks, and ponds) mapped during the pre-field desktop evaluation. Guidance from *A Field Guide to the Identification of the Ordinary High-Water Mark in the Arid West Region of the Western United States* (USACE 2008) was used to identify drainage channel lateral limits. General characteristics for determining the OHWM in the project area were identified using guidance provided in USACE RGL 05-05 (USACE 2005).

For stream features exhibiting an OHWM, Barr conducted a streamflow duration assessment in the field using the *User Manual for a Beta Streamflow Duration Assessment Method for the Arid West of the United States* (Mazor et al. 2023). The Streamflow Duration Assessment Method (SDAM) is a rapid, field-based method to determine flow duration class at the reach scale without long-term hydrologic data. The SDAM may inform a range of activities where information on streamflow duration is beneficial, including specific jurisdictional determinations under the CWA; however, the SDAM is not a jurisdictional determination (Mazor et al. 2023). The method is specific to the Arid West Region and relies on five indicators to determine stream flow classification: perennial, intermittent, ephemeral, at least intermittent, and need more information. Biologists recorded the status of these five indicators on a field form for every surface water feature in the survey area with an OHWM.

Handheld global positioning system (GPS) units with submeter accuracy were used to digitally record sampling points and any wetland or other features in the survey area. Geographic information system (GIS) software was used to analyze recorded features, calculate areas, and generate the survey area maps.

3 Results

3.1 Desktop Review

The Ponderosa F31 2409 Federal Com G-Tank/Staging Area pad is in the Escavada Wash watershed (Hydrologic Unit Code 1408010603) (USGS 2021) and can be found on the Lybrook NW, New Mexico U.S. Geological Survey 7.5-minute quadrangle. Two soil mapping units occur in the survey area—Blancot-Notal association, gently sloping and the Fruitland-Persayo-Sheppard complex, hilly. Neither of these soil units is listed as a hydric soil for San Juan County, New Mexico (NRCS 2025).

The survey area falls within a FEMA Flood Zone X, an area of minimal flood hazard. No FEMA-designated 100-year flood zones are in the survey area (FEMA 2025).

The desktop review identified an intermittent (R4SBJ) channel and a palustrine unconsolidated shore sand temporary flooded impounded wetland (PUS2Ah) NWI wetland feature within 500 feet of the project (USGS 2016; USFWS 2025).

3.2 Field Survey

Barr biologist Julia Hanson conducted the aquatic resources delineation survey on June 27, 2025.

The NWI/NHD mapped intermittent channel #4 (Map 1) was verified on-site during the aquatic resource delineation. The channel displayed the indicators of an ephemeral channel with an OHWM, including low flow channels indicating ephemeral flow duration, lack of vegetation within the channel bed, and bank cutting and erosion related to ephemeral storm events. The lateral limits of the defined channel bed spanned approximately 6 to 8 feet and were captured with GPS. The channel pathway is shown on Map 1. The channel was assessed for an OHWM using the Arid West OHWM data sheet (USACE 2008) and for stream flow classification using the SDAM data sheet (Mazor et al. 2023) (Appendix B). Based on the SDAM method used to determine the flow duration class, this channel is categorized as ephemeral, with no indicators of intermittent flows. Photograph 1 and Photograph 2 depict the characteristics of the ephemeral channel #4.

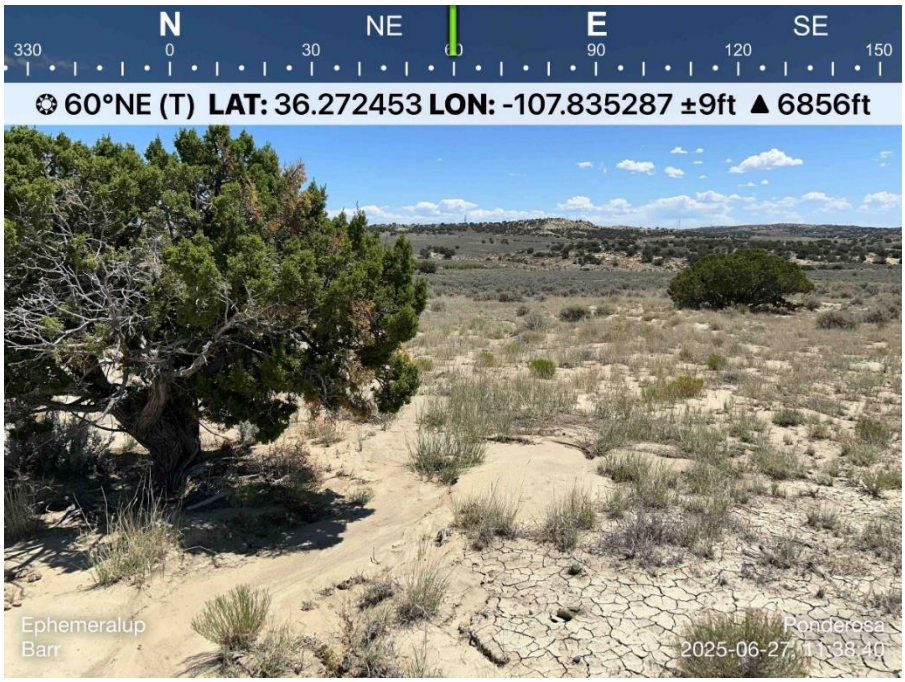
Photograph 1. Ephemeral channel #4 with a defined channel and ordinary high water mark

Photograph 2. Ephemeral drainage #4 with low flow channels and a lack of vegetation

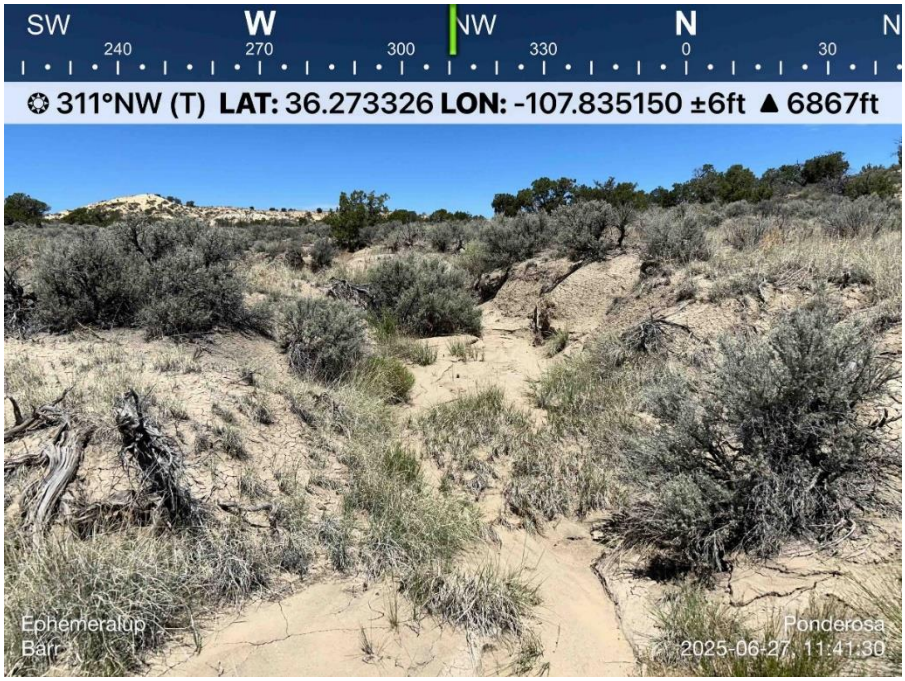
The mapped NWI impounded wetland (pond) associated with this channel, as shown on Map 1, was site verified to not exist. Photograph 3 shows the existing conditions at this location. Vegetation is comprised of saltcedar (*Tamarix* sp.), greasewood (*Sarcobatus vermiculatus*), and Russian knapweed (*Acroptilon repens*). No wetland or open water features occur within the project area or 500 feet of the site boundary.

Photograph 3. The National Wetland Inventory mapped impounded wetland (pond) surveyed in July 2025. No indicators of a water feature observed

Two swale features were assessed, photo documented, and mapped within the survey area as data points #1 and #2. These features are included in Map 1 in Attachment A and depicted in Photograph 4 and Photograph 5.



Photograph 4. Swale feature #1 surveyed in July 2025



Photograph 5. Swale feature #2 was surveyed in July 2025.

The field survey verified the absence of any wetlands or other surface water features in the survey area. No significant watercourses were identified within 200 feet of the site and no open water or wetland indicators were recorded within 500 feet of the Ponderosa F31 2409 Federal Com G-Tank/Staging Area during the site visit in July 2025.

4 Conclusions

Based on the regulatory framework (Section 1), evaluation of the survey area, and the USACE Albuquerque District's current policies regarding jurisdictional determinations, it is Barr's professional opinion that under the current CWA rule, there are no features present in the survey area that would be considered jurisdictional WOTUS.

Pursuant to 19.15.34 NMAC, no drainages with an OHWM were observed within 300 feet of the Ponderosa F31 2409 Federal Com G-Tank/Staging Area pad. No FEMA 100-year flood zones are in the survey area. These conclusions are based on Barr's professional opinion. The USACE has the final regulatory authority to determine the presence and extent of jurisdictional WOTUS. The NMOCD has the final regulatory authority for determining the presence of continuously flowing watercourses, significant watercourses, or wetlands and their boundaries for the permitting and registration applicable to 19.15.34 NMAC.

5 References

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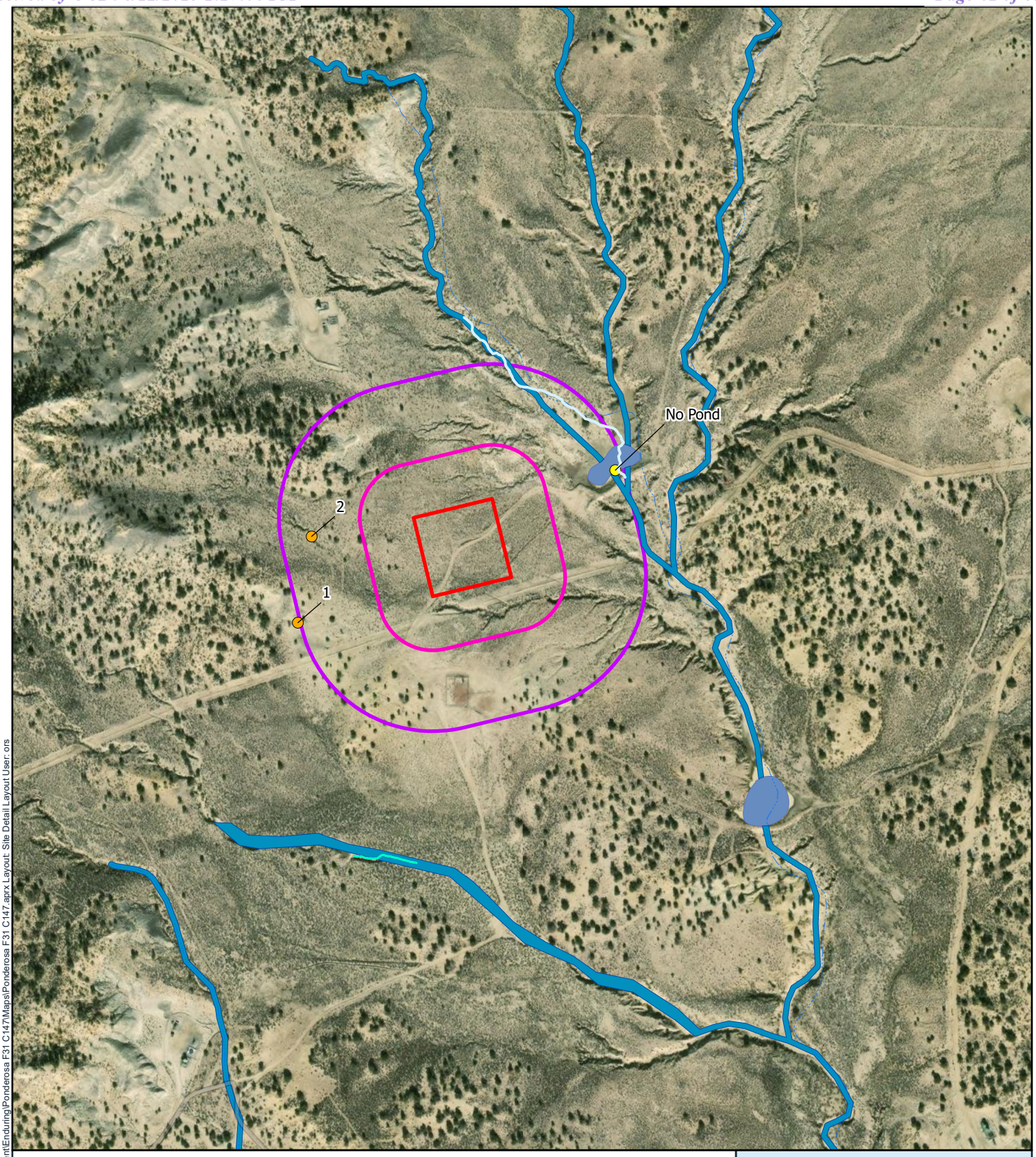
Attachment A

Map



Ponderosa F31 C147 G-Tank
500 ft Buffer
200 ft Buffer
Ordinary High Water Mark
Ephemeral Pond
Ephemeral Channel
Field Delineated Channels
National Hydrography Dataset
Flowline
River/Stream: Intermittent
National Wetland Inventory
Freshwater Pond
Riverine

0 250 500
US Feet

Sources: ESRI, Barr, DJR

Ponderosa F31
DJR Operating LLC.

Aquatic Resources Inventory

BARR

Barr Footer: ArcGISPro, 7/30/2025 9:03 AM File: I:\Client\Enduring\Ponderosa F31 C147\Maps\Ponderosa F31 C147 aprx Layout: Site Detail Layout User: ors

Attachment B

Data Sheets

Project: Ponderosa F31 C147 Enduring **Date:** June 27, 2025 **Time:**
Project Number: **Town:** Nageezi, NM **State:** NM
Stream: Ephemeral #4 **Photo begin file#** **Photo end file#**
Investigator(s): J HANSON

Y ☑ / N ☐ Do normal circumstances exist on the site?

Y ☐ / N ☑ Is the site significantly disturbed?

Location Details: Ponderosa F31 C147
Projection: **Datum:** NAD83
Coordinates: S 31 T24 R9W

Notes: NWI/NHD Intermittent – verify site visit.

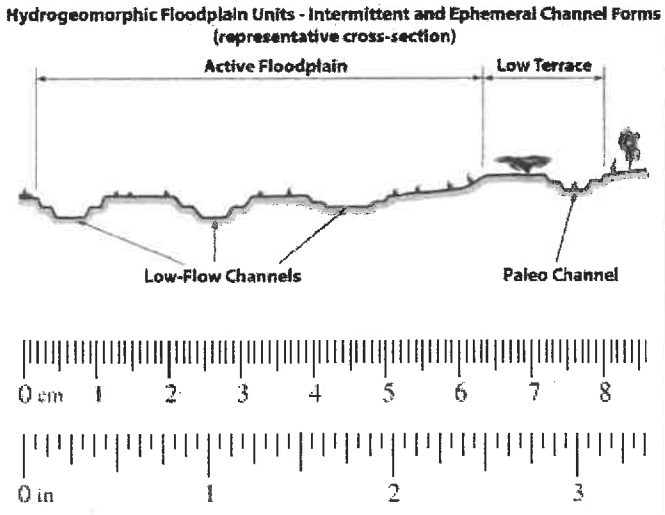
Brief site description: Ephemeral channel 0+1 WM 6 ft wide defined Bed & Bank flowing ephemeral - N → S

Checklist of resources (if available):

- ☑ Aerial photography
  Dates:
- ☑ Topographic maps
  Scale:
- ☑ Geologic maps
- ☑ Vegetation maps
- ☑ Soils maps
- ☐ Rainfall/precipitation maps
- ☑ Existing delineation(s) for site
- ☐ Global positioning system (GPS)
- ☐ Other studies
- ☐ Stream gage data
  Gage number:
  Period of record:
- ☐ Clinometer / level
- ☐ History of recent effective discharges
- ☐ Results of flood frequency analysis
- ☐ Most recent shift-adjusted rating
- ☐ Gage heights for 2-, 5-, 10-, and 25-year events and the most recent event exceeding a 5-year event

The dominant Wentworth size class that imparts a characteristic texture to each zone of a channel cross-section is recorded in the average sediment texture field under the characteristics section for the zone of interest.

Millimeters (mm)	Inches (in)	Wentworth size class	
10.08	256	Boulder	
2.56	64	Cobble	Gravel
0.157	4	Pebble	
0.079	2.00	Granule	
0.039	1.00	Very coarse sand	
0.020	0.50	Coarse sand	
1/2 0.0098	0.25	Medium sand	Sand
1/4 0.005	0.125	Fine sand	
1/8 0.0025	0.0625	Very fine sand	
1/16 0.0012	0.031	Coarse silt	
1/32 0.00061	0.0156	Medium silt	
1/64 0.00031	0.0078	Fine silt	Silt
1/128 0.00015	0.0039	Very fine silt	
		Clay	Mud



☑ **Walk the channel and floodplain within the study area to get an impression of the vegetation and geomorphology present at the site. Record any potential anthropogenic influences on the channel system in "Notes" above.**

☑ **Locate the low-flow channel (lowest part of the channel). Record observations.**

Characteristics of the low-flow channel:

Average sediment texture: Course to medium sand

Total veg cover: 0 % Tree: 0 % Shrub: 0 % Herb: 0 %

Community successional stage:

☐ NA ☐ Mid (herbaceous, shrubs, saplings)

☐ Early (herbaceous & seedlings) ☑ Late (herbaceous, shrubs, mature trees)

Dominant species present: Sporobolus Cryptandrus, Artemisia tridentata

Other: ☐ ☐ ☐ ☐

☑ **Walk away from the low-flow channel along cross-section. Record characteristics of the low-flow/active floodplain boundary.**

Characteristics used to delineate the low-flow/active floodplain boundary:

☐ Change in total veg cover ☐ Tree ☐ Shrub ☐ Herb

☐ Change in overall vegetation maturity

☐ Change in dominant species present

☐ Other ☑ Presence of bed and bank

☑ Drift and/or debris

☐ Other: one defined channel

☐ Other:

☑ **Continue walking the channel cross-section. Record observations below.**

Characteristics of the low-flow channel:

Average sediment texture: Course Sand

Total veg cover: 0 % Tree: 0 % Shrub: 0 % Herb: 0 %

Community successional stage:

☐ NA ☐ Mid (herbaceous, shrubs, saplings)

☐ Early (herbaceous & seedlings) ☐ Late (herbaceous, shrubs, mature trees)

Dominant species present:

Other: ☐ ☐ ☐ ☐

☑ **Continue walking the channel cross-section. Record indicators of the active floodplain/low terrace boundary.**

Characteristics used to delineate the active floodplain/ low terrace boundary:

- ☐ Change in average sediment texture
- ☑ Change in total veg cover ☐ Tree ☑ Shrub ☐ Herb
- ☐ Change in overall vegetation maturity
- ☐ Change in dominant species present
- ☐ Other ☐ Presence of bed and bank
  - ☐ Drift and/or debris
  - ☐ Other: Upper banks – no flood plain
  - ☐ Other: defined topography – deep channel

☐ NA **Walk the active floodplain/low terrace boundary both upstream and downstream of the cross-section to verify that the indicators used to identify the transition are consistently associated the transition in both directions.**

Consistency of indicators used to delineate the active floodplain/low terrace boundary:

- Y ☐ N ☐ Change in average sediment texture
- Y ☐ N ☐ Change in total veg cover ☐ Tree ☐ Shrub ☐ Herb
- Y ☐ N ☐ Change in overall vegetation maturity
- Y ☐ N ☐ Change in dominant species present
- Y ☐ N ☐ Other: Y ☐ N ☐ Presence of bed and bank
  - Y ☐ N ☐ Drift and/or debris
  - Y ☐ N ☐ Other: _____
  - Y ☐ N ☐ Other: _____

☐ NA **If the characteristics used to delineate the active floodplain/low terrace boundary were NOT consistently associated with the transition in both the upstream and downstream directions, repeat all steps above.**

☐ NA **Continue walking the channel cross-section. Record characteristics of the low terrace.**

Characteristics of the low terrace:

Average sediment texture: _____

Total veg cover: _____ % Tree: _____ % Shrub: _____ % Herb: _____ %

Community successional stage:

- ☐ NA
- ☐ Early (herbaceous & seedlings)
- ☐ Mid (herbaceous, shrubs, saplings)
- ☐ Late (herbaceous, shrubs, mature trees)

Dominant species present: _____

Other:

- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____

☐ **If characteristics used to delineate the active floodplain/low terrace boundary were deemed reliable, acquire boundary.**

Active floodplain/low terrace boundary acquired via:

- ☐ Mapping on aerial photograph
- ☐ Digitized on computer
- ☐ GPS
- ☐ Other: _____

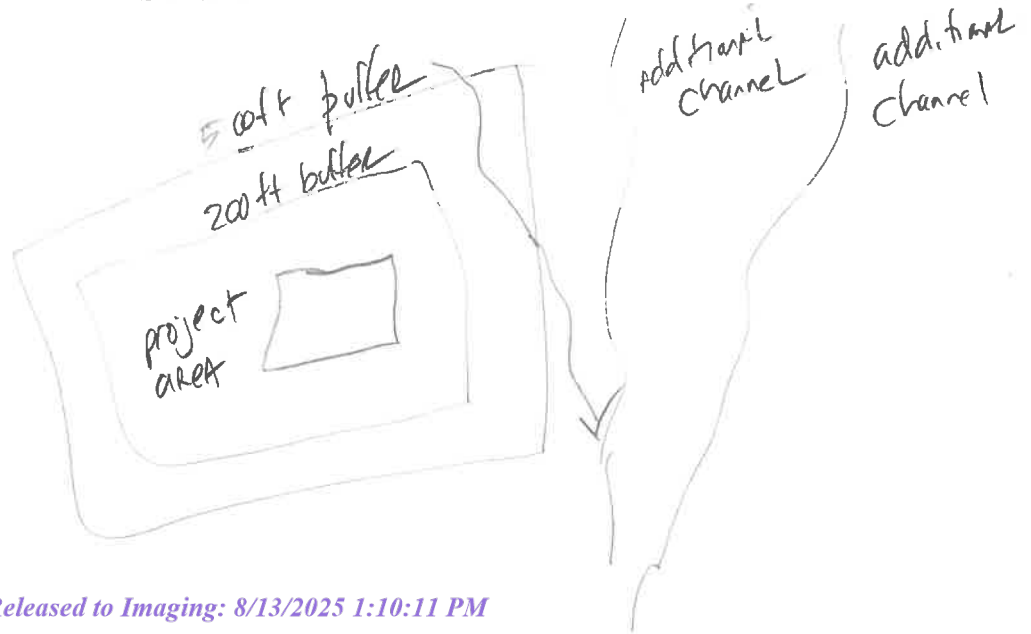
Field form for the beta Arid Streamflow Duration Assessment Method
Revision Date December 8, 2020

Beta Arid West Streamflow Duration Assessment Method

General site information

Project name or number: PondeROSA F31		
Site code or identifier:	Assessor(s): J HANSON	
Waterway name: Unnamed intermittent NWI - NHD		Visit date: 6-27-2025
Current weather conditions (check one) ☐ Storm/heavy rain ☐ Steady rain ☐ Intermittent rain ☐ Snowing ☐ Cloudy (___ % cover) ☑ Clear/Sunny	Notes on current or recent weather conditions (e.g., precipitation in previous week):	Coordinates at downstream end (decimal degrees): Lat (N): See Report Long (W): Datum:
Surrounding land-use within 100 m (check one or two): ☐ Urban/industrial/residential ☐ Agricultural (farmland, crops, vineyards, pasture) ☐ Developed open-space (e.g., golf course) ☐ Forested ☑ Other natural ☐ Other:	Describe reach boundaries: 3 main channels N → S and EAST of project area.	
Mean channel width (m) 6-8ft	Reach length (m): 40x width; min 40 m; max 200 m. 200m	Enter photo ID, or check if completed Top down: #1 Mid down: #2 Mid up: ___ Bottom up: ___
Disturbed or difficult conditions (check all that apply): ☐ Recent flood or debris flow ☐ Stream modifications (e.g., channelization) ☐ Diversions ☐ Discharges ☐ Drought ☐ Vegetation removal/limitations ☐ Other (explain in notes) ☐ None	Notes on disturbances or difficult site conditions: Natural historical Channel	
Observed hydrology: 0 % of reach with surface flow 0 % of reach with sub-surface or surface flow 0 # of isolated pools	Comments on observed hydrology: No hydrology	

Site sketch:



1. Hydrophytic plant species

Record up to 5 hydrophytic plant species (FACW or OBL in the **Arid West** regional wetland plant list) within the assessment area: **within the channel or up to one half-channel width.** Explain in notes if species has an odd distribution (e.g., covers less than 2% of assessment area, long-lived species solely represented by seedlings, or long-lived species solely represented by specimens in decline), or if there is uncertainty about the identification. Enter photo ID, or check if photo is taken.

Check if applicable: ☐ No vegetation in assessment area ☐ No hydrophytes in assessment area

Species	Odd distribution?	Notes	Photo ID
No hydrophytic species			

Notes on hydrophytic vegetation:

2 and 3. Aquatic invertebrates

2. How many aquatic invertebrates are quantified in a 15-minute search?

Number of individuals quantified:
☐ None
☐ 1 to 19
☐ 20 +

(Do not count mosquitos)

Photo ID:_____

3. Is there evidence of aquatic stages of EPT (Ephemeroptera, Plecoptera and Trichoptera)?

Yes / No

Ephemeroptera larva
Image credit: Dieter Tracey

Plecoptera larva
Tracey Saxby

Trichoptera larva
Tracey Saxby

Notes on aquatic invertebrates:

4. Algal Cover

Are algae found on the streambed? ☐ Check if *all* observed algae appear to be deposited from an upstream source.	☐ Not detected ☐ Yes, < 10% cover ☐ Yes, ≥ 10% (check Yes in single indicator below)	Notes on algae cover:	Photo ID:

5. Are single indicators observed?

Indicator	Present	Notes	Photo ID
Fish	☐ Yes ☐ No, no fish ☐ No, only non-native mosquitofish		
Algae cover ≥ 10%	☐ Yes ☐ No		

Supplemental information E.g., aquatic or semi-aquatic amphibians, snakes, or turtles; iron-oxidizing bacteria and fungi; etc.

None

Photo log

Indicate if any other photos taken during the assessment

Photo ID	Description
Report	photo #1
	photo #2

Additional notes about the assessment:

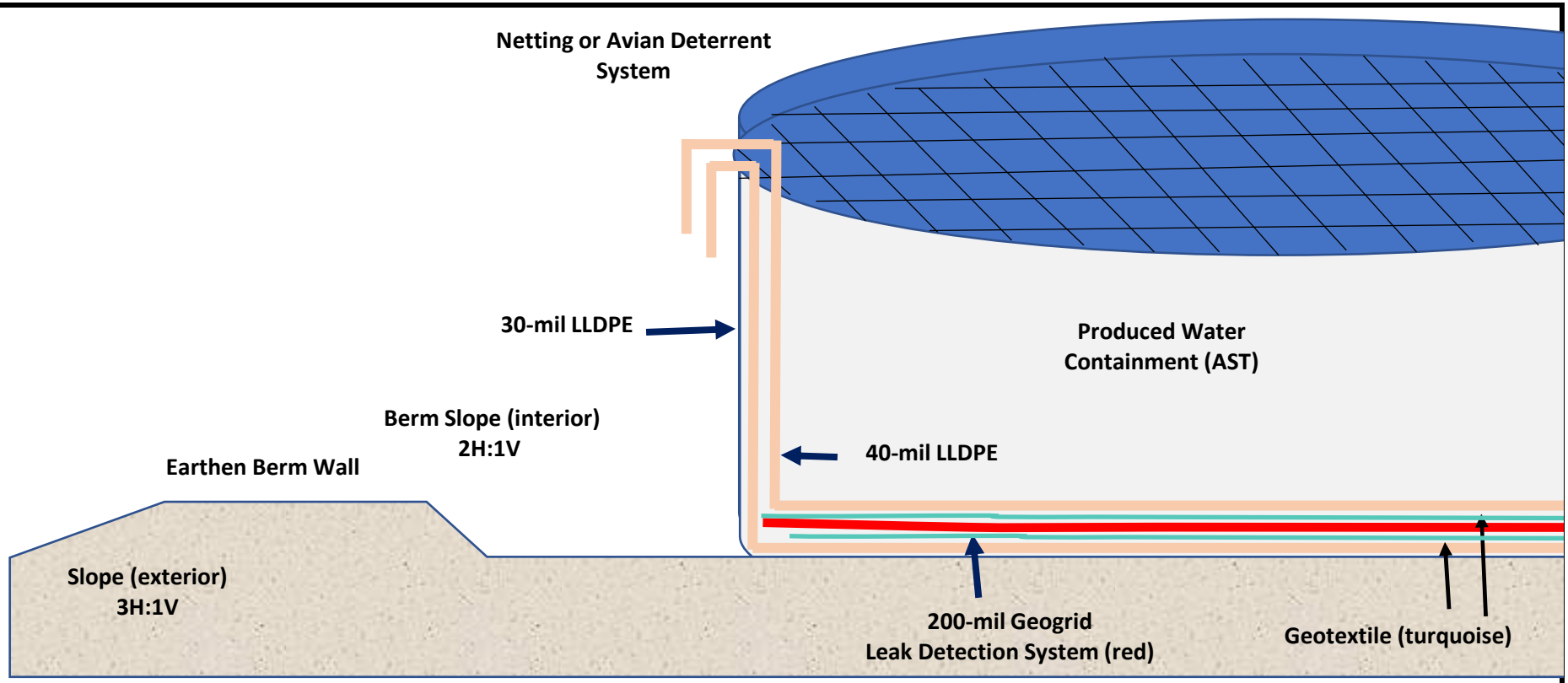
Field form for the beta Arid Streamflow Duration Assessment Method
Revision Date December 8, 2020

Classification: Ephemeral

1. Hydrophytic plant species	2. Aquatic invertebrates	3. EPT taxa	4. Algae	5. Single indicators • fish present • algae cover ≥ 10%	Classification
None	None	Absent	Absent	Absent	**Ephemeral**
				Present	**At least intermittent**
			Present	Absent	**Need more information**
				Present	**At least intermittent**
		Present			**At least intermittent**
	Few (1-19)	Absent	Absent	Absent	**Need more information**
				Present	**At least intermittent**
			Present	Absent	**Need more information**
				Present	**At least intermittent**
		Present			**At least intermittent**
	Many (20+)	Absent	Absent	Absent	**Need more information**
				Present	**At least intermittent**
			Present	Absent	**Need more information**
				Present	**At least intermittent**
		Present			**At least intermittent**
Few (1-2)	None	Absent	Absent	Absent	**Need more information**
				Present	**At least intermittent**
			Present		**At least intermittent**
	Few (1-19)	Absent	Absent		**Intermittent**
			Present		**At least intermittent**
		Present			**At least intermittent**
	Many (20+)	Absent	Absent		**Intermittent**
			Present		**At least intermittent**
		Present	Absent		**At least intermittent**
			Present		**Intermittent**
Many (3+)	None	Absent	Absent	Absent	**Need more information**
				Present	**At least intermittent**
			Present		**At least intermittent**
	Few (1-19)	Absent			**At least intermittent**
		Present			**Perennial**
	Many (20+)	Absent			**At least intermittent**
		Present			**Perennial**

Shading provided to enhance readability by increasing the contrast between neighboring cells; empty cells indicate the classification will not change with additional information however it is recommended that all five indicators be measured and recorded during every assessment.

EXHIBIT G. MANUFACTURE SPECIFICATION



Description of Leak Detection System

- 40-mil LLDPE comprise primary liner and 30-mil LLDPE comprise the secondary liner
- 200-mil geogrid drainage layer lies between the primary and secondary liner per Plate 2
- Geotextile between the geogrid and each liner
- > 3-inch deep sump excavated on down slope side of AST per Sump Design Drawing
- A small hose runs from the collection sump to top of AST via tube (see Section D)
- Every week, a portable self-priming peristaltic pump connects to the leak detection system.
- The self-priming pump discharge hose runs back into the AST, on top of the primary liner
- If fluid is detected, it is tested for conductance to determine the origin of the water (i.e. produced water or condensation)

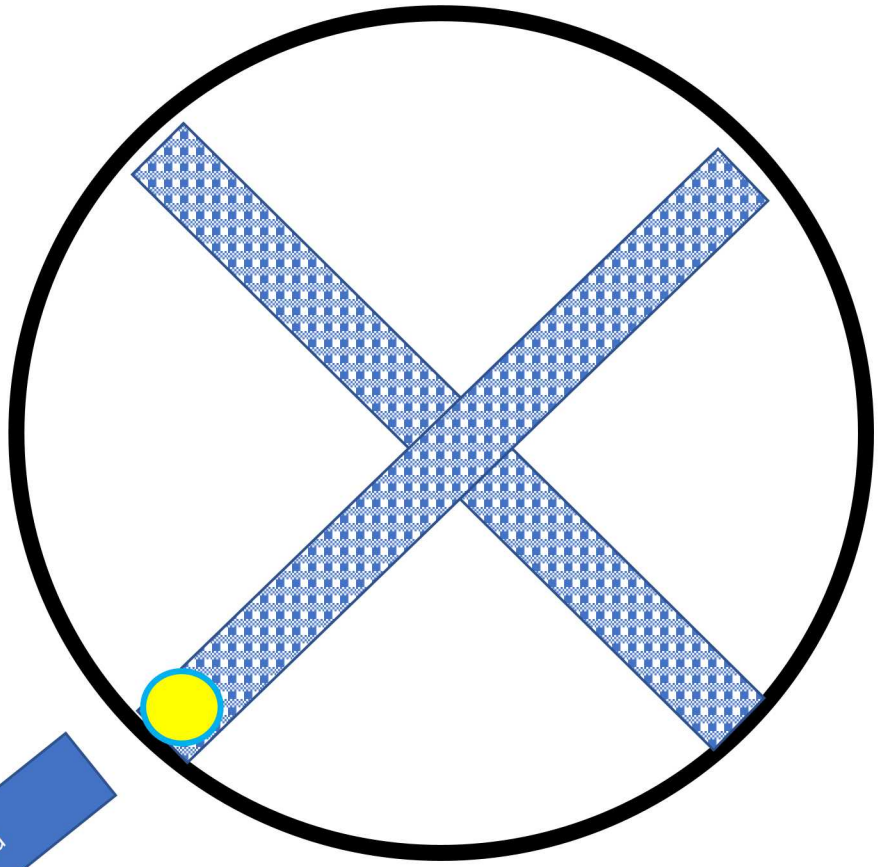
R.T. Hicks Consultants Albuquerque, NM	**Design Sketch**	**Plate 1**
	Well Water Solutions	**May-21**

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

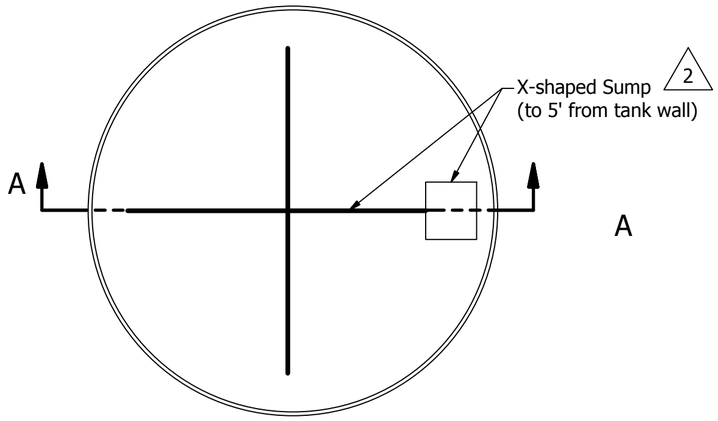


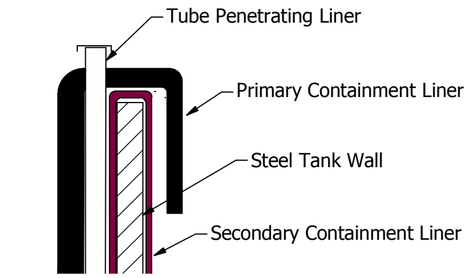
Sump Location

0 50 100

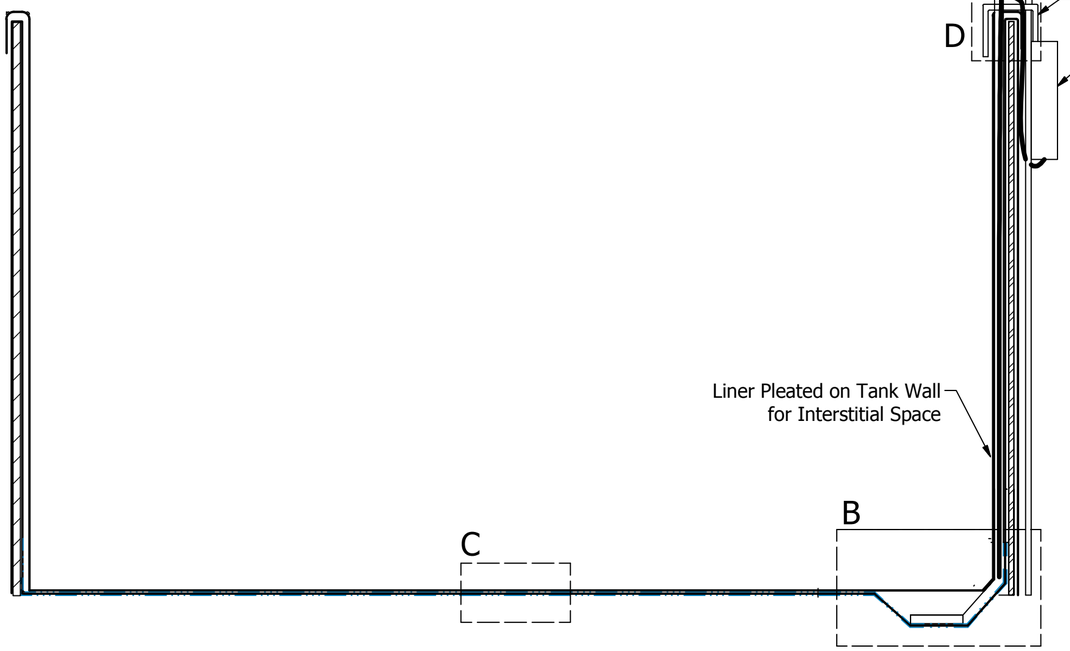
R.T. Hicks Consultants Albuquerque, NM	**Layout of Geogrid Drainage Mat**	**Plate 1**
	WWS - New Mexico Produced Water Set Up	**June 2021**

WWS DOUBLE-LINED FRAC WATER TANK SYSTEM

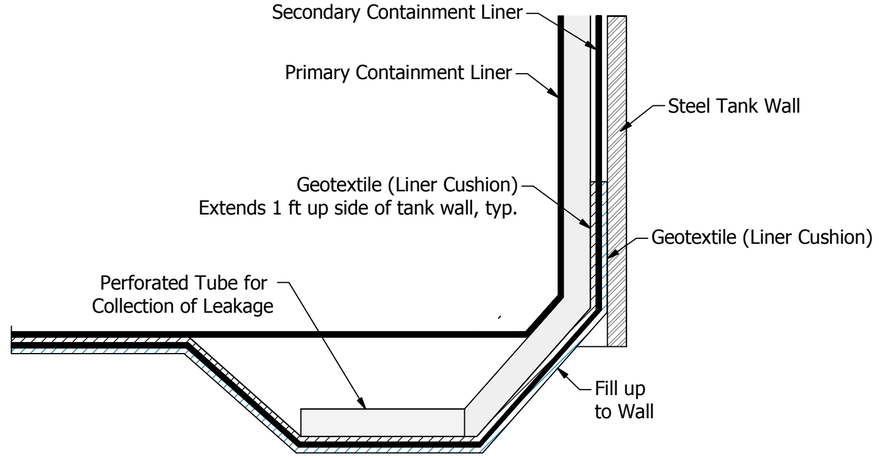




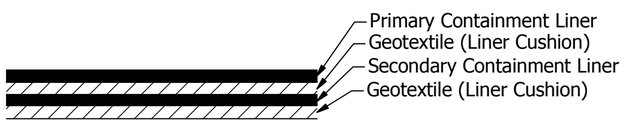
SECTION D
TUBE DETAIL
(Automated Leak Detection System Removed for Clarity)



VIEW A-A
TANK DETAIL



SECTION B
SUMP DETAIL



SECTION C
LINER DETAIL

LUCID
DRAFTING & DESIGN LLC
sarah@luciddrafting.com 307.752.7388

REVISION HISTORY

REV	DESCRIPTION	DATE	BY
0	INITIAL DWG	10/29/2015	SES
1	ADDED LEAK DETECTION SYSTEM	11/6/2015	SES
2	REVISED SUMP	11/6/2015	SES
3	ADDED GEOTEXTILE UNDER AND BETWEEN LINERS	11/24/15	SES

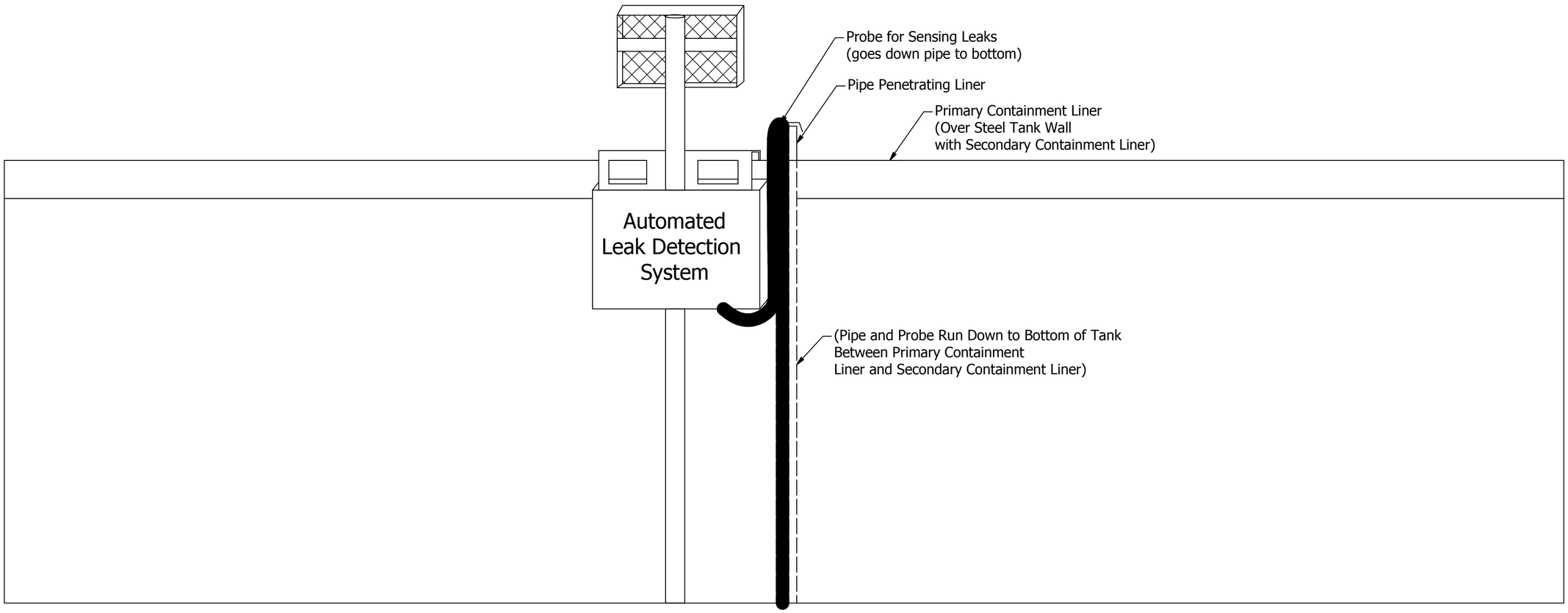
TITLE	Double-Lined Frac Tank System
CUSTOMER	
PROJECT/JOB	WWS Double-Lined Tank System
APPROVAL	
DRAFTER	SES
DATE	10/28/2015

WELL WATER SOLUTIONS AND RENTALS, INC.

SIZE	DWG NO	REV
C	LDD15-WWS-02	3

SHEET 1 OF 2

1 AUTOMATED LEAK DETECTION SYSTEM



TITLE	Double-Lined Frac Tank System
CUSTOMER	
PROJECT/JOB	WWS Double-Lined Tank System
APPROVAL	
DRAFTER	SES
DATE	10/28/2015

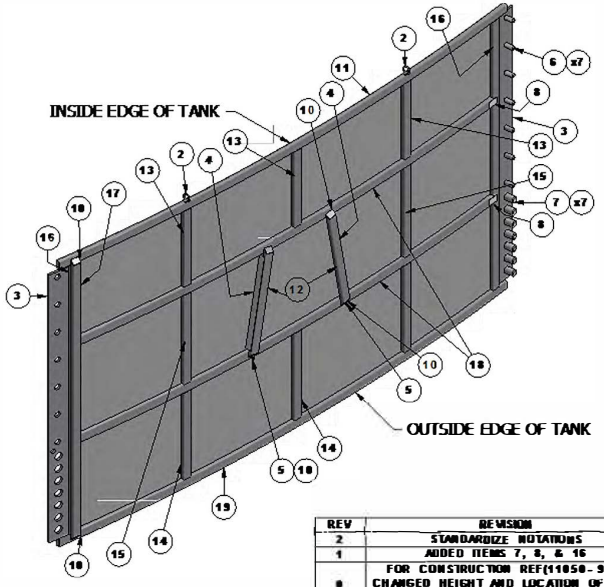
WELL WATER SOLUTIONS AND RENTALS, INC.

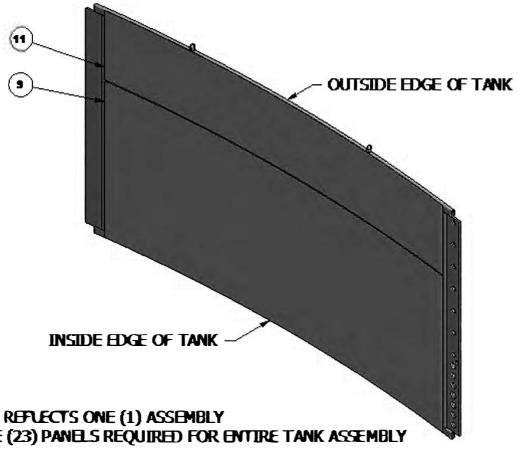
SIZE	DWG NO	REV
C	LDD15-WWS-02	3

SHEET 2 OF 2

Parts List

CK	ITEM	QTY	DESCRIPTION	WIDTH	LENGTH	MATERIAL	CLENGTH (in)	WEIGHT
	1	14	BAR, ROUND, 5/8" (LOCK PIN)		6 1/2 in	A36	6.50	
	2	2	D-RING, 1/2" B38, WORKING LOAD 4000 lbs			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	86.25	99
	5	2	PAD EYE, #2			CROSBY GROUP, S-264		0
	6	7	PIN, 2" DIA		4 1/2 in	KUSTOM KONCEPTS, A1018	31.50	3
	7	7	PIN, 3 " DIA		4 1/2 in	KUSTOM KONCEPTS, A1010	31.50	8
	8	2	PLATE, 3/16"	3 in	5 in	A36	10.00	2
	9	1	PLATE, 3/16"	96 in	240 in	A36	240.00	156
	10	6	SHEET, 10GA	2 1/2 in	3 3/4 in	A36	22.50	3
	11	1	SHEET, 10GA	42 1/2 in	240 in	A36	240.00	50
	12	2	TUBE, 4" x 2" x 1/4" (MITER BOTH ENDS)		52 in	A500B CLEAN COAT	104.00	55
	13	3	TUBE, 4" x 2" x 3/16"		37 1/4 in	A500B CLEAN COAT	74.50	43
	14	3	TUBE, 4" x 2" x 3/16"		42 3/4 in	A500B CLEAN COAT	128.25	74
	15	2	TUBE, 4" x 2" x 3/16"		44 in	A500B CLEAN COAT	88.00	50
	16	2	TUBE, 4" x 2" x 3/16"		132 in	A500B CLEAN COAT	264.00	151
	17	1	TUBE, 4" x 2" x 3/16" (MITER BOTH ENDS)		137 1/2 in	A500B CLEAN COAT	137.50	78
	18	2	TUBE, 4" x 2" x 3/16", (ROLL TO 155'-6 7/8" I.D.)		236 3/8 in	A500B CLEAN COAT	472.75	271
	19	2	TUBE, 4" x 2" x 3/16", (ROLL TO 155'-6 7/8" I.D.)		253 7/8 in	A500B CLEAN COAT	507.75	291





NOTES:
-THIS DRAWING REFLECTS ONE (1) ASSEMBLY
-TWENTY THREE (23) PANELS REQUIRED FOR ENTIRE TANK ASSEMBLY

REV	REVISION	DATE	BY
2	STANDARDIZE NOTATIONS	1/17/2012	JDV
1	ADDED ITEMS 7, 8, & 16	12/09/11	DSG
0	FOR CONSTRUCTION REF(11050-901) CHANGED HEIGHT AND LOCATION OF PINS REF(11078-40-901)	9/1/2011	CJD

FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307)472-9740

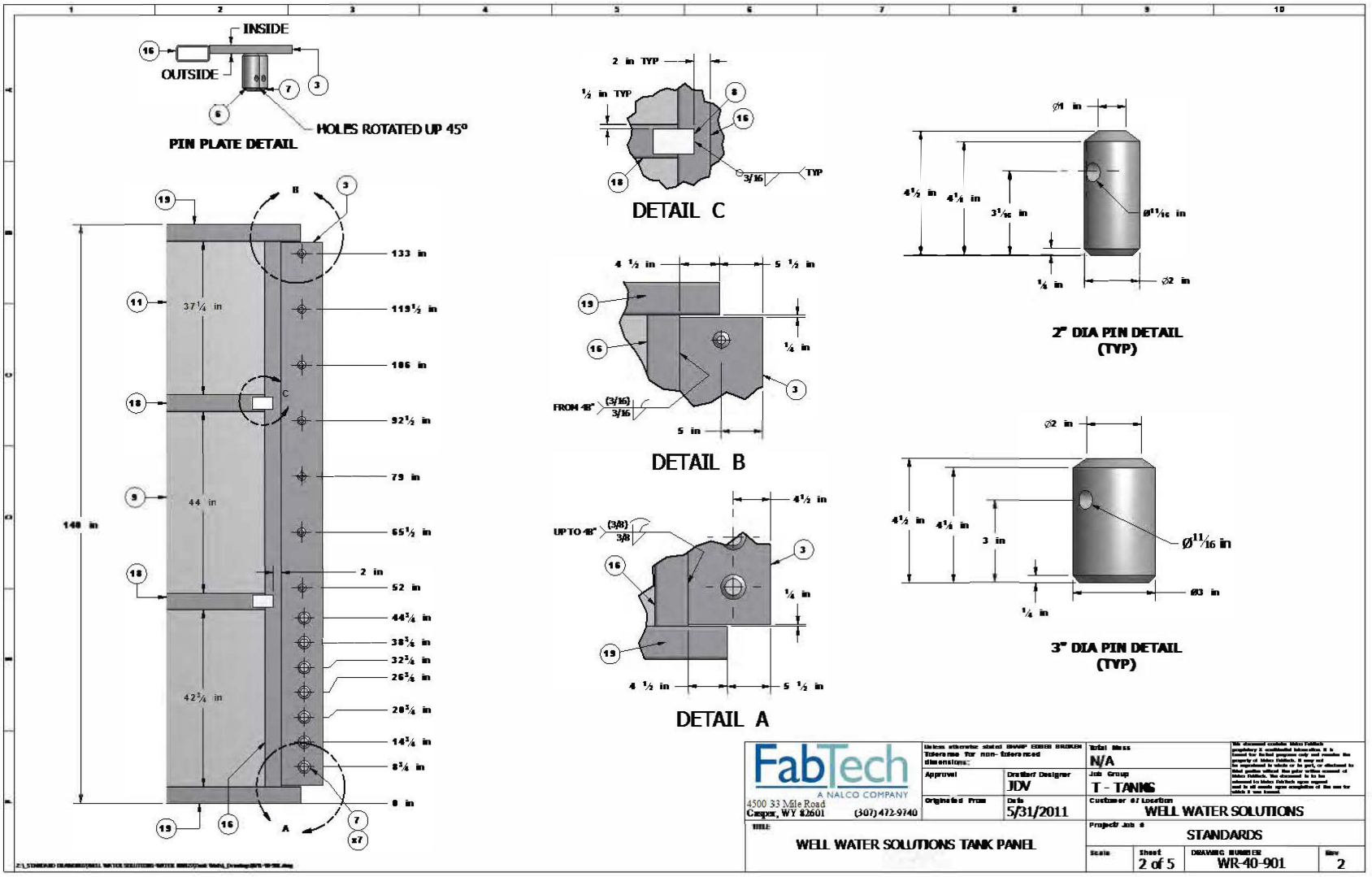
Unless otherwise stated SHARP EDGES BROKEN
Tolerance for non-toleranced dimensions:

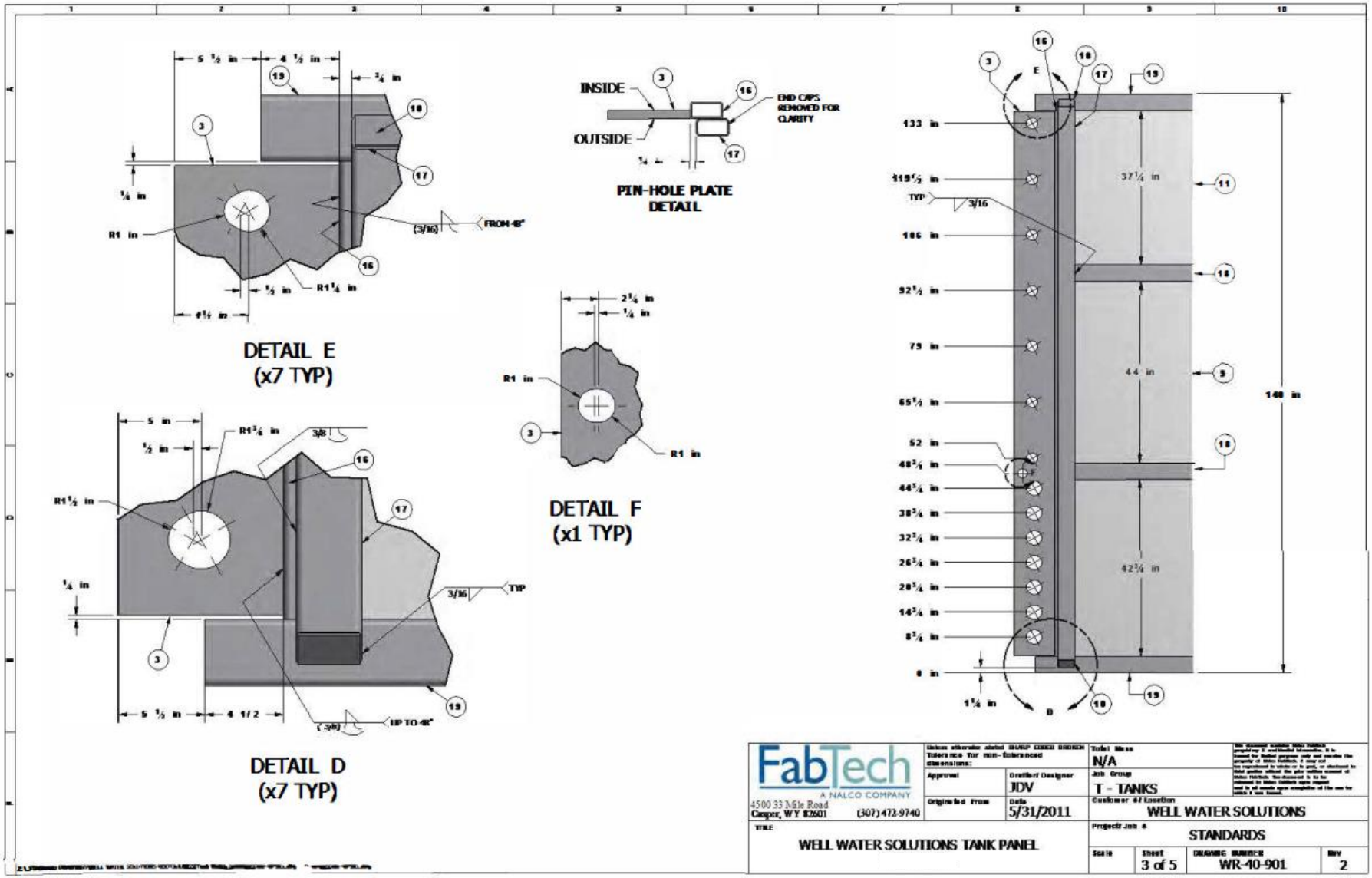
Approval | Drafted Designer: JDV | Originated From | Date: 5/31/2011

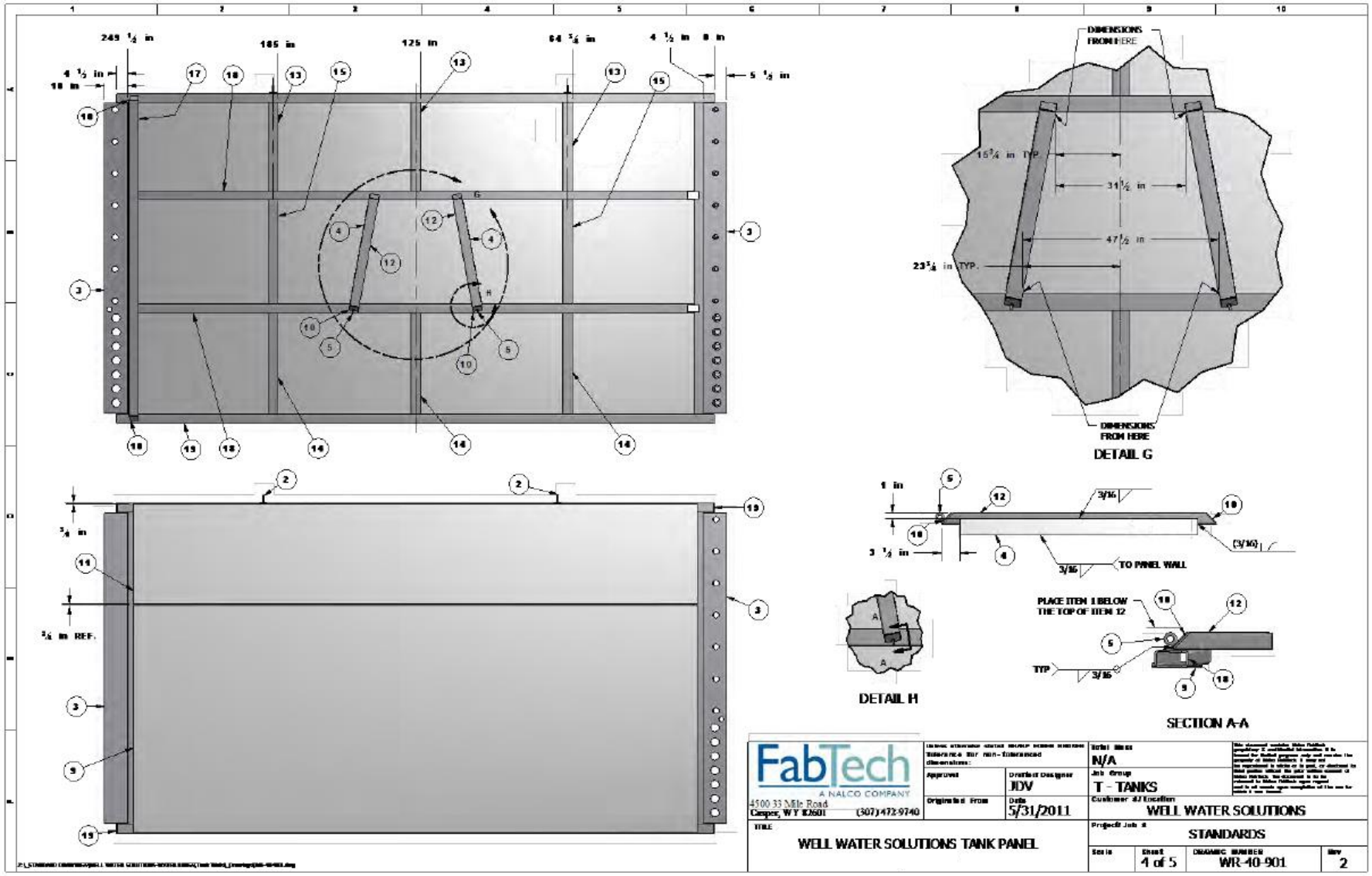
Total Mass: N/A
Job Group: T - TANKS
Customer or End Item: WELL WATER SOLUTIONS
Project Job #: STANDARDS

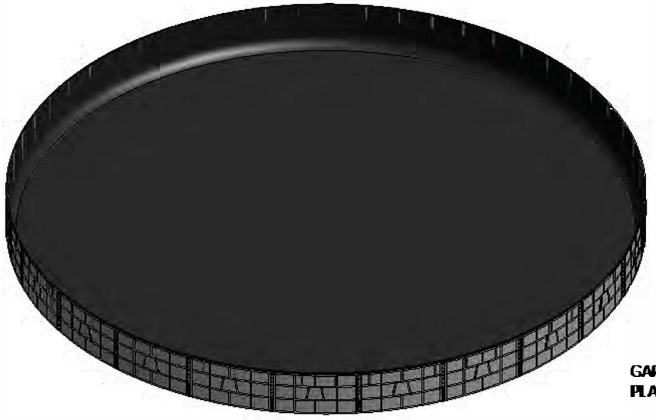
TITLE: WELL WATER SOLUTIONS TANK PANEL

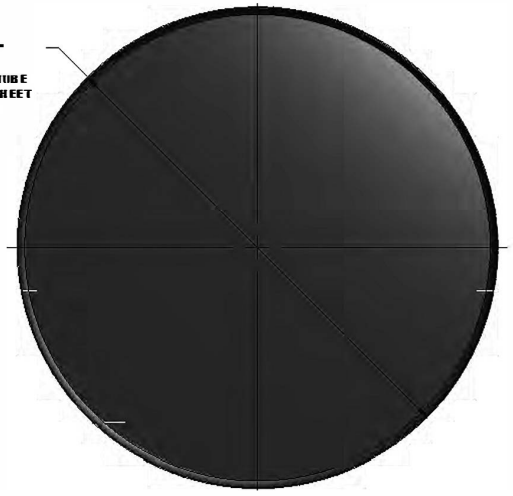
Scale | Sheet: 1 of 5 | DRAWING NUMBER: WR-40-901 | Rev: 2

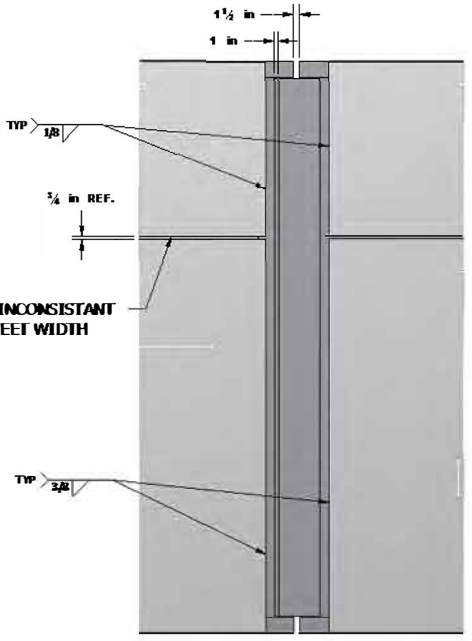

INSIDE
OUTSIDE
HOLES ROTATED UP 45°
PIN PLATE DETAIL
DETAIL C
DETAIL B
DETAIL A
2" DIA PIN DETAIL
(TYP)
3" DIA PIN DETAIL
(TYP)
140 in
37¼ in
44 in
42¾ in
133 in
119½ in
106 in
92½ in
79 in
65½ in
52 in
44¾ in
38⅛ in
32¾ in
26¾ in
20¾ in
14¾ in
8¾ in
0 in
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307) 472-9740
WELL WATER SOLUTIONS TANK PANEL
N/A
T - TANKS
WELL WATER SOLUTIONS
STANDARDS
2 of 5
WR-40-901
2
5/31/2011
JDV


DETAIL E
(x7 TYP)
PIN-HOLE PLATE
DETAIL
INSIDE
OUTSIDE
END CAPS
REMOVED FOR
CLARITY
DETAIL F
(x1 TYP)
DETAIL D
(x7 TYP)
133 in
119½ in
106 in
92½ in
79 in
65½ in
52 in
37¼ in
44 in
42¾ in
168 in
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307) 472-9740
JDV
5/31/2011
N/A
T - TANKS
WELL WATER SOLUTIONS
STANDARDS
WELL WATER SOLUTIONS TANK PANEL
3 of 5
WR-40-901
2

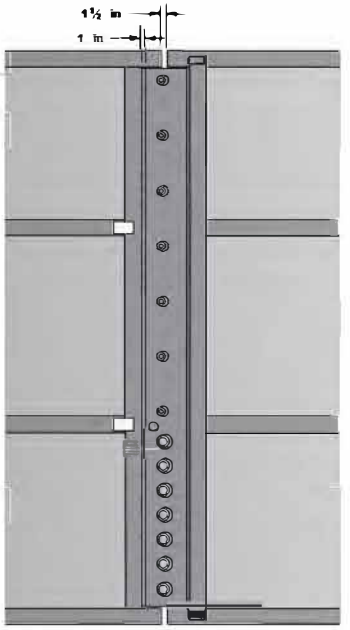

249 ½ in
185 in
125 in
64 ⅝ in
4 ½ in
8 in
4 ½ in
18 in
5 ½ in
DIMENSIONS FROM HERE
15¾ in TYP.
31½ in
47½ in
23¾ in TYP.
DIMENSIONS FROM HERE
DETAIL G
1 in
3 ½ in
3/16
(3/16)
TO PANEL WALL
PLACE ITEM 1 BELOW THE TOP OF ITEM 12
TYP
3/16
DETAIL H
SECTION A-A
¾ in
¾ in REF.
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307) 472-9740
Approved
Drafted Designer
JDV
Originated From
Date
5/31/2011
Job Group
T - TANKS
Customer ID/Location
WELL WATER SOLUTIONS
STANDARDS
WELL WATER SOLUTIONS TANK PANEL
Scale
Sheet
4 of 5
DRAWING NUMBER
WR-40-901
Rev
2







SEAM DETAIL
(INSIDE-OUT)



SEAM DETAIL
(OUTSIDE-IN)

FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601 (307) 472-9740

Unless otherwise stated SHARP EDGES BROKEN
Tolerance for non-toleranced dimensions:

Approved | Drafter/ Designer: JDV | Originated From | Date: 5/31/2011

Total Mass: N/A
Job Group: T – TANKS
Customer or location: WELL WATER SOLUTIONS
Project/ Job #: STANDARDS

TITLE: WELL WATER SOLUTIONS TANK PANEL

Scale | Sheet: 5 of 5 | DRAWING NUMBER: WR-40-901 | Rev: 2

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'

EXHIBIT H. VARIANCE REQUESTS

H

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 Ponderosa Unit F31 AST Pad Recycling
Containment and Recycling Facility Variance Request to 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 a self-contained free-standing structure 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 (A)(2) 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 containment panels. We believe this will provide equal or better protection than the requirements listed in 19.15.34.12 (A)(3) 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. The proposed variance will provide equal or better protection of fresh water, public health and the environment, as the proposed liner meets all other 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 an AST with 12-foot wall height, entrance to containment would have to be intentional. There is no risk of accidental entrance into containment by wildlife or the public. 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,

Casey Haga
Regulatory Specialist
Enduring Resources, LLC.
970.769.8814 – Cell

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, August 13, 2025 11:56 AM
To: Heather Huntington
Subject: 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634]
Attachments: C-147 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] 08.13.2025.pdf

3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634]

Good afternoon Ms. Huntington.

NMOCD has reviewed the recycling containment permit application and related documents, submitted by [371838] DJR OPERATING, LLC on 08/12/2025, Application ID **495145**, for 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] in F-31-24N-09W, San Juan County, New Mexico. [371838] DJR OPERATING, LLC requested variances from 19.15.34 NMAC for 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634].

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 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 non-reinforced LLDPE primary liner and a 30-mil LLPDE secondary liner is approved.
- [371838] DJR OPERATING, LLC requests a variance to NMAC 19.15.34.12 (D)(l) and (2) which applies to fencing or enclosing the containment. The freestanding 12-foot wall height above grade ASTs will provide equal or better protection to public health and the environment, as the fencing requirements of NMAC 19.15.34.12 (D)(l) and (2). This variance is approved.

The form C-147 and related documents for 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] are 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-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] is approved for five years of operation from the date of permit application of 08/12/2025. 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] permit expires on 08/12/2030. 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 07/12/2030.
- 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] will consist of one above ground storage tanks (AST) of 60,000 barrels of capacity. The recycling facility will consist of up to (30) 400 bbl vertical frac tanks with a consolidated volume of 12,000 barrels to treat (mechanical and chemical reconditioning process) produced water for reuse.
- [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.

- Water reused and recycled from 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] 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-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] in compliance with NMAC 19.15.34 NMAC.
- [371838] DJR OPERATING, LLC shall notify OCD, through OCD Permitting when construction of 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] commences.
- [371838] DJR OPERATING, LLC shall notify NMOCD through OCD Permitting when recycling operations commence and cease at 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634].
- A minimum 3-feet freeboard must be maintained at 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] 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-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] are considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the operations, 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-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] 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 if there is zero activity.
- [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-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634].

Please reference number 3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] in all future communications.
Best 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

Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID: 371838
	Action Number: 495145
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	3RF-90 - PONDEROSA UNIT F31 AST PAD [fVV2522442634] permit expires on 08/12/2030. If [371838] DJR OPERATING, LLC wishes to extend operations past five years, an annual permit extension request must be submitted using Form C-147 through OCD Permitting by 07/12/2030.	8/13/2025