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

Recycling Containment Closure Completion Date:

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 X Recycling Containment* **Type of Facility:** X Recycling Facility Type of action: A Permit X 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. (For multiple operators attach page with information) OGRID #: 372338 Operator: NGL Water Solutions Permian, LLC Address: 3773 Cherry Creek North Drive, Suite #1000, Denver, CO 80209 Facility or well name (include API# if associated with a well): McCloy West Recycling Facility (For new facilities the permit number will be assigned by the district office) OCD Permit Number: U/L or Qtr/Qtr SWSE & NWSE Section 15 Township 24S Range 32E County: Lea County Surface Owner: Federal State X Private Tribal Trust or Indian Allotment X Recycling Facility: Location of recycling facility (if applicable): Latitude North 32.213014/South 32.211464 Longitude North -103.661814/South -103.661814/Sou 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. X 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: X 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 North 32.213014/South 32.211464 Longitude North -103.661814/South -103.66182 NAD83 For multiple or additional recycling containments, attach design and location information of each containment X Lined X Liner type: Thickness 60 mil LLDPE X HDPE PVC ☐ Other North 600'Lx230'Wx25'D Liner Seams: X Welded X Factory Other Volume: North 326,176bbls/South 621,336bbls Dimensions: South 480'Lx480'Wx25'D

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 \$ 329,200.00 (work on these facilities cannot commence until bonding amounts are approved) Attach closure cost estimate and documentation on how the closure cost was calculated.		
Fencing: Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify Please see attached		
6. Signs:		
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 X No	
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	
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	

Pecycling Facility and/or Containment Checklist: Instructions: Each of the following items must be attached to the applications: 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	
Operator Application Certification: I hereby certify that the information and attachments submitted with this a Name (Print) Signature: e-mail address:	application are true, accurate and complete to the best of my knowledge and belief. Title: Tritle: Tr
OCD Representative Signature: Title: OCD Conditions	Approval Date: OCD Permit Number:
Additional OCD Conditions on Attachment	