

October 3, 2025

New Mexico Oil Conservation Division

New Mexico Energy, Minerals, and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Closure Report

Aldabra 26 & 27 Battery

Incident Number nAPP2518241456

Eddy County, New Mexico



To Whom It May Concern:

Safety & Environmental Solutions (SESI), on behalf of Devon Energy Production Company, LP (Devon), has prepared this Closure Report to document the findings of a liner integrity inspection at the Aldabra 26 & 27 Battery (Site) following the release of produced water within a secondary lined containment. Based on the liner integrity inspection activities, Devon is submitting this Closure Report, describing the inspection results and requesting closure for Incident Number nAPP2518241456.

SITE DESCRIPTION AND RELEASE SUMMARY

The Site is located in Unit P, Section 26, Township 23 South, Range 31 East, Eddy County, New Mexico (32.269714, -103.758175 NAD83) and is associated with oil and gas exploration and production on Federal Land managed by the Bureau of Land Management (BLM). The C-141 Lat/Long for fAPP2129138007 is listed as 32.269000001, -103.74098, this is incorrect, and Devon has been notified and is currently working to get the correct Lat/Long 32.269714, -103.758175 updated for the facility. The correct Lat/Long where the release occurred is 32.269714, -103.758175 facility fAPP2129138007.

Incident C-141 received on 07/03/2025 for release on 06/30/2025. The cause of the release was reported as equipment failure: "Pinhole leak on water dump line allowed release of produced water to lined containment." Corrosion | Dump Line | Produced Water | Released: 92 BBL | Recovered: 92 BBL | Lost: 0 BBL.

SITE CHARACTERIZATION and CLOSURE CRITERIA

The Site was characterized to assess the applicability of Table I Closure Criteria for Soils Impacted by a Release, as specified in 19.15.29 NMAC. Results of the desktop review are summarized below; receptors are identified in Figure 1, with supporting well records provided in Appendix A.

- Surface elevation is approximately 3,450 feet above mean sea level (msl).
- The nearest continuously flowing water course is located about 3.7 miles to the west of the site.
- The nearest lakebed, sinkhole, or playa lake is located about 3.67 miles to the southeast.
- The nearest wetland (riverine) is located 3.16 miles to the southwest of the site.
- The nearest subsurface mine is more than 10 miles to the northeast, associated with potash mining near Carlsbad.
- According to the FEMA National Flood Hazard Layer (NFHL) FIRMette map, the Site is located entirely within Zone X (Area of Minimal Flood Hazard). The property is not located within a 100-year floodplain (Zone A or AE), and no regulatory floodways are mapped at or immediately adjacent to the Site.
- USGS karst occurrence potential data designates the area as low risk.
- The soils are designated as Berino complex, 0 to 3 percent slopes, eroded, with inclusions of Pajarito loamy fine sands. This soil is formed from mixed alluvium and/or eolian sands and occurs on plains and fan piedmonts. The Berino series consists of fine sand over sandy clay loam and loamy sand with no restrictive features to a depth greater than 80 inches. It is well drained with low runoff and moderately high to high permeability (0.60 to 2.00 in/hr). Available water capacity is moderate (about 8.0 inches to 60 inches), and

the soil is rated as non-hydric. The area is not designated as prime farmland. Salinity levels range from very slightly saline to slightly saline (2.0–4.0 mmhos/cm), calcium carbonate content may reach 40 percent, and there is no risk of flooding or ponding.

- Geology is described as Permian Basin sediments overlain by Quaternary alluvium and eolian sands.
- Groundwater in the area occurs at depths greater than 80 feet below ground surface (bgs). According to the New Mexico Oil Conservation Division (NMOCD) Oil and Gas Map. Records from the New Mexico Office of the State Engineer (OSE) indicate that the closest registered Point of Diversion (POD), identified as C-02348, is located within 0.43 miles east of the release site at coordinates 32.270253, -103.751003 (Section 26, Township 23S Range 31E) and is used for stock watering purposes. This well was drilled by Sirman Drilling & Construction LLC. on October 31, 2013, to a depth of 700 feet below ground surface (bgs) using a hollow stem auger. Groundwater was encountered during drilling at a depth of 430 feet, and the well was classified as a dry hole.

Based on the results of the Site Characterization, groundwater in the area occurs at depths greater than 430 feet below ground surface (bgs). Therefore, pursuant to Table I Closure Criteria for Soils Impacted by a Release as specified in 19.15.29 NMAC, the following closure criteria apply to the Site:

- Benzene: 10 milligrams per kilogram (mg/kg)
- Benzene, toluene, ethylbenzene, and total xylenes (BTEX): 50 mg/kg
- Total petroleum hydrocarbons (TPH): 2,500 mg/kg
- Chloride: 20,000 mg/kg

While the regulation establishes the criteria above, the New Mexico Oil Conservation Division (NMOCD) expresses a preference that groundwater depth data be obtained within a 0.5-mile radius of the Site and from within the last 25 years to confirm site-specific conditions. This preference has been satisfied through the inclusion of the OSE POD C-02348 well log (Appendix A), which documents groundwater encountered at 430 feet bgs and verifies that the well was ultimately classified as a dry hole.

LINER INTEGRITY INSPECTION ACTIVITIES

To confirm containment integrity, a liner inspection was conducted after the release. A 48-hour advance notice of inspection was submitted to NMOCD on September 9, 2025. The secondary containment was cleaned of debris, and power washed prior to the liner inspection. On September 11, 2025, SESI conducted the liner integrity inspection. The inspection determined that the liner was intact and operating as designed. No rips, tears, holes, or other damage were observed, and all released fluids had been fully recovered. Photographic documentation of the inspection is included in Appendix B.

CLOSURE REQUEST

In summary, the produced water release on June 30, 2025, was fully contained within a lined secondary containment system at the Aldabra 26 & 27 Battery. The liner was inspected and confirmed to be operating as designed, and all produced water was recovered with no loss to the surrounding environment. Given the containment integrity, absence of impacts to soil or water resources, and the applicability of the closure criteria identified above, Devon Energy Production Company, LP respectfully requests closure of Incident Number nAPP2518241456.

If you have any questions or comments, please contact Leslie Mendenhall at (575) 973-5675 or lmendenhall@sesi-nm.com.

Sincerely,
Safety & Environmental Solutions, Inc.



Leslie Mendenhall, Sr. VP of Environmental

Cc: Jim Raley, Devon

Appendices:

Figure 1. Site Vicinity and Receptor Map

Figure 2. Soil Survey Map

Appendix A. Well Records & Logs

Appendix B. Photographic Log

Appendix C. C-141 Forms and Correspondence

Devon Energy Production Company, LP
Aldabra 26 & 27 Battery
Closure Report



Figure 1. Site Vicinity and Receptor Map



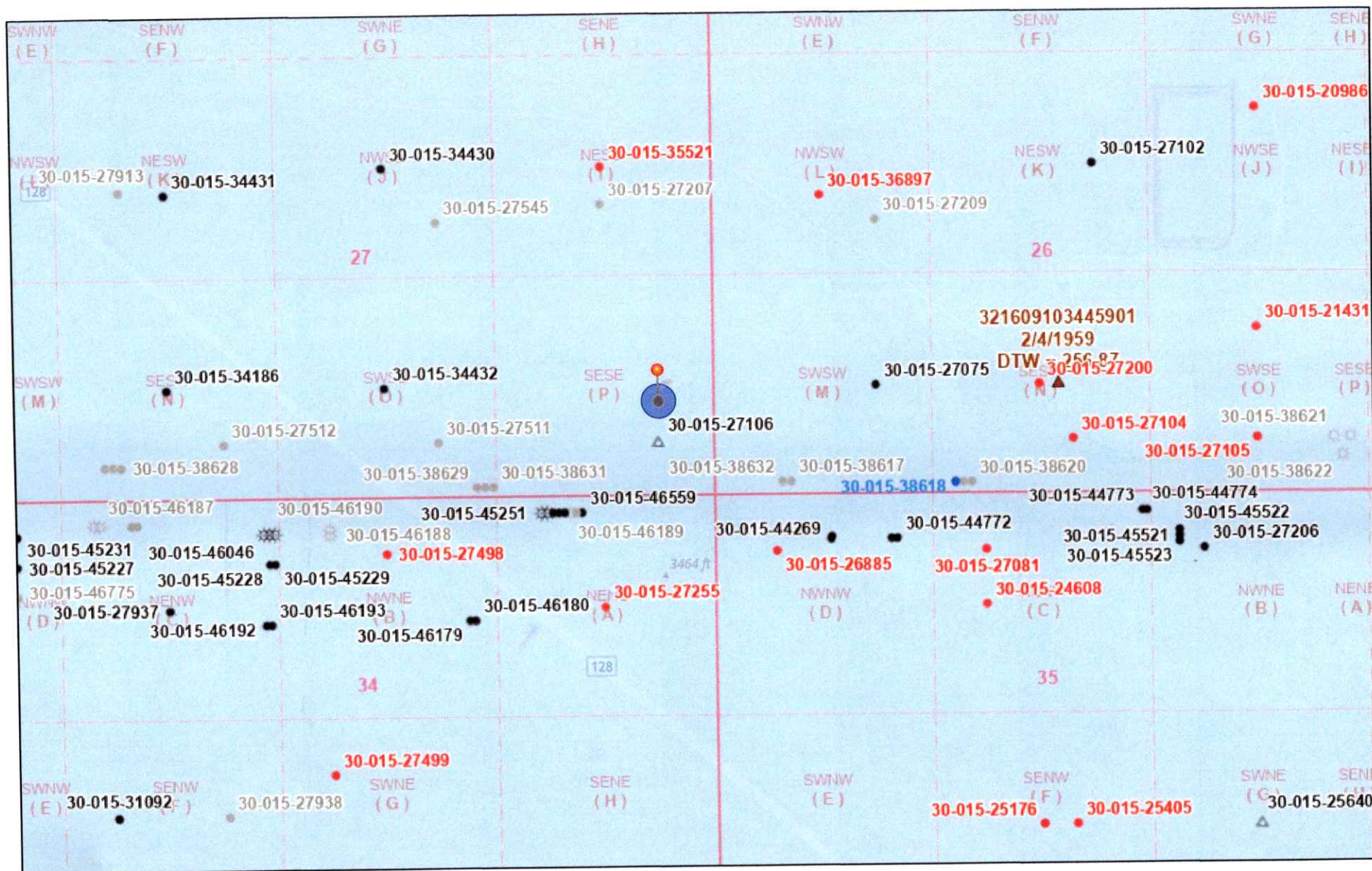
Aldabra 26 & 27 Battery

Unit P, Section 26, Township 23 South, Range 31 East, Eddy County, New Mexico

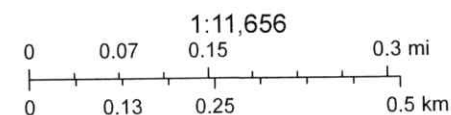
nAPP2518241456

Site Map

OCD Well Locations | Karst Map



8/25/2025, 9:51:55 AM



BLM, OCD, New Mexico Tech, Esri, NASA, NGA, USGS, FEMA, Sources:
Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors,

New Mexico Oil Conservation Division

NM OCD Oil and Gas Map. <http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=4d017f2306164de29fd2fb9f8f35ca75> New Mexico Oil Conservation Division

National Flood Hazard Layer FIRMette



103°45'48"W 32°16'26"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
		Coastal Transect Baseline
MAP PANELS		Profile Baseline
		Hydrographic Feature
		Digital Data Available
		No Digital Data Available
		Unmapped



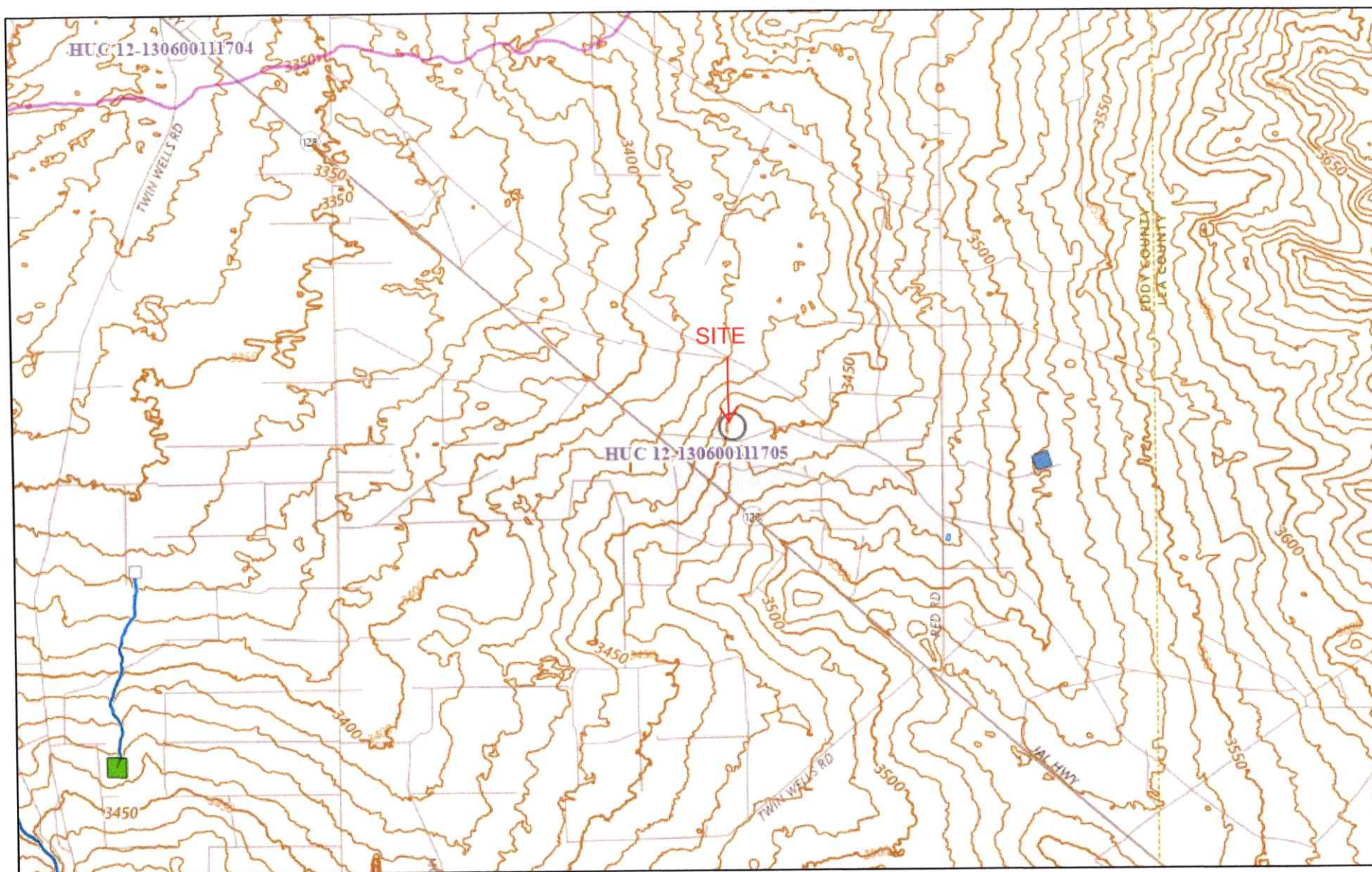
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **8/25/2025 at 3:48 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

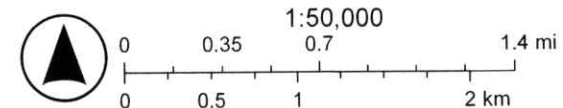
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

7.5 minute quad map



10/3/2025

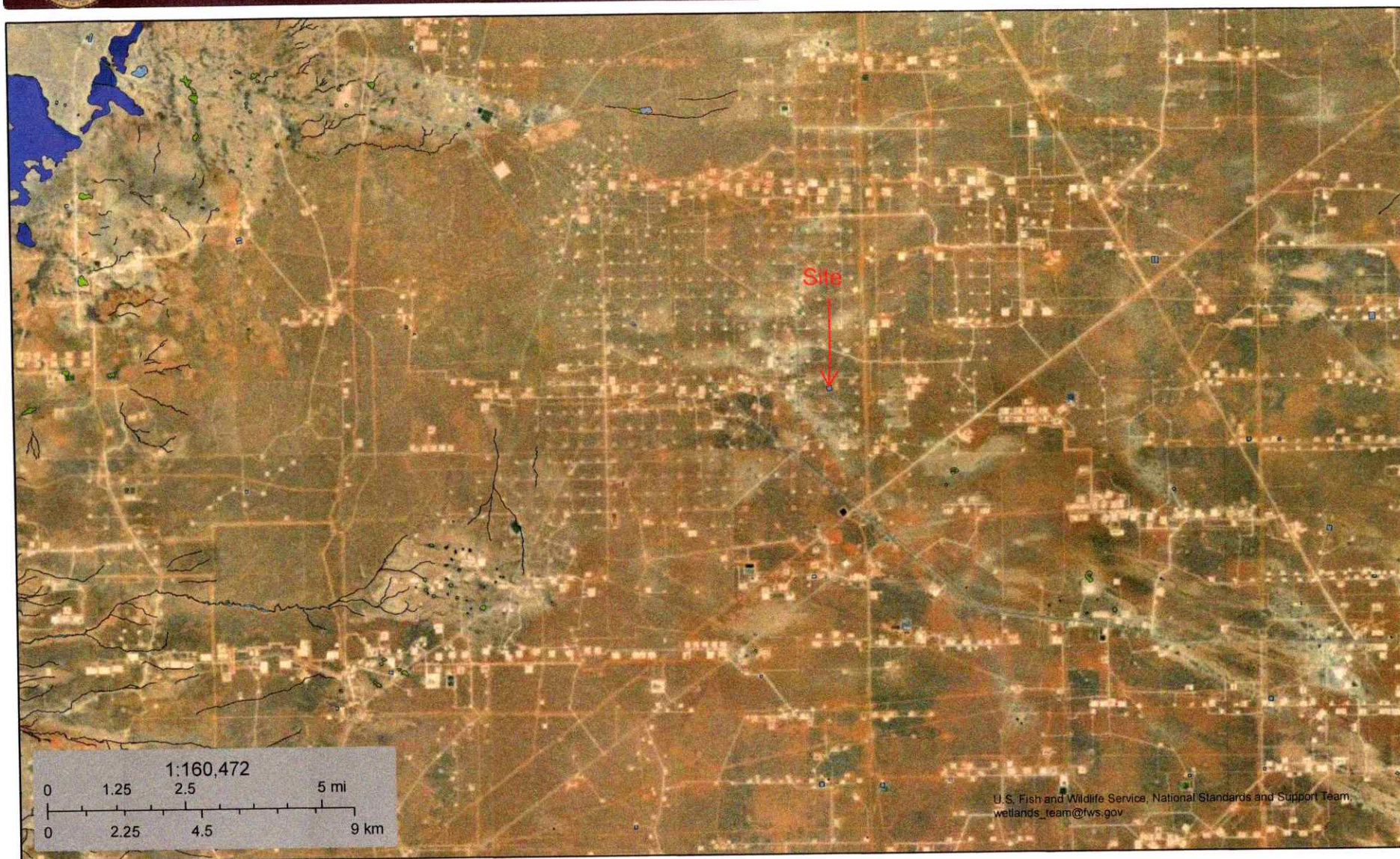
- Wetlands
- Freshwater Pond
 - Riverine
- HydroLocation - Reach Code, External Connection
- Reachcode End
- Reachcode Start
- Flowline - Large Scale
- Flowline
 - Channel Line
 - Waterbody
 - Lake
- Flowline - Large Scale
- Ephemeral
- Waterbody - Large Scale
- Lake Pond
 - 2-digit HU (Region)
 - 12-digit HU (Subwatershed)
- Inland Waters
- Emergent Wetlands
 - Forest/shrub Wetlands
 - Wetlands
 - Normal Index Contours
- Normal Intermediate Contours
- Layers
- Red: Band_1
 - Green: Band_2
 - Blue: Band_3



USGS The National Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography



Wetlands



September 19, 2025

Wetlands

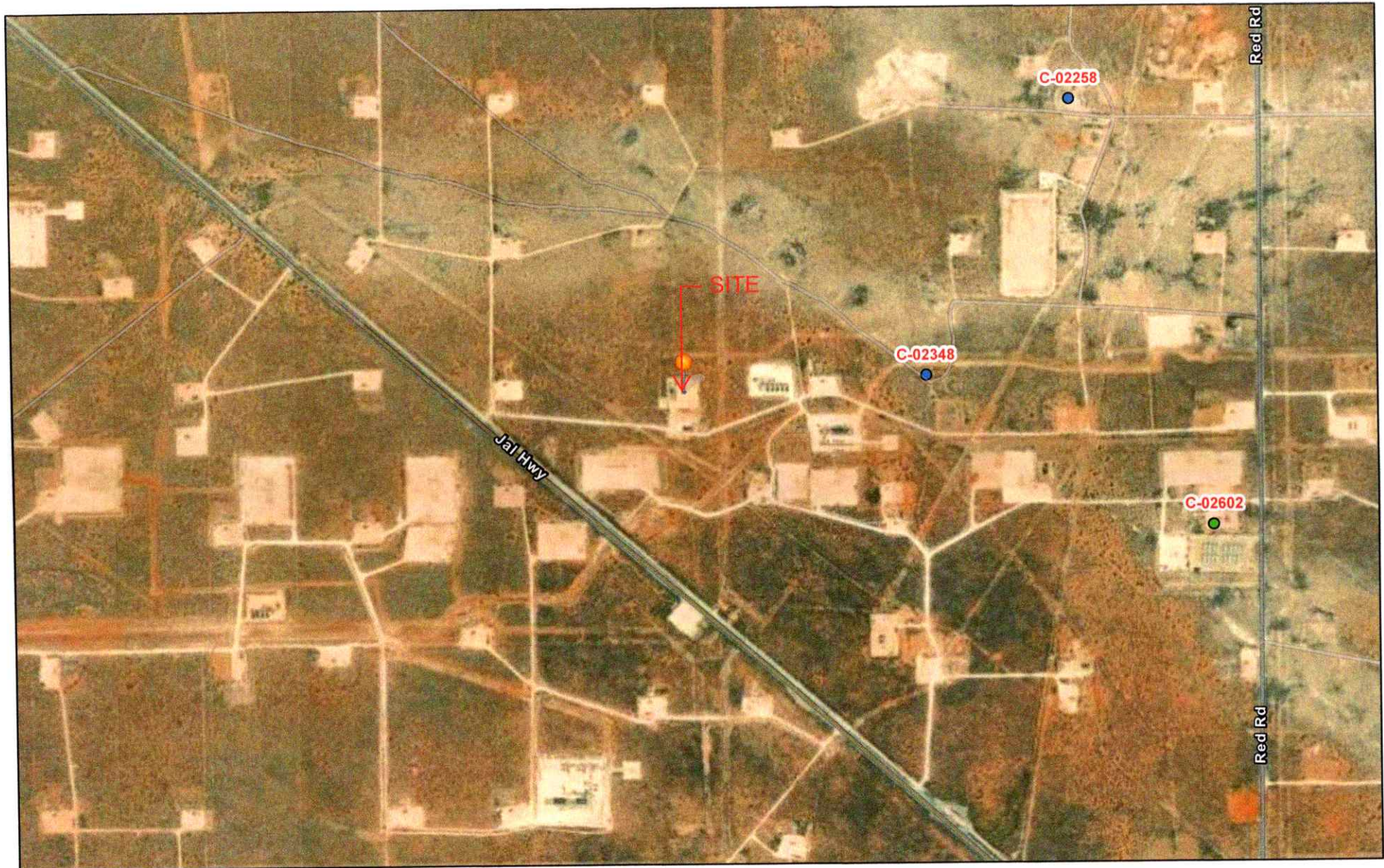
- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland

- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Freshwater Pond

- Lake
- Other
- Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

OSE POD Locations Map



8/25/2025, 10:14:38 AM

GIS WATERS PODs

- Active
- Pending

World Imagery

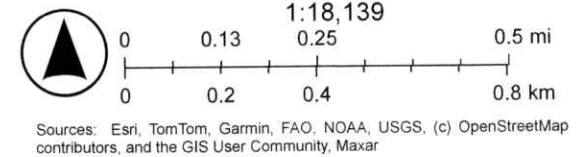
Low Resolution 15m Imagery

High Resolution 60cm Imagery

High Resolution 30cm Imagery

Citations

4.8m Resolution Metadata

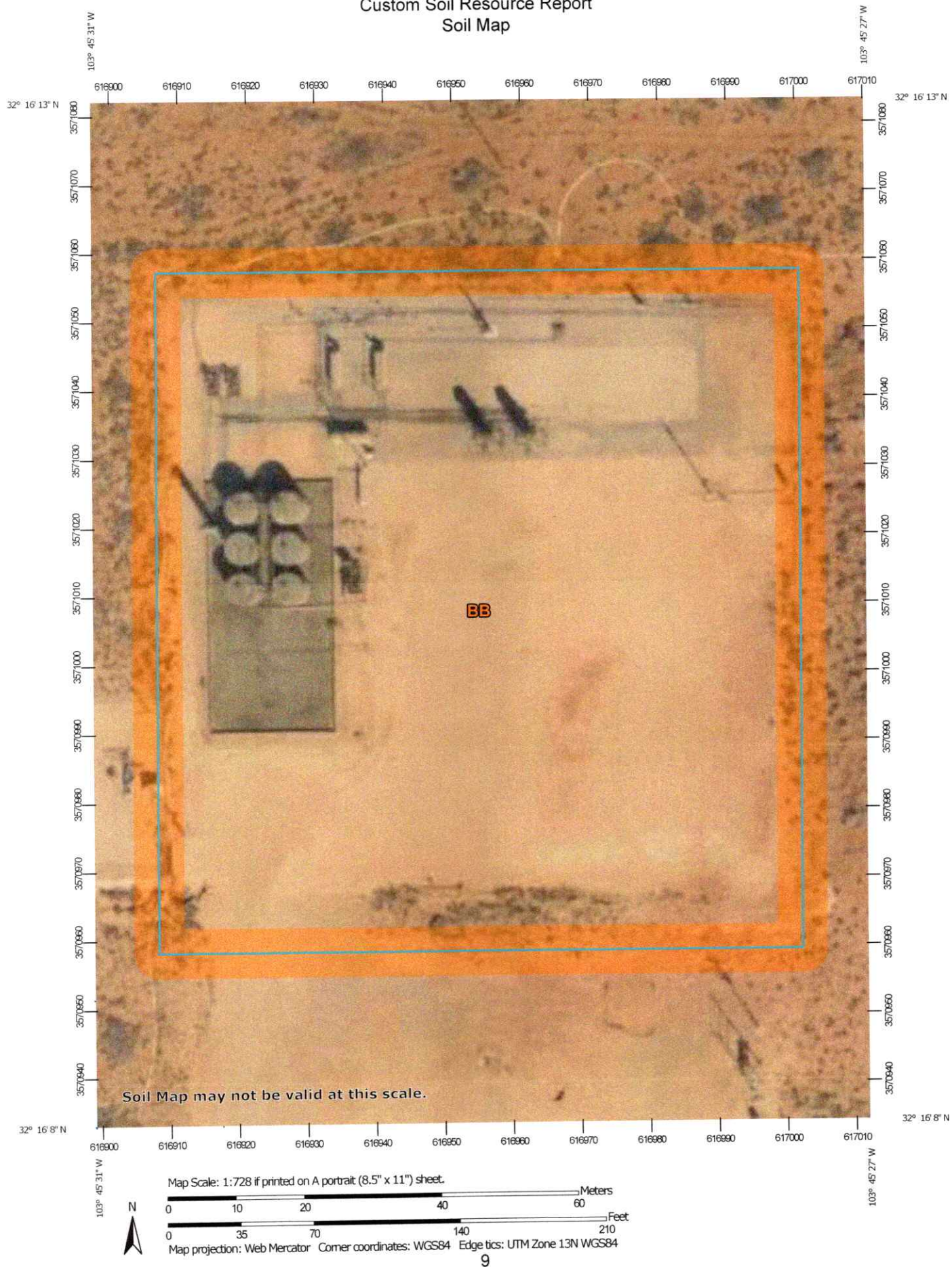


**Devon Energy Production Company, LP
Aldabra 26 & 27 Battery
Closure Report**



Figure 2. Soil Survey Map

Custom Soil Resource Report Soil Map



Custom Soil Resource Report

MAP LEGEND

Area of Interest (AOI)

 Area of Interest (AOI)

Soils

 Soil Map Unit Polygons

 Soil Map Unit Lines

 Soil Map Unit Points

Special Point Features

 Blowout

 Borrow Pit

 Clay Spot

 Closed Depression

 Gravel Pit

 Gravelly Spot

 Landfill

 Lava Flow

 Marsh or swamp

 Mine or Quarry

 Miscellaneous Water

 Perennial Water

 Rock Outcrop

 Saline Spot

 Sandy Spot

 Severely Eroded Spot

 Sinkhole

 Slide or Slip

 Sodic Spot

 Spoil Area

 Stony Spot

 Very Stony Spot

 Wet Spot

 Other

 Special Line Features

Water Features

 Streams and Canals

Transportation

 Rails

 Interstate Highways

 US Routes

 Major Roads

 Local Roads

Background

 Aerial Photography

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:20,000.

Warning: Soil Map may not be valid at this scale.

Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
Web Soil Survey URL:
Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Eddy Area, New Mexico
Survey Area Data: Version 20, Sep 3, 2024

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Feb 7, 2020—May 12, 2020

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

Custom Soil Resource Report

Eddy Area, New Mexico**BB—Berino complex, 0 to 3 percent slopes, eroded****Map Unit Setting**

National map unit symbol: 1w43
 Elevation: 2,000 to 5,700 feet
 Mean annual precipitation: 5 to 15 inches
 Mean annual air temperature: 57 to 70 degrees F
 Frost-free period: 180 to 260 days
 Farmland classification: Not prime farmland

Map Unit Composition

Berino and similar soils: 60 percent
 Pajarito and similar soils: 25 percent
 Minor components: 15 percent
 Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Berino**Setting**

Landform: Plains, fan piedmonts
 Landform position (three-dimensional): Riser
 Down-slope shape: Convex
 Across-slope shape: Linear
 Parent material: Mixed alluvium and/or eolian sands

Typical profile

H1 - 0 to 17 inches: fine sand
 H2 - 17 to 58 inches: sandy clay loam
 H3 - 58 to 60 inches: loamy sand

Properties and qualities

Slope: 0 to 3 percent
 Depth to restrictive feature: More than 80 inches
 Drainage class: Well drained
 Runoff class: Low
 Capacity of the most limiting layer to transmit water (Ksat): Moderately high to high
 (0.60 to 2.00 in/hr)
 Depth to water table: More than 80 inches
 Frequency of flooding: None
 Frequency of ponding: None
 Calcium carbonate, maximum content: 40 percent
 Maximum salinity: Very slightly saline to slightly saline (2.0 to 4.0 mmhos/cm)
 Sodium adsorption ratio, maximum: 1.0
 Available water supply, 0 to 60 inches: Moderate (about 8.0 inches)

Interpretive groups

Land capability classification (irrigated): None specified
 Land capability classification (nonirrigated): 7e
 Hydrologic Soil Group: B
 Ecological site: R070BD003NM - Loamy Sand
 Hydric soil rating: No

Custom Soil Resource Report

Description of Pajarito**Setting**

Landform: Dunes, plains, interdunes
Landform position (three-dimensional): Side slope
Down-slope shape: Convex, linear
Across-slope shape: Convex, linear
Parent material: Mixed alluvium and/or eolian sands

Typical profile

H1 - 0 to 9 inches: loamy fine sand
H2 - 9 to 72 inches: fine sandy loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: Very low
Capacity of the most limiting layer to transmit water (Ksat): High (2.00 to 6.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 40 percent
Maximum salinity: Nonsaline (0.0 to 1.0 mmhos/cm)
Sodium adsorption ratio, maximum: 1.0
Available water supply, 0 to 60 inches: Moderate (about 8.0 inches)

Interpretive groups

Land capability classification (irrigated): 2e
Land capability classification (nonirrigated): 7e
Hydrologic Soil Group: A
Ecological site: R070BD003NM - Loamy Sand
Hydric soil rating: No

Minor Components**Pajarito**

Percent of map unit: 4 percent
Ecological site: R070BD003NM - Loamy Sand
Hydric soil rating: No

Wink

Percent of map unit: 4 percent
Ecological site: R070BD003NM - Loamy Sand
Hydric soil rating: No

Cacique

Percent of map unit: 4 percent
Ecological site: R070BD004NM - Sandy
Hydric soil rating: No

Kermi

Percent of map unit: 3 percent
Ecological site: R070BD005NM - Deep Sand
Hydric soil rating: No

Devon Energy Production Company, LP
Aldabra 26 & 27 Battery
Closure Report



Appendix A. Well Records & Logs

File No. **C-2348****NEW MEXICO OFFICE OF THE STATE ENGINEER**

CHANGE OF OWNERSHIP OF 72-12-1 PERMIT FOR (check one):



- | | |
|--|---|
| ☐ Individual | ☒ Corporation |
| ☐ Trustee | ☐ Partnership |
| ☐ Estate | ☐ Limited Liability Co. |
| ☐ Tribes, Pueblos, Nation | ☐ Governmental Entity |

1. OWNER OF RECORD (Seller)

Name: NGL Water Solutions Permian, LLC		Name:	
Phone: ☐ Home ☐ Cell	Phone: ☐ Home ☐ Cell		
Phone (Work): (720) 213-1521		Phone (Work):	
a. Owner of Record File No.: C-02348	b. Sub-file No.:	c. Cause No.:	

2. NEW OWNER (Buyer) Note: If more owners need to be listed, attach a separate sheet. Attached? ☐ Yes

Name: NGL North Ranch, LLC, a Texas Limited Liability Company		Name:	
Contact or Agent: Jim Winter	check here if Agent ☐	Contact or Agent:	check here if Agent ☐
Mailing Address: 865 North Albion Street, Suite 400		Mailing Address:	
City: Denver		City: DO NOT WRITE IN THESE SPACES	
State: CO Zip Code: 80220		State: Zip Code:	
Phone: ☐ Home ☐ Cell	Phone: ☐ Home ☐ Cell		
Phone (Work): (720) 213-1521		Phone (Work):	
E-mail (optional): Jim.Winter@nglep.com		E-mail (optional):	

Required: Submit warranty deed(s) or other instrument(s) of conveyance properly recorded with the county clerk's office.**3. PURPOSE OF USE & AMOUNT CONVEYED**

Check all that apply: ☐ Domestic ☒ Livestock ☐ Multiple House ☐ Drinking & Sanitary	Amount of Water (acre-feet per annum): 3
---	---

4. LIST ALL KNOWN WELLS (POD) FOR THE 72-12-1 PERMIT CONVEYED

OSE POD No.:	Well Tag ID No.: (if applicable)	Subdivision	Section or X (Easting or Longitude)	Township or Y (Northing or Latitude)	Range	County
C-02348		NW¼SE¼SW¼	26	23S	31E	Eddy

5. CHECK HERE IF WELL IS SHARED BY MULTIPLE HOUSEHOLDS: ☐

Note: Attach an updated list of lots served and owner contact information.

FOR OSE INTERNAL USE		Change of Ownership, Form wr-02d, Rev 08/24/22	
File No.: C-2348	Trn. No.: 755955	Well Tag ID No. (if applicable):	
Trans Desc. (optional): Cowp		Sub-Basin: C	Receipt No.: 2-46577

Page 1 of 2

6. ADDITIONAL STATEMENTS OR EXPLANATIONS

Attached is a copy of the recorded Quit Claim deed from NGL Water Solutions Permian, LLC to NGL North Ranch, ~~Inc.~~ ^{LLC}

ACKNOWLEDGEMENT FOR INDIVIDUAL

I, We (name of owner(s)), _____
Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Signature _____

Signature _____

State of _____)

ss.

County of _____)

This instrument was acknowledged before me this _____ day of _____ A.D., 20 _____, by (name of owner(s)):

Notary Public: _____

My commission expires: _____

ACKNOWLEDGEMENT FOR CORPORATION

I, We (name of owner(s)), NGL North Ranch, LLC, a Texas Limited Liability Company by Doug White
Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Officer Signature _____

Officer Signature _____

State of Colorado)

ss.

County of Denver)

This instrument was acknowledged before me this 12 day of January A.D., 20 24, by the following on behalf of said corporation.

Name of Officer: Doug White

Title of Officer: Executive Vice President

Name of Corporation Acknowledging: NGL North Ranch, LLC, a Texas Limited Liability Company

State of Corporation: Texas



Notary Public: _____

My commission expires: May 19, 2027

FOR OSE INTERNAL USE

Change of Ownership, Form wr-02d, Rev 08/24/22

File No.: C-2348

Trn. No.: 755955

Well Tag ID No. (if applicable): _____

Trans Desc. (optional): CounF

Sub-Basin: C

Receipt No.: 246577

Page 2 of 2

EA COUNTY, NM
KE.....MANES, COUNTY CLERK
45624
Book 2220 Page 18
1 of 2
01/30/2024 01:45 PM
BY ANGIE BEAUCHAMP

CORRECTIVE QUITCLAIM DEED

This Corrective Quitclaim Deed is submitted to correct a typographical error in the name of the Grantee in the Quitclaim Deed recorded on January 18, 2024, Document No. 45121, Book 2219, Page 507, in Lea County, New Mexico. NGL Water Solutions Permian, LLC, ("Grantor), quitclaims to NGL North Ranch, LLC, a Texas Limited Liability Company, whose address is 865 North Albion Street, Suite 400, Denver Colorado, 80220 ("Grantee"), Grantor's right, title, and interest in and to all water rights described in Office of the State Engineer File Number C-03555.

Remainder of Page Intentionally Left Blank

Signature Page to Follow

DOC ID: JAN 31 2024 PM 1:07

Deed to be recorded in Lea County

LEA COUNTY, NM
JILL H MANES, COUNTY CLERK
45624
Book 2220 Page 18
2 of 2
01/30/2024 01:45 PM
BY ANGIE BEAUCHAMP

WITNESS my hand and seal this 26 day of January, 2024.

GRANTOR:

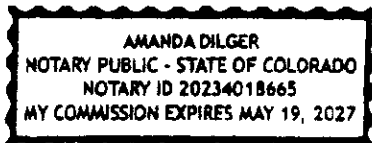
By: [Signature]

NGL Water Solutions Permian, LLC

State of Colorado

County of Denver

The foregoing instrument was acknowledged before me on January 26, 2024, by Douglas W. White, in his capacity as Executive Vice President of NGL Water Solutions Permian, LLC.



(Seal/Stamp)

[Signature]

(Signature of notarial officer)

Title of office: Notary Public

Commission #: 20234018665

My commission expires: May 19, 2027

Mike A. Hamman, P.E.
State Engineer



swell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

Trn Nbr: 755955
File Nbr: C 02348

Jan. 31, 2024

JIM WINTER
NGL NORTH RANCH LLC A TEXAS LIMITED LIABILITY CO
865 NORTH ALBION ST STE 400
DENVER, CO 80220

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

Sincerely,

A handwritten signature in cursive script, appearing to read "Maret Thompson".

Maret Thompson
(575) 622-6521

Enclosure

chngowrc



NEW MEXICO OFFICE OF THE STATE ENGINEER

File No. C-2348

APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS IN ACCORDANCE
WITH SECTIONS 72-12-1.1, 72-12-1.2, OR 72-12-1.3 NEW MEXICO STATUTESFor fees, see State Engineer website: <http://www.ose.state.nm.us/>

2-30521 45

1. APPLICANT(S)

Name: Mark and Annette McCloy	Name: Hennighausen & Olsen, LLP.
Contact or Agent: ☐ check here if Agent	Contact or Agent: ☒ check here if Agent A.J. Olsen
Mailing Address: P.O. Box 1076	Mailing Address: P.O. Box 1415
City: Jal	City: Roswell
State: NM Zip Code: 88252	State: NM Zip Code: 88202
Phone: 432.940.4459 ☐ Home ☒ Cell Phone (Work): 575.225.6804 Home	Phone: ☐ Home ☐ Cell Phone (Work): 575.624.2463
E-mail:	E-mail: ajolsen@h2olawyers.com

2. PURPOSE OF USE

- ☐ Domestic use for one household
☒ Livestock watering
☐ Domestic well to accompany a house or other dwelling unit constructed for sale
☐ Domestic use to serve _____ households
☐ Drinking and sanitary uses that are incidental to the operations of a governmental, commercial, or non-profit facility
☐ Prospecting, mining or drilling operations to discover or develop natural resources
☐ Construction of public works, highways and roads

3. WELL INFORMATION

File Information: (If existing well, provide OSE no. & indicate below if well is to be replacement, repaired or deepened, or supplemental. If new well, leave blank, as OSE must assign no.)		
OSE Well No. (If Existing) C-2348	New Well No. (provided by OSE)	
Driller Name: Unknown	Driller License Number:	
Approximate Depth of Well (feet): 500.00	Outside Diameter of Well Casing (inches): 8.00	
☐ Replacement well (List all existing wells if more than one):	☐ Repair or Deepen: ☐ Clean out well to original depth ☐ Deepen well from _____ to _____ ft. ☐ Other (Explain):	
	☐ Supplemental well (List OSE No. for all wells this well supplement):	

FOR OSE INTERNAL USE

Application for Permit, Form wr-01, Rev5/11/11

File Number: C-2348	Trn Number: 491413
Sub-basin: C	POD No. C-02348-P001 Log Due Date: N/A

4. WELL LOCATION NOTE: If more than one (1), complete Attachment 1

Location (Required): Coordinate location must be New Mexico State Plane (NAD 83), UTM (NAD 83), or Lat/Long (WGS84)				
NM State Plane (NAD83) - In feet	NM West Zone ☐ NM Central Zone ☐ NM East Zone ☐		X (in feet): Y (in feet):	
UTM (NAD83) - In meters	UTM Zone 13N ☐ UTM Zone 12N ☐		Easting (in meters): Northing (in meters):	
Lat/Long (WGS84) - To 1/10 th of second	Latitude:	32 deg	16 min	12.631 sec
	Longitude:	-103 deg	45 min	2.986 sec
Land Grant (if applicable):				
Point of Diversion is on Land Owned by (Required): Mark And Annette McCloy By Real Estate Purchase Agreement				
Other Location Information (complete the below, if applicable):				
PLSS Quarters or Halves:	Section:	Township:	Range:	County:
SE1/4NW1/4SE1/4SW1/4	26	23S	31E	Eddy
Lot No:	Block No:	Unit/Tract:	Subdivision:	
Hydrographic Survey:		Map:		Tract:
Other description relating point of diversion to common landmarks, streets, or other:				
Additional point of diversion descriptions are attached: ☐ Yes ☐ No If yes, how many _____				

5. ADDITIONAL STATEMENTS OR EXPLANATIONS

The existing well C-2348 was declared by an individual that does not own the well or the property on which it is located. This applicants have purchased the subject well and property, and wish to utilize it for livestock watering purposes.

ACKNOWLEDGEMENT

I, We (name of applicant(s)), A.J. Olsen

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.



Applicant Signature

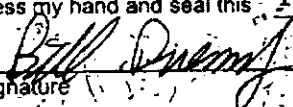
Applicant Signature

 STATE ENGINEER OFFICE
 ROSWELL, NEW MEXICO
 2011 OCT 31 PM 12 31

ACTION OF THE STATE ENGINEER

This application is approved subject to the attached general and specific conditions of approval.

Witness my hand and seal this 14th day of December 20 11, for the State Engineer,
 Acting
 Estevan R. Lopez, P.E.

By:  Bill Duemling, Carlsbad Basin Supervisor
 Signature Print

Title: _____
 Print

FOR USE INTERNAL USE

Application for Permit, Form wr-01, Rev5/11/11

File Number: C-2348	Trm Number: 491413
Sub-basin: C	POD No. C-02348-POD4 Log Due Date: N/A

**NEW MEXICO STATE ENGINEER OFFICE
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES**

GENERAL CONDITIONS OF APPROVAL (A thru O)

- 06-A The maximum amount of water that may be appropriated under this permit is 3.000 acre-feet in any year.
- 06-B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated. A licensed driller shall not be required for the construction of a driven well; provided that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter (Section 72-12-12).
- 06-C Driller's well record must be filed with the State Engineer within 20 days after the well is drilled or driven. Well record forms will be provided by the State Engineer upon request.
- 06-D The casing shall not exceed 7 inches outside diameter except under specific conditions in which reasons satisfactory to the State Engineer are shown.
- 06-E To request a change to the use of water authorized under this permit, the permittee shall file an application with the State Engineer.
- 06-F An application for a new 72-12-1.1 domestic well permit where the proposed point of diversion is to be located on the same legal lot of record as an operational 72-12-1.1 domestic well shall be treated as an application for a supplemental well.
- 06-G If artesian water is encountered, all rules and regulations pertaining to the drilling and casing of artesian wells shall be complied with.
- 06-H The drilling of the well and amount and uses of water permitted are subject to such limitations as may be imposed by a court or by lawful municipal or county ordinance which are more restrictive than the conditions of this permit and applicable State Engineer regulations.
- 06-I The permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.

Trn Desc: C 02348: SUBSEQUENT STK PERMIT
Log Due Date: N/A
Form: WR-01

File Number: C 02348
Trn Number: 491413

page: 1

NEW MEXICO STATE ENGINEER OFFICE
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

GENERAL CONDITIONS OF APPROVAL (Continued)

- 06-J The well shall be set back a minimum of 50 ft. from an existing well of other ownership unless a variance has been granted by the State Engineer. The State Engineer may grant a variance for a replacement well or to allow for maximum spacing of the well from a source of groundwater contamination. The well shall be set back from potential sources of contamination in accordance with rules and regulations of the NM Environment Department.
- 06-K Pursuant to section 72-8-1 NMSA, the permittee shall allow the State Engineer and his representatives entry upon private property for the performance of their respective duties, including access to the well for meter reading and water level measurement.
- 06-L The permit is subject to cancellation for non-compliance with the conditions of approval or if otherwise not exercised in accordance with the terms of the permit.
- 06-M The right to divert water under this permit is subject to curtailment by priority administration as implemented by the State Engineer or a court.
- 06-N In the event of any change of ownership to this permit the new owner shall file a change of ownership form with the State Engineer in accordance with Section 72-1-2.1 NMSA.
- 06-O This well permit shall automatically expire unless the well is completed and the well record is filed with the State Engineer within one year of the date of issuance of the permit. It is the responsibility of the permit holder to ensure that the well record has been properly filed with the State Engineer.

SPECIFIC CONDITIONS OF APPROVAL

- 06-1A Depth of the well shall not exceed the thickness of the valley fill.
- 06-10 Total diversion from all wells under this permit number shall not exceed 3.000 acre-feet per annum.

Trn Desc: C 02348: SUBSEQUENT STK PERMIT
 Log Due Date: N/A
 Form: wr-01

File Number: C 02348
 Trn Number: 491413

page: 2

NEW MEXICO STATE ENGINEER OFFICE
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

SPECIFIC CONDITIONS OF APPROVAL (Continued)

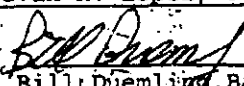
- 06-14 This permit authorized the diversion of water for watering livestock. The total diversion of water under this permit shall not exceed 3.000 acre-feet per year.
- 06-18 Any diversion of water made in excess of the authorized maximum diversion amount shall be repaid with twice the amount of the over-diversion during the following calendar year. Repayment shall be made by either: (a) reducing the diversion from the well that is the source of the over-diversion; or (b) acquiring or leasing a valid, existing consumptive use water right in an amount equal to the repayment amount and submitting to the State Engineer for his approval a plan for the proposed repayment.
- 06-5B A totalizing meter shall be installed before the first branch of the discharge line from the well and the installation shall be acceptable to the State Engineer; the Engineer shall be advised of the make, model, serial number, date of installation, and initial reading of the meter prior to appropriation of water; pumping records shall be submitted to the District Supervisor on or before the 10th of Jan., April, July and Oct. of each year for the 3 preceeding calendar months.

ACTION OF STATE ENGINEER

This application is approved for the use indicated, subject to all general conditions and to specific conditions listed above.

Witness my hand and seal this 14 day of Dec A.D., 2011

Estevan R. Lopez, P.E., Acting State Engineer

By: 

Bill Duemling, Basin Supv.

Trn Desc: C 02348: SUBSEQUENT STK PERMIT
Log Due Date: N/A
Form: wr-01

page: 3

File Number: C 02348
Trn Number: 491413

Locator Tool Report**General Information:**

Application ID: 30 Date: 12-13-2011 Time: 16:41:30

WR File Number: C-02348-POD1
Purpose: POINT OF DIVERSION

Applicant First Name: MARK & ANNETTE
Applicant Last Name: MCCLOY (STOCK PERMIT)(EXISTING WELL)

GW Basin: CARLSBAD
County: EDDY

Critical Management Area Name(s): NONE
Special Condition Area Name(s): NONE
Land Grant Name: NON GRANT

PLSS Description (New Mexico Principal Meridian):

SE 1/4 of NW 1/4 of SE 1/4 of SW 1/4 of Section 26, Township 23S, Range 31E.

Coordinate System Details:**Geographic Coordinates:**

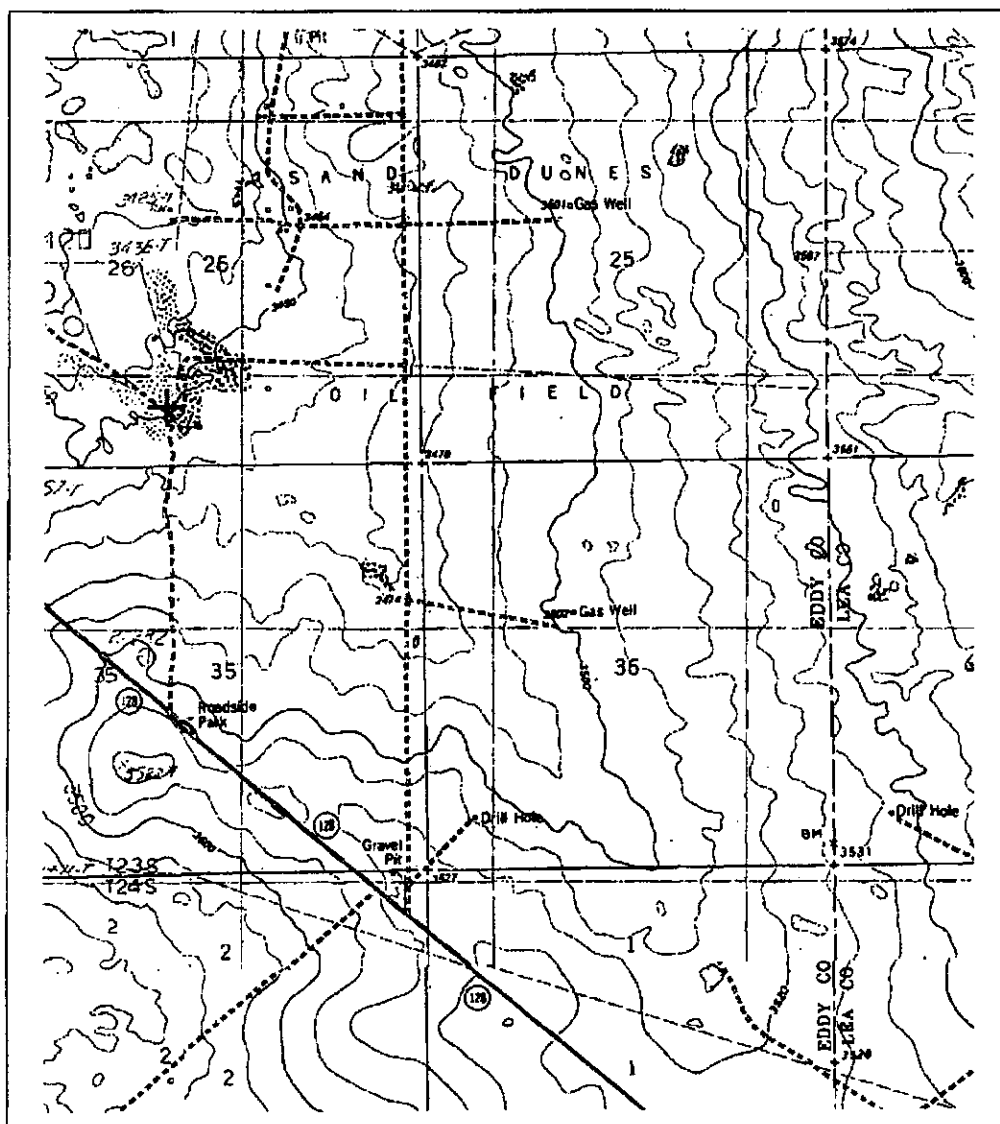
Latitude: 32 Degrees 16 Minutes 12.6 Seconds N
Longitude: 103 Degrees 45 Minutes 3.0 Seconds W

Universal Transverse Mercator Zone: 13N

NAD 1983(92) (Meters)	N: 3,571,068	E: 617,648
NAD 1983(92) (Survey Feet)	N: 11,716,079	E: 2,026,399
NAD 1927 (Meters)	N: 3,570,866	E: 617,696
NAD 1927 (Survey Feet)	N: 11,715,417	E: 2,026,557

State Plane Coordinate System Zone: New Mexico East

NAD 1983(92) (Meters)	N: 140,974	E: 219,876
NAD 1983(92) (Survey Feet)	N: 462,511	E: 721,377
NAD 1927 (Meters)	N: 140,956	E: 207,323
NAD 1927 (Survey Feet)	N: 462,452	E: 680,193

NEW MEXICO OFFICE OF STATE ENGINEER**Locator Tool Report**

Locator Tool Report**General Information:**

Application ID: 29

Date: 03-17-2010

Time: 16:36:16

WR File Number: C-02348-STK

Purpose: POINT OF DIVERSION (6SF 6 PS)

Applicant First Name: JAMES KELLER RANCH

Applicant Last Name: (MILLS TRUST STOCK DECLARATION)

GW Basin: CARLSBAD

County: EDDY

Critical Management Area Name(s): NONE

Special Condition Area Name(s): NONE

Land Grant Name: NON GRANT

PLSS Description (New Mexico Principal Meridian):

SE 1/4 of NW 1/4 of SE 1/4 of SW 1/4 of Section 26, Township 23S, Range 31E.

Coordinate System Details:**Geographic Coordinates:**

Latitude: 32 Degrees 16 Minutes 12.6 Seconds N
 Longitude: 103 Degrees 45 Minutes 3.0 Seconds W

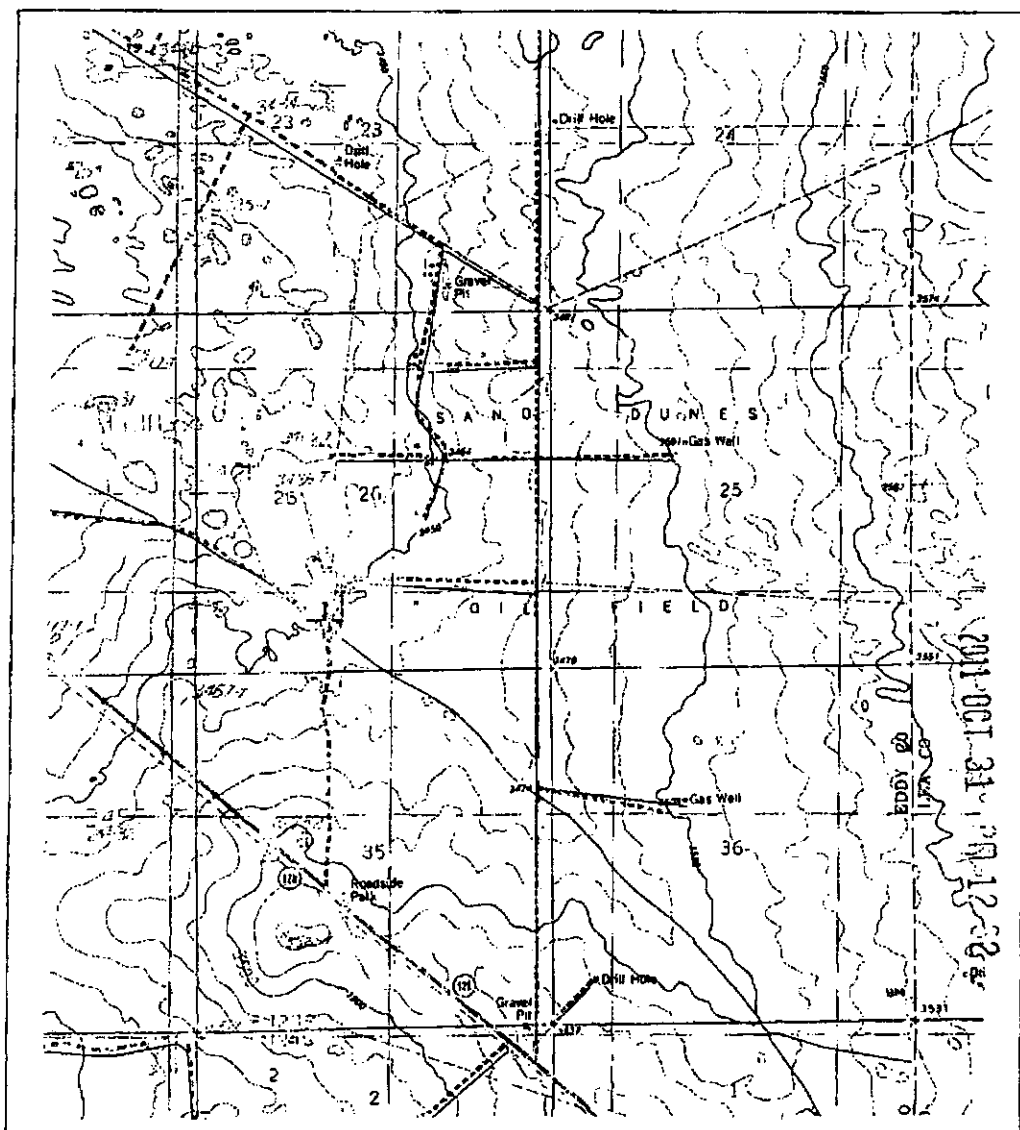
Universal Transverse Mercator Zone: 13N

NAD 1983(92) (Meters)	N: 3,571,068	E: 617,648
NAD 1983(92) (Survey Feet)	N: 11,716,079	E: 2,026,399
NAD 1927 (Meters)	N: 3,570,866	E: 617,696
NAD 1927 (Survey Feet)	N: 11,715,417	E: 2,026,557

State Plane Coordinate System Zone: New Mexico East

NAD 1983(92) (Meters)	N: 140,974	E: 219,876
NAD 1983(92) (Survey Feet)	N: 462,511	E: 721,376
NAD 1927 (Meters)	N: 140,956	E: 207,323
NAD 1927 (Survey Feet)	N: 462,452	E: 680,193

STATE ENGINEER
 ROSWELL, NEW MEXICO
 2011 OCT 31 PM 12:32

NEW MEXICO OFFICE OF STATE ENGINEER**Locator Tool Report**

STATE ENGINEER OF
ROSWELL, NEW MEX.



WR File Number: C-02348-STK Scale: 1:32,065

Northing/Easting: UTM83(92) (Meter): N: 3,571,068 E: 617,648

Northing/Easting: SPCS83(92) (Feet): N: 462,511 E: 721,376

GW Basin: Carlsbad

MARK McCLOY
P. O. Box 1076
Jal, New Mexico 88252

OFFICE OF THE STATE ENGINEER

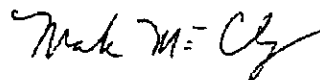
District 2 Office
1900 West Second Street
Roswell, New Mexico 88201

Dear Sir/Madam:

This letter hereby authorizes my attorney, A. J. Olsen, Hennighausen & Olsen, L.L.P., P. O. Box 1415, Roswell, New Mexico 88202-1415, to sign any application pending before the New Mexico State Engineer's Office on my behalf as my authorized agent.

DATED: 10-27-11

Sincerely yours,



Mark McCloy

STATE ENGINEER
ROSSELL, NEW MEX
2011 OCT 31 PM 12 31

REAL ESTATE PURCHASE AGREEMENT

This Purchase Agreement (the "Agreement") is made as of August __, 2011 (the "date of this Agreement"), between The **WILLIAM J. WRIGHT and MARJORIE WRIGHT TRUST**, ("**SELLER**"), and **MARK McCLOY and ANNETTE McCLOY**, his wife ("**PURCHASER**").

1. **PROPERTY.** **SELLER** agrees to sell and convey, and **PURCHASER** agrees to purchase, on the terms and conditions contained in this Agreement, the following property located in Lea and Eddy Counties, New Mexico, and more particularly described as:

The legal description attached hereto and described as EXHIBITS "A" and "B".

TOGETHER with all sand, gravel, caliche, irrigation, water wells, and all other water rights appurtenant to said lands described and identified in New Mexico State Engineer Office Change of Ownership of Water Right filed for record with the Office of the State Engineer and/or the Offices of the County Clerk, Counties of Lea and Eddy, New Mexico.

SUBJECT TO all valid and existing easements and rights-of-way; excepting all interest in oil, gas, and other minerals heretofore reserved and/or conveyed and now belonging to parties other than grantors, plus appropriate rights of ingress and egress pertaining to said severed mineral interests.

SUBJECT TO agreements with **PREDECESSORS IN INTEREST** or other affiliated mineral holders for the right to use, appropriate, or otherwise extract wellhead gas; said agreements shall be assigned to and become the exclusive right of **PURCHASER** to use, appropriate, or otherwise extract wellhead gas.

SUBJECT TO all lease provisions, said leases to be assigned and transferred to **PURCHASER** by **SELLER** except those leases which are specifically excepted by this Agreement.

2. **PURCHASE PRICE.** The purchase price for the Property is One Million One Hundred Thousand Dollars and No/100 (\$1,100,000.00), which shall be payable as follows: a) **PURCHASER** shall pay One Hundred Ten Thousand Dollars and No/100 (\$110,000.00) as a down payment on the date the Agreement is signed, which shall be placed in escrow until the date of Closing. The balance of Nine Hundred Ninety Thousand Dollars and No/100 (\$990,000.00) shall be paid at the time of closing.

The right of **SELLER** to enforce specific performance of this contract is hereby expressly reserved in full.

STATE ENGINEER
ROSWELL, NEW MEXICO
2011 OCT 31 PM 2:54

Subject to continuing compliance with the terms hereof, the **PURCHASER** shall have the right to possession of the real estate and the property above set forth on the date of closing. However, if needed, **PURCHASER** shall grant **SELLER** 30 days in which to vacate the Property.

3. **TITLE.** Within 15 days after the date of this Agreement, **SELLER** shall obtain a title examination or commitment for an owner's policy of title insurance insuring **SELLER's** title to the Property. **SELLER** shall furnish a copy of the examination report or commitment to **PURCHASER**. If the examination report or commitment shows that title to all or part of the Property is unmarketable, as determined by New Mexico law, or is subject to any defect, lien or encumbrance that is not a permitted encumbrance, **PURCHASER** shall notify **SELLER** of his objections within the 15 day period or the same shall be deemed to have been waived by **PURCHASER**. To the extent **PURCHASER's** objections involve monetary liens, **SELLER** shall, upon receipt of **PURCHASER's** objections, promptly undertake and complete prior to the closing all actions necessary to satisfy and eliminate the liens. To the extent **PURCHASER's** objections involve any other defects or encumbrances, **SELLER** may, but shall have no obligation to, remedy or remove the defect or encumbrance prior to the closing. If **SELLER** elects not to remedy or remove the defect or encumbrance or is unable to do so, **PURCHASER's** sole remedy shall be to elect either to (i) waive the defect or encumbrance and accept such title to the Property as **SELLER** is able to convey or (ii) terminate this Agreement. **PURCHASER** shall so elect by delivering written notice to **SELLER** on or before the date of the closing, and if **PURCHASER** fails to give such notice, it shall be deemed to have exercised election (i). If **PURCHASER** terminates this Agreement as provided in clause (ii), both **PURCHASER** and **SELLER** shall be released from all obligations under this Agreement, and any deposits or setoffs shall be credited to the proper party. All costs of the title examination and title insurance commitment and policy shall be paid by **SELLER**.

4. **PRORATIONS AND EXPENSES.** The real property taxes and assessments with respect to the Property shall be prorated between **SELLER** and **PURCHASER** as of the date of the Closing in accordance with the custom in Lea and Eddy Counties, New Mexico. Rentals, utility costs, and any other income or expenses of the Property shall be prorated on a per diem basis as of the date of Closing.

5. **SELLER'S REPRESENTATIONS.** **SELLER** makes the following representations to **PURCHASER** as of the date of this Agreement and the date of the closing:

A. To the best of **SELLER's** knowledge, the Property is in full compliance with applicable building codes, environmental, zoning and land use laws and other local, state and federal laws and regulations. **SELLER** is not in receipt of any notice of alleged noncompliance with any of the foregoing.

B. No condemnation, environmental, zoning or other land-use regulation proceedings have been instituted, nor to **SELLER's** knowledge are any of those proceedings planned to be instituted, that would detrimentally affect the use and operation of the Property or the value of

the Property, nor has **SELLER** received notice of any special assessments or special assessment proceedings affecting the Property.

C. The Property is not subject to any purchase contract or option.

D. There are no leases, tenancy rights or other contracts or arrangements with respect to the sale of the Property other than this written Agreement between **SELLER** and **PURCHASER**.

E. No work has been performed or labor, materials, equipment or fuel furnished to the Property within the last 90 days (or, if any of the same have been performed or furnished, all persons who may have the right to assert a mechanic's lien have been fully paid).

F. To the best of **SELLER's** knowledge, no toxic, explosive or otherwise dangerous materials or hazardous substances have been concealed within, buried beneath, or released on or from the Property.

SELLER's representations and warranties shall survive the Closing.

6. **CLOSING.** Unless extended by agreement of the parties, the closing for the delivery of **SELLER's** deed, payment of the balance of the purchase price, and delivery of the other instruments provided for in this Agreement shall be held no later than thirty (30) days after the parties execute this agreement or, alternatively, at Elliott & Waldron Title Company, 1819 N. Turner St., #B, Hobbs, New Mexico, at a time mutually agreeable to **PURCHASER** and **SELLER**.

7. **BROKERS.** Each party represents to the other that there is no broker or other person entitled to a commission or similar fee in connection with this transaction. Each party agrees to defend, indemnify and save harmless the other party against any and all other claims for brokerage commissions or similar fees for any services rendered at that party's request in connection with this transaction.

8. **NOTICES.** Any notice required or permitted to be given to a party under this Agreement, shall be deemed given if mailed by U.S. certified or registered mail, postage prepaid, addressed as follows:

TO SELLER: 2264 St. Hwy 128
Jal, NM 88252

TO PURCHASER: P.O. Box 1076
Jal, NM 88252

Either party may change its mailing address by written notice to the other party at its then-current mailing address in accordance with the provisions of this Paragraph.

9. **DAMAGE OR DESTRUCTION.** If any buildings or other improvements on the Property are substantially damaged or destroyed prior to the closing, **PURCHASER** shall have the option (a) to proceed with closing without reduction of the purchase price and receive the proceeds of any insurance payable in connection with the damage or (b) to terminate this Agreement. If **PURCHASER** terminates this Agreement pursuant to clause (b), both parties shall be released from all further obligations under this Agreement and any deposit shall be refunded to **PURCHASER**. **SELLER** agrees to insure the improvements on the Property against fire and extended coverage perils until the date of closing. **SELLER** further agrees to maintain the improvements in their present condition until delivery of possession, subject, however, to reasonable wear and tear and the provisions of this Paragraph. **SELLER's** insurance shall remain in effect until Closing, or if **SELLER** does not vacate the premises on the date of Closing, the insurance shall remain in effect until the Property is turned over to the **PURCHASER**.

10. **BINDING EFFECT.** This Agreement shall be binding upon and inure to the benefit of **SELLER** and **PURCHASER** and their respective heirs, personal representatives, successors and assigns.

SIGNED as of the date first written above.

SELLER:

William J. Wright
WILLIAM J. WRIGHT

Marjorie Wright
MARJORIE WRIGHT

PURCHASER:

Mark McCloy
MARK McCLOY

Annette McCloy
ANNETTE McCLOY

STAMPED
RECEIVED
2011 OCT 31 PM 12 34

STATE OF NEW MEXICO)
COUNTY OF Lea) ss.

SUBSCRIBED TO before me this 16th day of August 2011, by William J. Wright.

My Commission Expires:
April 25th, 2015

Jennifer Martinez
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF Lea) ss.

SUBSCRIBED TO before me this 16th day of August 2011, by Marjorie Wright

My Commission Expires:
April 25th, 2015

Jennifer Martinez
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF Lea) ss.

SUBSCRIBED TO before me this 16th day of August 2011, by Mark McCloy.

My Commission Expires:
April 25th, 2015

Jennifer Martinez
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF Lea) ss.

SUBSCRIBED TO before me this 16th day of August 2011, by Annette McCloy.

My Commission Expires:
April 25th, 2015

Jennifer Martinez
NOTARY PUBLIC

STATE ENGINEER OFFICE
ROSSELL, NEW MEXICO
2011 OCT 31 PM 12 34

Assessor Lookup

Page 1 of 1

Owner Information

Owner # 3639 District 100
 WRIGHT, WILLIAM J & MARJORIE TRUST
 WRIGHT, WILLIAM J & MARJORIE
 CO-TRUSTEES
 2264 STATE HWY 128
 JAL NM 88252

Recap Value Information

Central Full Value	0	Full Value	1680
Land Full Value	1680	Taxable Value	560
Improvements Full value	0	Exempt Value	0
Personal Property Full Value	0	Net Value	560
Manufactured Home Full Value	0		
Livestock Full Value	0		

Property Information

Property Code 4185137263396
 Book 869 Page 857 Reception# 0
 Physical Address RED ROAD
 Bldg Apt
 Section 26 Township 23 S Range 31 E

W2SW, SE, S2NE, S2/3E2SW
 MAP# 326-5
 LOC RED ROAD

Property Value Information

124	Non-Residential	Land	373.25	1.50	1680
010	Non-Residential	Special	560	0.00	0

08/15/2011 09:50 15758856449

NICHOLS

PAGE 02/05

Exhibit "A"
21144

WARRANTY DEED

James Keller and LaNette Keller, husband and wife

for consideration paid grants to

William J. Wright and Marjorie Wright, Co-Trustees of The William J. And Marjorie Wright Trust

whose address is 4268 North 1900 East Buhr, Idaho 83316

the following described real estate in Lea county, New Mexico

See Exhibit "A" attached hereto and made a part hereof

with warranty covenants.

WITNESS our hands and seals on 8/17/10

James Keller
JAMES KELLER

LaNette Keller
LANETTE KELLER

STATE EXHIBIT
ROSWELL, N.M.
2011 OCT 31 PM 12:34

STATE OF Kansas)
COUNTY OF Logan)

This instrument was acknowledged before me on 8/17/10, by James Keller and LaNette Keller, husband and wife

My commission expires : 4-11-2014

RETURN TO: GRANTEE

Keth Ribordy
Notary Public



BOOK 1693 PAGE 4

08/15/2011 09:58 15759856449

NICHOLS

PAGE 03/05

Exhibit "A"
Page 1

SURFACE TITLE ONLY TO:

Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Section 3: NR/4SW/4
 Section 5: E/2NW/4
 Section 10: SE/4SW/4, W/2SE/4
 Section 13: S/2S/2
 Section 14: W/2W/2, SE/4SW/4, S/2SE/4
 Section 15: NE/4NW/4, W/2SW/4, E/2
 Section 23: NE/4NW/4, W/2SE/4, SE/4NE/4
 Section 24: N/2, W/2S/2

and including that certain Cattle Squeeze Chute located thereon
 AND TOGETHER WITH ALL WATER RIGHTS APPURTENANT THERETO OR USED IN CONNECTION
 THEREWITH
 Subject to reservations, restrictions and easements appearing of record

STATE ENGINEER OF
 ROSWELL, NEW MEXICO
 2011 OCT 31 PM 12:34

LESS AND EXCEPT the following Six (6) tracts of land:

- (1) A parcel of land situated in Section 15, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the southwest corner of the parcel of land herein described being a point 75.44 feet to the right of, southerly and opposite Construction centerline Station 693+85.42 of N.M. Project No. AC-GRIP-(TPM)-0128(13)10, whence the Section corner common to Sections 15, 16, 21 and 22, T24S, R32E, NMPM bears S00°16'51"E, 1,887.24 feet distance; thence N00°16'51"W, 76.16 feet distance a point on Construction Centerline Station 693+74.97 of N.M. Project No. AC-GRIP-(TPM)-0128(13)10; thence N00°16'51"W, 24.80 feet distance to the northwest corner of the parcel of land herein described being a point on the southerly right-of-way line of N.M. Project S-1271(3); thence, S82°23'16"E, 2,476.62 feet distance to the point of curvature; thence Southeasterly 816.41 feet distance along the arc of a 01°00'38" degree curve bearing to the right (said arc having a radius of 5,669.94 feet, a central angle of 08°15'00" and a chord which bears S78°15'46"E, 815.71 feet distance to the point of tangency; thence S74°08'16"E, 2,023.88 feet distance to the most easterly corner of the parcel of and herein described; thence N75°57'35"W, 1,590.85 feet distance to the point of curvature; thence Northwesterly, 621.11 feet distance along the arc of a 00°58'22" degree curve bearing to the left (said arc having a radius of 5,890.00 feet, a central angle of 06°02'31" and a chord which bears N78°58'51"W, 620.83 feet distance to a point on curve; thence, Northeasterly, 619.21 feet distance along the arc of a 01°01'43" degree curve bearing to the left (said arc having a radius of 5,569.94 feet a central angle of 06°22'10" and a chord which bears N79°12'10"W, 618.89 feet distance) to the point of tangency; thence N82°23'16"W, 2,462.75 feet distance to the Point of Beginning of the parcel of land herein described.

BOOK 1693 PAGE 5

08/15/2011 09:50 15758856449

NICHOLS

PAGE 04/05

Exhibit "A"

Page 2

- (2) A parcel of land situated in Section 15, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the northeast corner of the parcel of land herein described being a point 110.00 feet to the left of, northerly and opposite Construction Centerline Station 747+27.02 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10, whence the Quarter Section Corner common to Sections 14 and 15, T24S, R32E, NMPM bears N00°21'11"W, 1,544.99 feet distance; thence S00°21'11"E, 105.24 feet distance to the southeast corner of the parcel of land herein described being a point on the northerly right of way line of N.M. Project S-1271(3); thence N74°08'16"W, 2,084.86 feet distance to the point of curvature; thence Northwesterly, 201.53 feet distance along the arc of a 00°59'22" degree curve bearing to the left (said arc having a radius of 5,789.94 feet, a central angle of 01°59'39" and a chord which bears N75°08'05"W, 201.53 feet distance) to the most westerly corner of the parcel of land herein described and a point on curve; thence Southeasterly, 632.82 feet distance along the arc of a 00°56'16" degree curve bearing to the right (said arc having a radius of 6,110.00 feet, a central angle of 05°56'03" and a chord which bears S78°55'37"E, 632.54 feet distance) to the point of tangency; thence S75°57'35"E, 1,627.45 feet distance to the northeast corner and Point of Beginning of the parcel of land herein described.
- (3) A parcel of land situated in Section 14, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the northwest corner of the parcel of land herein described being a point 110.00 feet to the left of, northerly and opposite Construction Centerline Station 747+27.02 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10, whence the Quarter Section corner common to Sections 14 and 15, T24S, R32E, NMPM bears N00°21'11"W, 1,544.99 feet distance; thence S75°57'35"E, 603.38 feet distance to the point of curvature; thence, Southeasterly 954.58 feet distance along the arc of a 00°11'25" degree curve bearing to the right (said arc having a radius of 30,100.00 feet, a central angle of 01°48'59" and a chord which bears S75°03'06"E, 954.54 feet distance) to a point; thence S72°12'00"E, 1,048.91 feet distance to a point on curve; thence Southeasterly, 1,599.25 feet distance along the arc of a 01°01'42" degree curve bearing to the left (said arc having a radius of 5,571.90 feet, a central angle of 16°26'42" and a chord which bears S82°21'37"E 1,593.77 feet distance) to the point of tangency; thence N89°25'02"E, 1,217.43 feet distance to the northeast corner of the parcel of land herein described; thence S00°19'11"E, 72.92 feet distance to a point on Construction Centerline Station 801+67.28 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10; thence S00°19'11"E, 25.04 feet distance to the Section Corner common to Sections 13, 14, 23 and 24, T24S, R32E, NMPM and the southeast corner of the parcel of land herein described; thence S89°05'27"W, 359.73 feet distance to a point on the northerly right-of-way line of N.M. Project S-1271(3); thence S89°25'02"W, 857.26 feet distance of the point of curvature; thence northwesterly, 1,627.95 feet distance along the arc of a 01°00'37" degree curve bearing to the right (said arc having a radius of 5,671.90 feet, a central angle of 16°26'42" and a chord which bears N82°21'37"W, 1,622.37 feet distance) to the point of tangency; thence N74°08'16"W, 2,576.41 feet distance to the southwest corner of the parcel of land herein described; thence N00°21'11"W, 105.24 feet distance to the northwest corner and Point of Beginning of the parcel of land herein described.

BOOK 1693 PAGE 6

08/15/2011 09:50

1575 6449

NICHOLS

PAGE 05/05

Exhibit "A"
Page 3

- (4) A parcel of land situated in Section 23, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the northeast corner of the parcel of land herein described being a point 25.04 feet to the right of southerly and opposite Construction Centerline Station 801+67.16 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10, being the Section corner common to Sections 13, 14, 23 and 24, T24S, R32E, NMEP; thence S00°15'39"E, 2.05 feet distance to the southeast corner of the parcel of land herein described being a point on the northerly right of way line of N.M. Project S-1271(3); thence S89°25'02"W, 359.71 feet distance to the most westerly corner of the parcel of land herein described; thence N89°05'27"E, 359.73 feet distance to the northeast corner and Point of Beginning of the parcel of land herein described.
- (5) A parcel of land situated in Section 13, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the southwest corner of the parcel of land herein described being a point 25.04 feet to the right of, southerly and opposite Construction Centerline Station 801+67.16 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10, being the Section corner common to Sections 13, 14, 23 and 24, T24S, R32E, NMEP; thence N00°19'11"W, 25.04 feet distance to a point on the Centerline Station 801+67.28 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10; thence N00°19'11"W, 72.92 feet distance to the northwest corner of the parcel of land herein described; thence N89°25'02"E, 1,915.40 feet distance to a point; thence N89°42'02"E, 3,353.33 feet distance to the northeast corner of the parcel of land herein described; thence S00°20'10"E, 74.20 feet distance to a point on the Centerline Station 854+36.03 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10; thence S00°20'10"E, 25.81 feet distance to the southeast corner of the parcel of land herein described being a point on the northerly right of way line of N.M. Project S-1271(3); thence S89°42'02"W, 1,853.15 feet distance to a point; thence S89°25'02"W, 1,610.67 feet distance to a point; thence S89°48'08"W, 304.94 feet distance to the southwest corner and point of beginning of the parcel of land herein described.
- (6) A parcel of land situated in Section 24, Township 24 South, Range 32 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the northwest corner of the parcel of land herein described being a point 25.04 feet to the right of southerly and opposite Construction Centerline Station 801+67.16 of N.M. Project No. AC-GRIP-(TFM)-0128(13)10, being the Section corner common to Sections 13, 14, 23 and 24, T24S, R32E, NMEP; thence N89°48'08"E, 304.94 feet distance to the most easterly corner of the parcel of land herein described being a point on the northerly right of way line of N.M. Project S-1271(3); thence S89°25'02"W, 304.94 feet distance to the southwest corner of the parcel of land herein described; thence N00°15'39"W, 2.05 feet distance to the northwest corner and Point of Beginning of the parcel of land herein described.

BOOK 1693 PAGE 7

08/15/2011 09:50 15758856449

NICHOLS
Exhibit "B"
WARRANTY DEED

PAGE 01/05

James Keller and LaNette Keller, husband and wife

for consideration paid grants to

William J. Wright and Marjorie Wright, Co-Trustees of The William J. And Marjorie Wright Trustwhose address is 4268 North 1900 East, Buhl, Idaho 83316

the following described real estate in EDDY county, New Mexico

SURFACE TITLE ONLY TO:

Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
Section 26: S1/2NE1/4, SE1/4, W1/2SW1/4, S2/3E1/2SW1/4

TOGETHER WITH ALL WATER RIGHTS APPURTENANT THERETO OR USED IN CONNECTION THEREWITH

Subject to reservations, restrictions and easements appearing of record

with warranty covenants.

WITNESS our hands and seals on 8/17/10

James Keller
JAMES KELLERLaNette Keller
LANETTE KELLERSTATE OF Kansas)
COUNTY OF Logan) ssThis instrument was acknowledged before me on 8/17/10, by James Keller and LaNette Keller, husband and wifeSTATE ENGINEER
ROSEBELL, NEW MEXICO
2011 OCT 31 PM 1:34My commission expires : 4-11-2014Keith Ribordy
Notary Public

RETURN TO: GRANTEE

NM 869 PAGE 0857

Recorded By: SL
County Title Co.

WARRANTY DEED

William J. Wright and Marjorie Wright, Co-Trustees of The William J. And Marjorie Wright Trust

for consideration paid grants to

Mark T. McCloy and Annette E. McCloy, husband and wife
whose address is P.O. Box 1076 Jal, NM 88252
the following described real estate in EDDY county, New MexicoSURFACE TITLE ONLY TO:
Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
Section 26: S1/2NE1/4, SE1/4, W1/2SW1/4, S2/3E1/2SW1/4

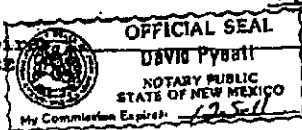
TOGETHER with all of Grantor's rights in and to sand, gravel, caliche, irrigations, water wells, and other water rights, if any, appurtenant to said lands.

SUBJECT TO all valid and existing easements and rights of way; excepting all interest in oil, gas, and other minerals heretofore reserved and/or conveyed and now belonging to parties other than Grantors herein, plus appropriate rights of ingress and egress pertaining to said severed mineral interests.

SUBJECT TO agreements with PREDECESSORS IN INTEREST or other affiliated mineral holders for the Grantor's right to use, appropriate, or otherwise extract wellhead gas; said agreements, if any, are hereby assigned by the Grantor to, and shall become the exclusive right of Grantee to use, appropriate, or otherwise extract wellhead gas.

with warranty covenants.

WITNESS our hands and seals on 10/7/11

William J. Wright
William J. Wright, Co-Trustee of The
William J. And Marjorie Wright Trust
Marjorie Wright
Marjorie Wright, Co-Trustee of The
William J. And Marjorie Wright TrustSTATE OF NM)
COUNTY OF Lea) ssThis instrument was acknowledged before me on 10/7/11, by William J. Wright and Marjorie Wright, Co-Trustees of The William J. And Marjorie Wright TrustMy commission expires
RETURN TO: GRANTEE

Notary Public

RECEPTION NO: 1110567 STATE OF
NEW MEXICO, COUNTY OF EDDY
RECORDED 10/12/2011 2:13 PM
BOOK 0869 PAGE 0857
DARLENE ROSPRIM, COUNTY CLERKSTATE ENGINEER JR.
ROSWELL, NEW MEXICO
2011 OCT 31 PM 12 31



STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
ROSWELL

Estevan R. López, P.E.
Acting State Engineer

DISTRICT II
1900 West Second St.
Roswell, New Mexico 88201
Phone: (575) 622-6521
Fax: (575) 623-8559

Trm Nbr: 491413
File Nbr: C-2348

December 14, 2011

Mark & Annette McCloy
P.O. Box 1076
Jal, NM 88252

METER REQUIRED
See CONDITION of Approval No.

5B

GREETINGS:

Enclosed is your copy of the above numbered permit that has been approved in accordance with NM Statute Section 72-12-1 subject to the conditions of approval set forth on the approval page.

Please review the conditions for any required submittals. If submittals are not made by the date(s) indicated in the conditions, your rights under this permit shall expire by the date indicated on your permit.

Appropriate forms can be downloaded from the OSE website (www.state.nm.us) or will be mailed upon request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Duemling".

Bill Duemling: Carlsbad Basin Supervisor
Water Resource Allocation Program
Water Rights Division
(575) 622-6521

Enclosure
wr_01app



WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

STATE ENGINEER OFFICE
ROSWELL, NM 88252

1. GENERAL AND WELL LOCATION	OSE POD NUMBER (WELL NUMBER) C-2348-			OSE FILE NUMBER(S) 113 NOV - TIA 11-11 C-2348			
	WELL OWNER NAME(S) MARK McCloy - McCloy Ranches			PHONE (OPTIONAL) 432-940-4459			
	WELL OWNER MAILING ADDRESS P.O. Box 1076 254 Diamond Rd			CITY Tal STATE NM ZIP 88252			
	WELL LOCATION (FROM GPS)			* ACCURACY REQUIRED: ONE TENTH OF A SECOND * DATUM REQUIRED: WGS 84			
DEGREES MINUTES SECONDS LATITUDE 32 16 12.91 N LONGITUDE 103 45 03.61 W							
DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS - PLS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE Hwy 128 to 18 mm 1 mile N 1 mile west on Red Road							
2. DRILLING & CASING INFORMATION	LICENSE NUMBER 1654		NAME OF LICENSED DRILLER John Sireman		NAME OF WELL DRILLING COMPANY Sireman Drilling + Const. LLC		
	DRILLING STARTED 10/31/13		DRILLING ENDED 11/1/13		DEPTH OF COMPLETED WELL (FT) 700'-0		
			BORE HOLE DEPTH (FT) 700'-0		DEPTH WATER FIRST ENCOUNTERED (FT) 575-600		
	COMPLETED WELL IS: ☐ ARTESIAN ☐ DRY HOLE ☒ SHALLOW (UNCONFINED)				STATIC WATER LEVEL IN COMPLETED WELL (FT) 430'-0		
	DRILLING FLUID: ☒ AIR ☐ MUD ☐ ADDITIVES - SPECIFY:						
	DRILLING METHOD: ☒ ROTARY ☒ HAMMER ☐ CABLE TOOL ☐ OTHER - SPECIFY:						
	DEPTH (feet bgl)		BORE HOLE DIAM (inches)		CASING MATERIAL AND/OR GRADE (include each casing string, and note sections of screen)		
	FROM	TO			CASING CONNECTION TYPE	CASING INSIDE DIAM. (inches)	
					CASING WALL THICKNESS (inches)	SLOT SIZE (inches)	
	0	560	10	PVC	Certa-Lok	6	DR-17
560	620	10	PVC	Certa-Lok	6	DR-17	1032 screen
620	680	10	PVC	Certa-Lok	6	DR-17	Blank
680	700	10	PVC	Certa-Lok	6	DR-17	1032 screen
3. ANNULAR MATERIAL	DEPTH (feet bgl)		BORE HOLE DIAM. (inches)		LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE-RANGE BY INTERVAL		
	FROM	TO			AMOUNT (cubic feet)		
					METHOD OF PLACEMENT		
	0	20	10	3/8 bentonite hole plug	6 bags	gravity	
	67	700	10	3/8 pea gravel	5 yds	gravity	

FOR OSE INTERNAL USE

FILE NUMBER **C-2348**

POD NUMBER

WR-20 WELL RECORD & LOG (Version 06/08/2012)

TRN NUMBER **491413**

C **23S.31E.26.3-4-1** **Livestock**

Released to Imaging: 10/15/2025 4:45:37 PM



NEW MEXICO OFFICE OF THE STATE ENGINEER

CHANGE OF OWNERSHIP OF 72-12-1 PERMIT FOR (check one):

☐ Individual☐ Trustee☐ Estate☐ Corporation☐ Partnership☒ Limited Liability Co.

1. OWNER OF RECORD (Seller)

Name: Mark T. McCloy and Annette E. McCloy	Name:	
Phone: ☐ Home ☐ Cell Phone (Work):	Phone: ☐ Home ☐ Cell Phone (Work):	
a. Owner of Record File No: C-02348	b. Sub-file No.:	c. Cause No.:

2. NEW OWNER (Buyer) Note: If more owners need to be listed, attach a separate sheet. Attached? ☐ Yes

Name: NGL Water Solutions Permian, LLC	Name:
Contact or Agent: ☐ check here if Agent ☐ R. Charles Wilkin	Contact or Agent: ☐ check here if Agent ☐
Mailing Address: 6120 S. Yale Ave., Suite 805	Mailing Address:
City: Tulsa	City:
State: ☐ Zip Code: Oklahoma 74136	State: ☐ Zip Code:
Phone: ☐ Home ☐ Cell Phone (Work): (918) 236-4757	Phone: ☐ Home ☐ Cell Phone (Work):
E-mail (optional):	E-mail (optional):

Required: Submit warranty deed(s) or other instrument(s) of conveyance properly recorded with the county clerk's office.

3. PURPOSE OF USE & AMOUNT CONVEYED

Check all that apply: ☐ Domestic ☒ Livestock ☐ Multiple House ☐ Drinking & Sanitary	Amount of Water (acre-feet per annum): 3
---	---

4. LIST ALL KNOWN WELL (POD) FOR THE 72-12-1 PERMIT CONVEYED

OSE POD No.	Well Tag ID No. (if applicable)	Subdivision	Section or X	Township or Y	Range
C-02348		NW¼SE¼SW¼	26	23S	31E
		Eddy County, NM			

5. CHECK HERE IF WELL IS SHARED BY MULTIPLE HOUSEHOLDS: ☐

Note: Attach an updated list of lots served and owner contact information

FOR OSE INTERNAL USE

Change of Ownership, Form wr-02d, Rev 9/08/17

File No.: C-2348	Tm. No.: 633178	Well Tag ID No. (if applicable):
Trans Desc. (optional):	Sub-Basin: C	Receipt No.: 2-39946

6. ADDITIONAL STATEMENTS OR EXPLANATIONS

Attached is a copy of the recorded Special Warranty Deed to NGL Water Solutions Permian, LLC.

ACKNOWLEDGEMENT FOR INDIVIDUAL

I, We (name of owner(s)), _____

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Signature _____

Signature _____

State of _____)

ss. _____)

County of _____)

This instrument was acknowledged before me this _____ day of _____ A.D., 20 _____, by (name of owner(s)):

Notary Public: _____

My commission expires: _____

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2018 SEP 17 PM 4:27

ACKNOWLEDGEMENT FOR CORPORATIONI, We (name of owner(s)), NGL Water Solutions Permian, LLC

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Officer Signature _____

Officer Signature _____

State of Oklahoma)

ss. _____)

County of Tulsa)This instrument was acknowledged before me this 30 day of August A.D., 20 18, by the following on behalf of said corporation.Name of Officer: R. Charles WilkinTitle of Officer: Executive Vice President Administration and Legal CounselName of Corporation Acknowledging: NGL Water Solutions Permian, LLCState of Corporation: Colorado

Notary Public: _____

My commission expires: _____

Lyn Corley Mackin
8-10-2021



FOR OSE INTERNAL USE

Change of Ownership, Form wr-02d, Rev 9/08/17

File No.: <u>C-2348</u>	Tm. No.: <u>633178</u>	Well Tag ID No. (if applicable):
Trans Desc. (optional):	Sub-Basin: <u>C</u>	Receipt No.:

Page 2 of 2

Eddy County, New Mexico

07/17/2018 01:12 PM

1812270

Page 1 of 1

SPECIAL WARRANTY DEED
(Water Rights)

MARK T. MCCLOY and ANNETTE E. MCCLOY ("Grantors"), husband and wife, for consideration paid, grants to NGL WATER SOLUTIONS PERMIAN, LLC, a Colorado limited liability company ("Grantee"), whose address is 6120 S. Yale Ave., Suite 805, Tulsa, Oklahoma 74136, all of the following described water rights:

3.0 acre-feet per annum of diversion water rights located in Eddy County, New Mexico as described in Office of the State Engineer File No. C-02348, with special warranty covenants and including any after acquired title pertaining to the above described water rights, but not to exceed the quantities specified.

Witness our hands and seals this 13th day of July, 2018.

Mark T. McCloy
Mark T. McCloy

Annette E. McCloy
Annette E. McCloy

2018 SEP 17 PM 4:27

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO

ACKNOWLEDGMENT

STATE OF NEW MEXICO

COUNTY OF Lea

This instrument was acknowledged before me on July 13th 2018 by Mark T. McCloy and Annette E. McCloy, husband and wife.

 **CHERYL DUDLEY**
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 3-9-19

Cheryl Dudley
NOTARY PUBLIC
My Commission Expires: 3-9-19

Reception: 1812270 Book: 1111 Page: 0878 Pages: 1
Recorded: 07/17/2018 01:12 PM Fee: \$25.00
Eddy County, New Mexico ~ Robin Van Natta, County Clerk
eRecorded Document



RN

Tom Blaine, P.E.
State Engineer



Roswell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER

Trn Nbr: 633178
File Nbr: C 02348

Oct. 03, 2018

R CHARLES WILKIN
NGL WATER SOLUTIONS PERMIAN
6120 S YALE AVE SUITE 805
TULSA, OK 74136

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

Sincerely,

A handwritten signature in dark ink, appearing to be "Ym", written over the printed name.

Yolanda Mendiola
(575) 622-6521

Enclosure

chngowrc



MODRALL SPERLING

L A W Y E R S

September 14, 2018

VIA FEDEX

Mr. Andy Morley, District Supervisor
Office of the State Engineer – District II
1900 West Second Street
Roswell, NM 88201-1712

Re: Filings on Behalf of NGL Water Solutions Permian, LLC

Dear Mr. Morley:

On behalf of NGL Water Solutions Permian, LLC enclosed for filing are triplicate originals of sixteen (16) Change of Ownership of Water Right forms along with the combined filing fee of \$32.00 regarding OSE File Nos.:

C-02308	C-02314	C-02564
C-02309	C-02315	C-03528
C-02310	C-02316	C-03555
C-02311	C-02317	C-03917
C-02312	C-02348	
C-02313	C-02563	

Please send all communication regarding this matter including the accepted Change of Ownership of Water Rights to Maria O'Brien at the address below.
Thank you for your assistance.

Very truly yours,


Barbara C. Lucero, CP
Paralegal

Enclosures

Barbara C. Lucero, CP
Certified Paralegal
505.848.1800 Direct
505.848.9710 Facsimile
barbaral@modrall.com

2018 SEP 17 PM 4:21

OFFICE
NEW MEXICO

Modrall Sperling
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

Devon Energy Production Company, LP
Aldabra 26 & 27 Battery
Closure Report



Appendix B. Photographic Log

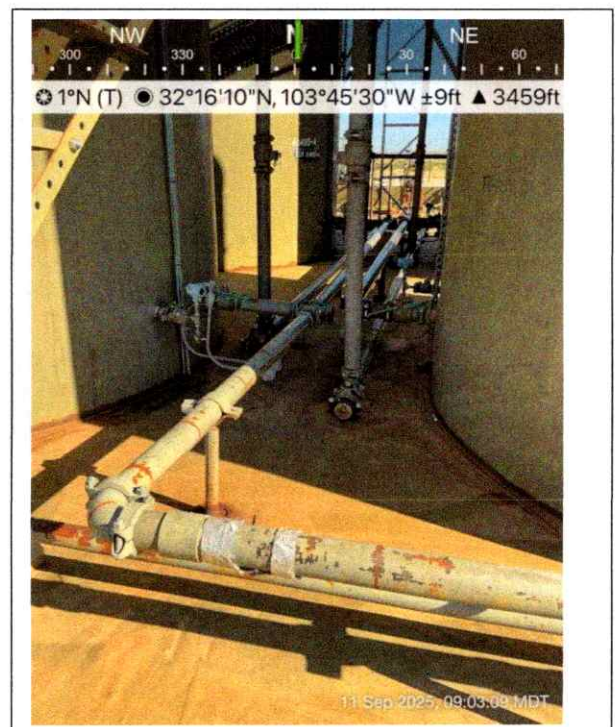
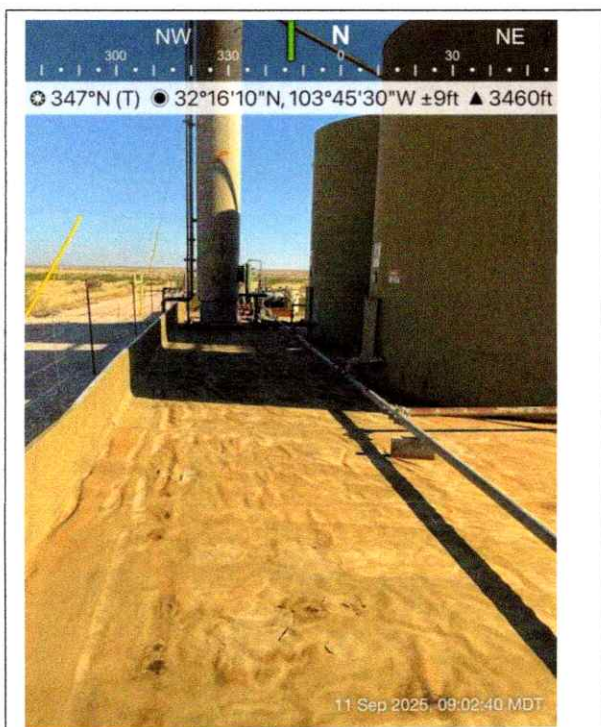
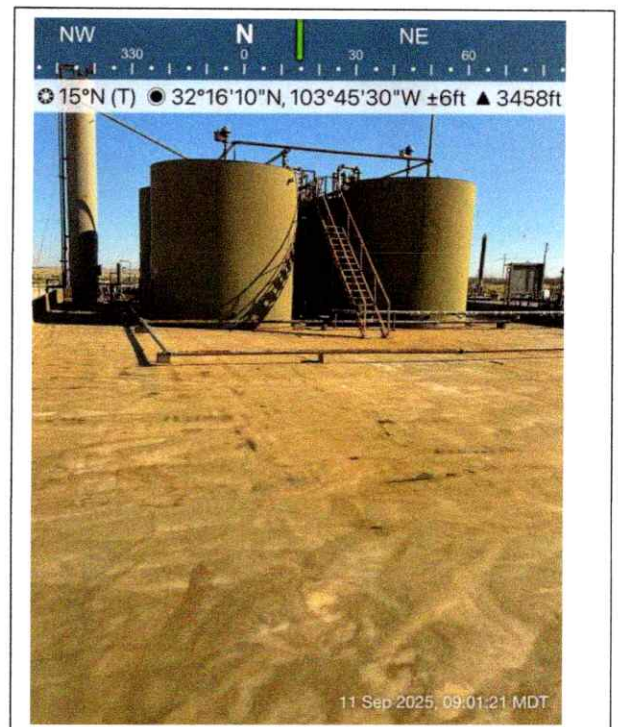
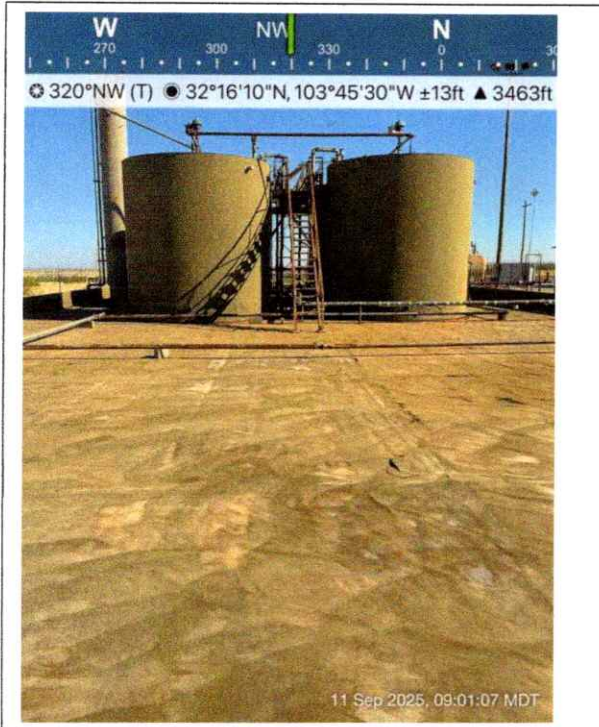
Aldabra 26 & 27 Battery

August 23, 2025



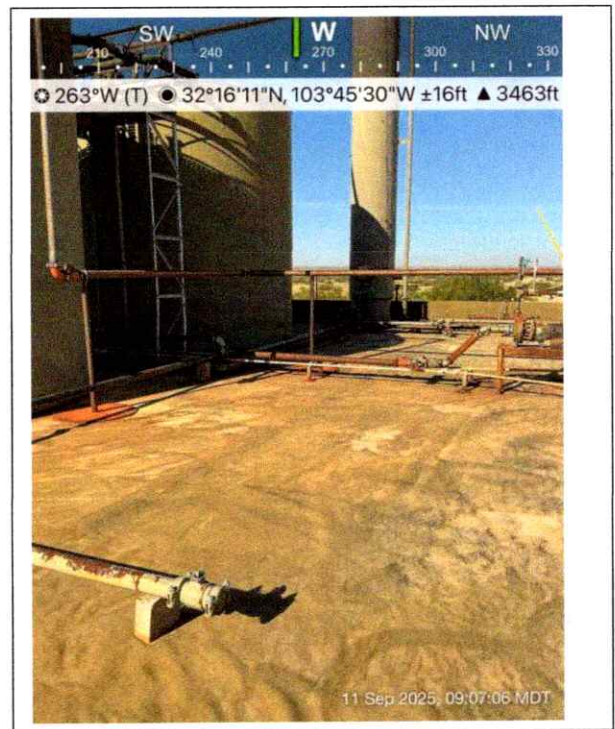
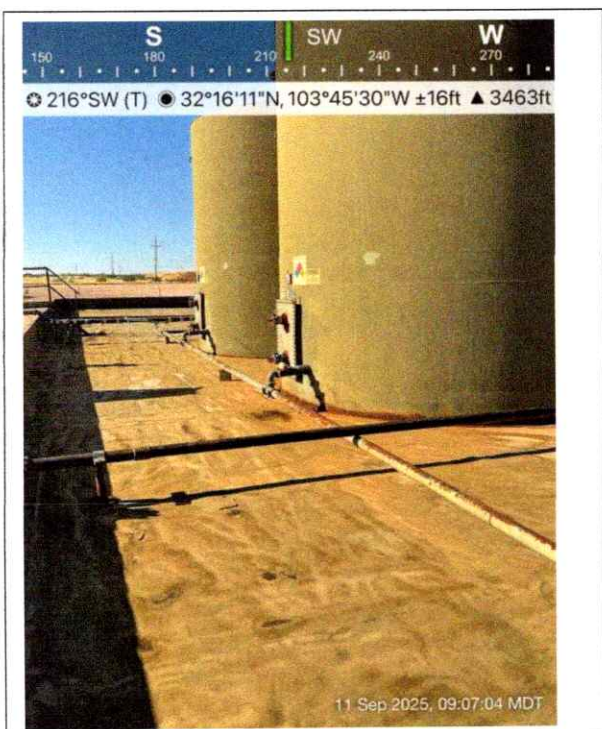
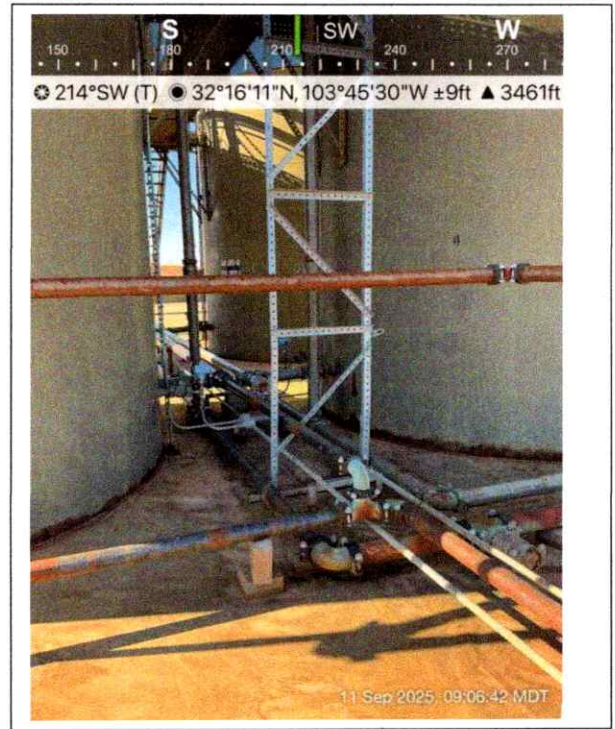
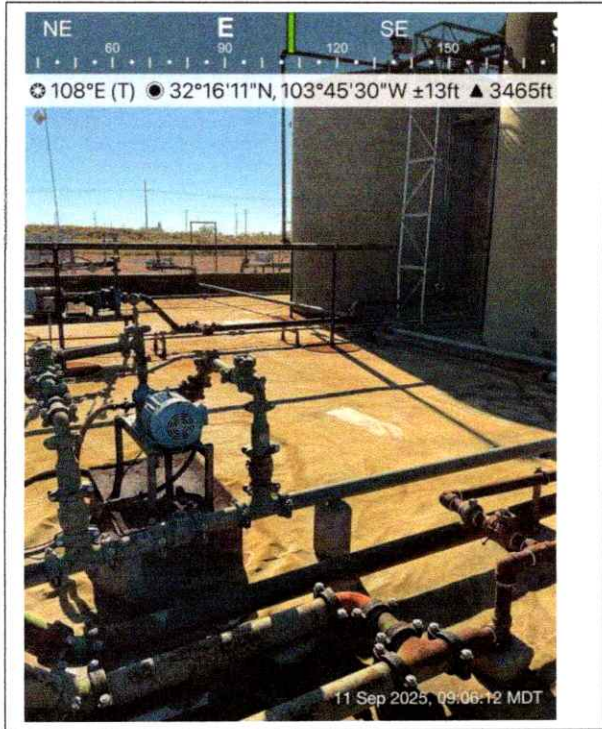
Aldabra 26 & 27 Battery

September 11, 2025



Aldabra 26 & 27 Battery

September 11, 2025



Devon Energy Production Company, LP
Aldabra 26 & 27 Battery
Closure Report



Appendix C. C-141 Forms and Correspondence

OCD Permitting

Home Operator Data Action Status Action Search Results Action Status Item Details

[C-141] Initial C-141 (C-141-V-INITIAL) Application

Submission Information

Submission ID:	481406	Districts:	Artesia
Operator:	[6137] DEVON ENERGY PRODUCTION COMPANY, LP	Counties:	Eddy
Description:	DEVON ENERGY PRODUCTION COMPANY, LP [6137] ALDABRA 26 & 27 BATTERY nAPP2518241456		
Status:	APPROVED		
Status Date:	07/03/2025		
References (0):			

Forms

Attachments:	Volume Calculation
--------------	------------------------------------

Questions

Prerequisites

Incident ID (n#)	nAPP2518241456
Incident Name	NAPP2518241456 ALDABRA 26 & 27 BATTERY @ 0
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Facility	[fAPP2129138007] ALDABRA 26 & 27 BATTERY

Location of Release Source

Please answer all the questions in this group:

Site Name	ALDABRA 26 & 27 BATTERY
Date Release Discovered	06/30/2025
Surface Owner	Private

Incident Details

Please answer all the questions in this group:

Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release

Material(s) released; please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.

Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Corrosion Dump Line Produced Water Released: 92 BBL Recovered: 92 BBL Lost: 0 BBL
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Pinhole leak on water dump line allowed release of produced water to lined containment

Nature and Volume of Release (continued)

Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

I hereby agree and sign off to the above statement.

Name: James Raley

Title: EHS Professional

Email: jim.raley@dmv.com

Date: 07/03/2025

Site Characterization

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.

What is the minimum distance, between the closest lateral extents of the release and the following surface areas:

A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission No

The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

Acknowledgments

This submission type does not have acknowledgments, at this time.

Comments

No comments found for this submission.

Conditions

Summary: scwellitz (7/3/2025): None

Reasons

No reasons found for this submission.

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

QUESTIONS

Action 514948

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2518241456
Incident Name	NAPP2518241456 ALDABRA 26 & 27 BATTERY @ FAPP2129138007
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Facility	[fAPP2129138007] ALDABRA 26 & 27 BATTERY

Location of Release Source*Please answer all the questions in this group.*

Site Name	ALDABRA 26 & 27 BATTERY
Date Release Discovered	06/30/2025
Surface Owner	Federal

Incident Details*Please answer all the questions in this group.*

Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release*Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.*

Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Corrosion Dump Line Produced Water Released: 92 BBL Recovered: 92 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Pinhole leak on water dump line allowed release of produced water to lined containment.

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QUESTIONS, Page 2

Action 514948

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvsn.com Date: 10/14/2025
--	---

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QUESTIONS, Page 3

Action 514948

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization	
<i>Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1 and 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Between 1 and 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1000 (ft.) and ½ (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Between 1 and 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Between 1 and 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Between 1 and 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
Requesting a remediation plan approval with this submission	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
On what estimated date will the remediation commence	09/09/2025
On what date will (or did) the final sampling or liner inspection occur	09/11/2025
On what date will (or was) the remediation complete(d)	09/11/2025
What is the estimated surface area (in square feet) that will be remediated	0
What is the estimated volume (in cubic yards) that will be remediated	0
<i>These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed.</i>	
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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QUESTIONS, Page 4

Action 514948

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Remediation Plan (continued)	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:	
<i>(Select all answers below that apply.)</i>	
Is (or was) there affected material present needing to be removed	No
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Not answered.
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.	
I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dv.com Date: 10/14/2025
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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Action 514948

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	503638
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	09/11/2025
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	7200

Remediation Closure Request

Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.

Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	0
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	Remediation complete

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (in .pdf format) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dmv.com Date: 10/14/2025
--	--

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CONDITIONS

Action 514948

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514948
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	10/15/2025