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Reclamation Workplan

November 25, 2024



1. As prescribed in the report, monitor for vegetation growth after reseeding to ensure that the reclamation activities performed were sufficient, 2. Conduct annual inspections (at a minimum) on the location until revegetation is consistent with local natural vegetation density. 3. Upon completion of revegetation, submit a Reclamation Report no later than July 1, 2025. 4. Construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material.

Flying M SA Unit 4" Trunkline 30-025-24692 Incident No.: nOY1827137381 1RP-5214 Lea County, New Mexico

Prepared For:

Southwest Royalties, Inc. P.O. Box 53570 Midland, Texas 79710

Prepared By:

Crain Environmental 2925 East 17th Street Odessa, Texas 79761

Cynthia K. Crain, P.G

Flying M SA Unit 4" Trunkline Reclamation Workplan



1.0 Site Information

Southwest Royalties, Inc. (SWR) has retained Crain Environmental (CE) to oversee reclamation of the Flying M SA Unit 4" Trunkline (Site), located in Unit Letter K, Section 29, Township 9 South, Range 33 East, Lea County, New Mexico, at Global Positioning Coordinates (GPS) 33.501508, -103.59383.

2.0 Introduction

The Flying M SA Unit 4" Trunkline is located approximately 23 miles northwest of Tatum, New Mexico, in an area of oil and gas activity and cattle grazing. No surface water is present in the area, and vegetation is sparse. The site can be accessed by traveling north from Tatum, New Mexico on Highway 206 for 18 miles to Crossroads, New Mexico (Carrol Road). Travel west on Carrol Road for 15.5 miles to a lease road. Turn south on the lease road and go 0.38 miles, turn east for 0.1 mile, south for 0.72 miles, east for 0.11 miles, south for 0.23 miles, and west for 0.5 miles. The Site is located 330 feet south of the lease road. There are no locked gates or other access issues. A map is attached that shows the well location.

3.0 Site Conditions and History

Incident #nOY1827137381 (1RP-5214) was approved for Closure by the New Mexico Oil Conservation Division (NMOCD) on November 1, 2024, and a revegetation and seeding plan was requested by December 31, 2024.

4.0 Proposed Reclamation Activities

SWR proposes to plug and abandon (P&A) five monitoring wells (MW-1, MW-2, MW-3, MW-4, and MW-6) according to the New Mexico State Land Office (NMOSE) and NMOCD plugging requirements. Upon completion of P&A activities, Plugging Reports will be submitted to the NMOSE for well numbers L-15435 POD 1, POD 2, POD 3, POD 5, and POD 6. Groundwater was not encountered in Well L15435 POD 4, and the borehole was plugged upon completion of installation. A site map that shows the monitoring well locations is attached.

Following P&A of the monitoring wells, all areas disturbed by remediation where vegetation is not currently observed will be cross ripped to a minimum of 18 inches with a furrow spacing of 2 feet.

Seeding will be conducted during the next favorable growing season (i.e. Spring 2025). According to the United States Department of Agriculture (USDA) Web Soil Survey, soil at the Site is classified as (TB) Penwell-Jalmar fine sands, 0 to 5 percent slopes. The Revegetation Plan therefore requires the Sandy (S) NMSLO Seed Mix. Following surface grading and contouring, the Sites will be re-seeded by seed drill method using the (S) NMSLO Seed Mix (planted in the amount specified in the pounds live seed (PLS) per acre), and fresh water will be applied for two consecutive weeks following re-seeding. Reclamation activities will be documented with photographs.



5.0 Reclamation Monitoring

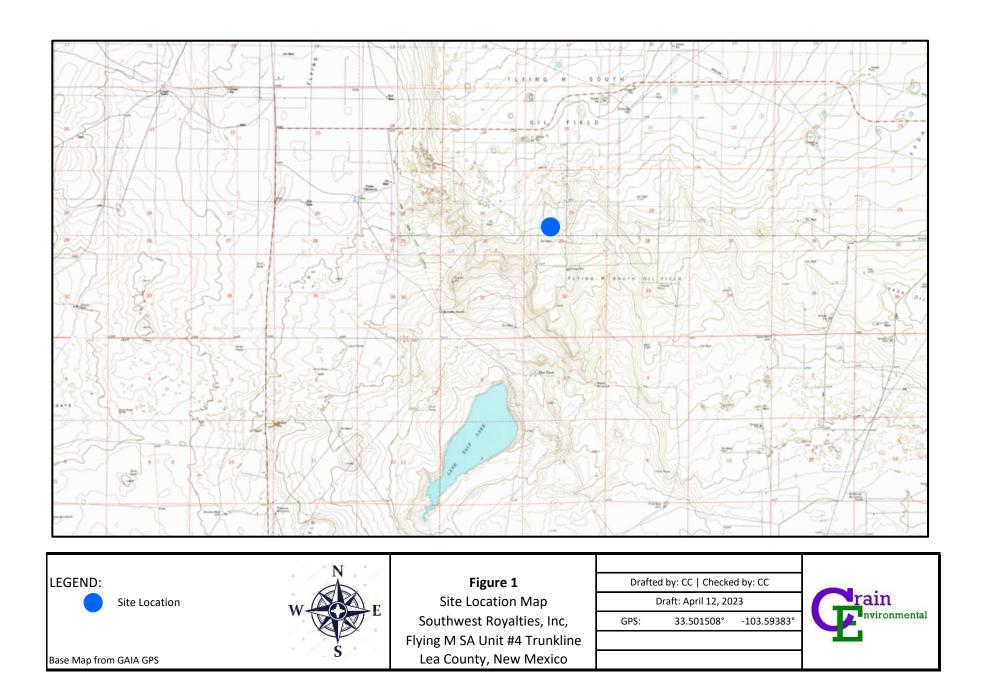
The site will be monitored for vegetation growth to ensure that the reclamation activities performed were sufficient. Annual inspections (at a minimum) will take place on the location until revegetation is consistent with local natural vegetation density. Upon completion of revegetation, a Reclamation Report will be submitted to the NMOCD for final closure of the Site.

6.0 Schedule of Implementation

Site reclamation activities will begin within 30 days of approval of this Workplan by the NMOCD. Activities will continue until all aspects of the workplan have been completed.



WELL LOCATION MAP





SITE MAP

PHOTO LOG (OCTOBER 25, 2023)

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Draft Reclamation Workplan

November 24, 2024

Flying M SA Unit 4" Trunkline 30-025-24692 Incident No.: nOY1827137381 1RP-5214 Lea County, New Mexico

Prepared For:

Grand Banks Energy Company 10 Desta Drive, Suite 300-E Midland, Texas 79705

Prepared By:

Crain Environmental 2925 East 17th Street Odessa, Texas 79761

Cynthia K. Crain, P.G.

Flying M SA Unit 4" Trunkline Reclamation Workplan



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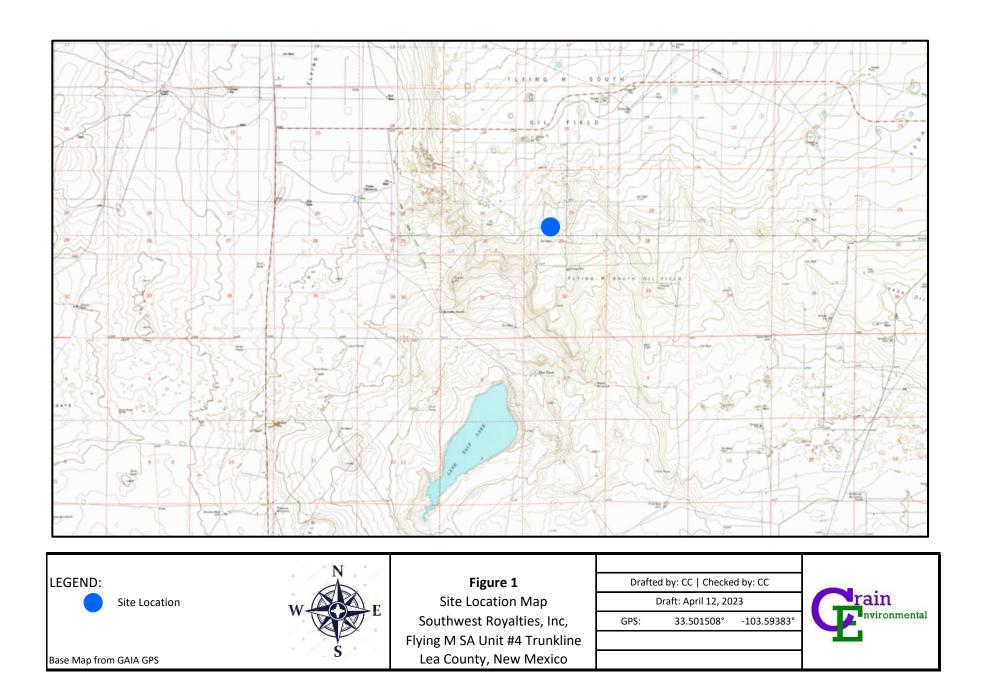
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SITE LOCATION MAP





SITE MAP



LEGEND:



Monitor Well Location with Chloride Concentration

New Monitor Well Location with Chloride Concentration

Base Map from Google Earth

Figure 2

Site Map Southwest Royalties, Inc, Flying M SA Unit 4" Trunkline Lea County, New Mexico Drafted by: CC | Checked by: CC

Draft: Nov. 24, 2024

GPS: 33.501508° -103.59383°



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 406440

CONDITIONS

Operator:	OGRID:
SOUTHWEST ROYALTIES INC	21355
P O BOX 53570	Action Number:
Midland, TX 79710	406440
	Action Type:
	[UF-GWA] Ground Water Abatement (GROUND WATER ABATEMENT)

CONDITIONS

Created By	Condition	Condition Date
michael.buchanan	1. As prescribed in the report, monitor for vegetation growth after reseeding to ensure that the reclamation activities performed were sufficient. 2. Conduct annual inspections (at a minimum) on the location until revegetation is consistent with local natural vegetation density. 3. Upon completion of revegetation, submit a Reclamation Report no later than July 1, 2025. 4. Construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material.	1/15/2025