



**Enduring Resources IV, LLC**

Main Office- 6300 S. Syracuse Way Suite 525 Centennial, CO 80111  
Field Office- 200 Energy Court Farmington, NM 87401  
Field Office: 505.636.9720 | Main Office: 303.573.1222

February 4, 2026

Enduring Resources, LLC  
3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]  
Recycling Facility/Containment Cessation Request for 19.15.34 NMAC

New Mexico Oil Conservation Division Attn: Victoria Venegas

Enduring Resources is requesting a cessation of operations for the Betonnie Tsosie Wash Unit 2208-E03 AST Pad Water Recycling Facility (3RF-85 fVV2504340764). In accordance with 19.15.34.13.C NMAC, "A recycling containment shall be deemed to have ceased operations if less than twenty percent of the total fluid capacity is used every six months following the first withdrawal of produced water for use. The operator must report cessation of operations to the division."

Enduring is requesting a cessation of operations from 12/2025 through the end of 05/2026. The division may grant an extension to this determination of cessation of operations not to exceed six months. Enduring has included inspection records for February 2025-June 2025. Water storage tanks were temporarily removed from the facility in June 2025 and will be reinstalled before operations resume. Enduring will follow all regulations set forth under NMAC 19.15.34 for operations at this facility.

C-148 forms for October 2025 and November 2025 are also included as reference that these reports will be filed as soon as the new C-148 reporting system reflects opening volumes starting January 2025.

Thank You,

*Heather Huntington*

Heather Huntington  
Regulatory Specialist  
Enduring Resources  
[hhuntington@enduringresources.com](mailto:hhuntington@enduringresources.com)  
505-636-9751

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-147  
Revised April 3, 2017

# Recycling Facility and/or Recycling Containment

Type of Facility:  Recycling Facility  Recycling Containment\*  
Type of action:  Permit  Registration  
 Modification  Extension  
 Closure  Other (explain) Cessation of Ops 12/2025-05/2026

\* At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner.

Be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.  
Operator: DJR Operating, LLC (For multiple operators attach page with information) OGRID #: 371838  
Address: 200 Energy Court, Farmington, New Mexico 87401  
Facility or well name (include API# if associated with a well): Betonnie Tsosie Wash Unit 2208-E03 AST Pad  
OCD Permit Number: 3RF-85\_fVV2504340764 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr Lot 4 and SW/NW Section 3 Township 22N Range 08W County: San Juan  
Surface Owner:  Federal  State  Private  Tribal Trust or Indian Allotment

2.  
 **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude 36.172227 Longitude -107.677500 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 36.172227 Longitude -107.677500 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: 86,000 bbl Dimensions: Radius x2 43K ASTs 81'2" 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.

**Variations:**

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.*

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

9.

**Recycling Facility and/or Containment Checklist:**

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

- Design Plan - based upon the appropriate requirements.
- Operating and Maintenance Plan - based upon the appropriate requirements.
- Closure Plan - based upon the appropriate requirements.
- Site Specific Groundwater Data
- Siting Criteria Compliance Demonstrations
- Certify that notice of the C-147 (only) has been sent to the surface owner(s)

10.

**Operator Application Certification:**

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

Name (Print): Heather Huntington Title: Regulatory Specialist  
 Signature: Heather Huntington Date: 02/04/2026  
 e-mail address: hhuntington@enduringresources.com Telephone: 505-636-9751

11.

OCD Representative Signature: Victoria Venegas Approval Date: 03/06/2026  
 Title: Senior Environmental Scientist OCD Permit Number: fVV2500234201  
 OCD Conditions \_\_\_\_\_  
 Additional OCD Conditions on Attachment \_\_\_\_\_

3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]

LEAK DETECTION

Date	43K	43K
2/27/25	N/A	N/A
3/5/25	0"	0"
3/12/25	0"	0"
3/19/25	0"	0"
3/26/25	0"	0"
4/2/25	0"	0"
4/9/25	0"	0"
4/16/25	0"	0"
4/23/25	0"	0"
4/30/25	0"	0"
5/7/25	0"	0"
5/14/25	0"	0"
5/21/25	0"	0"
5/29/25	0"	0"
6/7/25	0"	0"
6/12/25	AST RELEASED	



State of New Mexico  
 Energy Minerals and Natural Resources Department  
 Oil Conservation Division  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505  
 Phone (505) 476-3441 • Fax (505) 476-3462  
<https://www.emnrd.nm.gov/ocd/>

Form C-148  
 Revised  
 January 2022

Operator Name DJR OPERATING  
 RF# 3RF-85 BETONNIE TSOSIE WASH UNIT 2208-E03 STAGING AREA

OGRID # 371838  
 Facility # fVV2504340764

I certify all recycling containments associated with this recycling facility are using >= 20% of the containment's total fluid capacity every 6 months until closure in compliance with 19.15.34.13(C)<sup>A</sup>

Month/Year OCTOBER 2025

Recycling Equipment	Operational Capacity, (bbl) <sup>B</sup>	Produced Water Received, (bbl)	Other Fluid Received, (bbl)	Description of Other Fluid Received (e.g., fresh water, etc.)	Volume Leaving Facility for Recycling/Reuse, (bbl)
Recycling Containments					
Above Ground Storage Tanks	31,500	0			0
	31,500	0			0
Recycling Facility Totals <sup>C</sup>		0			0

<sup>A</sup> If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdraw, operation of the facility is considered ceased and a notification of cessation of operations should be sent electronically to OCD Online. A request to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 Long Form to OCD Online.

<sup>B</sup> For recycling containments, operational fluid capacity is the total volume of the containment, minus the volume utilized for the three feet volume of freeboard.

<sup>C</sup> Total the volumes received and the volumes leaving the facility for all equipment.



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Form C-148  
 Revised  
 January 2022

Operator Name DJR OPERATING  
 RF# 3RF-85 BETONNIE TSOSIE WASH UNIT 2208-E03 STAGING AREA

OGRID # 371838  
 Facility # fVV2504340764

I certify all recycling containments associated with this recycling facility are using >= 20% of the containment's total fluid capacity every 6 months until closure in compliance with 19.15.34.13(C)<sup>A</sup>

Month/Year NOVEMBER 2025

Recycling Equipment	Operational Capacity, (bbl) <sup>B</sup>	Produced Water Received, (bbl)	Other Fluid Received, (bbl)	Description of Other Fluid Received (e.g., fresh water, etc.)	Volume Leaving Facility for Recycling/Reuse, (bbl)
Recycling Containments					
Above Ground Storage Tanks	31,500	0			0
	31,500	0			0
Recycling Facility Totals <sup>C</sup>		0			0

<sup>A</sup> If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdraw, operation of the facility is considered ceased and a notification of cessation of operations should be sent electronically to OCD Online. A request to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 Long Form to OCD Online.

<sup>B</sup> For recycling containments, operational fluid capacity is the total volume of the containment, minus the volume utilized for the three feet volume of freeboard.

<sup>C</sup> Total the volumes received and the volumes leaving the facility for all equipment.

**From:** [OCDOnline@emnrd.nm.gov](mailto:OCDOnline@emnrd.nm.gov)  
**To:** [Heather Huntington](#)  
**Subject:** The Oil Conservation Division (OCD) has rejected the application, Application ID: 544696  
**Date:** Wednesday, February 4, 2026 1:33:14 PM

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To whom it may concern (c/o Heather Huntington for DJR OPERATING, LLC),

The OCD has rejected the submitted *Permit or Registration for Recycling and Re-use of Produced Water, Drilling Fluids and Liquid Oil Field Waste (Including Recycling Containment)* (C-147L), for facility ID (f#) fVV2504340764, for the following reasons:

- **Missing information. Please include the missing inspection records, for the period from July 2025 to January 2026, in your report. Please submit the monthly produced water report to OCD Permitting for this permit. The last C-148 in our system corresponds to September 2025.**

The rejected C-147L can be found in the OCD Online: Permitting - Action Status, under the Application ID: 544696.

Please review and make the required correction(s) prior to resubmitting.

If you have any questions why this application was rejected or believe it was rejected in error, please contact me prior to submitting an additional C-147L.

Thank you,  
Victoria Venegas  
Senior Environmental Scientist  
575-748-1283  
[victoria.venegas@emnrd.nm.gov](mailto:victoria.venegas@emnrd.nm.gov)

**New Mexico Energy, Minerals and Natural Resources Department**  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Venegas, Victoria, EMNRD**

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Friday, March 6, 2026 2:30 PM  
**To:** Heather Huntington  
**Subject:** 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]  
**Attachments:** C-147 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]  
 03.06.2026.pdf

**3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]**

Good afternoon, Mr. Huntington.

The Oil Conservation Division has reviewed the cessation of operations extension request for the 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764], received from [371838] DJR OPERATING, LLC on 02/18/2026, Application ID **555519**. The request for an extension of the cessation of operations is approved with the following conditions for approval:

- 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] extension of the cessation of operations is approved from 12/01/2025 to 05/01/2026. However, **if after this 6-month period, the containment was not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.**
- [371838] DJR OPERATING, LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [371838] DJR OPERATING, LLC may maintain a higher liquid level if they choose.
- [371838] DJR OPERATING, LLC will provide written notice to the OCD, at least 72 hours, but no more than one week, prior to the recommencement of operations. Recommencement of recycling operations means that the operator plans to resume moving fluids through the containment and discharging fluids from the containment.
  - At the resumption of recycling operations, [371838] DJR OPERATING, LLC is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
  - [371838] DJR OPERATING, LLC will fill in the containment. [371838] DJR OPERATING, LLC will pause filling operations at every 10% of total fluid capacity above the minimum level.
  - [371838] DJR OPERATING, LLC will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operate the leak detection system at the end of the 24-hour period.
  - If there are no liquids present in the leak detection system, [371838] DJR OPERATING, LLC may proceed to fill the next 10% volume and repeat the process until the full design capacity minus the 3-feet of freeboard is reached.
  - If liquids are present, [371838] DJR OPERATING, LLC should immediately cease the incremental fill test and perform a liner inspection. [371838] DJR OPERATING, LLC should provide written notice of the fluid detection and liner inspection findings to the OCD using a C-147 with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
  - [371838] DJR OPERATING, LLC must submit copies of the detailed containment inspection records for the prior three (3) months and a report detailing the incremental fluid level test process and results to OCD using a C-147 with the "Other" box checked. "Recommencement of Operations - Incremental Fluid Level Test" should be written as the explanation of "Other." Form C-147 must be completed and include information in sections 1 General Information, 2 Recycling Facility, 3 Recycling Containment, 4 Bonding, and 10 Operator Application Certification. Section 9 Recycling Facility and/or Containment Checklist may also need to be partially completed. Operators should verify that the resumption of operations notification does not result in any changes to the recycling containment operating and

maintenance plan or the closure plan. If the recommencement of operations affects the operating and maintenance plan or closure plan, operators should check those boxes in section 9 and provide updated plans or plan addendums as attachments to the C-147.

- [371838] DJR OPERATING, LLC will continue to operate, maintain, and close the 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] in compliance with 19.15.34 NMAC, to include but not limited detailed inspection records, removal of trash/oil from containment, and monthly C-148 reporting (even if there is zero activity).
- A minimum of 3-feet freeboard must always be maintained in the recycling containment during operations.
- [371838] DJR OPERATING, LLC shall inspect the recycling containment and associated leak detection systems weekly while it contains fluids. [371838] DJR OPERATING, LLC shall maintain a current log of such inspections and make the logs available for review by the division upon request as per 19.15.34.13.A.

Please let me know if you have any additional questions.

Best regards,

**Victoria Venegas** • Senior Environmental Scientist  
EMNRD - Oil Conservation Division  
506 W. Texas Ave. Artesia, NM 88210  
575.909.0269 | [Victoria.Venegas@emnrd.nm.gov](mailto:Victoria.Venegas@emnrd.nm.gov)

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Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

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

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

CONDITIONS

Action 555519

**CONDITIONS**

Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID: 371838
	Action Number: 555519
	Action Type: [C-147] Water Recycle Long (C-147L)

**CONDITIONS**

Created By	Condition	Condition Date
vvenegas	• 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] extension of the cessation of operations is approved from 12/01/2025 to 05/01/2026. However, if after this 6-month period, the containment was not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.	3/6/2026