

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) **Notice of Fluid Detection**

\* 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: Enduring Resources, LLC (For multiple operators attach page with information) OGRID #: 372286  
Address: 200 Energy Court, Farmington, NM 87401  
Facility or well name (include API# if associated with a well): KWU 2309 19K Water Recycle Facility  
OCD Permit Number: 3RF-43 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr NE/4 SW/4 Section 19 Township 23N Range 9W County: San Juan  
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.

☒ **Recycling Facility:**

Location of recycling facility (if applicable): Latitude 36.210825 Longitude -107.831105 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 36.210825 Longitude -107.831105 NAD83

☐ For multiple or additional recycling containments, attach design and location information of each containment

☐ Lined ☒ Liner type: Thickness 45 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_

☒ String-Reinforced

Liner Seams: ☒ Welded ☒ Factory ☐ Other \_\_\_\_\_ Volume: 213,698 bbl Dimensions: L 500' x W 240' x D 25'

☐ 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 8' Tall Chain Link Fencing

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.
- ☐ 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: Permitting TechSignature:  Date: 11/18/2021e-mail address: hhuntington@enduringresources.com Telephone: 505-636-9751

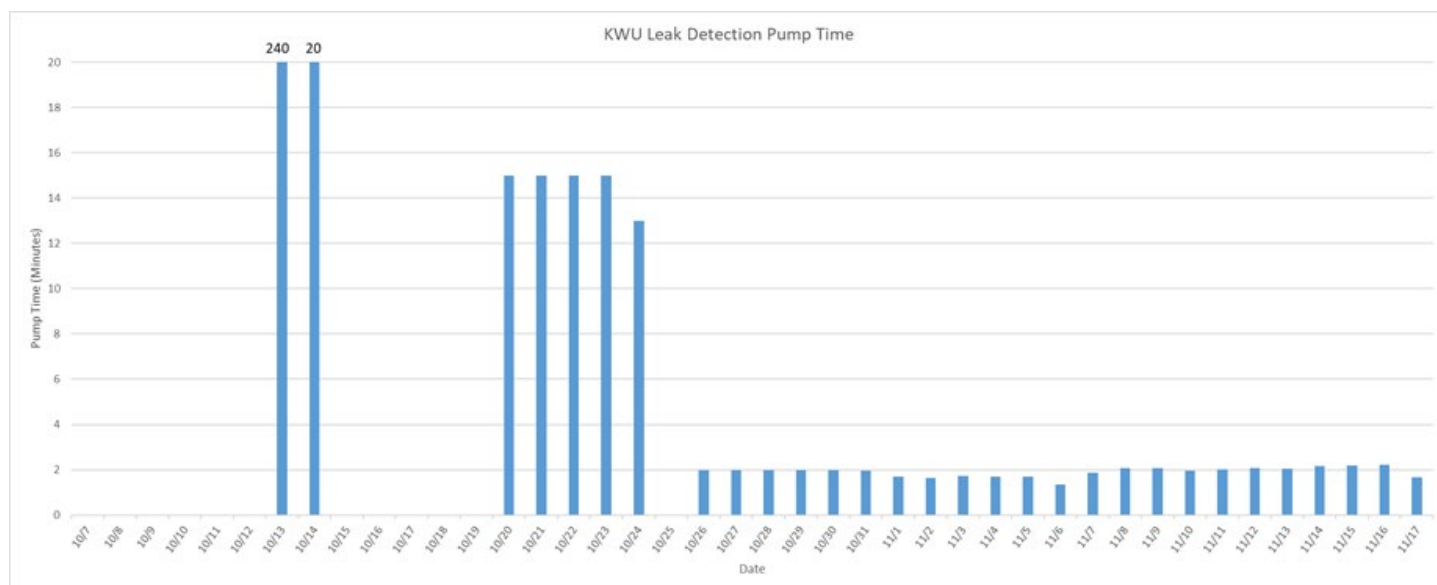
11.

OCD Representative Signature: Victoria Venegas Approval Date: 11/19/2021Title: Environmental Specialist OCD Permit Number: 3RF-43

- ☐ OCD Conditions
- ☐ Additional OCD Conditions on Attachment

**11/18/2021****Enduring Resources KWU 2309-19K 3RF-43 Primary Liner Compromise Repair Report**

Enduring reached the 60% incremental volume at KWU 2309-19K 3RF-43 on 11/16/2021. Enduring commenced the 24-hour test on 11/17/2021. After 24 hours, with the continuation of similar leak detection pump times and similar water quality, the data indicates small amounts of water continue to migrate to the leak detection system as filling operations continue. We also continue to observe ice buildup between the two pond layers. This is likely caused by condensation being created during the day and freezing at night; therefore, we are likely to continue to see some liquid migration throughout the pond fill. Enduring Resources concludes that the primary liner continues to be leak free and filling operations have commenced to the next 10% milestone.

**Current data**

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS  
  
Action 62647

CONDITIONS

|  |   |
|--|---|
| Operator:<br>ENDURING RESOURCES, LLC<br>6300 S Syracuse Way, Suite 525<br>Centennial, CO 80111 | OGRID:<br>372286                                    |
|  | Action Number:<br>62647                             |
|  | Action Type:<br>[C-147] Water Recycle Long (C-147L) |

CONDITIONS

|            |           |                |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| vvenegas   | None      | 11/19/2021     |