From: Randall Hicks

To: <u>Griswold, Jim, EMNRD</u>; <u>Bratcher, Mike, EMNRD</u>; <u>Dawson, Scott, EMNRD</u>

Cc: RONALD FROBEL; Spencer Cox; JimP@yatespetroleum.com; MHill@yatespetroleum.com

Subject: RE: Lime Rock All Thorn MWFM Pit

Date: Monday, September 15, 2014 4:45:56 PM

Jim

That was easy and quick. Not the answer I was expecting based upon the DRAFT produced water reuse documents.

To be clear – getting an answer quickly is nearly as important to us as getting "the answer we may wish" in 5-6 weeks. I very much appreciate the prompt reply.

Two side questions –

- 1. Is the 45-mil LLDPE language in the DRAFT produced water re-use document based upon a technical document that lies within OCD?
- 2. Given the arguments set forth in the Frobel letter supporting the 45-mil LLDPE liner for a MWFM pit with a limited lifespan, can we get a de-brief from OCD regarding the engineering rationale for the denial maybe in 30 days or so?

Obviously, such a de-brief might be helpful – especially for the Yates Dagger Draw pit as it is not on such a short time fuse as the All Thorn pit. Yates may or may not wish to submit a variance request for the 45-mil LLDPE primary liner based upon your response.

Again, thanks for the quick response.

Randall Hicks RT Hicks Consultants Office: 505-266-5004

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**From:** Griswold, Jim, EMNRD [mailto:Jim.Griswold@state.nm.us]

Sent: Monday, September 15, 2014 4:09 PM

To: Randall Hicks; Bratcher, Mike, EMNRD; Dawson, Scott, EMNRD

Subject: RE: Lime Rock All Thorn MWFM Pit

Welcome back Randy. Item #4 requesting a variance for use of 45 mil LLDPE as a primary liner is denied.

## **Jim Griswold**

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From: Randall Hicks [mailto:r@rthicksconsult.com]

Sent: Monday, September 15, 2014 3:48 PM

To: Bratcher, Mike, EMNRD; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD

Cc: Spencer Cox; 'David Hamilton'; 'Erica Hart'; <a href="mailto:dhicks@pettigrew.us">dhicks@pettigrew.us</a>

Subject: Lime Rock All Thorn MWFM Pit

Mike and Jim

I have tried to make this short – as I know your plates are plenty full. Jim- you need to address question #4 only.

Thanks in advance for your responses.

For Lime Rock, it is crunch time to get the All Thorn pit built and in use. We are to the point that a day or two of delay is starting to make a difference. I think the principal hold up is getting the lease from the SLO. We would appreciate you feedback on the following questions relating to the OCD permit.

- 1. We understand that Lime Rock cannot construct the pit (lay down the liner foundation and line the excavation) until there is an approved OCD permit. We also understand that OCD cannot <u>unconditionally</u> approve the permit until the SLO issues the commercial lease that allows the storage of treated produced water in the All Thorn pit. The SLO has stated that the lease is "ready to go" but is not yet signed. <u>Will OCD approve the permit on the condition that Lime Rock obtains the commercial lease from the SLO?</u>
- 2. The stability evaluation transmitted to OCD on 8/22/14 demonstrated to our satisfaction that "unstable ground" does not exist at the site. <u>Does the location now meet the siting criteria for permit approval?</u>
- 3. Pettigrew will complete the engineering design of the pit foundation and submit the report to OCD before excavation of the caliche is complete (prior to laying the pit foundation). The permit application calls for a conference call with OCD regarding the foundation design (see below). Is this conference call moot due to the demonstration of stable ground at the site?
- 4. On 9/1 we transmitted a variance request to employ 45 mil LLDPE material for the primary liner of the MWFM Pit. Could OCD act on this variance request by the end of this month in order to allow Lime Rock to obtain the appropriate material for the primary liner (either 60-mil HDPE or 45 mil LLDPE)?

From Page 1 of the Desgin/Construction Plan

To underscore the importance of the engineering measures incorporated into the design to ensure that the pit's integrity is not compromised, we propose a conference call between the Professional Engineers of this project and the Professional Engineers from OCD/EMNRD assigned to the evaluation of this engineering design measures. The purpose of this call is

- · present this results of the geotechnical investigation,
- · discuss the pit design and proposed construction methods
- · identify any comments/concerns of the OCD Engineers and
- schedule a written response to fill in any gaps identified in the phone conference.

Construction of the pit foundation will not commence until OCD provides written concurrence with the written response after the phone conference.

## Stockpile Topsoil

Prior to constructing the pit the qualified contractor will strip and stockpile the topsoil for use as the final cover or fill at the time of closure. The topsoil will be stockpiled adjacent to the west side of the perimeter fence surrounding the pit. Until vegetation is established

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