State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David Catanach
Division Director
Oil Conservation Division



January 13, 2015

Via E-Mail and U.S. Mail

Adrian Holman and Bryce Kargar DNCS Properties, LLC 2028 E. Hackberry Place Chandler, Arizona 85286 brycekargar@hotmail.com

Re: Surface Waste Management Facility Permit NM1-57.

Dear Messers. Holman and Kargar:

The New Mexico Oil Conservation Division is in receipt of the financial assurance required pursuant to Section I G & H of the above-referenced Permit and hereby approves said financial assurance—Letter of Credit No. 212807152 issued by First American Bank in the amount of \$1,866,631.00 for the use and benefit of the OCD. Your permit is now effective, pursuant to the terms of your Permit.

Should you have any additional questions, please contact Jim Griswold at 505-476-3465.

Kind regards.

Allison R. Marks

Assistant General Counsel

Cc: Jim Griswold (via email)