

C-147 REGISTRATION PACKAGE

Central Bisti Unit #161 WSW
Recycling Containment and Recycling Facility

December 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): Central Bisti Unit #161 WSW
OCD Permit Number: FVV2535036573 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr NW/NE & SWNE Section 16 Township 25N Range 12W County: San Juan
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Recycling Facility:**
Location of recycling facility (if applicable): Latitude 36.40505457 N Longitude -108.115819 W 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 36.40505457 N Longitude -108.115819 W 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: Two 43K bbl ASTs with 90' radius 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	<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. – **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 Marathon. 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: Regulatory Specialist
 Signature: Heather Huntington Date: 12/04/25
 e-mail address: hhuntington@enduringresources.com Telephone: 505-636-9751

11.

OCD Representative Signature: Victoria Venegas Approval Date: 12/16/2028
 Title: Environmental Specialist OCD Permit Number: FVV2535036573
☐ OCD Conditions
☐ Additional OCD Conditions on Attachment

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C-147 Registration Package

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	Central Bisti Unit #161 WSW
Project Type	Recycling Facility & Recycling Containment
Legal Location	NW/NE ¼ and SWNE ¼ of Section 16, Township 25N, Range 12W, San Juan County, New Mexico
Surface Owner	Private (Western Refining Southwest, Inc.)

In accordance with 19.15.34 NMAC, DJR Operating, LLC (DJR) a subsidiary company of Enduring Resources IV, LLC requests registration of their Central Bisti Unit #161 WSW Pad (CBU #161 WSW Pad) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package.

The recycling containment will consist of two 43,000 barrel (bbl) above ground storage tanks (ASTs). 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. These AST containments fall 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 IV, LLC wells.

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

The CBU #161 WSW Pad is located at 36.40505457° N, -108.115819° W, within Section 16, Township 25N, Range 12W, in San Juan County, New Mexico. The site is located on private land. DJR is the operator of the applicable oil and gas mineral rights at this location.

DJR has entered into a Surface Use and Compensation Agreement with Western Refining Southwest, LLC (now Marathon) to use a tract of land in the NW/NE ¼ and SW/NE ¼ of Section 16, Township 25N, Range 12W for the CBU #161 WSW Pad. See Exhibit C, Recordation Notice and Memorandum of Surface Use and Compensation Agreement. Additionally, per New Mexico Oil Conservation Division (NMOCD) Form C-147, DJR will provide a copy of this registration package to Marathon concurrently with the submittal to the division.

C-147 Registration Package

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 5 years.

If the AST containment is found to be needed beyond 5 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 SJ-01716 located in the southwest ¼ of Section 1, Township 25N, Range 12W as evidence of depth to groundwater. The well is located approximately 3.2 miles northeast at 6,300 feet in elevation and New Mexico Office of the State Engineer (NM-OSE) reports depth to groundwater for this well at 210 feet. There are wells closer to the CBU #161 WSW Pad, but there are no available data on depth to groundwater or well depth.

The CBU #161 WSW Pad is located at about 6,250 feet in elevation on a low ridge approximately 40 feet above an unnamed tributary of Gallegos Canyon. Based on a review of the NM-OSE iWATERS database, groundwater depth is expected to be greater than 50 feet below the bottom of the recycling containment at this location. 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 T25N R12W = 220', 210', 231'

Average, Minimum, and Maximum depth to ground water within T25N R11W = 135', 135', 135'

Average, Minimum, and Maximum depth to ground water within T26N R12W = 70', 20', 220'

Average, Minimum, and Maximum depth to ground water within T26N R11W = 182', 165', 200'

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 ASTs.

DJR contracted Barr Engineering Co. (Barr) in October 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, the one channel in the survey area is classified as ephemeral using the Beta Streamflow Duration Assessment Method for the Arid West of the United States (Mazor et al, 2023). There are no FEMA 100-year flood zones in the survey area. There are no wetlands within the 500-foot buffer of the site.

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, as well as their boundaries, for the purposes of 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 Map 2 in Exhibit E, 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 have been no new structures erected since the aerial imagery was obtained. The nearest residence is approximately 0.50-mile north.

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 Maps 1 and 2 in Exhibit E. 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 3.2 miles away. The nearest spring/seep according to the National Hydrography Dataset (NHD) is 11.1 miles northwest.

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. P Map 1 in Exhibit E shows the nearest municipal boundary being Bloomfield New Mexico approximately 27 miles north.

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 U.S. Fish and Wildlife Service National Wetland Inventory (NWI) and Map 2 in Exhibit E, the proposed site is located within 500 feet of an ephemeral drainage that has been mapped as "Riverine" with classification code: R4SBC. Please see decoded descriptions below from U.S. Fish and Wildlife Service for each of these.

R4SBC:

*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 **Seasonally Flooded (C)**: Surface water is present for extended periods especially early in the growing season, but is absent by the end of the growing season in most years. The water table after flooding ceases is variable, extending from saturated to the surface to a water table well below the ground surface.*

Since the NWI 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 presence of hydric soils or support hydrophytes.

DJR contracted Barr Engineering Co. (Barr) in October 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 as Exhibit F:

The NWI/NHD mapped R4SBC intermittent channel (Photograph 1; CBU-1 as shown on Map 2) was assessed and supports a defined channel with an OHWM and is located outside the 200-foot buffer. The SDAM worksheet is in Attachment B.

There are no FEMA 100-year flood zones in the survey area. There are no wetlands within the 500-foot buffer of the site.

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 25N, Range 12W, San Juan County, New Mexico. Map 1 in Exhibit E shows mines regardless of status near the project area. The nearest EMNRD recorded permit (Permanent Closure, Reclaimed and Released) is a coal mine approximately 11.8 miles southwest.

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 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 0.1 mile or 686 feet northwest.

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 CBU #161 WSW 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 ASTs will be constructed on DJR's CBU #161 WSW Pad. The AST footprints 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 containments 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 are performed by a manufacturer's 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 inches by 24 inches with lettering not less than 2 inches 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 two ASTs 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 3 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 containment's 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 containment's 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 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 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 CBU #161 WSW 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

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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 Surface Use and Compensation Agreement (Exhibit C).

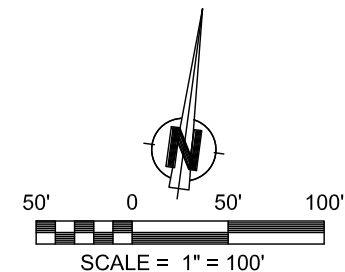
EXHIBIT A. PLAT

A

WELL HEAD
 LATITUDE: 36.405519° N
 LONGITUDE: 108.115615° W
 DATUM: NAD83

EXHIBIT "A"
DJR OPERATING, LLC
PROPOSED CENTRAL BISTI #161 WSW
(WATER SOURCE FACILITY)

1067' FNL & 2286' FEL
 LOCATED IN THE NW/4 NE/4 OF SECTION 16,
 T25N, R12W, N.M.P.M.,
 SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6232', NAVD 88
 FINISHED PAD ELEVATION: 6231.5', NAVD 88



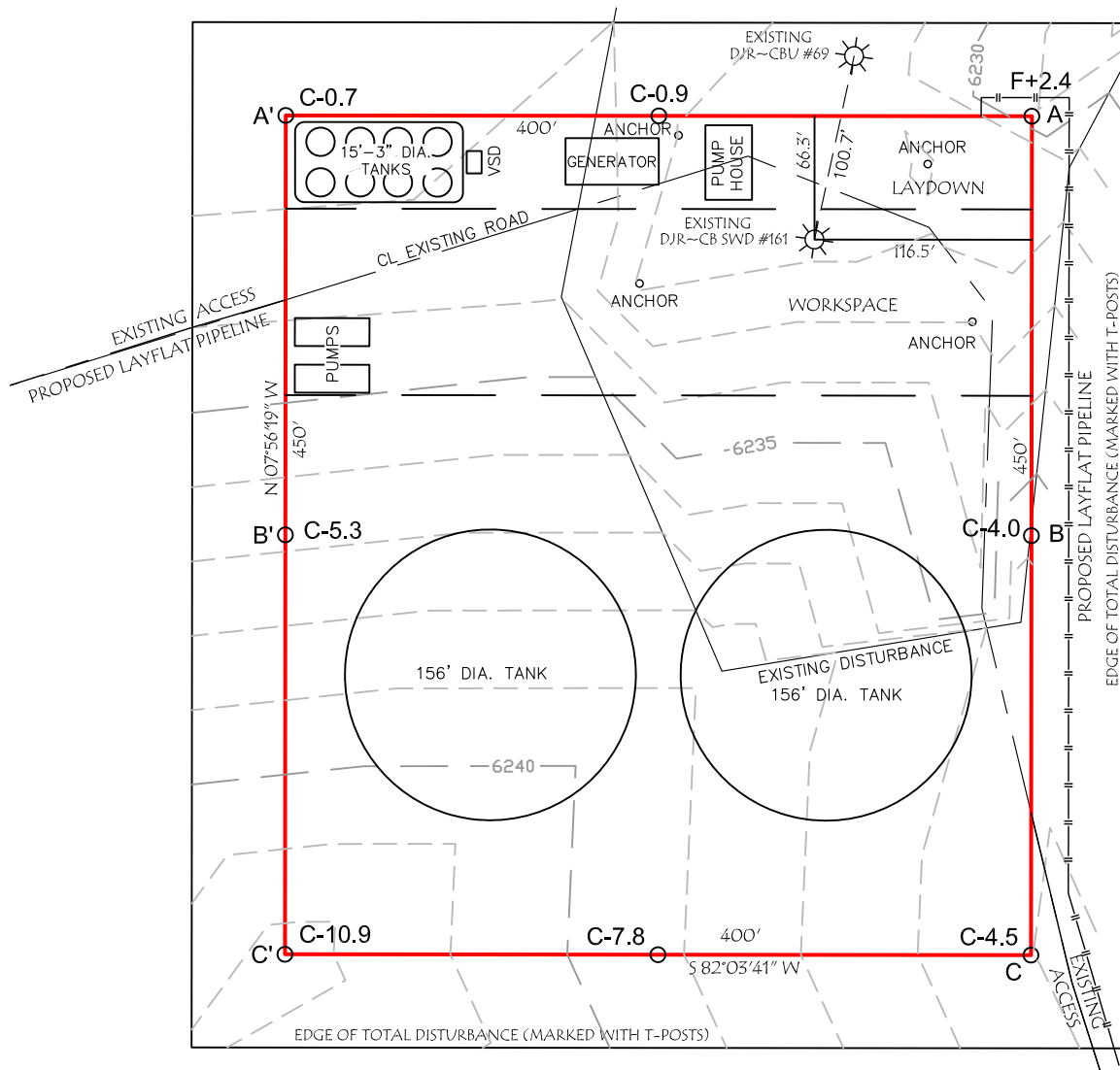
NOTES:

1.) BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE NORTHEAST CORNER AND THE NORTHWEST CORNER OF SECTION 16, TOWNSHIP 25 NORTH, RANGE 12 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO. LINE BEARS: N 89°49'55" W A DISTANCE OF 5275.92 FEET AS MEASURED BY G.P.S. AND BASED ON THE N.M.S.P. COORDINATE SYSTEM (WEST ZONE).

2.) LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AZTEC CORS L1 PHASE CENTER. DISTANCES SHOWN ARE GROUND DISTANCES USING A TRAVERSE MERCATOR PROJECTION FROM A WGS84 ELLIPSOID, CONVERTED TO NAD83. NAVD88 ELEVATIONS AS PREDICTED BY GEOID09.

3.) 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 48 HOURS PRIOR TO CONSTRUCTION.

4.) T-POSTS HAVE BEEN SET TO DEFINE THE EDGE OF DISTURBANCE LIMITS WHICH ARE 50' OFFSETS FROM THE EDGE OF THE STAKED WELL PAD.



NOTE:
 CHENAULT CONSULTING, INC. 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, IN CONSTRUCTION ZONE AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

SLOPES TO BE CONSTRUCTED TO MATCH THE ORIGINAL CONTOURS AS CLOSE AS POSSIBLE.

CCI
CHENAULT CONSULTING INC.
 4800 COLLEGE BLVD.
 SUITE 201
 FARMINGTON, NM 87402
 (505)-325-7707

~ SURFACE OWNERSHIP ~
 WESTERN REFINING
 SOUTHWEST, INC.
 Book 1588, Page 645





TOTAL PERMITTED AREA
500' x 550' = 6.31 ACRES
SCALE: 1" = 100'
DATE: 03/30/22
DRAWN BY: GRR

DJR OPERATING, LLC

EXHIBIT B. RECYCLING FACILITY AND RECYCLING CONTAINMENT SITE DIAGRAM

B



-  Well Pad
-  43K bbl Aboveground Storage Tank - 162' diameter
-  Aboveground Storage Tank Construction Buffer - 12' wide
-  400 bbl Vertical Frac Tanks - 13' diameter

Central Bisti 161 WSW
Aboveground Storage Tank Pad
DJR Operating, LLC

Exhibit A

Aboveground Storage Tank Diagram



EXHIBIT C. SURFACE USE AND COMPENSATION AGREEMENT

C

RECORDATION NOTICE AND
MEMORANDUM OF SURFACE USE AND COMPENSATION AGREEMENT

To that certain Surface Use and Compensation Agreement by and between
Western Refining Southwest LLC and DJR Operating, LLC

KNOW ALL MEN BY THESE PRESENTS:

That, Western Refining Southwest LLC, whose address is 539 South Main Street, Findlay, Ohio 45840, ("Owner"), did enter into an unrecorded Surface Use and Compensation Agreement ("SUCA") of even date, which granted certain rights to DJR Operating, LLC, 1 Road 3263, Aztec, New Mexico 87410, Attn: Paul Lehrman, ("Operator"). The SUCA covers oil and gas operations on or with respect to the following land:

Township 25 North, Range 12 West, N.M.P.M.
Section 16: ALL
San Juan County, New Mexico
At Book 1588, Page 645
San Juan County, New Mexico

The SUCA is hereby referenced and incorporated herein to the same extent as if all its provisions were copied in full in this Notice/Memorandum. This Notice/Memorandum and the SUCA memorialized by it shall be binding on and inure to the benefit of Owner and Operator, their respective heirs, administrators, and assigns.

IN WITNESS WHEREOF, this Recordation Notice and Memorandum of Surface Use and Compensation Agreement has been executed on the date (s) indicated below by the undersigned.

OWNER:

Western Refining Southwest LLC

By: Timothy J. Aydt

Name: Timothy J. Aydt

SK

Title: EVP Refining

Approved As To Form

Date: 12-8-22

OPERATOR:

DJR OPERATING, LLC

By: Jerry L. Austin

Name: Jerry L. Austin

Title: VP Production Operations

Date: 12-8-22



202300251 01/12/2023 07:07 AM
1 of 2 B1694 P558 \$25.00
San Juan County, NM TANYA SHELBY



CR

STATE OF OHIO)

) ss.

COUNTY OF HANCOCK)



JOYCE A DRAKE
 Notary Public
 In and for the State of Ohio
 My Commission Expires
 April 15, 2023

The foregoing instrument was acknowledged before me this 8th day of December 2022
 by

Timothy J Aydt, EVP, Refining (TITLE) Of Western Refining Southwest LLC.

My Commission expires:

4-15-2023

Joyce A Drake
 Notary Public

STATE OF NEW MEXICO)

) ss.

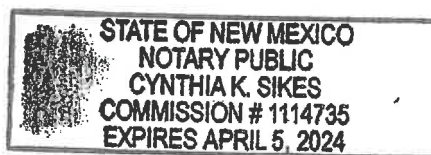
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 8th day of December 2022
 by Jerry L. Austin, VP of Production Operations, of DJR Operating, LLC.

My Commission expires:

4/5/2024

Cynthia K Sikes
 Notary Public



202300251 01/12/2023 07:07 AM
 2 of 2 B1694 P558
 San Juan County, NM TANYA SHELBY

STATE OF OHIO)
) ss.
 COUNTY OF HANCOCK)



JOYCE A DRAKE
 Notary Public
 In and for the State of Ohio
 My Commission Expires
 April 15, 2023

The foregoing instrument was acknowledged before me this 8th day of December 2022
 by

Timothy J. Axt, EVP, Refining (TITLE) Of Western Refining Southwest LLC.

My Commission expires:

4-15-2023

Joyce Drake
 Notary Public

STATE OF NEW MEXICO)
) ss.
 COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 8th day of December 2022
 by Jerry L. Austin, VP of Production Operations, of DJR Operating, LLC.

My Commission expires:

4/5/2024

Cynthia K. Sikes
 Notary Public

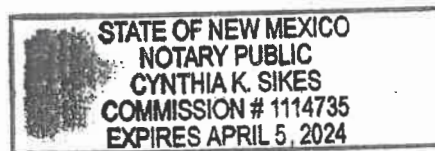


EXHIBIT D. GROUND WATER REPORT

D

Revised December 1975

IMPORTANT — READ INSTRUCTIONS ON BACK BEFORE FILLING OUT THIS FORM.

MC-107868

Declaration of Owner of Underground Water Right

SAN JUAN UNDERGROUND WATER BASIN
BASIN NAME

Declaration No. SJ-1716

Date received April 29, 1983

STATEMENT

1. Name of Declarant U. S. Dept. of Interior, Bureau of Land Management
Mailing Address P. O. Box 568, Farmington, New Mexico 87499-0568
County of San Juan, State of New Mexico
2. Source of water supply Nacimiento Formation
(artesian or shallow water aquifer)
3. Describe well location under one of the following subheadings:
a. 1/4 NE 1/4 SW 1/4 of Sec. 1 Twp. 25 N. Rge. 12 W. N.M.P.M., in San Juan County.
b. Tract No. _____ of Map No. _____ of the _____
c. X = _____ feet, Y = _____ feet, N. M. Coordinate System _____ Zone _____
in the _____ Grant.
On land owned by Bureau of Land Management (see address above)
W. R. West
4. Description of well: date drilled 6/20/63-2/5/64 driller Drilling Co. depth 403 feet.
outside diameter of casing 6 5/8 inches; original capacity 40 gal. per min.; present capacity 40 gal. per min.; pumping lift 375 feet; static water level 210 feet ~~below~~ (below) land surface;
make and type of pump 1 7/8 inch cylinder (plunger on sucker rod)
make, type, horsepower, etc., of power plant 14 foot diameter aermotor mounted on steel tower.
Fractional or percentage interest claimed in well 100% (all)
5. Quantity of water appropriated and beneficially used 15 (acre feet per acre) (acre feet per annum)
for livestock and wildlife purposes.
6. Acreage actually irrigated N/A acres, located and described as follows (describe only lands actually irrigated):

Subdivision	Sec.	Twp.	Range	Acres Irrigated	Owner
					85AHR29
					AD: 35

(Note: location of well and acreage actually irrigated must be shown on plot on reverse side.)

7. Water was first applied to beneficial use 2 month 5 day 1964 year and since that time has been used fully and continuously on all of the above described lands or for the above described purposes except as follows: N/A

8. Additional statements or explanations Carson No. 1 Well (see Log of Well and Project Completion Report)

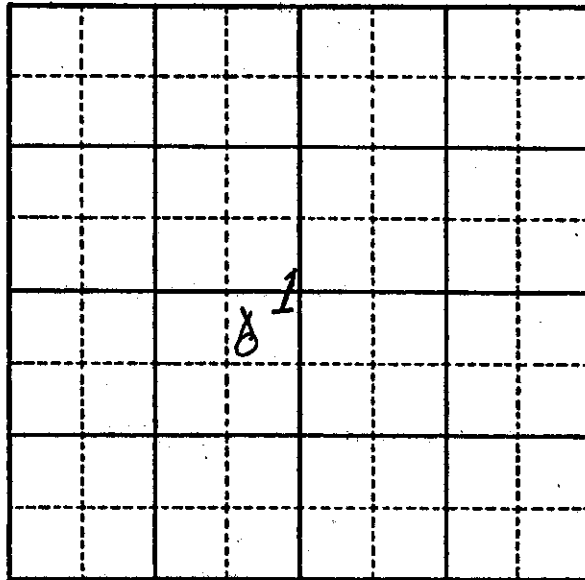
I, Farmington Resource Area Manager being first duly sworn upon my oath, depose and say that the above is a full and complete statement prepared in accordance with the instructions on the reverse side of this form and submitted in evidence of ownership of a valid underground water right, that I have carefully read each and all of the items contained therein and that the same are true to the best of my knowledge and belief.

Jim Lewis, declarant.
by: _____

Subscribed and sworn to before me this 25 day of April, A.D. 1983
My commission expires April 13, 1987 Shirley C. Davenport Notary Public

Locate well and areas actually irrigated as accurately as possible on following plat:

Section (s) 1, Township 25 N., Range 12 W. N. M. P. M.



INSTRUCTIONS

Declaration shall be executed (preferably typewritten) in triplicate and must be accompanied by a \$1.00 filing fee. Each of triplicate copies must be properly signed and attested.

A separate declaration must be filed for each well in use.

All blanks shall be filled out fully. Required information which cannot be sworn to by declarant shall be supplied by affidavit of person or persons familiar with the facts and shall be submitted herewith.

Secs. 1-3. Complete all blanks.

Sec. 4. Fill out all blanks applicable as fully as possible.

Sec. 5. Irrigation use shall be stated in acre feet of water per acre per year applied on the land. If used for domestic, municipal, or other purposes, state total quantity in acre feet used annually.

Sec. 6. Describe only the acreage actually irrigated. When necessary to clearly define irrigated acreages, describe to nearest $2\frac{1}{2}$ acre subdivision. If located on unsurveyed lands, describe by legal subdivision "as projected" from the nearest government survey corners, or describe by metes and bounds and tie survey to some permanent, easily-located natural object.

Sec. 7. Explain and give dates as nearly as possible of any years when all or part of acreage claimed was not irrigated.

Sec. 8. If well irrigates or supplies supplemental water to any other land than that described above, or if land is also irrigated from any other source, explain under this section. Give any other data necessary to fully describe water right.

If additional space is necessary, use a separate sheet or sheets and attach securely hereto.



United States Department of the Interior

IN REPLY REFER TO

7421

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
P.O. BOX 568
FARMINGTON, NEW MEXICO 87499-0568

APR 28 1983

New Mexico State Engineer
District I Office
2340 Menaul, NE, Suite 206
Albuquerque, New Mexico 87107-1884

Dear Sir:

Enclosed, please find Declaration of Owner of Underground Water Right for sixteen of our wells for livestock and wildlife watering purposes. Sixteen dollars are enclosed for filing fees.

If you have any questions, please call Dana Shuford of our staff (505-325-3581).

Sincerely yours,

acting Jim Senius
Area Manager

Enclosures

STATE OF NEW MEXICO
DISTRICT I
ALBUQUERQUE, N. MEX.

83APR29 A10:34



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 00079		SJ	SJ			SE	13	25N	12W	225677.0	4032403.0 *		2550		
SJ 01716		SJ	SJ		NE	SW	01	25N	12W	225189.0	4035835.0 *		403	210	193
SJ 04314		SJ	SJ	NW	NE	SE	21	25N	12W	220927.0	4031150.1		2450		
SJ 04459 POD1		SJ	RA	SW	SW	NE	26	25N	12W	320354.0	4026591.8		275	231	44

Average Depth to Water: 220 feet

Minimum Depth: 210 feet

Maximum Depth: 231 feet

Record Count: 4

Basin/County Search:

Basin: SJ

PLSS Search:

Range: 12W

Township: 25N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



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)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Map	Well Depth	Depth Water	Water Column
SJ 01626		SJ	SJ		SW	SE	16	26N	11W	230607.0	4041673.0 *		255	200	55
SJ 02734		SJ	SJ	NE	SW	SE	35	26N	11W	233750.0	4036858.0 *		275	165	110

Average Depth to Water: 182 feet

Minimum Depth: 165 feet

Maximum Depth: 200 feet

Record Count: 2

Basin/County Search:

Basin: SJ

PLSS Search:

Range: 11W

Township: 26N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



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 01058		SJ	SJ		SE	NW	03	26N	12W	222289.0	4046001.0 *		254	220	34
SJ 04463 POD1		SJ	SJ		SE	SW	16	26N	12W	220433.4	4041900.8		20	20	0
SJ 04463 POD2		SJ	SJ		SE	SW	16	26N	12W	220415.1	4041900.1		20	20	0
SJ 04463 POD3		SJ	SJ		SE	SW	16	26N	12W	220433.7	4041873.7		20		
SJ 04463 POD4		SJ	SJ		SE	SW	16	26N	12W	220437.8	4041916.4		20	20	0

Average Depth to Water: 70 feet

Minimum Depth: 20 feet

Maximum Depth: 220 feet

Record Count: 5

Basin/County Search:

Basin: SJ

PLSS Search:

Range: 12W

Township: 26N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



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 00221		SJ	SJ			NE	04	25N	11W	230613.0	4036253.0 *		198	135	63

Average Depth to Water: 135 feet

Minimum Depth: 135 feet

Maximum Depth: 135 feet

Record Count: 1

Basin/County Search:

Basin: SJ

PLSS Search:

Range: 11W

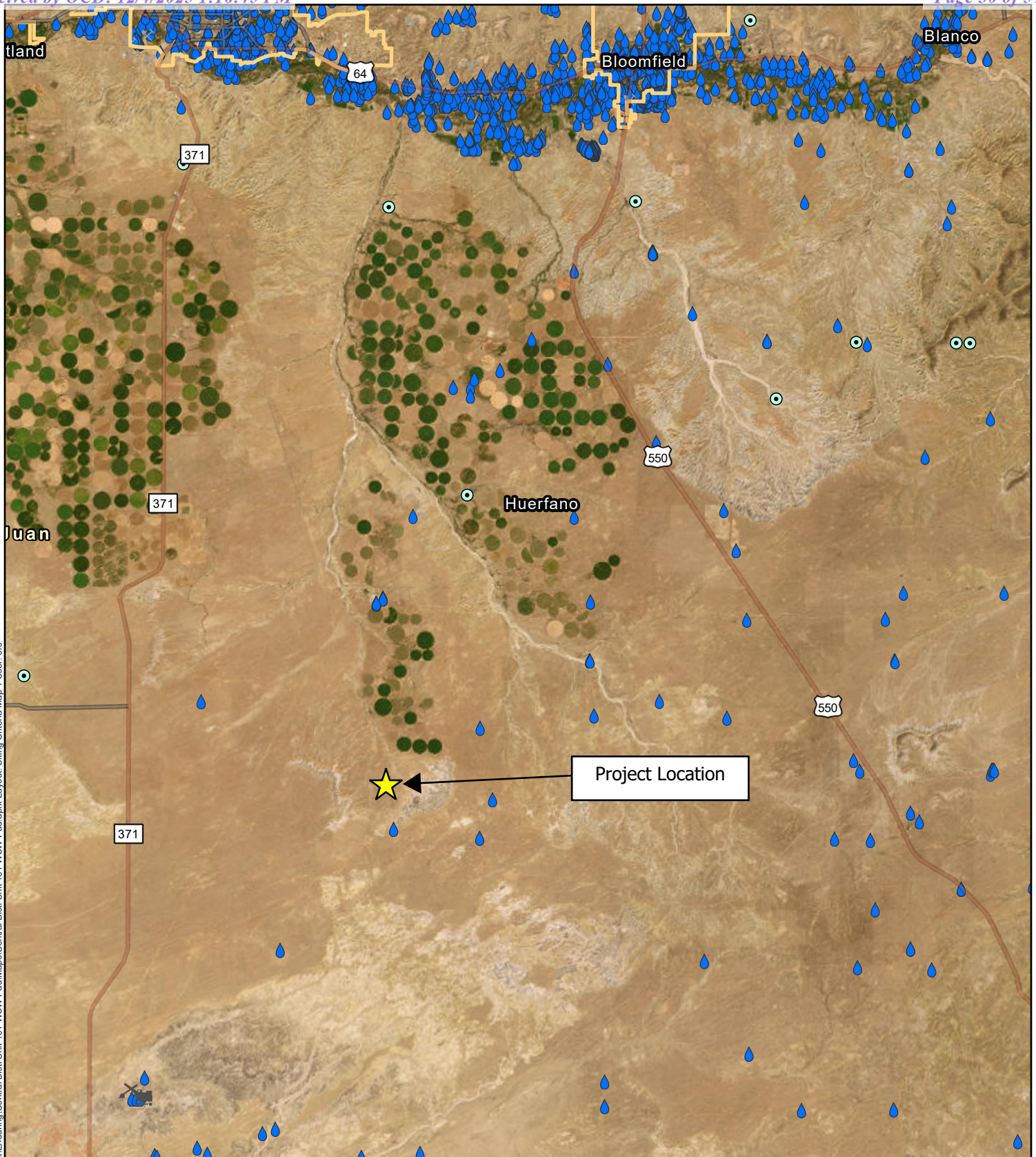
Township: 25N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

EXHIBIT E. SITING CRITERIA MAPS

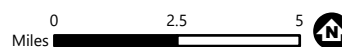
E

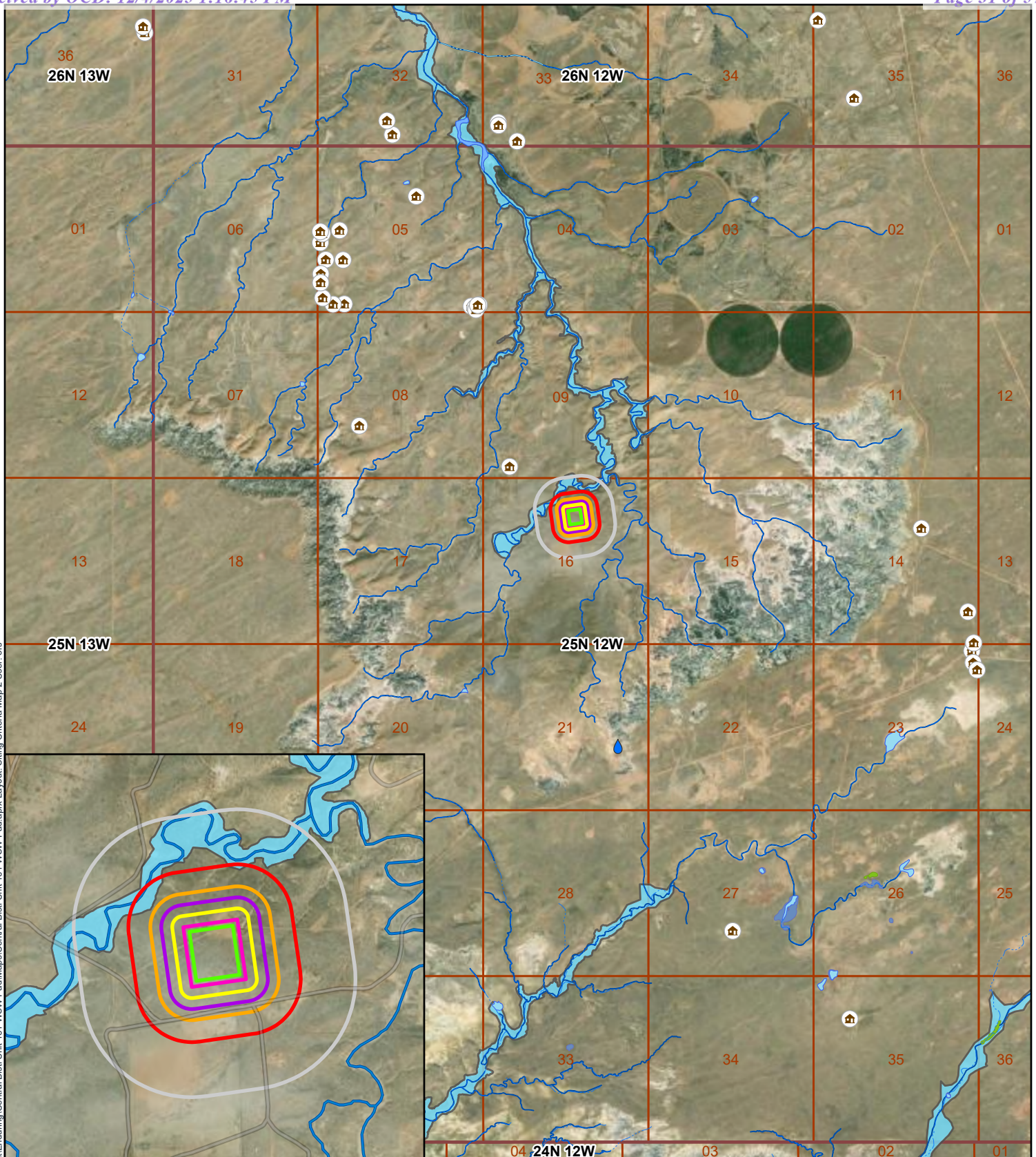


- Incorporated Places
- National Hydrography Dataset - Seep/Spring
- Office of State Engineer - Points of Diversion

- Registered Mines
- Aggregate, Stone etc.
 - Coal

Central Bisti 161 WSW
Aboveground Storage Tank Pad
DJR Operating, LLC
Map 1
Siting Criteria





Central Bisti 161 WSW
Aboveground Storage Tank Pad
DJR Operating, LLC

Map 2

Siting Criteria

- | | | | |
|---|---|--|--|
| <ul style="list-style-type: none"> Wellpad Edge of Disturbance 100-Foot Wide Buffer 200-Foot Wide Buffer 300-Foot Wide Buffer 500-Foot Wide Buffer 1000-Foot Wide Buffer NHD Spring/Seep Office of the State Engineer - Point of Diversion | <ul style="list-style-type: none"> Residence National Hydrography Dataset Waterbody <ul style="list-style-type: none"> Lake/Pond Playa Swamp/Marsh Area <ul style="list-style-type: none"> Inundation Area River Wash | <ul style="list-style-type: none"> Flowline <ul style="list-style-type: none"> Stream/River River/Stream: Perennial River/Stream: Ephemeral River/Stream: Intermittent Aqueduct or Canal Ditch Connector Pipeline Underground Pipeline | <ul style="list-style-type: none"> National Wetlands Inventory (NWI) <ul style="list-style-type: none"> Freshwater Emergent Wetland Freshwater Forested/Shrub Wetland Freshwater Pond Lake Palustrine, Other Riverine National Flood Hazard Layer (NFH) <ul style="list-style-type: none"> Special Flood Hazard Area Area of Minimal Flood Hazard (Zone X) |
|---|---|--|--|

0 1 2
Miles



EXHIBIT F. AQUATIC RESOURCES DELINEATION TECHNICAL MEMORANDUM

F



Technical Memorandum

To: Casey Haga, Enduring Resources IV, LLC
From: John Dodge
Subject: Aquatic Resources Delineation
Date: November 17, 2025
Project: Central Bisti Unit 161 WSW Aboveground Storage Tank Pad

DJR Operating, LLC (DJR) retained Barr Engineering Co. (Barr) to conduct an aquatic resources delineation survey for Central Bisti Unit WSW 161 Aboveground Storage Tank (AST) Pad located in the NW ¼ NE ¼ of Section 16, Township 25 North, Range 12 West, New Mexico Principal Meridian, San Juan County (Map 1). The pad would be approximately 500 feet by 550 feet for a total of 6.31 acres. The center coordinates for the site are 36.273224° N, -107.833266° W, North American Datum 1983 Zone 12N. The site is located on private land. The survey area encompasses the Central Bisti Unit 161 WSW AST Pad and a 500-foot buffer area surrounding 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, the 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). 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).

USACE has 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, gas, or both; in road construction or maintenance, or other construction; and the

To: Casey Haga, Enduring Resources IV, LLC
From: John Dodge
Subject: Aquatic Resources Delineation
Date: November 17, 2025
Page: 2

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.

To: Casey Haga, Enduring Resources IV, LLC
From: John Dodge
Subject: Aquatic Resources Delineation
Date: November 17, 2025
Page: 3

- ESRI ArcGIS Online World Imagery (ESRI 2025).

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. Additionally, the USACE stipulates all three conditions must be met under normal circumstances for an area to be designated 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 an aquatic resources inventory 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 for determining flow duration class at the reach scale, eliminating the need for 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.

A handheld global positioning system (GPS) unit with submeter accuracy was 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 maps of the survey area.

3 Results

3.1 Desktop Review

The Central Bisti Unit 161 WSW AST Pad is in the Gallegos Canyon Watershed (Hydrologic Unit Code 1408010120) (USGS 2021) and can be found on the Carson Trading Post, New Mexico U.S. Geological Survey 7.5-minute quadrangle. Two soil units occur in the survey area; (1) Doak-Sheppard-Shiprock association, rolling; and (2) Fruitland-Persayo-Sheppard complex, hilly. Neither of these soil units are listed as 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 located within the survey area (FEMA 2025). The NWI desktop review identified an intermittent (R4SBC) channel in the northwestern portion within the 500-foot buffer

To: Casey Haga, Enduring Resources IV, LLC
From: John Dodge
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(USGS 20216; USFWS 2025). No other NHD flowlines, NWI wetlands, or other surface water features were identified within 500 feet of the project (USGS 2016; USFWS 2025)

3.2 Field Survey

Barr biologist John Dodge conducted the aquatic resources delineation survey on November 3, 2025. The NWI/NHD mapped R4SBC intermittent channel (Photograph 1; CBU-1 as shown on Map 2) was assessed and supports a defined channel with an OHWM but is located outside the 200-foot buffer. The SDAM worksheet is in Attachment B.



Photograph 1. Ephemeral channel Central Bisti Unit-1 and ordinary high water mark in November 2025.

4 Conclusions

Based on the regulatory framework (Section 1), evaluation of the survey area, and 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, one channel in the survey area is classified as ephemeral using the Beta Streamflow Duration Assessment Method for the Arid West of the United States (Mazor et al, 2023). There are no FEMA 100-year flood zones in the survey area. There are no wetlands within the 500-foot buffer of the site.

These conclusions are based on Barr's professional opinion. 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, as well as their boundaries, for the purposes of permitting and registration applicable to 19.15.34 NMAC.

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5 References

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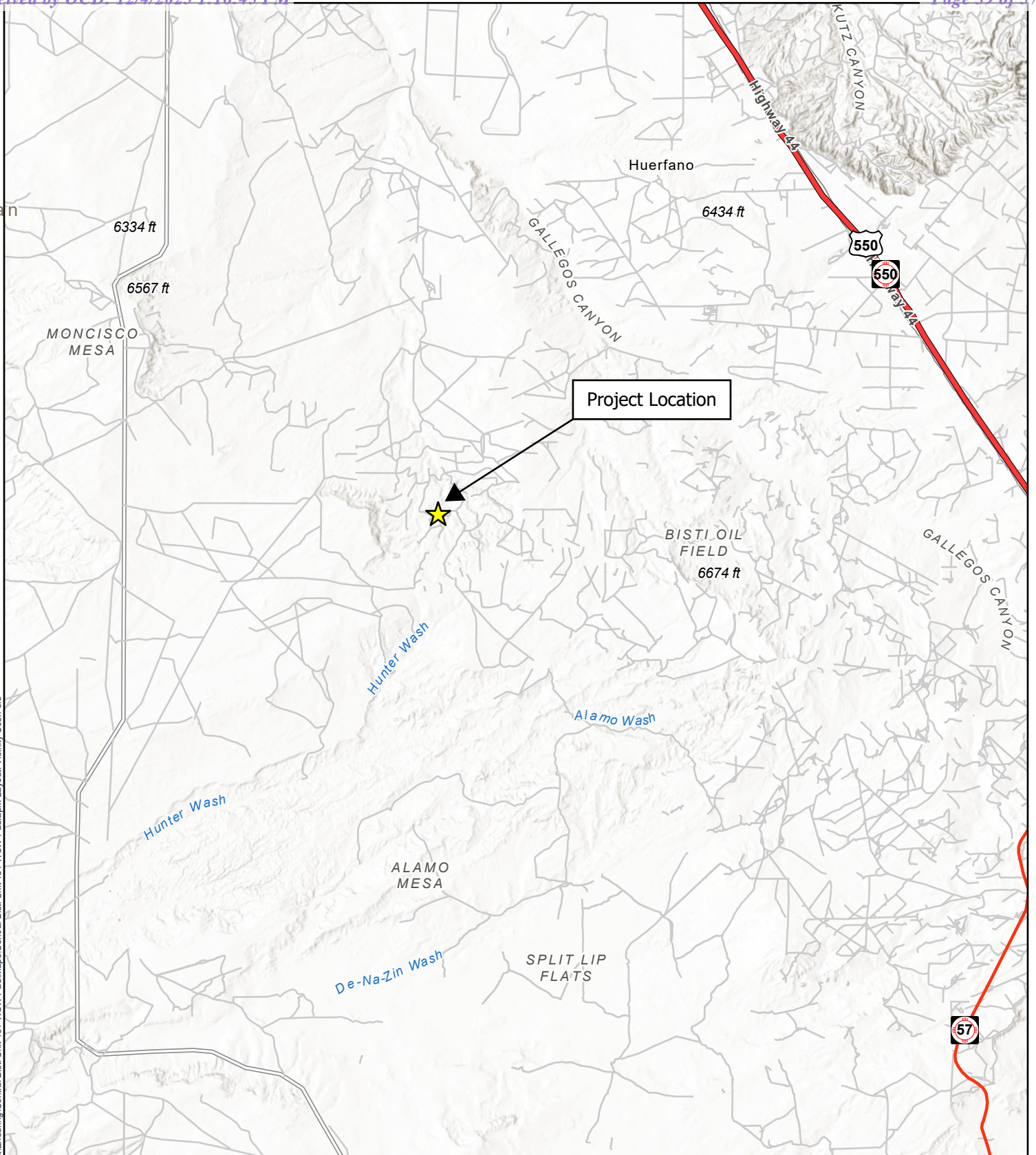


barr.com

Attachment A

Maps

an Juan



- U.S. Highway
- State Road
- County Road

Central Bisti Unit 161 WSW
Aboveground Storage Tank Pad

DJR Operating, LLC

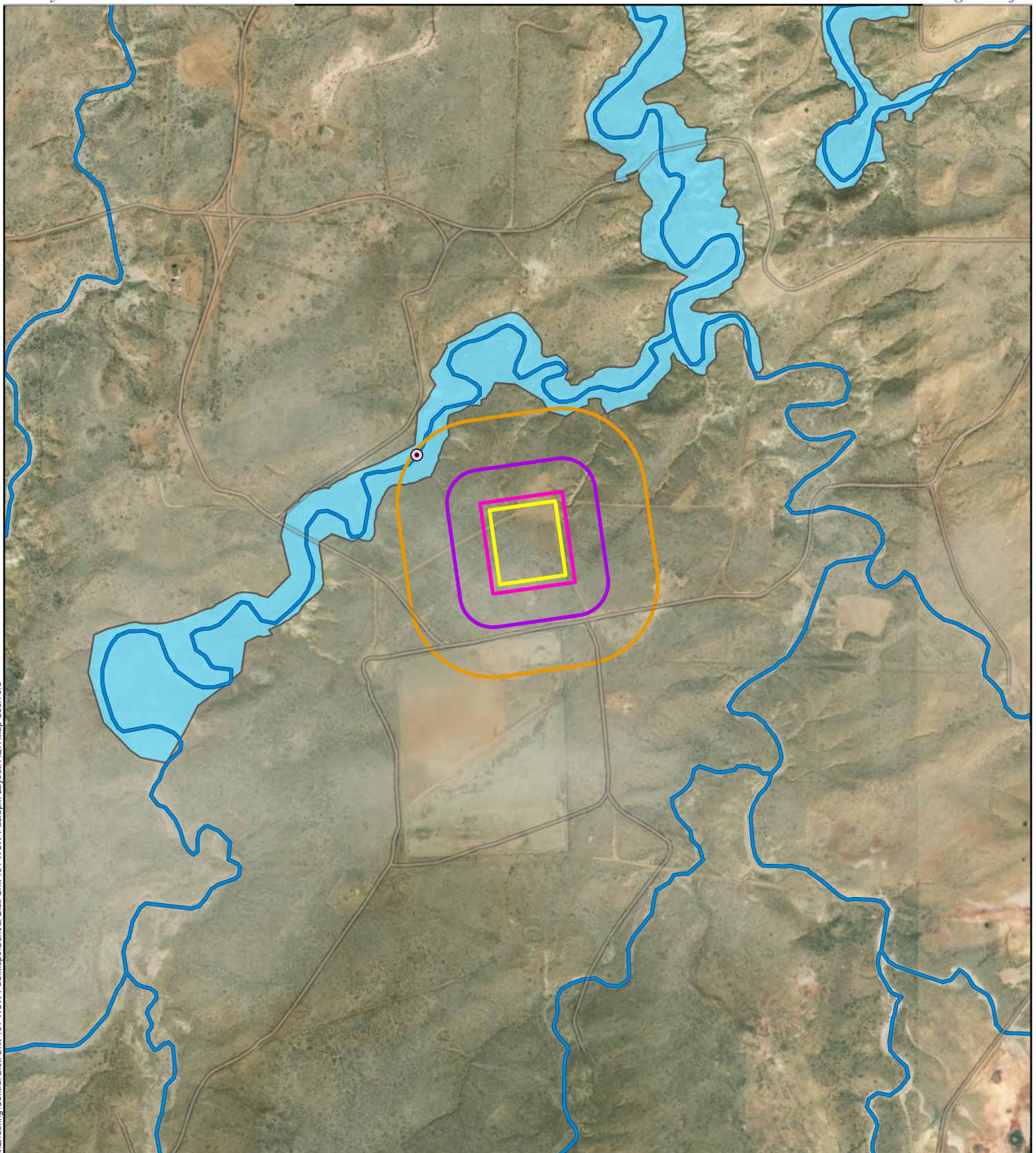
Vicinity



0 1 2
Miles



Sources: DJR Operating LLC, Barr Engineering, ESRI



- Well Pad
- Edge of Disturbance
- Ephemeral Channel
- 500-Foot Wide Buffer
- 200-Foot Wide Buffer
- National Hydrography Dataset
- Flowline
- ~~~~~ River/Stream: Intermittent

- National Wetlands Inventory (NWI)
- Riverine
- National Flood Hazard Layer (NM)
- Special Flood Hazard Area
- Area of Minimal Flood Hazard (Zone X)

Central Bisti Unit 161 WSW
Aboveground Storage Tank Pad

DJR Operating, LLC

Aquatic Resources Inventory



0 500 1,000
US Feet



Sources: DJR Operating LLC, Barr Engineering, ESRI



Attachment B

Data Sheets

To: Casey Haga, Enduring Resources IV, LLC
From: John Dodge
Subject: Aquatic Resources Delineation
Date: November 17, 2025
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Streamflow Duration Assessment Method for the Arid West Classification Report

Online Report Generating Tool Version 1.1

Report generated on: November 04, 2025

Classification:

Ephemeral

General Site Information

Site code or identifier:

CBU #1

Project name or number:

Enduring - CBU # 161 WSW

Assessor(s):

J. Dodge

Waterway name:

Enter text...

This stream is classified as: Ephemeral

Visit date:

11-03-2025

Current weather conditions:

Cloudy

Notes on current or recent weather conditions:

70% cover

Location:

36.405508 N, -108.120199 W

Datum:

WGS 1984

Surrounding land use within 100 m:

Other

Description of reach boundaries:

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Enter text...

Algae Cover

Cover of live or dead algae in the streambed:

Not detected

NA

Notes on algae cover:

Enter text...

Single Indicators

Fish:

No fish observed

Algae cover:

Not detected

Supplemental Information

Enter text...

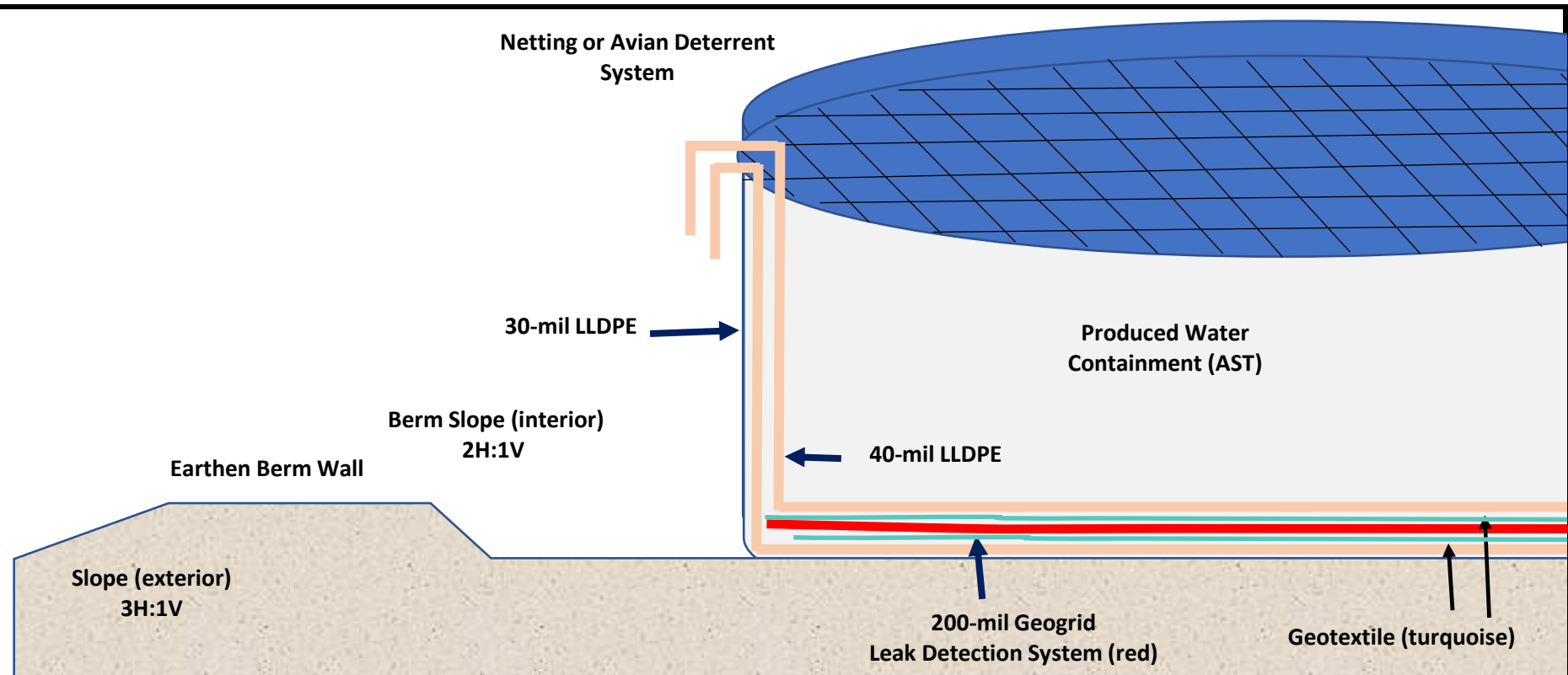
Additional photo(s)

Additional notes about the assessment:

Enter text...

EXHIBIT G. MANUFACTURE SPECIFICATION

G



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

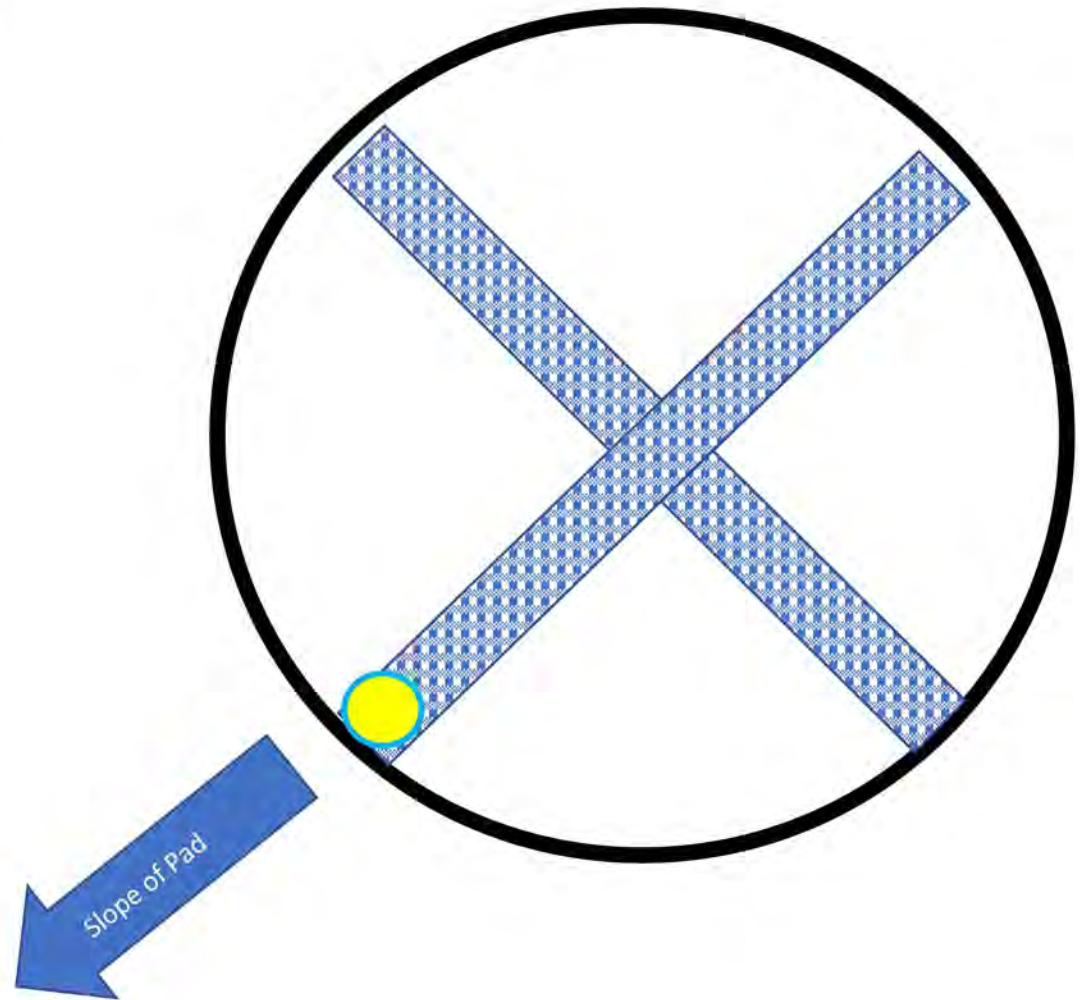
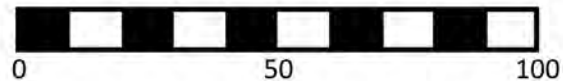
below 40-mil primary liner

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



R.T. Hicks Consultants
Albuquerque, NM

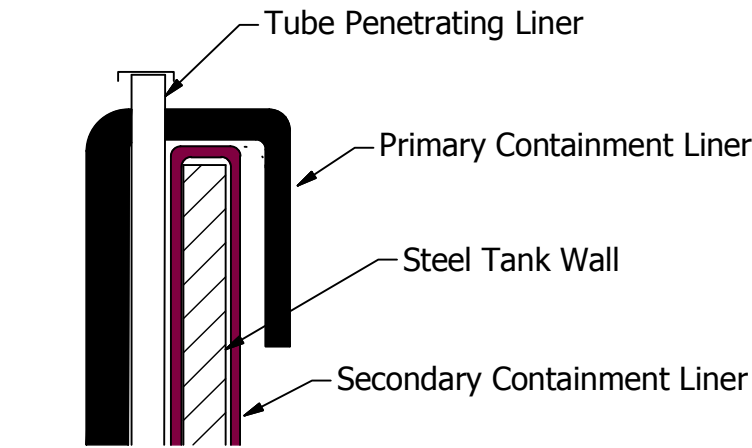
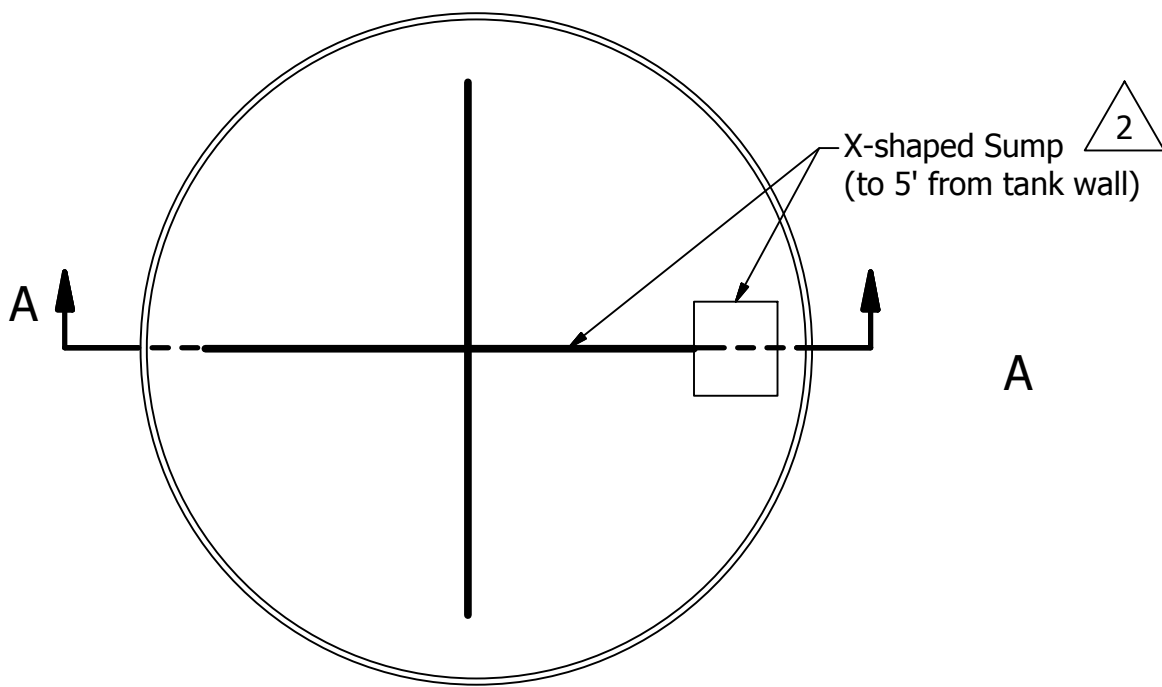
Layout of Geogrid Drainage Mat

Plate 1

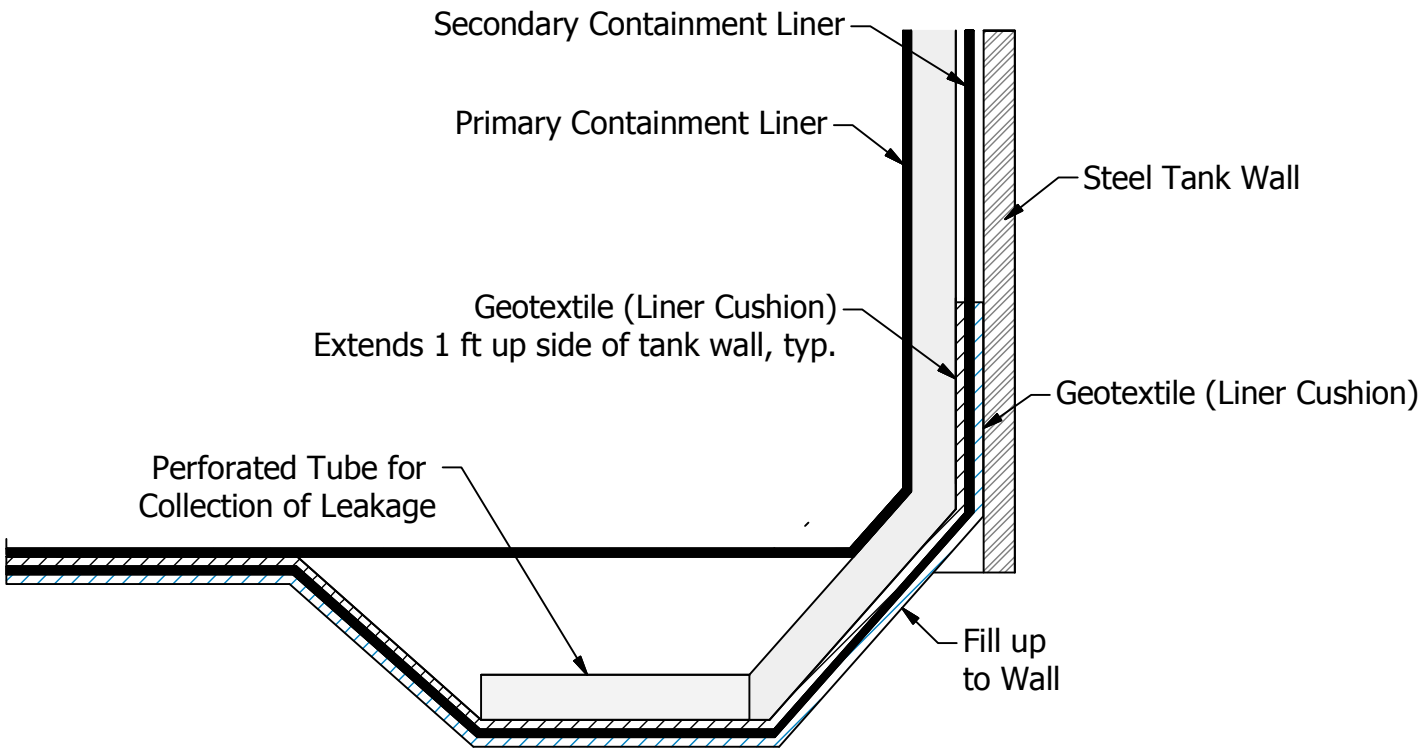
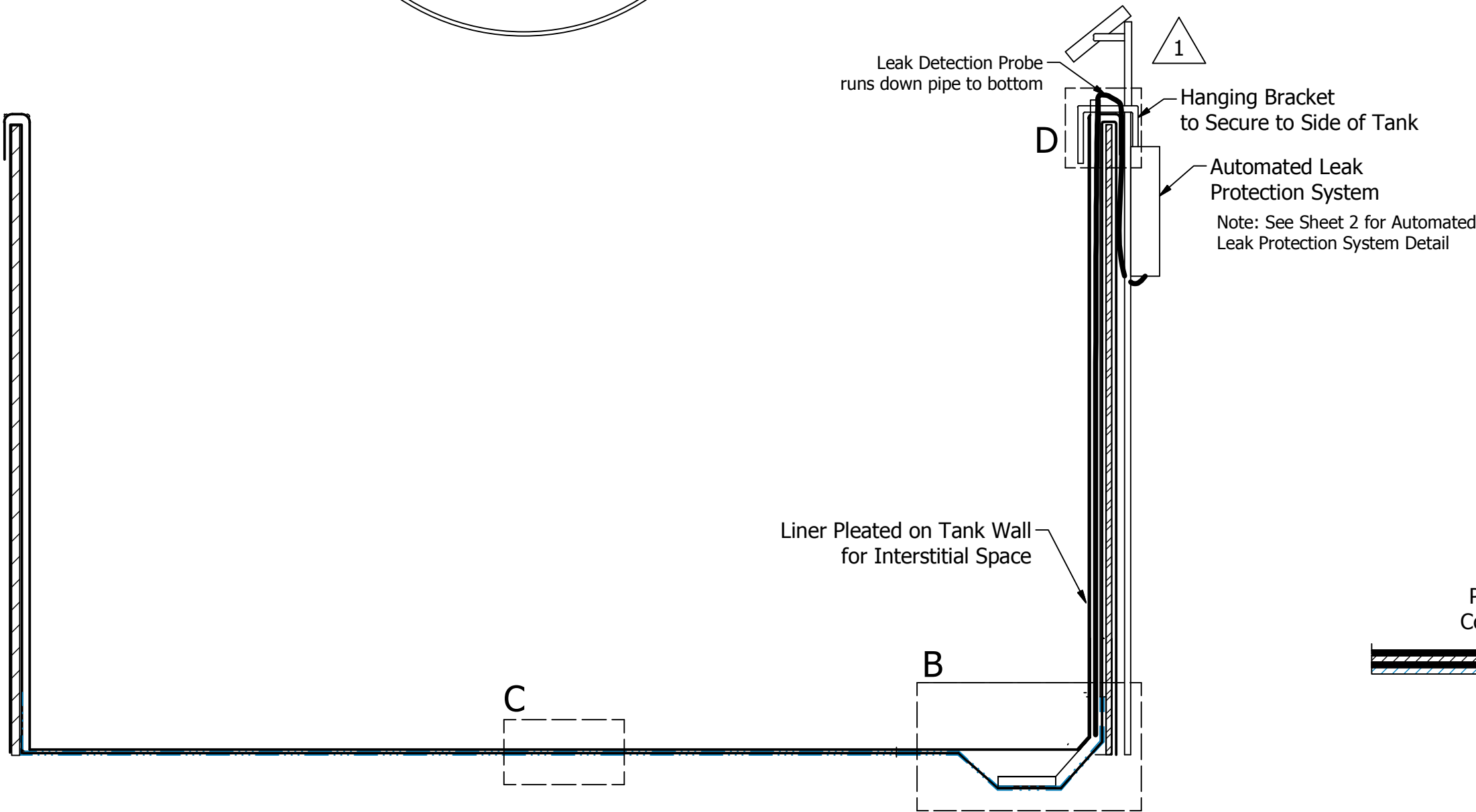
WWS - New Mexico Produced Water Set Up

June 2021

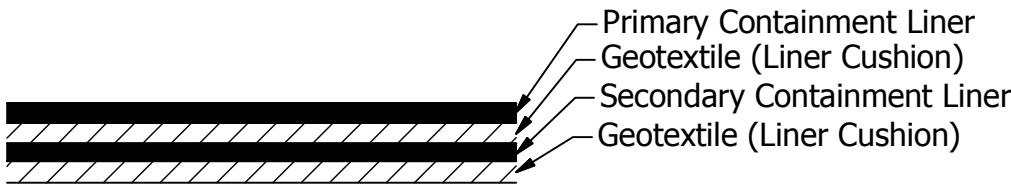
WWS DOUBLE-LINED
FRAC WATER TANK SYSTEM



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



SECTION B
SUMP DETAIL



VIEW A-A
TANK DETAIL

SECTION C
LINER DETAIL

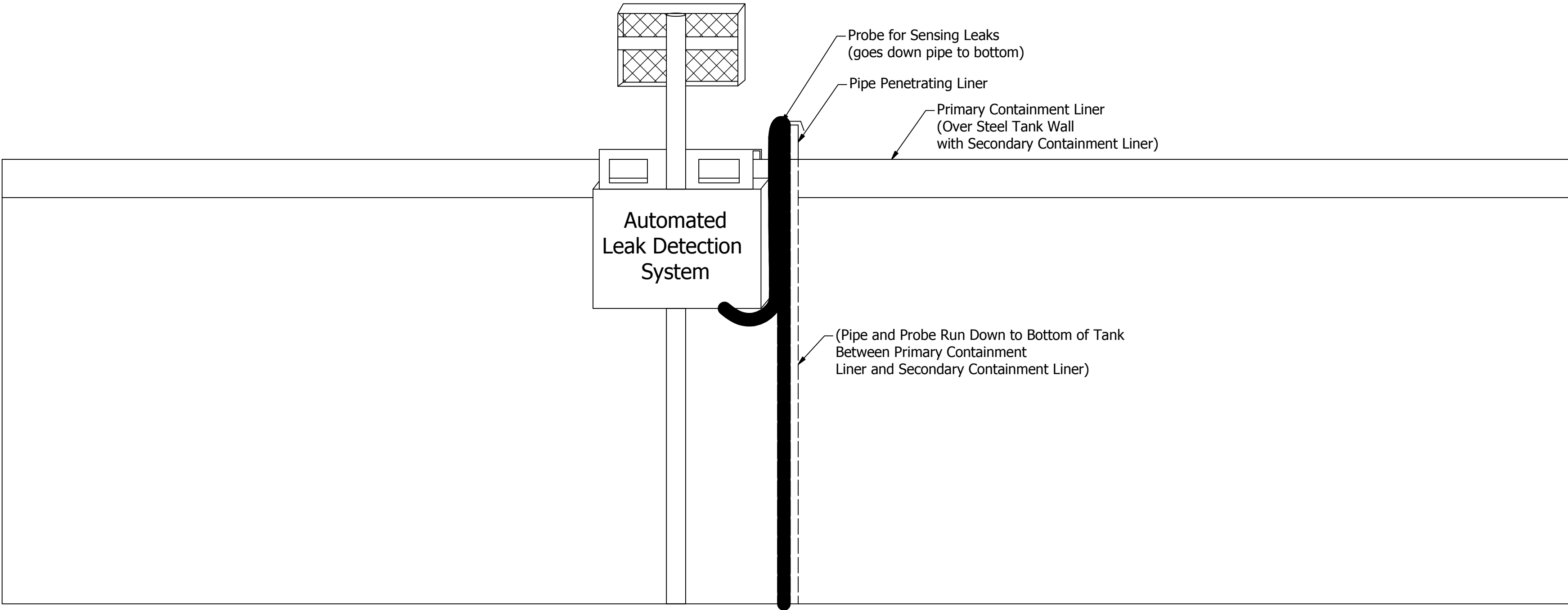
LUCID
DRAFTING & DESIGN LLC
sarah@luciddrafting.com 307.752.7388


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	

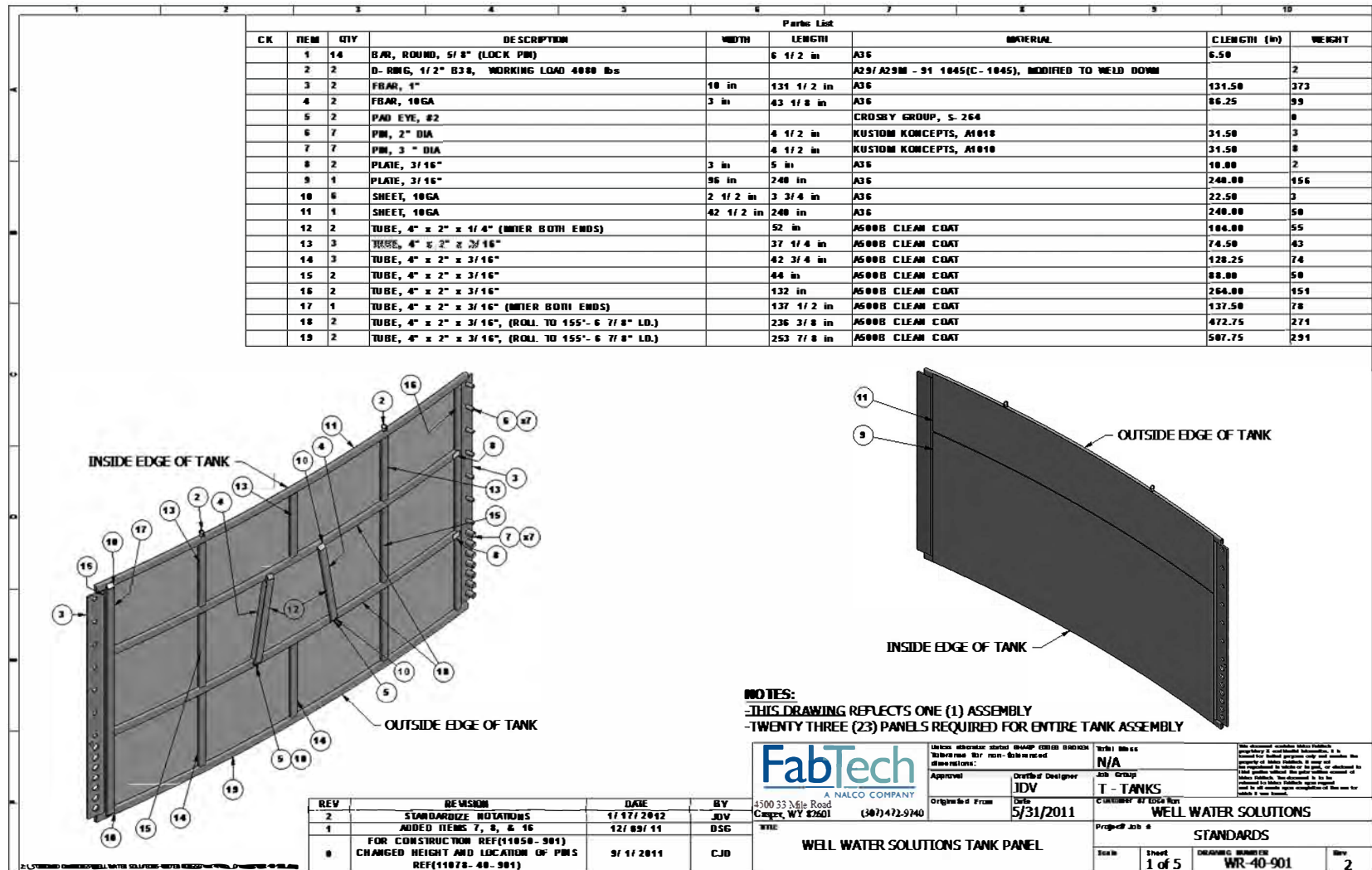
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Double-Lined Frac Tank System	
CUSTOMER	
PROJECT/JOB	
WWS Double-Lined Tank System	
APPROVAL	
DRAFTER	DATE
SES	10/28/2015
THIS DOCUMENT IS THE PROPERTY OF WWS AND MAY NOT BE REPRODUCED OR DISTRIBUTED TO THIRD PARTIES WITHOUT THE PRIOR CONSENT OF WWS.	

SIZE	DWG NO	REV
C	LDD15-WWS-02	3
SHEET 1 OF 2		

1 AUTOMATED LEAK DETECTION SYSTEM



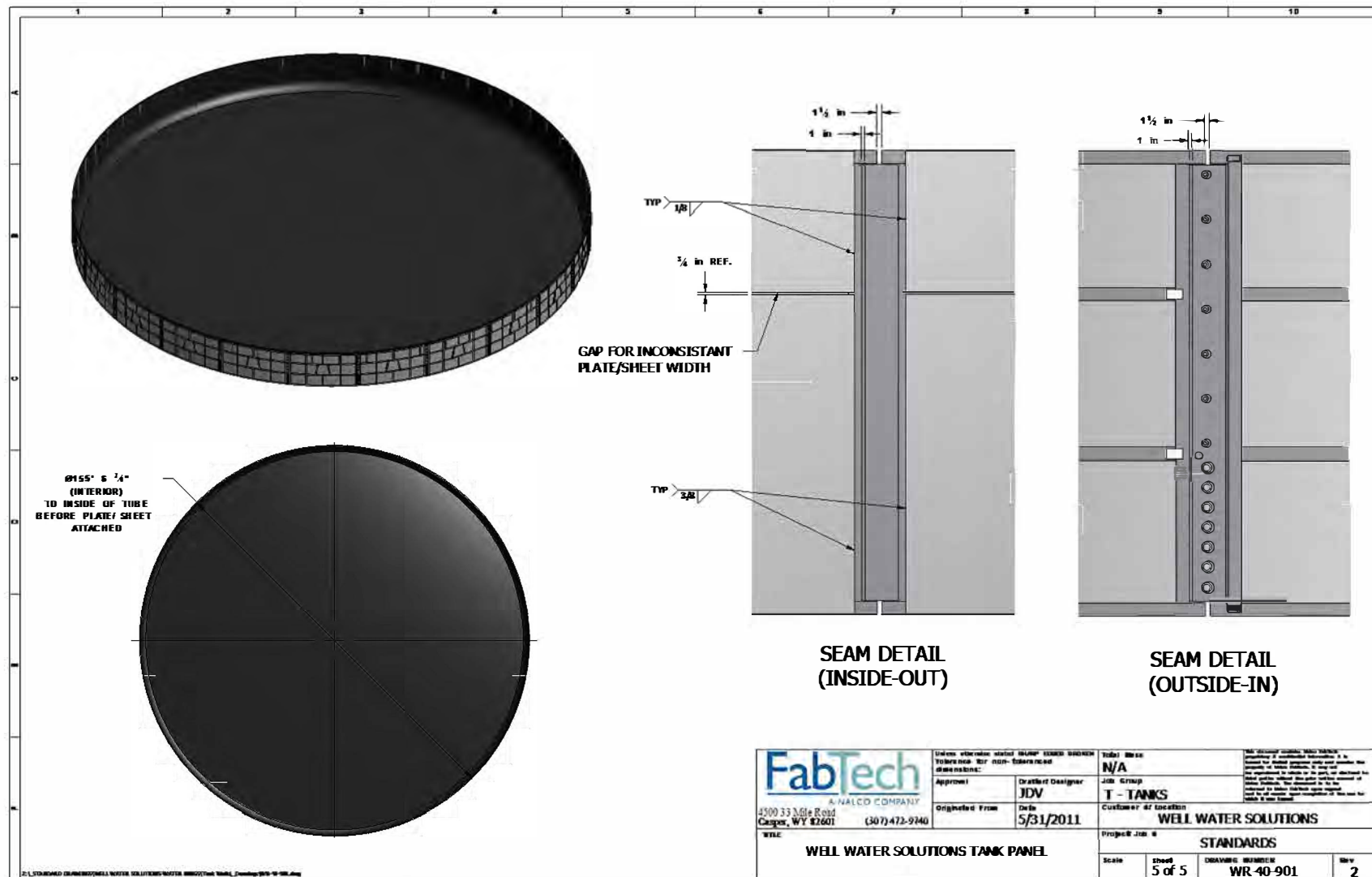
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Double-Lined Frac Tank System						
CUSTOMER						
PROJECT/JOB						
WWS Double-Lined Tank System						
APPROVAL						
DRAFTER		DATE		SIZE	DWG NO	REV
SES		10/28/2015				
				C	LDD15-WWS-02	3
THIS DOCUMENT IS THE PROPERTY OF WWS AND MAY NOT BE REPRODUCED OR DISTRIBUTED TO THIRD PARTIES WITHOUT THE PRIOR CONSENT OF WWS.				SHEET 2 OF 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 Central Bisti Unit #161 WSW
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 LLDPE 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

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

Action 531927

CONDITIONS

Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID: 371838
	Action Number: 531927
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	<ul style="list-style-type: none">FVV2535036573 CENTRAL BISTI UNIT #161 WSW is approved for five years of operation from the date of permit application of 12/04/2025. FVV2535036573 CENTRAL BISTI UNIT #161 WSW permit expires on 12/04/2030. 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 11/04/2030. NOTE: The Oil Conservation Division (OCD) is in the process of updating its current OCD Permitting C-148 submission process. The updates to OCD Permitting will provide better alignment with the provision of 19.15.34 NMAC, digitize the C-148 form, update OCD Permitting Pits & Containments details, Facility details and provide new data reports to the public. Here you can find the Public Notice for the Implementation of the Digital C-148 Form and instructions to guide operators through the new system: https://www.emnrd.nm.gov/ocd/wp-content/uploads/sites/6/Public-Notice-C-148-Pits-Containments.pdf	12/16/2025