

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
 (File with Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505)

Surety Bond for Recycling Facility/Containment ("Bond")

KNOW ALL MEN BY THESE PRESENTS:

Name of Operator ("Operator"): NGL Water Solutions Permian, LLC

Operator's Address: 3773 Cherry Creek North Drive, Suite 1000, Denver, CO 80209

State in which Operator is Organized: Colorado

Operator's OGRID Number: 372338

Name of Surety Company ("Surety"): Fidelity and Deposit Company of Maryland

Surety Company's Business Address: 1299 ZURICH WAY, 5TH FLOOR, SCHAUMBURG, IL, 60196 - 1056

Bond Number: 9304540

Effective Date: June 10, 2019

Required Financial Assurance ("Financial Assurance"): \$329,200.00

WHEREAS, Operator, authorized to do business in the State of New Mexico, and Surety, authorized by the Superintendent of Insurance to do business in the State of New Mexico, pursuant to NMSA 1978, Section 70-2-12, as may be amended from time to time, are, jointly and severally, firmly bound to the State of New Mexico's Energy, Minerals and Natural Resources Department ("Department"), or its successor, for payment of the amount of the Financial Assurance indicated above.

WHEREAS, Operator has or may enter into the collection, treatment, storage, recycling, or re-use of produced water in Section 15, Township 245, Range 32E, NMPM, Lea County, New Mexico ("Facility").

WHEREAS, Surety has been advised that Operator has requested this Bond as security for Operator's compliance with all laws, rules, and orders, as they exist now or may exist in the future, applicable to such activities, including, but not limited to, proper operation, closing and remediation of the Facility (collectively, the "Obligations").

THEN AND IN THAT EVENT, this obligation shall be null and void; otherwise, and in default of complete compliance with any and all of said Obligations, this Bond shall remain in full force and effect.

NGL Water Solutions Permian, LLC
 OPERATOR

By: _____
 Signature

 Title

Fidelity and Deposit Company of Maryland

SURETY

By:  _____
 Signature* Joshua Sanford

Attorney-in-Fact

Title

*Include Power of Attorney or other instrument authorizing signature

APPROVED BY:

Oil Conservation Division of New Mexico

By _____

Date _____

INDIVIDUAL ACKNOWLEDGMENT: (If dba, must read – Example: John Doe dba ABC Services)

State of New Mexico

County of _____

This instrument was acknowledged before me on this _____ day of _____, 20____,

by _____
(Individual Operator)

Notary Public

SEAL

My Commission Expires:

ACKNOWLEDGMENT FOR CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY

State of New Mexico

County of _____

This instrument was acknowledged before me on this _____ day of _____,
20____,

by _____ of _____
(Name of Person Signing Document) (Title)

(Name of Operator)

Notary Public

SEAL

My Commission Expires:

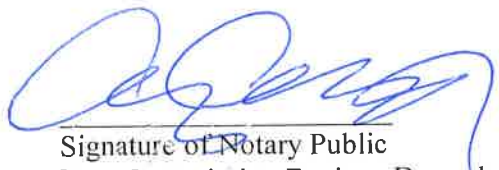
NOTARY ACKNOWLEDGMENT OF SURETY:

State of Connecticut

County of Hartford ss.

On this the 10th day of June, 2019, before me, Aiza Anderson, the undersigned officer, personally appeared Joshua Sanford, known to me (or satisfactorily proven) to be the person whose name is subscribed as Attorney-In-Fact for Fidelity and Deposit Company of Maryland, and acknowledged that s/he executed the same as the act of his/her principal for the purposes therein contained.

In witness whereof I hereunto set my hand.



Signature of Notary Public

Date Commission Expires: December 31, 2023

Aiza Anderson

Printed Name of Notary

AIZA ANDERSON
NOTARY PUBLIC - CT 153320
MY COMMISSION EXPIRES DEC. 31, 2023

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by **ROBERT D. MURRAY, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Donna M. PLANETA, Joshua SANFORD, Aimee R. PERONDINE, Aiza LOPEZ, Danielle D. JOHNSON, Michelle Anne McMAHON, Saykham CHANTHASONE and Noah William PIERCE, all of Hartford, Connecticut, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND**, this 7th day of May, A.D. 2019.

ATTEST:

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: _____

Dawn E. Brown
Assistant Secretary
Dawn E. Brown

Vice President
Robert D. Murray

State of Maryland
County of Baltimore

On this 7th day of May, A.D. 2019, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **ROBERT D. MURRAY, Vice President, and DAWN E. BROWN, Assistant Secretary**, of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Constance A. Dunn

Constance A. Dunn, Notary Public
My Commission Expires: July 9, 2019



Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.

June 10, 2019

NGL Energy Partners, LP
Attn: Lisa Trione
3773 Cherry Creek North Dr
Suite 1000
Denver, CO 80209

RE: Bond Number: 9304540
Principal: NGL Water Solutions Permian, LLC
Obligee: State of New Mexico, Energy, Minerals and Natural Resources Department
Description: Recycling Facility/Containment Bond (McCloy West Recycling Facility)

Attached is the completed document per your request. This was issued based upon the information you provided to our office and we urge you to check all of the information for accuracy (i.e. Power of Attorney, signatures, dates, amounts, description, etc.).

Please verify that the form attached is the form required and complete the execution with the proper signature(s) and seal.

If a premium is charged, our invoice will follow under a separate cover. Please note the premium payment for this bond is due upon receipt.

Thank you for the opportunity to service your surety needs. Should you have any questions, please do not hesitate to contact any member of your Willis Towers Watson Surety Team.

Sincerely,

Sarah E. Green