

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

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

Form C-144
Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

BGT 1
16517

Type of action: Below grade tank registration
 Permit of a pit or proposed alternative method
 Closure of a pit, below-grade tank, or proposed alternative method
 Modification to an existing permit/or registration
 Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

PCS 191505 1973

Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Enduring Resources, LLC OGRID #: 372286
Address: 200 Energy Court, Farmington, New Mexico 87401
Facility or well name: Kimbeo Wash Unit 2309 19K Recycling Facility
API Number: NA OCD Permit Number: 3RF-43
U/L or Qtr/Qtr NESW Section 19 Township 23N Range 9W County: San Juan
Center of Proposed Design: Latitude 36.210825 Longitude -107.831105 NAD83
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.
 Pit: Subsection F, G or J of 19.15.17.11 NMAC
Temporary: Drilling Workover
 Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no
 Lined Unlined Liner type: Thickness _____ mil LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 20 bbl Type of fluid: Produced Water
Tank Construction material: Steel
 Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
 Visible sidewalls and liner Visible sidewalls only Other _____
Liner type: Thickness _____ mil HDPE PVC Other _____

NMOCD
MAY 27 2019
DISTRICT III

4.
 Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
 Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)
 Four foot height, four strands of barbed wire evenly spaced between one and four feet
 Alternate. Please specify 8' chain link fence around entire location

6.

Netting: Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

Screen Netting Other cone top

Monthly inspections (If netting or screening is not physically feasible)

7.

Signs: Subsection C of 19.15.17.11 NMAC

12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

Signed in compliance with 19.15.16.8 NMAC

8.

Variations and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.

Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: *The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*

General siting

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

Yes No
 NA

Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

Yes No
 NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. **(Does not apply to below grade tanks)**

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

Yes No

Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)**

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

Yes No

Within an unstable area. **(Does not apply to below grade tanks)**

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

Yes No

Within a 100-year floodplain. **(Does not apply to below grade tanks)**

- FEMA map

Yes No

Below Grade Tanks

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

Yes No

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes No

Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)

Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)

- Topographic map; Visual inspection (certification) of the proposed site

Yes No

Within 300 feet from an occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes No

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application.

NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes No

<p>Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p><u>Temporary Pit Non-low chloride drilling fluid</u></p>	
<p>Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p><u>Permanent Pit or Multi-Well Fluid Management Pit</u></p>	
<p>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

10.
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
 Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
 Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
 Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
 Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

11.
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
 Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
 A List of wells with approved application for permit to drill associated with the pit.
 Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
 Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12. **Permanent Pits Permit Application Checklist:** Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Climatological Factors Assessment
- Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- Quality Control/Quality Assurance Construction and Installation Plan
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Nuisance or Hazardous Odors, including H₂S, Prevention Plan
- Emergency Response Plan
- Oil Field Waste Stream Characterization
- Monitoring and Inspection Plan
- Erosion Control Plan
- Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13. **Proposed Closure:** 19.15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fluid Management Pit
 Alternative
- Proposed Closure Method: Waste Excavation and Removal
 Waste Removal (Closed-loop systems only)
 On-site Closure Method (Only for temporary pits and closed-loop systems)
 In-place Burial On-site Trench Burial
 Alternative Closure Method

14. **Waste Excavation and Removal Closure Plan Checklist:** (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15. **Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	<input type="checkbox"/> Yes <input type="checkbox"/> No

adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

Yes No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

Yes No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

Yes No

Within a 100-year floodplain.

- FEMA map

Yes No

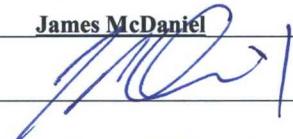
16. **On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC
- Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC
- Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC
- Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17. **Operator Application Certification:**

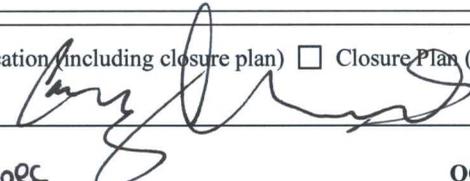
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): James McDaniel Title: HSE Supervisor

Signature:  Date: 5/24/19

e-mail address: jmcdaniel@enduringresources.com Telephone: 505-636-9731

18. **OCD Approval:** Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)

OCD Representative Signature:  Approval Date: 5/30/19

Title: Environmental Spec OCD Permit Number: 16517

19. **Closure Report (required within 60 days of closure completion):** 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

Closure Completion Date: _____

20. **Closure Method:**

- Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)
- If different from approved plan, please explain.

21. **Closure Report Attachment Checklist:** *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- Proof of Closure Notice (surface owner and division)
- Proof of Deed Notice (required for on-site closure for private land only)
- Plot Plan (for on-site closures and temporary pits)
- Confirmation Sampling Analytical Results (if applicable)
- Waste Material Sampling Analytical Results (required for on-site closure)
- Disposal Facility Name and Permit Number
- Soil Backfilling and Cover Installation
- Re-vegetation Application Rates and Seeding Technique
- Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: 1927 1983

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

Enduring Resources, LLC

Below Grade Tank

Closure Plan

Lease Name: Kimbeto Wash Unit 2309 19K

OCD Num.: 3RF-43

Description: Section 19, Township 23N, Range 9W, San Juan County

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on Enduring Resources, LLC. (Enduring) locations. This is Enduring's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

1. Enduring will obtain approval of this closure plan prior to commencing closure of the below grade tank at this location pursuant to 19.15.17.13.C (1) NMAC
2. Enduring will notify the surface owner by certified mail, return receipt requested, that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API
 - c. Well Location*Enduring will notify government agencies by email of closure activities.
3. Enduring will notify the NMOCD Aztec Office by email that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API
 - c. Well Location
4. Within 60 days of cessation of operations, Enduring will remove all liquids and sludge from below grade tanks prior to implementing closure activities, and will dispose of the liquids and sludge at a division approved facility. Approved facilities and waste streams include:
 - a. Soils, tank bottoms, produced sands, pit sludge and other exempt wastes impacted by petroleum hydrocarbon will be disposed of at:
Envirotech: Permit #NM01-0011 and IEI: Permit #NM01-0010B
 - b. Produced water will be disposed of at:
Basin Disposal: Permit #NM01-005, Agua Moss: Permit #NM-009, and Enduring owned disposal wells.
5. Within six (6) months of cessation of operations, Enduring will remove the below grade tank and dispose of it in a division approved facility, or recycle, reuse or reclaim it in a manner that the appropriate district office approves. If there is any equipment associated with a below grade tank,

then the operator shall remove the equipment, unless the equipment is required for some other purpose.

6. Enduring will collect a closure sample of the soil beneath the location of the below grader tank or liner that is being closed. The closure sample will consist of a five-point composite sample to include any obvious stained or wet soils, or other evidence of contamination. The closure sample will be analyzed for all constituents listed in Table I below, including DRO+GRO, chlorides, TPH (C6-C36), benzene and BTEX.

Minimum depth below any point within the horizontal boundary of the release to ground water less than 10,000 mg/l TDS	Constituent	Method*	Limit**
≤ 50 feet	Chloride***	EPA 300.0 or SM4500 Cl B	600 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	100 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg
51 feet-100 feet	Chloride***	EPA 300.0 or SM4500 Cl B	10,000 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg
>100 feet	Chloride***	EPA 300.0 or SM4500 Cl B	20,000 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg

7. Enduring will close this BGT based on the requirements for groundwater over 100 feet.
8. If any contaminant concentration is higher than the parameters listed in Table I above, additional delineation may be required based on review of the results. Enduring will receive division approval prior to proceeding with additional closure activities. If all contaminant concentrations

are less than, or equal to, the parameters listed in Table I above, the operator can proceed to backfill with non-waste containing, uncontaminated earthen material.

9. After closure has occurred, Enduring will reclaim the former BGT area, if it is no longer being utilized for the continued extraction of oil and gas, by substantially restoring the surface area to the condition that existed prior to oil and gas operations. Enduring will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover materials. The soil cover shall consist of the background thickness of topsoil, or one foot of suitable materials to establish vegetation at the site, whichever is greater. All areas will be reclaimed as early as practicable, and as close to their original condition or land use as possible. They shall be maintained in such a way as to control dust and to minimize erosion.
10. Enduring will complete reclamation in accordance with the requirements listed in NMAC 19.15.17.13.H(5).
 - (a) Enduring will reclaim all areas disturbed by the closure below-grade tanks, except areas reasonably needed for production operations or for subsequent drilling operations, shall be reclaimed as early and as nearly as practicable to their original condition or their final land use and shall be maintained to control dust and minimize erosion to the extent practicable.
 - (b) Enduring will ensure that topsoils and subsoils are replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns. The disturbed area then shall be reseeded in the first favorable growing season following closure of the below-grade tank.
 - (c) Enduring will consider reclamation of disturbed areas no longer in use complete when all ground surface disturbing activities at the site have been completed, and a uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre-disturbance levels and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds.
 - (d) Re-vegetation and reclamation obligations imposed by other applicable federal or tribal agencies on lands managed by those agencies shall supersede these provisions and govern the obligations of any operator subject to those provisions, provided that the other requirements provide equal or better protection of fresh water, human health and the environment.
 - (e) The operator shall notify the division when reclamation and re-vegetation are complete
11. Within 60 days of closure of the below-grade tank, Enduring will submit a closure report to the Aztec office of the NMOCD. Closure report will be filed on form C-144 and include the following:
 - Proof of closure notice to division and surface owner;
 - Confirmation sampling analytical results;
 - Soil backfilling and cover installation;
 - Photo documentation of the site reclamation.
 - Alternative Table I groundwater criteria request, groundwater information, and received approval (If Needed)

Enduring Resources, LLC

Below Grade Tank

General Design and Construction Plan

Lease Name: Kimbeto Wash Unit 2309 19K

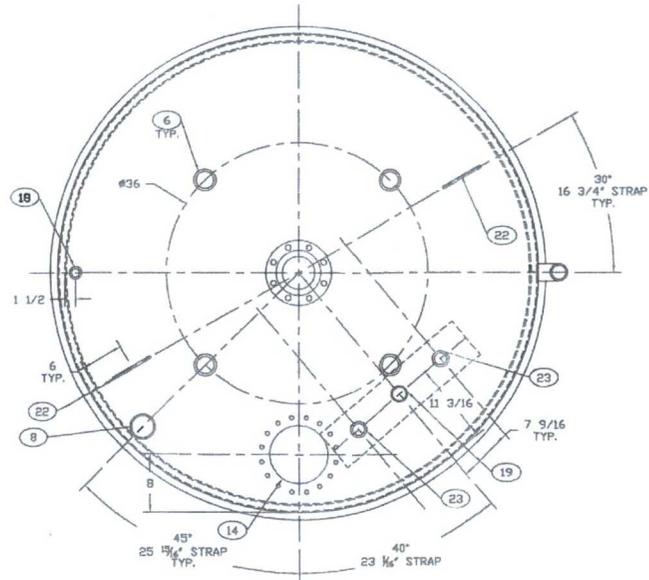
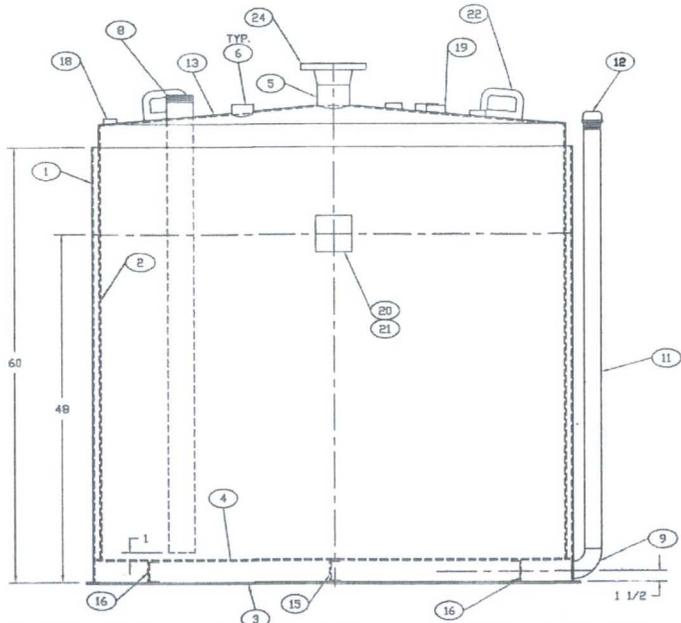
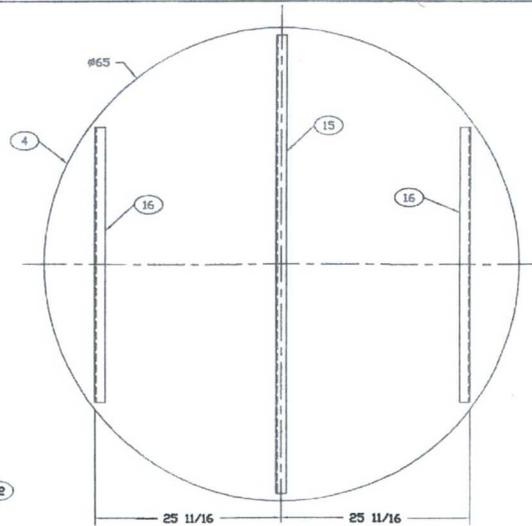
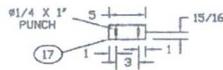
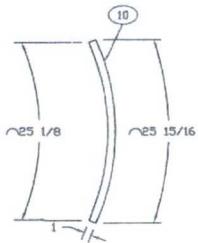
OCD Num.: 3RF-43

Description: Section 19, Township 23N, Range 9W, San Juan County

In accordance with Rule 19.15.17.12 NMAC the following information describes the design and construction plan for this below grade tank (BGT).

Procedures

1. Enduring will design and construct the BGT at this facility to contain liquids and solid, prevent contamination of fresh water, and protect public health and the environment.
2. The tank will be a 20 bbl double-walled tank with leak detection capability. The tank will be constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight, and the sidewall of the tank exterior will be buried.
3. Enduring will equip the BGT with an automated shut off level control system to prevent overflows.
4. The top of the BGT will be at least 6" above ground level to prevent the collection of surface water and run on into the tank.
5. Enduring shall construct the BGT with a solid cone top with a hatch to inspect the tank insides.
6. The tank will be placed on a foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures or cracks in the tank bottom.
7. Enduring will post a facility sign that meets the criteria listed in 19.15.17.11.C NMAC.
8. Enduring is requesting approval of alternative fencing to be used around the below grade tank. This location has an existing 8' fence around the location, which will provide adequate protection to livestock and wildlife from the below grade tank. No specific fencing will be utilized for this below grade tank.



MATERIAL SPECIFICATION					
ITEM	QTY.	PART #	DESCRIPTION	GRADE	WEIGHT
1	1	RR31885	CS PL 3/16" X 60" X 207 3/16" LG (ROLL TO 66" OD)	SA-36	660
2	1	RR31884	CS PL 3/16" X 60" X 200 7/8" LG (ROLL TO 64" OD)	SA-36	640
3	1	BOT-1455	BOTTOM 1/4" X 60" OD	SA-36	237
4	1	BOT-31855	CS PL 3/16" X 60" OD	SA-36	176
5	1	PP412337	PIPE 4" X .237" X 4" LG SCH 40 ERW	SA-330	4
6	4	88660	FS CPLG 2" 3000# HALF THD	SA-105	8
7					
8	1	PP3216	PIPE 3" X .216" X 63" LG STD ERW T.O.E	SA-338	40
9	1	3663	WELD ELL 2" X .216" 90 LR STD	SA-234RFB	2
10	8	SP316SR	CS PL 3/16" X 1" X 25 15/16" LG	SA-36	88
11	1	PP238218	PIPE 2" X .218" X 68 3/4" LG STD SMLS	SA-108B	24
12	1	3895	MILLABLE COP 2" 150# THD	SA-197	2
13	1	TP-31855	CONE TOP 3/16" X 5" OD	SA-36	176
14	1	JT-6	THREH HATCH JAYCO JT-6	ALUM	12
15	1	SC341	CS CHANNEL 3" 4.1# X 63" LG	SA-36	22
16	2	SC341	CS CHANNEL 3" 4.1# X 67 3/4" LG	SA-36	28
17	2		CS ANGLE 2" X 2" X 1/8" X 5" LG.	SA-36	
18	1	88659	FS CPLG 1" 3000# HALF THD	SA-105	1
19	1	88659.5	FS CPLG 1 1/2" 3000# HALF THD	SA-105	1
20	1	CONMP/LTBKRT	NAME PLATE BRACKET	SA-36	1
21	1	T-IMPLBCT	NAME PLATE FOR PRODUCTION TANKS	ALUM	
22	2	LE-3848	LIFTING EYE 3/8" X 4" X 6" LG	SA-36	4
23	1	88663	FS CPLG 1 1/4" 3000# HALF THD (CUT IN HALF)	SA-105	2
24	1	4150RPNWSTD	FS FLANGE 4" 150# RFWN STD BORE	SA-105	32

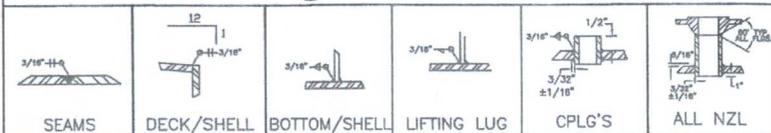
- GENERAL NOTES**
1. ALL STRAP DIMENSIONS ARE FROM OD OF TANK.
 2. ALL DIMENSIONS ARE HELD UNLESS OTHERWISE NOTED.
 3. DESIGN PRESSURE 16 DUNCES.
 4. AIR TEST PRESSURE 2 POUNDS.
 5. TOTAL APPROXIMATE WEIGHT = 2300#±.

REV	DESCRIPTION	BY	DATE

CUSTOMER:
BENCHMARK EQUIPMENT & TANK
 326 N. BERGIN LANE
 BLOOMFIELD, N.M. 87413
 (505)-632-9030

ALL INFORMATION CONTAINED IN THIS DRAWING WHETHER PATENTABLE OR NON-PATENTABLE IS OF A PROPRIETARY NATURE AND IS THE SOLE PROPERTY OF BET INC. REPRODUCTION OF ANY OTHER USE WITHOUT THE EXPRESSED WRITTEN CONSENT OF BET INC. IS STRICTLY PROHIBITED.

OWN	BYCHK	BY	OC	BY	ENG.	DATE	DRAWING #
						05-27-15	PT-208BLDWBC
TITLE: 208BL PTT TANK 5'-6" OD X 5' TALL DOUBLE BOTTOM, DOUBLE WALL CONE TOP							REV: 0
BET PART # PT-208BLDWBC							SCALE: 3/4"=1'-0"
							PAGE: 1 OF 1



Enduring Resources, LLC

Below Grade Tank

Operations and Maintenance Plan

Lease Name: Kimbeto Wash Unit 2309 19K

OCD Num.: 3RF-43

Description: Section 19, Township 23N, Range 9W, San Juan County

In accordance with Rule 19.15.17.12 NMAC the following information describes the operations and maintenance requirements of below-grade tanks on Enduring Resources, LLC. (Enduring) locations. This is Enduring's standard procedure for all below-grade tanks.

Procedures

1. Enduring will operate below grade tanks in such a way as to contain liquids, and maintain the integrity of the secondary containment system. Enduring will operate the below grade tank in such a way as to prevent the contamination of freshwater, and protect public health and the environment.
2. Enduring will not discharge into or store any hazardous waste into a below grade tank.
3. In the event of a leak in the below grade tank, Enduring will:
 - a. Remove all liquids above the leak within 48 hours
 - b. Notify the Aztec Office of the NMOCD of the leak within 48 hours
 - c. Repair the leak, or replace the below grade tank, as necessary
4. All below grade tanks will be installed and operated in such a way as to prevent surface water run-on or collection.
5. Enduring will remove any measurable layer of oil from the fluid surface of a below grade tank as soon as practicable.
6. Enduring will inspect the below grade tank for leaks and damage at least monthly, documenting the inspections, and maintaining a record of inspection for five (5) years. The leak detection space in double walled tanks will be checked during this monthly inspection
7. Enduring will operate the below grade tank in such a way as to maintain adequate freeboard to prevent over topping of the below grade tank. Adequate freeboard will be considered 12" from the top of the tank.
8. In the event the below grade tank no longer demonstrates integrity, Enduring will close the below grade tank in accordance with the closure plan submitted with this registration.

3.1. Distance to Groundwater

A test well was drilled on the KWU 787H on 9/18/2018 per the attached MO-TE Drilling Log which indicates a groundwater depth greater than 100'. The KWU 787H has an elevation of 6596'. The KWU 2309-19K has an elevation of 6625' providing an increase of 29'. The groundwater depth is estimated to be greater than 129'. Therefore the groundwater depth is greater than 50 feet below the bottom of the recycling containment.

3.2. Distance to Surface Water

DISTRICT

There are not any continuously flowing watercourses within 300' nor any other significant watercourse and lakebed or playa lake within 200' of the recycling containment as shown on the Aerial or Topo maps provided.

3.3. Distance to Structures

There are no permanent residence, school, hospital, institution or church at the time of initial registration within 1000' of the recycling containment as shown on the Aerial and Topo maps provided.

3.4. Distance to Non-Public Water Supply

There are no springs or fresh water wells used for domestic or stock water purposes within 500' in existence at the time of initial registration as shown on the Aerial and Topo maps provided.

3.5. Distance to Municipal Boundaries and Defined Fresh Water Fields

The recycling facility is not within any incorporated municipal boundaries within a defined municipal fresh water well field covered by a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978, as amended.

3.6. Distance to Subsurface Mines

The recycling containment is not located in an "unstable" area. The location is not over a mine and is not on the side of a hill. The location of the excavated surface material will not be located within 100 feet of a continuously flowing or significant watercourse. According to the NM EMNRD Mining and Mineral Divisions database there are no subsurface mines in Section 30, Township 23N, Range 9W of San Juan County.

3.7. Distance to 100-Year Floodplain

The KWU 2309-19K proposed recycling containment is not located within a 100-year floodplain as demonstrated on the FEMA Map.

7. IWATERS REPORT



New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(A CLW#### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced,
O=orphaned,
C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	Code	POD Sub-basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	DepthWell	DepthWater	Water Column
SJ 00001		SJ	SJ	4	1	12	23N	09W		253534	4014427*	695	630	65
SJ 00144		SJ	SJ	1	1	31	23N	09W		244786	4007922*	100		
SJ 01710		SJ	SJ	1	3	25	23N	09W		252985	4009203*	550	173	377

Average Depth to Water: 401 feet

Minimum Depth: 173 feet

Maximum Depth: 630 feet

Record Count: 3

PLSS Search:

Township: 23N Range: 09W

*UTM location was derived from PLSS - see Help

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

1/10/19 12:08 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER



ENDURING RESOURCES
200 Energy Court • Farmington, NM 87401
Telephone (505) 636-9741 Fax (505) 334-1979

NMOCD
JAN 15 2019
DISTRICT III

KWU 2309-30D

Ground Water Depth Confirmation

Day 2

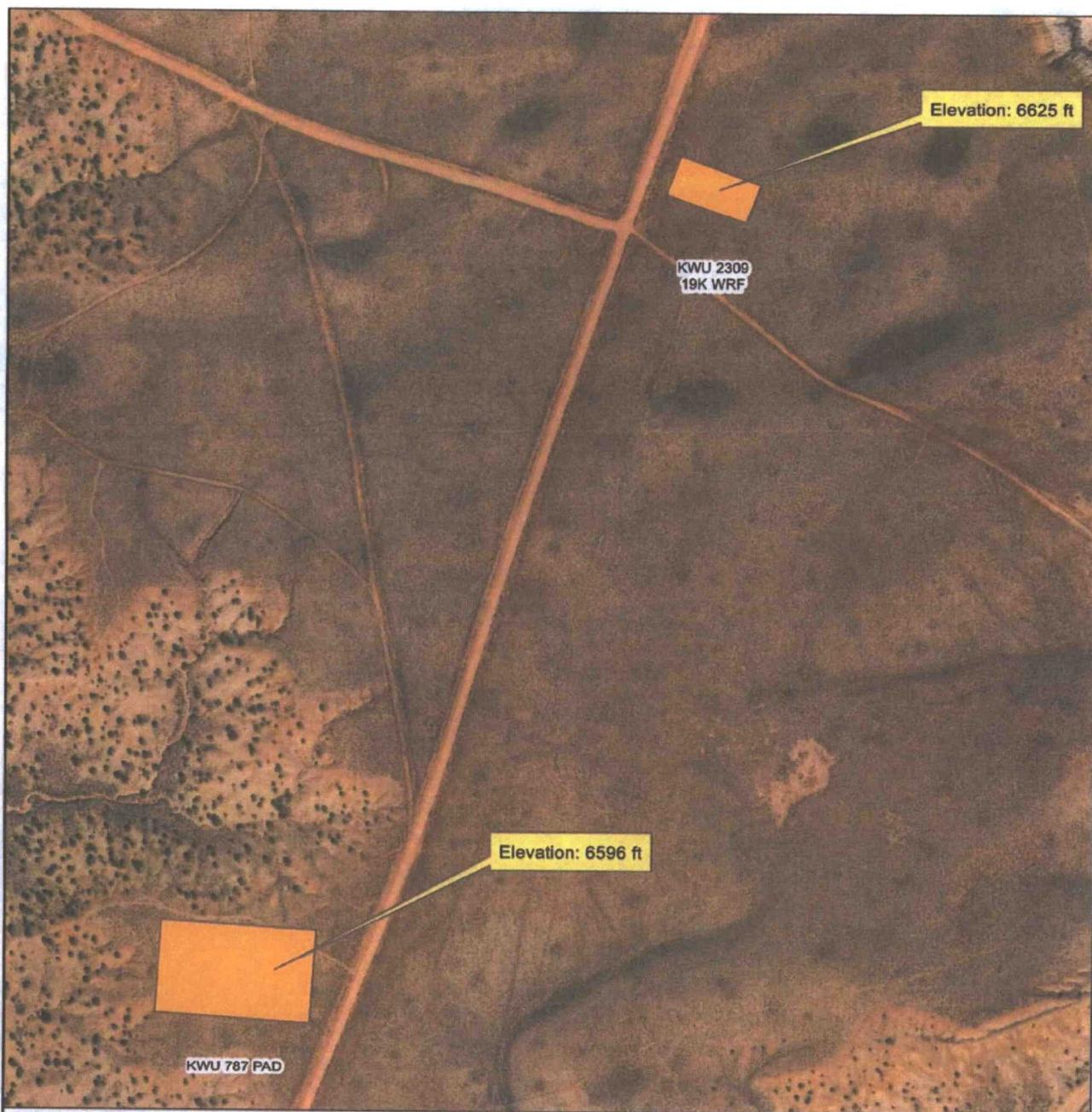
Attendees:

Vanessa Fields	NMOCD
James McDaniel	Enduring Resources
Chad Snell	Enduring Resources

Day 1 Recap:

Damp soil only @86 feet when Mo-Te Drilling Rig 212 left location. Enduring & NMOCD will return to location on 9-19-2018 to recheck and confirm ground water depth.

Arrived at location at 9am boring was tagged at 86 feet deep before encountering damp soil, Vanessa advised NMOCD will go forward with drillers log of water encountered at 86 feet deep.

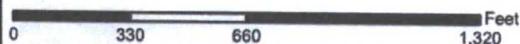


KWU 2309-19K Containment / KWU787 Pad Elevations



**ENDURING
RESOURCES, LLC**

Data Source Statement:
BLM-FPO, Enduring Resources GIS, ESRI Inc.
NCE Surveys, USGS



NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US

Author: drogers

Date: 1/10/2019

8. AERIAL MAP



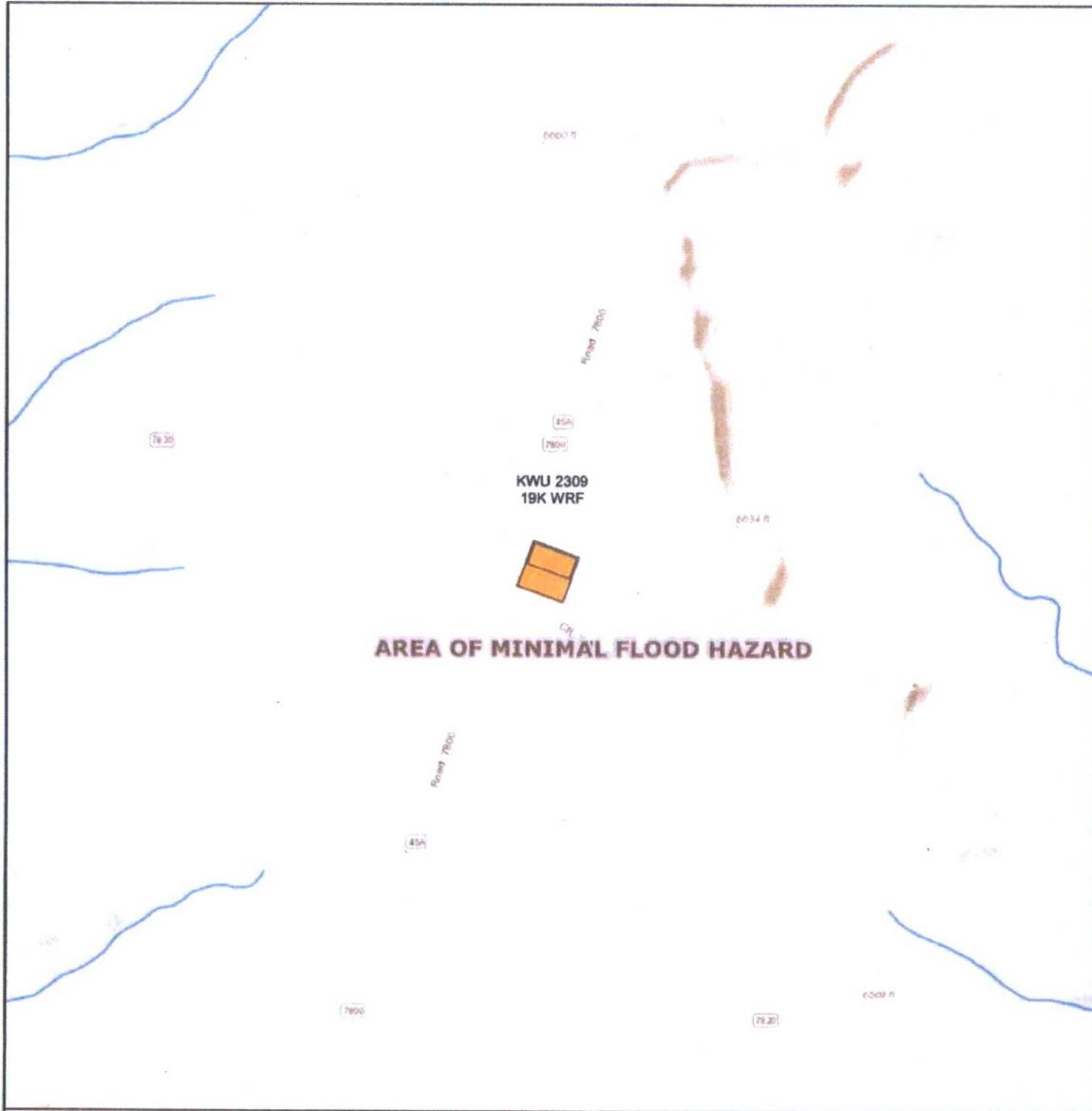
KWU 2309-19K Recycling Facility/ Containment location

<p>Mines and Mills</p> <ul style="list-style-type: none"> × Coal VM Vermorel S Sulfur PM Potash PO Phosph PL Perlite MI Mica GY Gypsum 	<ul style="list-style-type: none"> O&E_wests_AOI USGS Water Courses FEMA High Risk Flood Zone NHDWaterbody Building Footprints 		<p>ENDURING RESOURCES, LLC</p> <p><small>Data Source: StateMap DEM: FPO, Enduring Resources GIS, ESRI, Inc. NCE Surveys, USGS</small></p>
---	--	--	--

0 625 1,250 2,500 Feet

NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US Author: drogers Date: 1/10/2019

9. TOPO MAP



KWU 2309-19K Recycling Facility/ Containment location

Mines and Mills	GSE_wsh_ACI
Clear	USGS Water Courses
VM Wetlands	FEMA High Risk Flood Zone
S Salt	MIDWatersbody
PM Pans	Soiling Footprints
PO Pits	
PL Pits	
MI Mills	
GY Gypsum	

ENDURING RESOURCES, LLC
Data Source Statement: ESRI, FDO, Enduring Resources GIS, ESRI Inc., NCE Surveys, USGS
NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US Author: drogers Date: 1/10/2019

12. HYDROLOGY REPORT

Hydrogeological Report for KWU 2309-19K

Regional Geological context:

The Nacimiento Formation is of Paleocene age (Baltz, 1967, p. 35). It crops out in a broad band inside the southern and western margins of the central basin and in a narrow band along the west face of the Nacimiento Uplift. The Nacimiento is a nonresistant unit and typically erodes to low, rounded hills or forms badland topography.

The Nacimiento Formation occurs in approximately only the southern two-thirds of the San Juan Basin where it conformably overlies and intertongues with the Ojo Alamo Sandstone (Fassett, 1974, p. 229). The Nacimiento Formation grades laterally into the main part of the Animas Formation (Fassett and Hinds, 1971, p. 34); thus, in this area, the two formations occupy the same stratigraphic interval.

Strata of the Nacimiento Formation were deposited in lakebeds in the central basin area with lesser deposition in stream channels (Brimhall, 1973, p. 201). In general, the Nacimiento consists of drab, interbedded black and gray shale with discontinuous, white, medium- to very coarse grained arkosic sandstone (Stone et al., 1983, p.30). Stone et al. indicated that the formation may contain more sandstone than commonly reported because some investigators assume the slope-forming strata in the unit area shales, whereas in many places the strata actually are poorly consolidated sandstones. Total thickness of the Nacimiento Formation ranges from about 500 to 1,300 feet. The unit generally thickens from the basin margins toward the basin center (Steven et al., 1974). The sandstone deposits within the Nacimiento Formation are much thinner than the total thickness of the formation because their environment of deposition was localized stream channels (Brimhall, 1973, p. 201). The thickness of the combined San Jose, Animas, and Nacimiento Formations ranges from 500 to more than 3,500 feet.

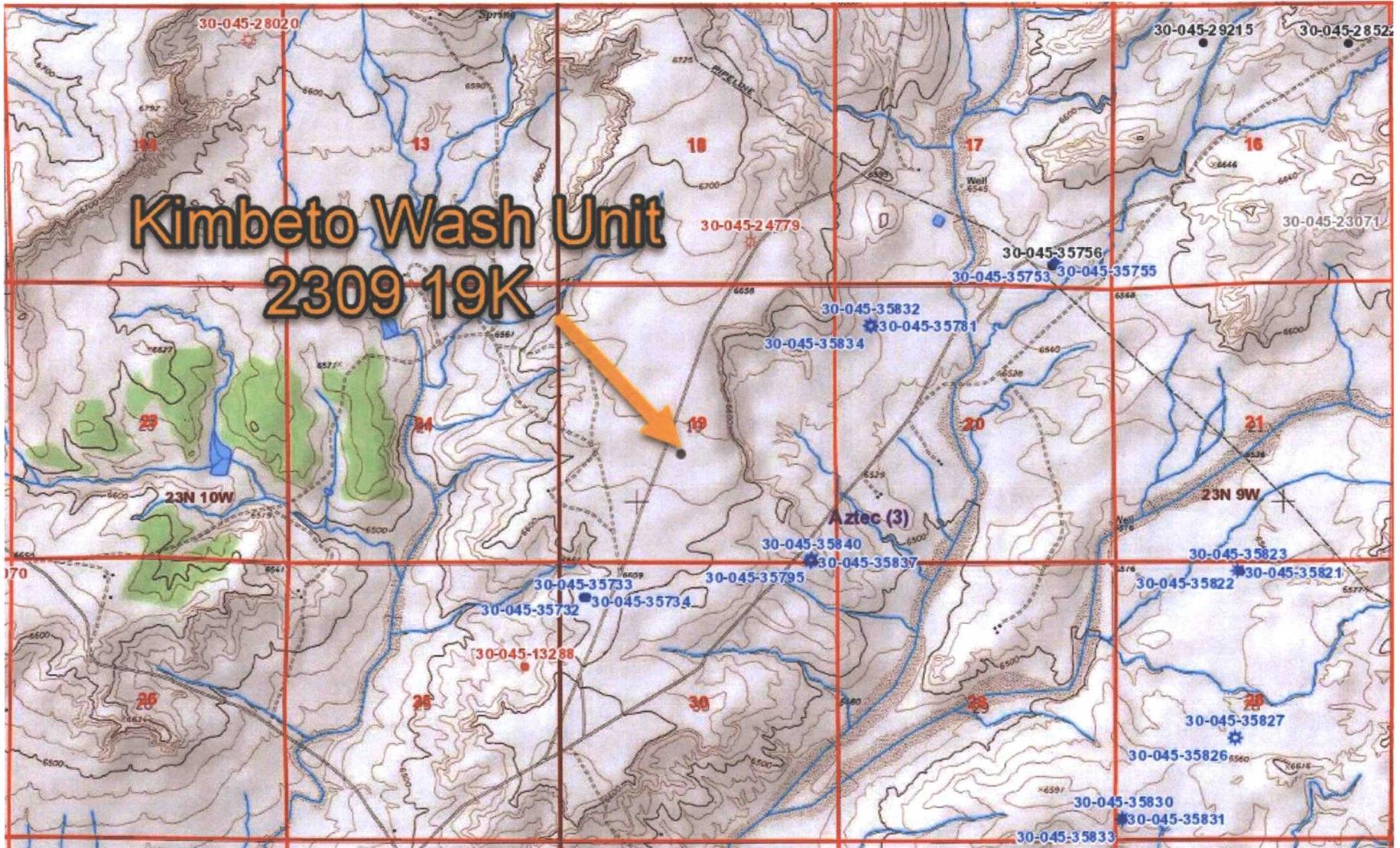
Hydraulic Properties:

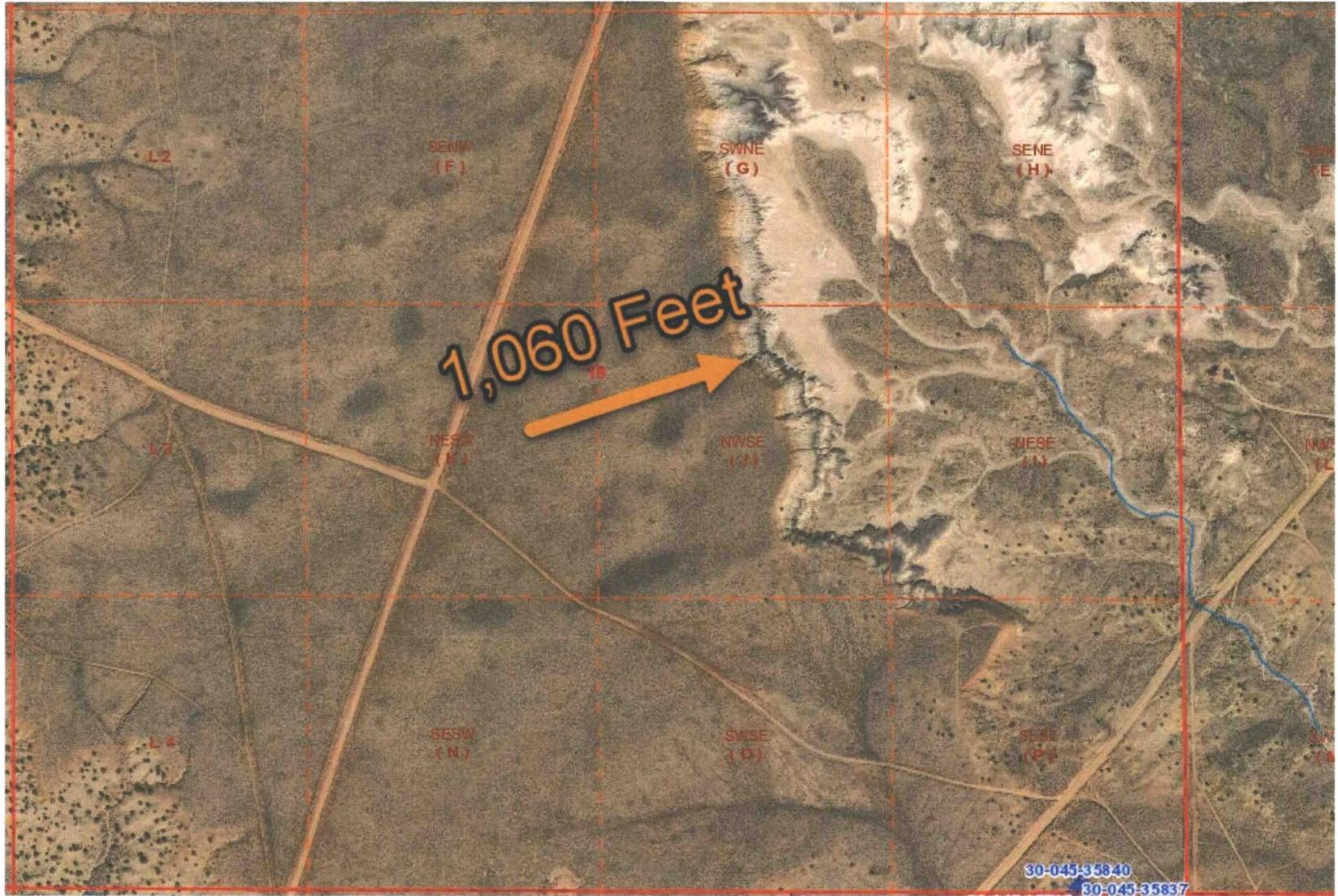
Reported well yields for 53 wells completed in either the Animas or Nacimiento Formations range from 2 to 90 gallons per minute and the median yield is 7.5 gallons per minute. The primary use of water from Nacimiento and Animas Formations is domestic and livestock supplies. There are no known aquifer tests for the Animas or Nacimiento Formations, but specific capacities reported for six wells range from 0.24 to 2.30 gallons per minute per foot of drawdown (Levings et al., 1990).

The Animas and Nacimiento Formations are in many ways hydrologically similar to the San Jose Formation because sands in both units produce approximately the same quantities of water. However, the greater percentage of fine materials in the Animas and Nacimiento Formations may restrict downward vertical leakage to the Ojo Alamo Sandstone or Kirtland Shale. The poorly cemented fine material is highly erodible, forms a badland terrain, and supports only spotty vegetation. These conditions are more conducive to runoff than retention of precipitation.

References:

- Baltz, E.H., 1967, Stratigraphy and regional tectonic implications of part of Upper Cretaceous rocks, east-central San Juan Basin, New Mexico: USGS Professional Paper 552, 101 p.
- Brimhall, R.M., 1973, Ground-water hydrology of Tertiary rocks of the San Juan Basin, New Mexico, in Fassett, J.E., ed., Cretaceous and Tertiary rocks of the Southern Colorado Plateau: Four Corners Geological Society Memoir, p. 197-207.
- Fassett, J.E., 1974, Cretaceous and Tertiary rocks of the eastern San Juan Basin, New Mexico and Colorado, in Guidebook of Ghost Ranch, central-northern New Mexico: New Mexico Geological Society, 25th Field Conference, p. 225-230.
- Fassett, J.E., and Hinds, J.S., 1971, Geology and fuel resources of the Fruitland Formation and Kirtland Shale of the San Juan Basin, New Mexico and Colorado: USGS Professional Paper 676, 76 p.
- Levings, G.W., Craig, S.d., Dam, W.L., Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan structural basin, New Mexico, Colorado, Arizona, and Utah: USGS Hydrologic Investigations Atlas HA-720-A, 2 sheets.
- Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.





Enduring Resources, LLC
Below Grade Tank
Variance Page

Lease Name: Kimbeto Wash Unit 2309 19K

OCD Num.: 3RF-43

Description: Section 19, Township 23N, Range 9W, Sandoval County

- Enduring Resources proposes to utilize an 8' chain link fence around the entire facility in lieu of the fencing requirements outlined in subsection D of 19.15.17.11 NMAC.
- Enduring Resources proposes to use an enclosed tank in lieu of the screening and netting requirements outlined in subsection e of 19.15.17.11 NMAC
- Enduring Resources proposes to use an alternative to USEPA Method 418.1, as outlined in the attached *Variance Request for 19.15.17 NMAC Tables I and Table II*

Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, New Mexico 87410
Email: cory.smith@state.nm.us
Phone (505) 334-6178 Ext 115

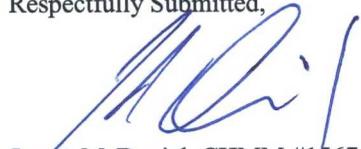
Re: Variance Request for 19.15.17 NMAC Table I and Table II

To Whom It May Concern,

Please accept this letter as a variance request as outlined in 19.15.17.15(A) NMAC. Enduring Resources, LLC (Enduring) would like to request the replacement of USEPA Method 418.1 for the analysis of Total Petroleum Hydrocarbons (TPH) for USEPA Method 8015M, measuring carbon ranges C6-C36, for all sampling associated with closures and confirmations samples in relation to 19.15.17 NMAC, both in Table I and Table II (2103) and the 'pit rule' passed in 2008. Enduring is requesting this variance on the grounds that USEPA Method 418.1 is an outdated analytical method that reports a full range of hydrocarbons from C5 through C40 (*Reference: American Petroleum Institute*).

The attached table demonstrates the carbon ranges, and the typical hydrocarbon products that can be found in those ranges. As you can see, lube oil ranges from C28-C35. Analytical Method USEPA 418.1 extends past lube oils from C35 through C40. This range of hydrocarbons is above the range that can reasonably be expected to be found in our field in both drilling pits and beneath below grade tanks. USEPA Method 8015M (GRO/DRO + extended analysis) will report hydrocarbons ranging from C6-C10 for GRO, C10- C28 for DRO, and C28-C36 for extended analysis. This information was provided by Environmental Science Corporation Laboratories. As the information demonstrates, the 8015M analytical method reports as low as C6, reporting lower than USEPA Method 418.1. Utilizing analytical method 8015M, lighter range hydrocarbons will be reported instead of higher range, heavy hydrocarbons that may not be reasonably expected to be found in our field. Utilization of USEPA Method 8015M will better protect groundwater resources by identifying lighter, more mobile hydrocarbons that USEPA Method 418.1 cannot identify. The heavier range hydrocarbons, C36-C40, that are not identified by USEPA Method 8015M are not a mobile form of hydrocarbon, and are not a threat to human health and the environment. With your acceptance of this variance request, Enduring Resources will begin utilizing USEPA Method 8015M in place of USEPA Method 418.1 for all sampling activities associated with 19.15.17 NMAC, both from the rules passed in 2008 and 2013.

Respectfully Submitted,



James McDaniel, CHMM #15676
HSE Supervisor
Enduring Resources, LLC

Carbon Ranges of Typical Hydrocarbons

Hydrocarbon Carbon Range

Condensate C2-C12

Aromatics C5-C7

Gasoline C7-C11

Kerosene C6-C16

Diesel Fuel C8-C21

Fuel Oil #1 C9-C16

Fuel Oil #2 C11-C20

Heating Oil C14-C20

Lube Oil C28-C35