C-147 REGISTRATION PACKAGE

Nageezi Unit Central Liquids Facility and Salt Water Disposal Well Pad Recycling Containment and Recycling Facility

December 2024

ENDURING RESOURCES IV, LLC

DJR Operating, LLC A Subsidiary Company of Enduring Resource, LLC

200 Energy Court
Farmington, New Mexico 87401
Phone: (505) 636-9720

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-147
Revised April 3, 2017

Recycling Facility and/or Recycling Containment

Type of Facility: ☒ Recycling Facility ☒ Recycling Containment*****

Type of action: ☒ Permit ☒ Registration
☐ Modification ☐ Extension
☐ Closure ☐ Other (explain) _____

*** At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner.**

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: **DJR Operating, LLC** (For multiple operators attach page with information) OGRID #: **371838**

Address: **200 Energy Court, Farmington, New Mexico 87401**

Facility or well name (include API# if associated with a well): **Nageezi Unit Central Liquids Facility and Salt Water Disposal**

OCD Permit Number: 3RF-82 (For new facilities the permit number will be assigned by the district office)

U/L or Qtr/Qtr **D** Section **34** Township **24N** Range **09W** County: **San Juan**

Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.

☒ **Recycling Facility:**

Location of recycling facility (if applicable): Latitude **36.275001** Longitude **-107.781969** NAD83

Proposed Use: ☒ Drilling* ☒ Completion* ☒ Production* ☐ Plugging *

The re-use of produced water may NOT be used until fresh water zones are cased and cemented

☐ Other, ***requires permit for other uses. Describe use, process, testing, volume of produced water and ensure there will be no adverse impact on groundwater or surface water.***

☒ Fluid Storage

☒ Above ground tanks ☒ Recycling containment ☐ Activity permitted under 19.15.17 NMAC explain type_____

☐ Activity permitted under 19.15.36 NMAC explain type:_____ ☐ Other explain _____

☐ For multiple or additional recycling containments, attach design and location information of each containment

☐ **Closure Report (required within 60 days of closure completion):** ☐ Recycling Facility Closure Completion Date:_____

3.

☒ **Recycling Containment:**

☐ Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)

Center of Recycling Containment (if applicable): Latitude **36.275001** Longitude **-107.781969** NAD83

☐ For multiple or additional recycling containments, attach design and location information of each containment

☒ Lined ☐ Liner type: Thickness **40** mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____

☒ String-Reinforced

Liner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: **60,000** bbl Dimensions: **Diameter 190'** x Height **12'**

☐ Recycling Containment Closure Completion Date:_____

4.

Bonding:

☒ Covered under bonding pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC **(These containments are limited to only the wells owned or operated by the owners of the containment.)**

☐ Bonding in accordance with 19.15.34.15(A)(1). Amount of bond $_____ **(work on these facilities cannot commence until bonding amounts are approved)**

☐ Attach closure cost estimate and documentation on how the closure cost was calculated.

5.

Fencing:

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☒ Alternate. Please specify _____**Existing six foot chain link fence around location**_____

6.

Signs:

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

☐ Signed in compliance with 19.15.16.8 NMAC

7.

Variances:

Justifications and/or demonstrations that the proposed variance will afford reasonable protection against contamination of fresh water, human health, and the environment.

Check the below box only if a variance is requested:

☒ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. If a Variance is requested, include the variance information on a separate page and attach it to the C-147 as part of the application.

If a Variance is requested, it must be approved prior to implementation.

8.

Siting Criteria for Recycling Containment

Instructions: The applicant must provide attachments that demonstrate compliance for each siting criteria below as part of the application. Potential examples of the siting attachment source material are provided below under each criteria.

General siting	
Ground water is less than 50 feet below the bottom of the Recycling Containment. 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. - Written confirmation or verification from the municipality; written approval obtained from the municipality	☐ Yes ☒ No ☐ NA
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Minerals 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
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	☐ Yes ☒ No
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	☐ Yes ☒ No
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	☐ Yes ☒ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site	☐ Yes ☒ No

9.
Recycling Facility and/or Containment Checklist:
Instructions: Each of the following items must be attached to the application. Indicate, by a check mark in the box, that the documents are attached.

☒ Design Plan - based upon the appropriate requirements. **– Section 3 of the C-147 Registration Package**
☒ Operating and Maintenance Plan - based upon the appropriate requirements. - **Section 4 of the C-147 Registration Package**
☒ Closure Plan - based upon the appropriate requirements. - **Section 5 of the C-147 Registration Package**
☒ Site Specific Groundwater Data – **Exhibit D of the C-147 Registration Package**
☒ Siting Criteria Compliance Demonstrations **– Section 2 of the C-147 Registration Package**
☒ Certify that notice of the C-147 (only) has been sent to the surface owner(s) **– C-147 package is being submitted concurrently to the Division and BLM FFO. See Exhibit C of the C-147 Registration Package for additional surface owner notification.**

10.
Operator Application Certification:
I hereby certify that the information and attachments submitted with this application are true, accurate and complete to the best of my knowledge and belief.

Name (Print): **Heather Huntington** Title: **Permitting Technician**
Signature: Heather Huntington Date: **12/23/24**
e-mail address: **hhuntington@enduringresources.com** Telephone: **505-636-9751**

11.
OCD Representative Signature: Victoria Venegas **Approval Date:** 01/02/2025
Title: Environmental Specialist **OCD Permit Number:** 3RF-82
☒ OCD Conditions
☒ Additional OCD Conditions on Attachment

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1. INTRODUCTION

Applicant	DJR Operating, LLC - Enduring Resources, LLC & DJR Operating, LLC are wholly owned subsidiaries of Enduring Resources IV, LLC. Leases, rights of ways, wells, and other property interests will continue to be held in their current entity names.
OGRID	371838
Project Name	Nageezi Unit Central Liquids Facility and Salt Water Disposal Well Pad Recycling Containment and Recycling Facility
Project Type	Recycling Facility & Recycling Containment
Legal Location	Northwest ¼ of the Northwest ¼ of Section 34, Township 24N, Range 09W
Surface Owner	Federal surface managed by the Bureau of Land Management Farmington Field Office

In accordance with 19.15.34 NMAC, DJR Operating, LLC (DJR) a subsidiary company of Enduring Resources, LLC requests registration of their Nageezi Unit Central Liquids Facility and Salt Water Disposal (NU CLF) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package.

The recycling containment will consist of one 60,000 barrel (bbl) above ground storage tank (AST). Per 19.15.34.7 B. NMAC a *"**Recycling containment**" is a storage containment which incorporates a synthetic liner as the primary and secondary containment device and is used solely in conjunction with a recycling facility for the storage, treatment or recycling of produced water only for the purpose of drilling, completion, production or plugging of wells used in connection with the development of oil or gas or both.* This AST containment falls within this definition and must meet all applicable requirements of a Recycling Containment in Rule 19.15.34 NMAC.

The recycling facility will consist of up to thirty 400 bbl vertical frac tanks with a consolidated volume of 12,000 bbls to treat (mechanical and chemical reconditioning process) produced water for reuse. DJR will only set as many tanks are anticipated to be needed based on incoming volumes and extent of treatment necessary. As defined in 19.15.34.7 A. NMAC a ***"Recycling facility"** is a stationary or portable facility used exclusively for the treatment, re-use or recycling of produced water. A recycling facility does not include oilfield equipment such as separators, heater treaters and scrubbers in which produced water may be used.* These tanks will be used as upright gun barrel oil water separators. This oil separation process will prevent having any visible layer of oil on the surface of the recycling containment in accordance with Rule 19.15.34.13 B.(1).

Per 19.15.34.9 A. water (produced water and Entrada water) stored/processed through this temporary recycling facility and containment will be used as part of a permitted operation for drilling, completing, and producing DJR Operating, LLC and Enduring Resources, LLC wells.

See Exhibit A for a site survey plat and Exhibit B for a site diagram of the proposed AST and recycling facility layout. This facility will not be used for the disposal of produced water.

The NU CLF site is located at 36.275001 ° N, -107.781969 ° W, within Section 34, Township 24N, Range 09W, in San Juan County, New Mexico. The site is located on federal lands managed by the Bureau of Land Management Farmington Field Office (BLM FFO). The site is held and operated by Whiptail Gallup Gathering, LLC (Whiptail). Enduring Resources IV, LLC parent company of DJR has entered into and executed a Surface Use Agreement with Whiptail for the use of this site for AST water storge (The agreement is being renewed into 2025). BLM FFO has been notified and was provided the Surface Use Agreement between Whiptail and DJR/Enduring. Please see Exhibit C for surface owner notification for this containment and recycling facility. Additionally, per New Mexico Oil Conservation Division (NMOCD) Form C-147, DJR will provide A copy of this registration package to the BLM FFO concurrently with the submittal to the division.

This document provides supplemental information to NMOCD Form C-147 that is required for registration, including siting criteria and demonstrations, design and construction plan, operating and maintenance plan, closure plan, closure and site reclamation requirements, and surface owner notification.

Upon approval of this registration, the recycling containment located at this facility will be operated for up to five years.

If the AST containment is found to be needed beyond five years, DJR will submit annual extensions to NMOCD on Form C-147 at least 30 days prior to expiration. The extension request will include a summary of all monthly inspections of the containment, including monitoring of the leak detection system indicating that the containment's integrity has not been compromised.

2. SITING CRITERIA

2.1. Depth to Groundwater 19.15.34.11 A.(1)

Per 19.15.34.11 B. NMAC, DJR requests use of POD SJ-01712 in the Northeast ¼ of the Southeast ¼ of Section 27, Township 24N, Range 09W. This water well was drilled to a total depth of 528 feet with depth to ground water measured at 515 feet. This water well is located approximately 4,250 feet northeast of the NU CLF containment. With the proposed containment being an AST sitting above ground level, the groundwater depth is greater than 50 feet below the bottom of the recycling containment. See Exhibit D for the water well summary. Additional average depth to ground water information can be found below for Township 24 North Range 09 West.

Average, Minimum, and Maximum depth to ground water within T24N R09W = 742', 515', 1073'

2.2. Distance to Surface Water 19.15.34.11 A.(2)

There are no continuously flowing watercourses within 300 feet; nor, any lakebeds, sinkholes, or playa lakes within 200 feet of the proposed ASTs as shown in Exhibit E Map 2. Additionally, there are no significant drainages within 200' of the proposed ASTs.

DJR contracted Barr Engineering Co. (Barr) in December of 2024 to assess all surrounding drainages per 19.15.34.11 A.(2) NMAC. In the report provided to DJR, Barr Summarized the following. This report is attached hereto as Exhibit F:

> *Based on the regulatory framework (Section 1), evaluation of the survey area, and the USACE Albuquerque District's current policies regarding jurisdictional determinations, it is Barr's professional opinion that under the current CWA rule, there are no features present in the survey area that would be considered jurisdictional WOTUS.*
>
> *Pursuant to 19.15.34 NMAC, no drainages with an OHWM were observed within 200 feet of the Nageezi CLF AST pad. No FEMA 100-year flood zones are in the survey area. These conclusions are based on Barr's professional opinion.*

2.3. Distance to Structures 19.15.34.11 A.(3)

The recycling containment is not located within 1,000 feet of a permanent residence, school, hospital, institution, or church in existence at the time of this application. As shown on the aerial map in Exhibit E Map 2, there are no permanent residences, schools, hospitals, institutions, or churches within the 1000-foot buffer ring of the pad. A field visit verified there has been no new structure erected since the aerial imagery was obtained.

2.4. Distance to Non-Public Water Supply and Springs 19.15.34.11 A.(4)

The recycling containment is not located within 500 horizontal feet of a spring or freshwater well used for domestic or stock watering purposes in existence at the time of this application as shown on Exhibit E Map 1 and 2.

Map 1 shows wells and springs/seeps regardless of use type in the surrounding area and Map 2 shows that no water wells, springs, or seeps are located within the 500-foot buffer of the pad. The nearest fresh water well according to

New Mexico Office of the State Engineer (NM-OSE) is 4,450 feet Northeast. Nearest spring/seep according to the National Hydrologic Dataset (NHD) is 2.92 miles Southeast.

2.5. Distance to Municipal Boundaries and Defined Municipal Fresh Water Well Fields 19.15.34.11 A.(5)

The recycling containment is not within any incorporated municipal boundaries nor within a defined municipal fresh water well field covered by a municipal ordinance adopted pursuant to Section 3- 27-3 NMSA 1978, as amended. Please see Exhibit E Map 1 showing the nearest municipal boundary being Bloomfield New Mexico approximately 30 miles North-Northwest.

2.6. Distance to Wetland 19.15.34.11 A.(6)

The recycling containment is not located within 500 feet of a wetland as seen in Exhibit E Map 2 and additional evidence provided in Exhibit F.

Upon field investigation it was determined that there were no hydric soils or hydrophytes indicative of wetland habitat. Nor was there cottonwood, willow, elm, invasive salt cedar or russian olive trees indicative of riparian habitat.

2.7. Distance to Subsurface Mines 19.15.34.11 A.(7)

According to New Mexico Energy, Minerals and Natural Resources Department (EMNRD) Mining and Minerals Divisions database, there are no subsurface mines in Township 24N, Range 09W, San Juan County, New Mexico. See Exhibit E Map 1 showing mines regardless of status near the project area. The nearest EMNRD recorded permit (being a withdrawn permit) is a Humate pit approximately 20 miles south-southeast.

2.8. Site Stability 19.15.34.11 A.(8)

The recycling containment is not located in an unstable area. DJR's construction practices will provide adequate compaction of the pad surface for the anticipated load of the recycling facility and AST containment.

The following additional best management practices were implemented during pad construction to prevent equipment settling and ensure site stability.

- Prior to earthwork, all trees (if applicable) and slash/brush, was mulched and incorporated into the topsoil. Tree roots and trucks were removed from the site. The topsoil (vegetative root layer) and mulched organic matter was stripped from location and windrowed along the perimeter of location. Topsoil was not used for pad construction as the organic matter mixed within the soil prevents adequate compaction.
- Subsoil horizons were utilized to construct a balanced (high areas are cut and used to fill low areas) location. Fill slopes were deposited and compacted in approximate 6-inch lifts with optimal soil moisture content.
- No soil deemed too wet from inclement weather was utilized for construction as adequate compaction cannot be achieved. Additionally, if construction occured during winter months, the frost layer if applicable was stripped and sub frost line soil horizons were utilized for construction to achieve adequate compaction that will not settle with warming temperatures.
- Cut and fill slopes around location are 3:1 or better to ensure surface and slope stability.
- The windrowed topsoil and any additional diversions found to be necessary are used to prevent surface sheet flow from entering location.
- The containment will have a properly constructed foundation consisting of a firm, unyielding base, smooth and free of rocks, debris, sharp edges or irregularities to prevent the liner's rupture or tear.

Other factors contributing to site stability include:

- Per 19.15.34.11 A.(7) the location is not in an area overlying a subsurface mine according to the New Mexico EMNRD Mining and Minerals Divisions database.
- This area of New Mexico is not known for underlying caves and karst features.

2.9. Distance to 100-Year Floodplain 19.15.34.11 A.(9)

The recycling containment is not located within a 100-year (1% annual) floodplain. As shown in Exhibit E Map 2, the project is in Zone X (area of minimal flood hazard). The nearest 100-year flood hazard area shown in Exhibit E Map 2 is 4,891 feet South-Southwest.

3. DESIGN AND CONSTRUCTION SPECIFICATIONS

Pursuant to 19.15.34.12 NMAC, the following Design Plan presents the minimum standards and specifications for the design and construction of the proposed recycling containment at the NU CLF. The facility and recycling containment have been designed to prevent releases and potential overtopping due to wave action (by wind) or rainfall. To supplement the information provided below, the manufacturers specifications for the design and construction of the aboveground containment are provided as Exhibit G.

3.1. Foundation Construction

The containment AST will be constructed on Whiptail's existing Nageezi Unit Central Liquids Facility and Salt Water Disposal Well pad. The AST footprint will have a properly constructed foundation consisting of a firm, unyielding base, smooth and free of rocks, debris, sharp edges or irregularities to prevent the liner's rupture or tear. The containment will ensure confinement of produced water, to prevent releases and to prevent overtopping due to wave action or rainfall. Geotextile is used under the liner to reduce localized stress-strain or protuberances that otherwise may compromise the liner's integrity. The containment is above ground and is not subject to water run-on.

3.2. Liner and Leak Detection

The containment will be Well Water Solutions and Rentals, Inc. double-lined frac water tank system. These tank systems are designed to incorporate a 40-mil thickness LLDPE primary (upper) string-reinforced liner and a 30-mil LLDPE secondary (lower) string- reinforced liner. The primary liner is designed to be impervious, synthetic material that will resist deterioration by ultraviolet light, petroleum hydrocarbons, salt solutions, and acidic/alkaline solutions. Liners meet or exceed the compatibility requirements of EPA SW-846 Method 9090A. Steel bolts secure the liners to the top of the AST tank. Specifications provided by Well Water Solutions and Rentals, Inc. are attached as Exhibit G.

Liner seams are minimized and are oriented vertically up and down the containment walls, not horizontally across the containment. Factory welded seams are incorporated, where possible. Field seams, welding, and testing on the geosynthetic liners is performed by a manufacturer qualified person. For any field welded seams, liners will overlap 4 to 6 inches and be thermally sealed. Field seams are avoided or minimized in corners and irregularly shaped areas.

At a points of discharge into, or suction from, the recycling containment, the liner is protected from excessive hydrostatic force or mechanical damage. External discharge or suction lines do not penetrate the liners.

A leak detection system is installed between the upper and lower liners of the containment and consists of a 200-mil geonet drainage layer. The leak detection system covers the bottom and sides of the containment and includes a minimum of 3 feet of freeboard. A 6-inch PVC pipe is inserted in the sump at the bottom of the containment and between the liners. Each containment is slightly sloped, with the sump placed at the location with the lowest elevation to facilitate the earliest possible leak detection. A schematic of the leak detection system is included in Exhibit G.

The sump piping is checked weekly with a water-level meter to determine if leakage is occurring through the primary liner. If water is detected in the leak detection sump, water will be removed to assess if water returns indicating a leak in the primary liner. Controls for surface water run-on is not needed due to the containment being above ground level.

3.3. Signage

The facility will have a sign no less than 12" by 24" with lettering not less than 2" in height in a conspicuous place near the facility entrance. The sign will contain the operator's name, location of the facility by quarter-quarter or unit letter, Section, Township, Range, and emergency phone numbers.

3.4. Entrance Protection

The NU CLF has an existing 6-foot chain link fence around location with a 20-foot electric gate to restrict unauthorized entrance. Additionally, with the recycling containments being ASTs with 12-foot wall height, entrance into containments would have to be intentional. There is no risk of accidental entrance into the containments by wildlife or the public. The site will be maintained to prevent harm to wildlife and the public.

3.5. Netting

DJR will install bird netting provided by the tank manufacturer over the containment. The netting will be inspected monthly for disrepair. The containment will be inspected weekly for dead migratory birds. DJR will report dead migratory birds and/or other wildlife to the appropriate wildlife agency, surface management agency, and NMOCD.

4. Maintenance and Operating Plan

4.1. Inspection Timing and Maintenance

Pursuant to 19.15.34.13 NMAC, DJR will follow the maintenance and operational requirements described below. At a minimum, DJR will perform weekly inspections on the containment and leak detection system while the containment holds fluid. DJR will maintain records and make them available for review by the NMOCD.

- If fluids are found in the sump, the fluids will be sampled and then pumped out.
- DJR will remove any visible oil from the surface of the containment upon discovery.
- DJR will maintain a minimum of three feet of freeboard in the containment at all times.
- The injection and withdrawal of fluids from the containment shall be accomplished through a header, diverter or other hardware that prevents damage to the liner by erosion, fluid jets or impact from installation and removal of hoses or pipes.
- If a leak is discovered in the containments' primary liner above the liquid level in the containment, DJR will repair the primary liner within 48 hours, or request an extension on repair within the 48-hour time limit.
- If a leak is discovered in the containments' primary liner below the liquid level in the containment, DJR will notify the division office of the leak, remove all fluids above the leak level, and repair the primary liner within 48 hours, or request an extension on repair within the 48-hour time limit.
- The facility will be operated in such a way to prevent the collection of surface water.
- An oil absorbent boom or other device will be onsite to contain an unanticipated release.
- The facility will not be used for the storage or discharge of hazardous waste.

4.2. Reporting and Record Keeping

During operation of the recycling facility, DJR will keep accurate records and report monthly to the NMOCD the total volume of water received for recycling, with the volume of fresh water received listed separately, and the total volume of water leaving the facility for disposition of use. Water volume totals will be submitted on NMOCD Form C-148. Accurate records identifying the sources and disposition of recycled water will be maintained during the operation of the facility and made available for review to the NMOCD upon request.

4.3. Cessation of Operations

DJR will consider the recycling containment to have ceased operations if less than 20% of the total fluid volume is used every six (6) months following the first withdrawal of produced water for use. DJR will report cessation of operations to the appropriate NMOCD district office. If additional time is needed for closure, DJR will request an extension from the appropriate NMOCD district office prior to the expiration of the initial six (6) month time period.

5. Closure Plan

Pursuant to 19.15.34.14 NMAC, the activities summarized below describe the closure and reclamation requirements for the NU CLF. Within 60 days of closure completion, DJR will submit a closure report on NMOCD Form C-147 and include required attachments to document all closure activities, sampling results, and details on backfilling, capping, or covering, where applicable.

5.1. Containment Closure

DJR will remove all fluids from the facility and containment within 60 days from the date that operations cease and close the containment from use within six months from the date that DJR ceases operations. Alternatively, DJR can request an extension for the removal of fluids from the NMOCD not to exceed an additional two months. DJR can also request an extension for the closure of the containment, not to exceed an additional six months.

DJR will remove all fluids, contents, synthetic liners, and leak detection piping and transfer these materials to an NMOCD-approved facility for disposal. All other equipment associated with the recycling containment and recycling facility will be removed from the site.

5.2. Closure Soil Sampling

Once the containment is removed, DJR will test the soils beneath for contamination with a five-point composite sample which includes stained or wet soils, if any, and that sample shall be analyzed for the constituents listed in the following table:

TABLE 1. CONTAMINATED SOIL TEST CONSTITUENTS

Constituents	Test Method	Groundwater Depth 51 – 100 Feet	Groundwater Depth >100 Feet
Chloride	EPA 300.0	10,000 mg/kg	20,000 mg/kg
TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg	2,500 mg/kg
GRO + DRO	EPA SW-846 Method 8015M	1,000 mg/kg	1,000 mg/kg
BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg	50 mg/kg
Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg	10 mg/kg

If any contaminant concentration is higher than the parameter limits listed above, the NMOCD may require additional delineation upon review of the results and DJR must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameter limits listed above, then DJR can proceed to backfill with non-waste containing, uncontaminated, earthen material.

5.3. Reclamation

DJR is utilizing an existing location permitted for the operation of the Nageezi Unit Central Liquids Facility and Salt Water Disposal operated by Whiptail Gallup Gathering, LLC. Per the Surface Use Agreement made between Whiptail Gallup Gathering, LLC and Enduring Resources IV, LLC, DJR will be responsible for returning the area utilized for the containment and recycling facility back to it's previous condition. The site will be reclaimed upon completion of use in accordance with Whiptail Gallup Gathering, LLC's Right of Way Grants and agreements developed with, and approved by, the surface managing agency.

EXHIBIT A. PLAT

DJR OPERATING, LLC
NAGEEZI UNIT SWD #1 AND LIQUID FACILITY

1035' FNL & 998' FWL
LOCATED IN THE NW/4 NW/4 OF SECTION 34,
T24N, R9W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6869', NAVD 88
FINISHED PAD ELEVATION: 6878.6', NAVD 88

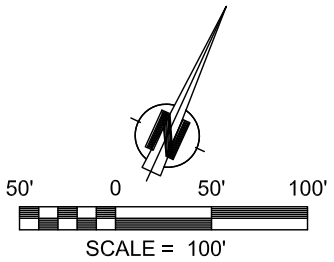
NOTES:

1.) BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE NORTH QUARTER CORNER AND THE NORTHWEST CORNER OF SECTION 34, TOWNSHIP 24 NORTH, RANGE 9 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.
LINE BEARS: S 89°38'37" W A DISTANCE OF 2497.50 FEET AS MEASURED BY G.P.S.

2.) LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AZTEC CORS L1 PHASE CENTER.
DISTANCES SHOWN ARE GROUND DISTANCES USING A TRAVERSE MERCATOR PROJECTION FROM A WGS84 ELLIPSOID, CONVERTED TO NAD83.
NAVD88 ELEVATIONS AS PREDICTED BY GEOID03.

3.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LWEST 48 HOURS PRIOR TO CONSTRUCTION.

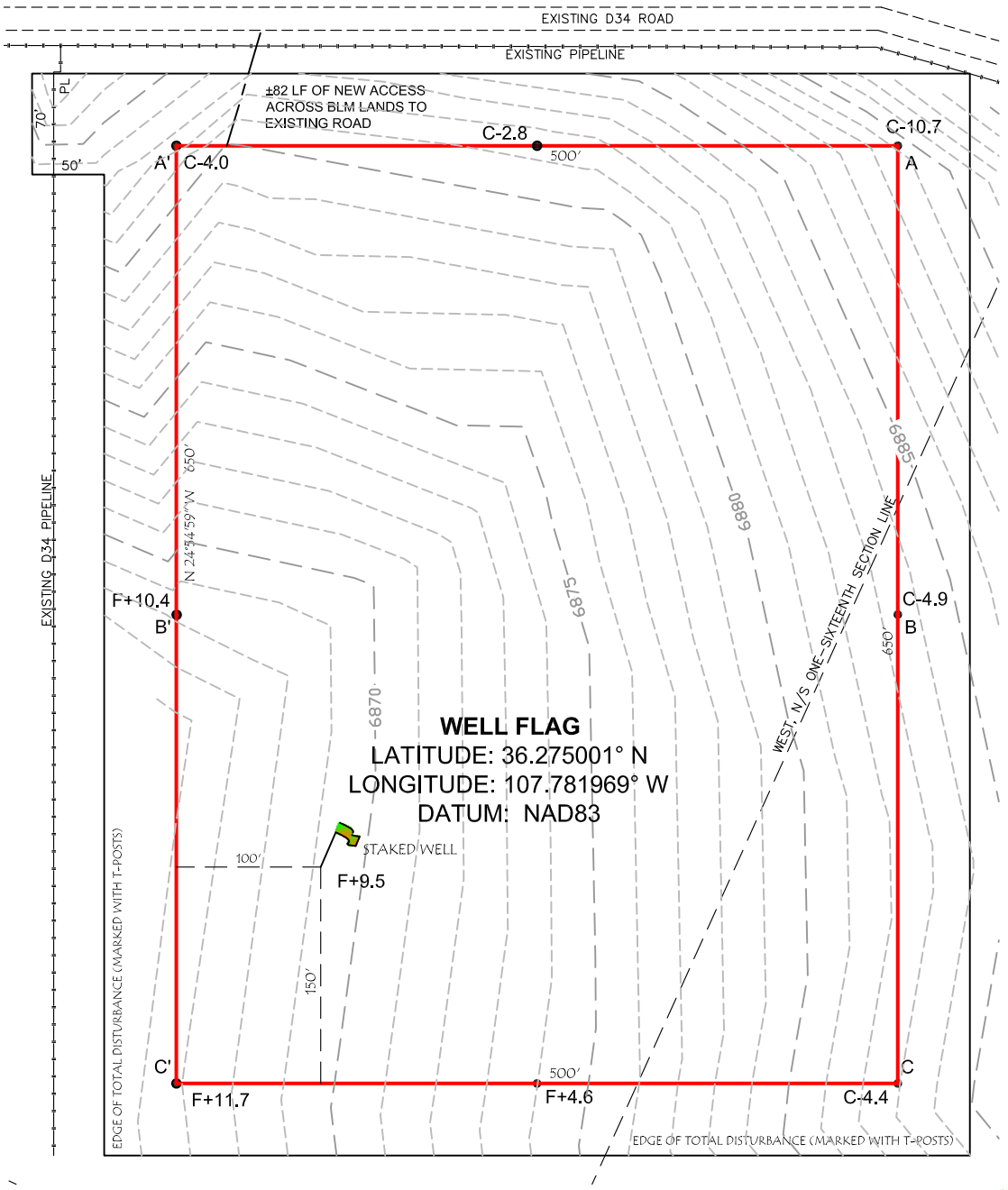
4.) T-POSTS HAVE BEEN SET TO DEFINE THE EDGE OF DISTURBANCE LIMITS WHICH ARE 50' OFFSETS FROM THE EDGE OF THE STAKED WELL PAD.



~ SURFACE OWNERSHIP ~
BUREAU OF LAND MANAGEMENT

TOTAL PERMITTED AREA
±750' x ±600' = 10.41 ACRES
SCALE: 1" = 100'
DATE: 11/15/22
DRAWN BY: GRR

DJR OPERATING, LLC



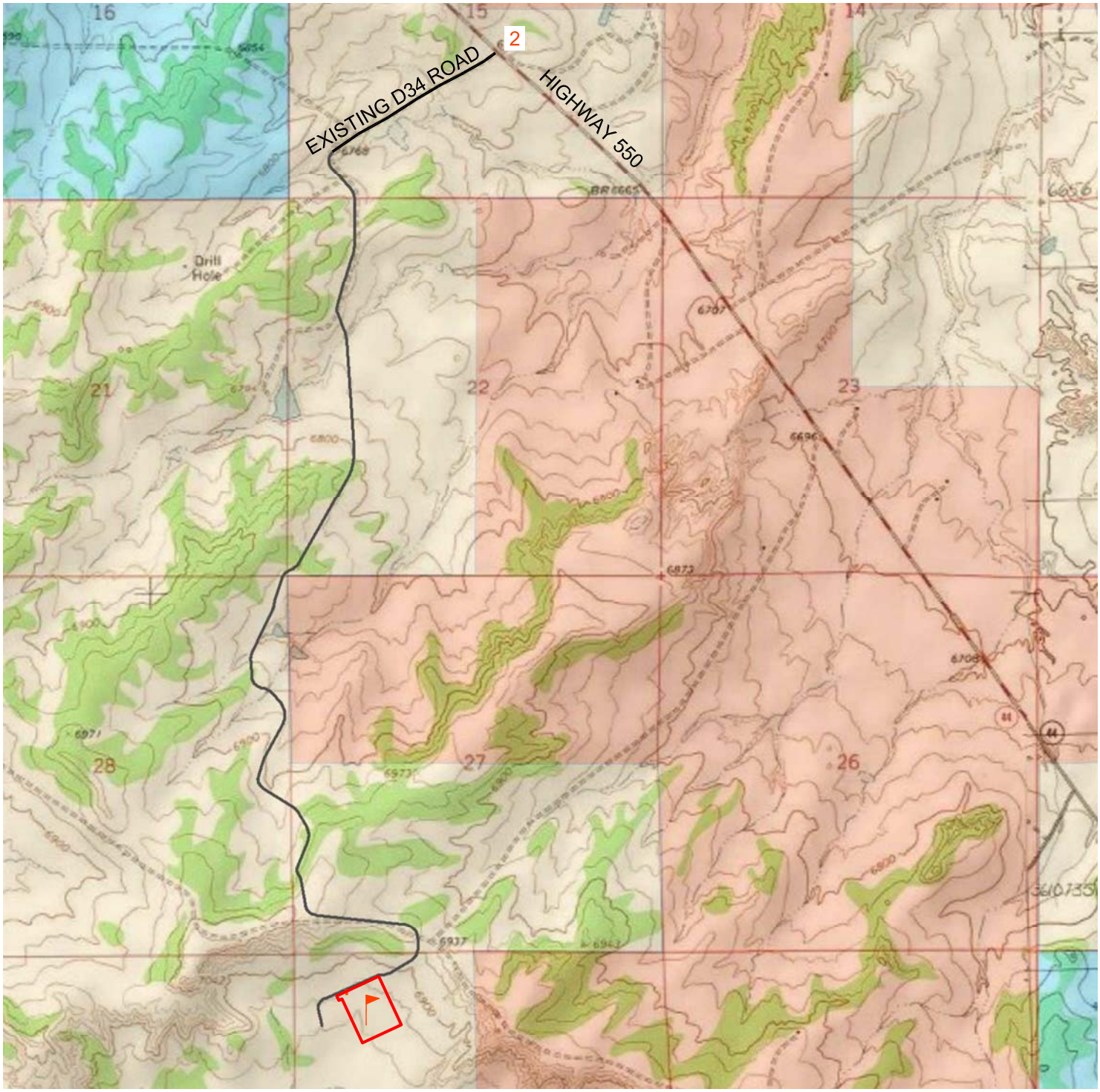
NOTE:
CHENAULT CONSULTING, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED, BURIED PIPELINES OR CABLES ON WELL PAD, IN CONSTRUCTION ZONE AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

CCI
CHENAULT CONSULTING INC.
4800 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

WELL FLAG
LATITUDE: 36.275001° N
LONGITUDE: 107.781969° W
DATUM: NAD83

DJR OPERATING, LLC
NAGEEZI UNIT SWD #1 AND LIQUID FACILITY

1035' FNL & 998' FWL
LOCATED IN THE NW/4 NW/4 OF SECTION 34,
T24N, R9W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
±82' OF NEW ACCESS ACROSS BLM LANDS



U.S.G.S. QUAD: BLANCO TRADING POST
SCALE: 1" = 2000' (1:24,000)
DATE: 11/15/22
DRAWN BY: GRR

DJR OPERATING, LLC

NAGEEZI UNIT WDW #1 AND LIQUID FACILITY
NEW ACCESS
STA. 0+88.62 24" CMP

CCI
CHENAULT CONSULTING INC.
4800 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

DJR OPERATING, LLC
NAGEEZI UNIT SWD #1 AND
LIQUID FACILITY
1035' FNL & 998' FWL
LOCATED IN THE NW/4 NW/4 OF SECTION 34,
T24N, R9W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO

DIRECTIONS

1) FROM THE INTERSECTION OF HWY 64 & HWY 550 IN BLOOMFIELD, GO SOUTH ON HWY 550, 32 MILES TO A DIRT ROAD ON THE RIGHT (D34 ROAD).
2) TURN RIGHT AND GO 3 MILES TO WHERE ACCESS IS STAKED ON LEFT SIDE OF ROAD.

WELL FLAG LOCATED AT LAT. 36.275001° N, LONG.107.781969° W (NAD 83).

DJR OPERATING, LLC

DATE: 11/15/22
DRAWN BY: GRR

CCI
CHENAULT CONSULTING INC.
4800 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

EXHIBIT B. RECYCLING FACILITY AND RECYCLING CONTAINMENT SITE DIAGRAM

B

DJR Operating, LLC's Nageezi Unit CLF and SWD Pad Diagram for Use of One 60K BBL AST in the NW 1/4 of the NW 1/4 of Section 34, T24N, R09W, NMPM San Juan County, New Mexico

EXHIBIT C. SURFACE OWNER NOTIFICATION

C

From: Heather Huntington
To: jtafoya@blm.gov
Cc: Casey Haga
Subject: DJR/Enduring Resources Surface Owner Notification for Nageezi Unit CLF WRF/Containment
Date: Friday, December 20, 2024 12:02:04 PM
Attachments: Nageezi CLF Surface Use Agreement Executed.pdf

Good Morning Jeff,
DJR Operating/Enduring Resources will be submitting a C-147 Water Recycling Facility and Containment application to NMOCD for the Nageezi Unit Central Liquids Facility and Saltwater Disposal well pad to set 1-60,000 bbl AST and associated recycling facilities. In accordance with 19.15.34.10.A NMAC, DJR Operating/Enduring Resources is required to notify the surface owner of the application, which in this case is BLM. Please consider this email as the surface owner notification of this C-147 facility application.

The surface agreement between Enduring Resources and Whiptail Midstream (operator of the facility) is attached.

Please let us know if you have any questions.

Heather Huntington
Enduring Resources Permitting Technician
505-636-9751

WHIPTAIL MIDSTREAM

15 West 6th Street | Suite 2901
Tulsa | Oklahoma | 74119
918.289.2949
www.whiptailmidstream.com

September 9, 2024

Enduring Resources IV LLC
1050 Seventeenth Street, Suite 2500
Denver, Colorado 80265

RE: Surface Rights

Ladies and Gentlemen:

This letter agreement (this "**Agreement**") memorializes the terms and conditions by which Whiptail Gallup Gathering LLC ("**Grantor**") has agreed to provide Enduring Resources IV LLC ("**Grantee**" and, together with Grantor, the "**Parties**") access to the surface of the real property identified in **Exhibit A** (the "**Access Area**") in connection with Grantee staging and storing equipment in the Access Area for use in Grantee's drilling and completion of oil and gas wells (the "**Permitted Uses**").

Grantee and Grantor agree as follows

1. Access and Termination Date. Subject to the provisions of this Agreement, Grantor grants Grantee permission to enter the Access Area and use the Access Area, in each case, solely for the Permitted Uses. Grantee shall not use or occupy any the Access Area for any other purpose, or any other property owned or occupied by Grantor for any purpose whatsoever. Grantee shall be permitted to use the Access Area for the Permitted Uses through and including the earlier of (a) December 31, 2024, and (b) the date that is 30 days after the date on which Grantor provides Grantee with written notice of its termination of Grantee's rights under this Agreement (such earlier date, the "**Termination Date**").

2. Termination. The Termination Date may be extended by mutual consent prior to and with notice by the Grantee before the initial Termination Date. Any extension would be subject to the same conditions and terms as provided in this Agreement.

3. Notice to Grantor. Grantee will provide Grantor 15 day notice of intent to occupy the site, and with a general description of the equipment and nature of the supplies stored onsite.

4. Purpose of Access and Vacating the Access Area.

(a) Grantee shall use the Access Area for the Permitted Uses in a manner which minimizes interference with Grantor's use and business operations at the Access Area and any other property owned or occupied by Grantor, and otherwise in accordance with this Agreement.

(b) On or before the Termination Date, Grantee shall (i) remove any and all of its property from the Access Area, including, without limitation, Grantee's equipment; (ii) restore the Access Area to its condition immediately prior to Grantee's initial entry to the Access Area; and (iii) repair any damages to the Access Area and, if applicable, to other property owned by Grantor, caused in whole or in part by Grantee's use of or access to the Access Area (or use of or access to the Access Area by any of its agents, employees, or contractors);

(c) If Grantee fails to timely and properly vacate the Access Area or any portion of the Grantor's property, then Grantor shall have the right to enforce any rights and remedies Grantor may have under this Agreement at law or in equity.

5. No Grantor Responsibility. Neither Grantor nor any other Indemnified Party (as defined below) has any responsibility, obligation, or liability whatsoever to Grantee or its agents, employees, or contractors, for any occurrence on or about the Access Area or other property owned by Grantor or with respect to any property of Grantee or its agents, employees, or contractors, including, without limitation, any loss, injury, or damage, all of such obligations or liabilities being hereby waived and released to the extent permitted by law.

6. Indemnification of Grantor.

(a) Grantee shall indemnify, defend, and hold harmless Grantor and its officers, directors, members, managers, partners, employees, agents, affiliates, successors, mortgagees, permitted assigns, contractors, and tenants (collectively, "**Indemnified Parties**") from and against any and all claims made or judicial or administrative actions filed (including, without limitation, attorneys' fees) suffered or incurred by Grantor or any other Indemnified Parties arising out of or in connection with: (a) any violation of, or failure to comply with, the provisions of this Agreement by Grantee; (b) the Permitted Uses; or (c) any other activity conducted by Grantee, its agents, employees, or contractors in connection with: (i) its access to Access Area or other property owned by Grantor for the Permitted Uses; or (ii) the exercise of Grantee's rights under this Agreement. The indemnity obligations outlined herein shall survive any cancellation, expiration, or termination, for any reason, of this Agreement.

(b) THE INDEMNITIES IN THIS AGREEMENT ARE INTENDED TO BE ENFORCEABLE AGAINST IN ACCORDANCE WITH THEIR EXPRESS TERMS AND SCOPE NOTWITHSTANDING ANY EXPRESS NEGLIGENCE RULE, DOCTRINE RELATING TO INDEMNIFICATION FOR STRICT LIABILITY, OR ANY SIMILAR DIRECTIVE THAT WOULD PROHIBIT OR OTHERWISE LIMIT INDEMNITIES BECAUSE OF THE ORDINARY NEGLIGENCE (WHETHER SOLE, CONCURRENT, ACTIVE, OR PASSIVE) OR OTHER FAULT OR STRICT LIABILITY OF ANY INDEMNIFIED PARTY.

7. Miscellaneous.

(a) All notices, requests, consents, claims, demands, waivers and other communications under this Agreement must be in writing and will be deemed to have been given (i) when delivered by hand (with written confirmation of receipt); (ii) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); or (ii) on the third business Day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Communications must be sent to the respective parties at the addresses indicated at the top of the first page (or at another address for a Party specified by that Party in a notice given in accordance with this Section 4(a)).

(b) Grantee acknowledges and understands that Grantor makes no representation or warranty whatsoever, express or implied, with respect to the Access Area, including, without limitation, any hazards or dangers found at the Access Area. Grantee understands and acknowledges that it enters and uses the Access Area at its own risk.

(c) The terms and conditions of this Agreement shall apply to Grantor and Grantee, and their respective heirs, administrators, personal representatives, agents, and successors. Grantee

cannot assign its rights under this Agreement. Any change in control of Grantee constitutes an assignment for purposes of this Agreement.

(d) This Agreement sets forth the entire understanding of Grantor and Grantee with respect to the subject matter of this Agreement.

(e) If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid, illegal, or unenforceable, the remainder of this Agreement (other than any provision held invalid, illegal, or unenforceable) shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(f) This Agreement is governed by the Texas law, without regarding to any conflict-of-law principles that would apply the law of any other jurisdiction. Each Party irrevocably and unconditionally (i) consents to submit to the exclusive jurisdiction of Texas courts or United States federal courts located in Harris County, Texas for any action, suit, or proceeding arising out of or relating to this Agreement (and each Party agrees not to commence any such action, suit or proceeding in any other court); (ii) waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement in such courts, and (iii) waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(g) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY DISPUTE ARISING OUT OF THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT HAS TO A TRIAL BY JURY IN RESPECT OF ANY SUCH DISPUTE.

[SIGNATURE PAGE(S) ATTACHED]

Please indicate your agreement to the terms and conditions outlined above by signing in the space provided on the signature page attached and return a signed copy to Grantor.

Sincerely,

"GRANTOR"

Whiptail Gallup Gathering LLC

By: _____

Don Wicburg
Vice President of Operations

ACCEPTED AND AGREED TO:

"GRANTEE"

Enduring Resources IV LLC

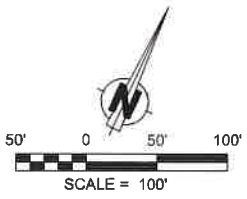
By:
Name: Alex B. Campbell
Title: Vice President

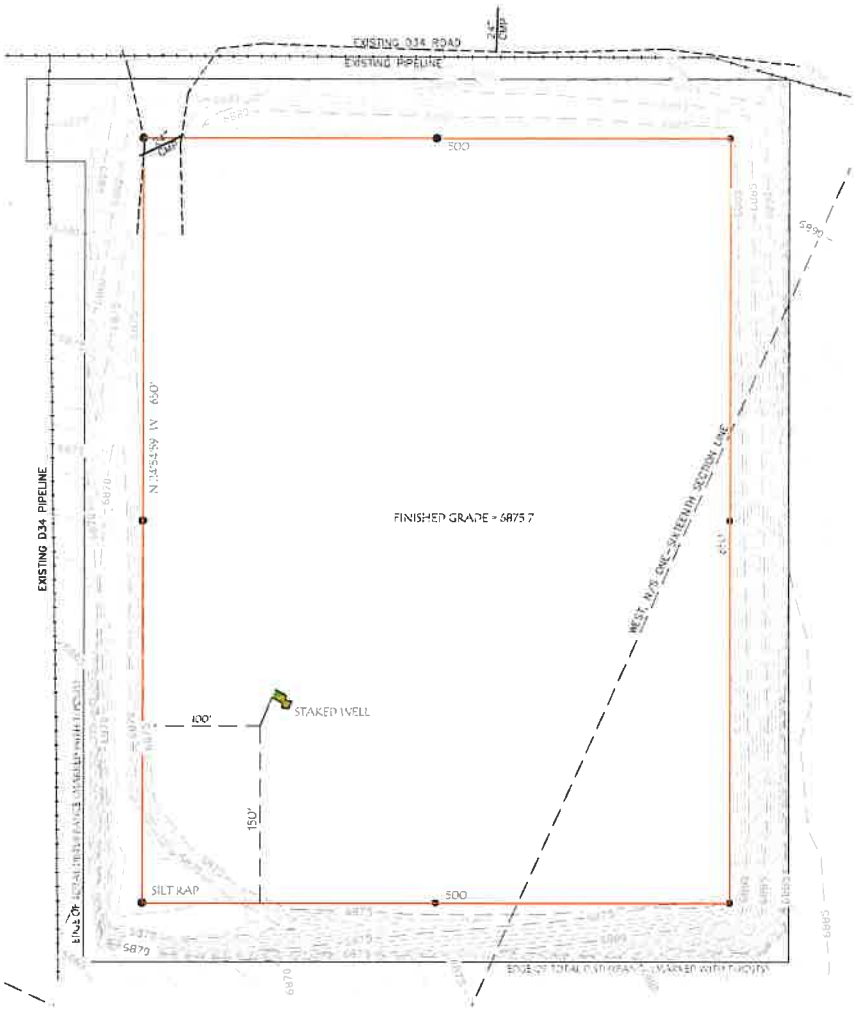
DJR OPERATING, LLC

NAGEEZI UNIT WDW #1 AND
CENTRAL LIQUIDS FACILITY

1035' FNL & 998' FWL
LOCATED IN THE NW/4 NW/4 OF SECTION 34,
T24N, R9W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO

FINISHED PAD ELEVATION
AS-BUILT JULY 23, 2021: 6875.7', NAVD 88





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~ SURFACE OWNERSHIP ~
BUREAU OF LAND MANAGEMENT

DJR

CCI
CHENAULT CONSULTING INC.
4900 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

EXHIBIT D. GROUND WATER REPORT

D

Point of Diversion Summary

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

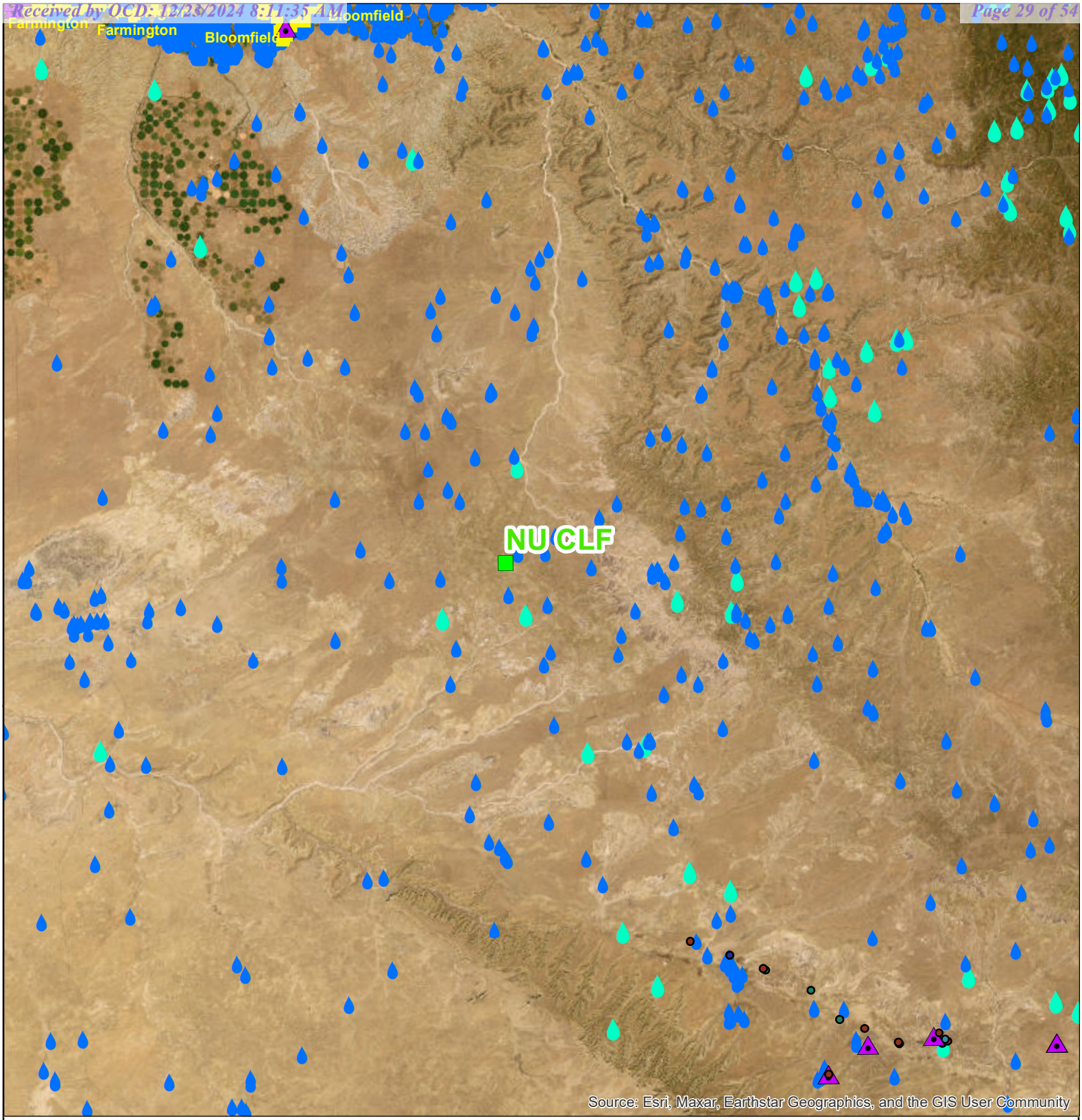
NAD83 UTM in meters

Well Tag	POD Nbr	Q64	Q16	Q4	Sec	Tws	Rng	X	Y	Map
	SJ 01712		NE	SE	27	24N	09W	251195.0	4018933.0 *	

*** UTM location was derived from PLSS - see Help**

Driller License:		**Driller Company:**			
Driller Name:	OREN KIRK DRILLING CO.				
Drill Start Date:	1963-06-10	**Drill Finish Date:**	1964-02-26	**Plug Date:**	
Log File Date:		**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	25
Casing Size:	6.63	**Depth Well:**	528	**Depth Water:**	515

EXHIBIT E. SITING CRITERIA MAPS



NU CLF Containment Location Map1
Siting Critieria

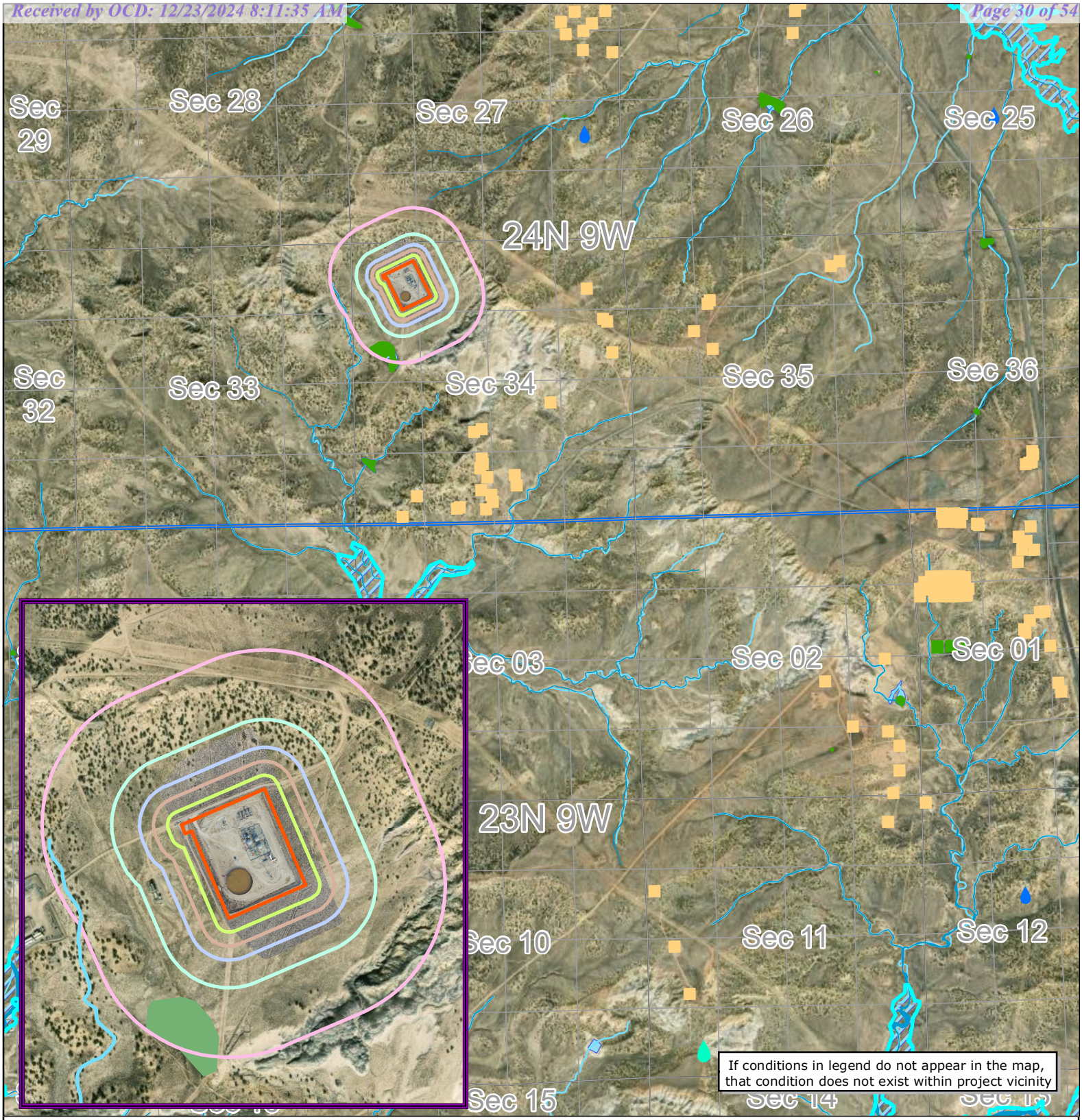
- OSE Water Wells
- Spring Seep
- New_Mexico_incorporated_places_April2023
- Active Mining
- Active Mining, Active Reclamation
- Approved
- Enforcement
- No Permit
- No Response
- Pending
- Released
- Temporary Suspension
- Under Development

ENDURING RESOURCES, LLC

0 5 10 15 20 Miles

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

NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US	Author: drogers	Date: 12/16/2024



NU CLF Containment Location Map 2
Siting Critieria

- OSE Water Wells
- Spring Seep
- Residence
- 100
- 200
- 300
- 500
- 1000
- NU CLF
- USGS Water Courses

- Active Mining
- Active Mining, Active Reclamation
- Approved
- Enforcement
- No Permit
- No Response
- Pending
- Released
- Temporary Suspension
- Under Development

USA_Wetlands
- Marine
- Estuary
- Marsh, Swamp, Bog, Prairie
- Riverine
- Lake, Reservoir
- Wash
- NHDWaterbody
- FEMA High Risk Flood Zone

0 2,000 4,000 8,000 Feet

ENDURING RESOURCES, LLC

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

NAD 1983 2011 StatePlane New Mexico West FIPS 3003 Ft US	Author: drogers	Date: 12/16/2024

EXHIBIT F. AQUATIC RESOURCES DELINEATION TECHNICAL MEMORANDUM

Technical Memorandum

To: Casey Haga, Enduring Resources IV, LLC
From: Joey Herring
Subject: Aquatic Resources Delineation
Date: December 13, 2024
Project: Nageezi CLF Pad

Enduring Resources IV, LLC (Enduring) retained Barr Engineering Co. (Barr) to conduct an aquatic resources delineation survey for the Nageezi Central Liquids Facility (CLF) pad located in the NW ¼ NW ¼, Section 34, Township 24 North, Range 9 West, New Mexico Principal Meridian, San Juan County (Map 1). The pad would be approximately 750 feet long by 600 feet wide for a total disturbance of 10.4 acres. The Nageezi CLF AST pad is located on Bureau of Land Management (BLM) Farmington Field Office (FFO) managed land. The survey area includes the Nageezi CLF AST pad and a 200-foot-wide buffer around the pad.

The purpose of the aquatic resources delineation survey was to identify the potential presence and extent of features that may be considered jurisdictional Waters of the United States (WOTUS) under Section 404 of the Clean Water Act (CWA), as amended (33 United States Code §1251 et seq.). The United States Army Corps of Engineers (USACE) administers the CWA Section 404. Enduring is applying for a permit to transport, store, and recycle produced water for reuse in drilling and completing oil/natural gas wells per Title 19, Chapter 15, Part 34 (19.15.34) of the New Mexico Administrative Code (NMAC).

This technical memorandum reports the survey findings and aquatic resources that may be considered jurisdictional WOTUS, including wetlands and aquatic resources exhibiting an ordinary high-water mark (OHWM) in accordance with USACE methods and guidance.

1 Regulatory Framework

1.1 Federal

In September 2023, the USACE issued a final rule revising the definition of WOTUS. Jurisdictional WOTUS includes traditional navigable waters, wetlands adjacent to traditional navigable waters, and relatively permanent waters defined as tributaries and wetlands adjacent to navigable waters that have a continuous surface connection and standing or continuously flowing bodies of water (EPA 2024). The USACE defines wetlands as special aquatic sites “that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions” (USACE 1987).

The USACE has the regulatory authority and discretion to determine the jurisdictional status of aquatic resources at a given site.

1.2 New Mexico State

19.15.34 NMAC applies to the transportation, disposal, recycling, reuse, or the direct surface or subsurface disposition by use of water produced or used in connection with the development or production of oil or gas or both; in road construction or maintenance, or other construction; and in the

generation of electricity or other industrial processes. 19.15.34 NMAC also applies to transporting drilling fluids and liquid oil field waste.

A permit or registration (Form C-147), depending on the proposed activity, for recycling and reuse of produced water, drilling fluids, and liquid oil field waste, including recycling containment, is required by the New Mexico Energy, Minerals and Natural Resources Department, New Mexico Oil Conservation Division (NMOCD). Form C-147 siting criteria require that a recycling containment not be located:

- where groundwater is less than 50 feet below the bottom of the containment;
- 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 OHWM);
- within 500 feet of a spring or freshwater well used for domestic or stock watering purposes in existence at the time of the initial registration;
- within incorporated municipal boundaries or within a defined municipal freshwater well field covered by a municipal ordinance adopted pursuant to Section 3-27-3 New Mexico Statutes 1978, as amended, unless the municipality specifically approves the recycling containment in writing;
- within 500 feet of a wetland; or
- within a 100-year floodplain.

Watercourse is defined in 19.15.2.7 NMAC as “a river, creek, arroyo, canyon, draw or wash or other channel having definite banks and bed with visible evidence of the occasional flow of water.” Wetlands are defined in 19.15.2.7 NMAC as “areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions in New Mexico.” The term “significant” is not defined in NMAC.

2 Methods

Before initiating fieldwork, Barr completed a desktop evaluation of the survey area using the best available information, including the following:

- US Geological Survey (USGS) 7.5-minute topographic quadrangles for local and regional environmental settings relevant to the project area's surface waters, wetlands, and contours.
- National Hydrography Dataset (NHD) for mapped "bluelines"—perennial, intermittent, and ephemeral drainages—and other water features in the project area.
- National Wetlands Inventory (NWI) maps generated by the US Fish and Wildlife Service (USFWS) for the project area.
- Natural Resources Conservation Service (NRCS) Web Soil Survey information for the project area.

- Floodplain data from the Federal Emergency Management Agency (FEMA) Mapping Information Platform.
- ESRI ArcGIS Online World Imagery.

2.1 Wetlands

The survey area was evaluated for the presence of wetlands using guidance provided in the *1987 Corps of Engineers Wetlands Delineation Manual* (USACE 1987) and the *Regional Supplement to the USACE Wetland Delineation Manual*: *Arid West Region* (USACE 2008). Under the delineation procedures identified in these manuals, an area must exhibit characteristic wetland hydrology, hydric soils, and hydrophytic vegetation to be considered a wetland. In addition, the USACE requires that, under normal circumstances, all three conditions be met for an area to be defined as a wetland (USACE 1987).

2.2 Non-Wetland Waters

Barr biologists evaluated the presence/absence and characteristics of the (OHWM) along all non-wetland water features (e.g., streams, creeks, and ponds) mapped during the pre-field desktop evaluation. Guidance from *A Field Guide to the Identification of the Ordinary High-Water Mark in the Arid West Region of the Western United States* (Lichvar and McColley 2008) was used to identify drainage channel lateral limits. General characteristics for determining the OHWM in the project area were identified using guidance provided in USACE RGL 05-05 (USACE 2005).

For stream features exhibiting an OHWM, Barr conducted a streamflow duration assessment in the field using the *User Manual for a Beta Streamflow Duration Assessment Method for the Arid West of the United States* (Mazor et al. 2023). The Streamflow Duration Assessment Method (SDAM) is a rapid, field-based method to determine flow duration class at the reach scale in the absence of long-term hydrologic data. The use of the SDAM may inform a range of activities where information on streamflow duration is useful, including certain jurisdictional determinations under the CWA; however, the SDAM is not a jurisdictional determination (Mazor et al. 2023). The method is specific to the Arid West Region and relies on five indicators to determine stream flow classification: perennial, intermittent, ephemeral, at least intermittent, and need more information. Biologists recorded the status of these five indicators on a field form for every surface water feature in the survey area with an OHWM.

Handheld global positioning system (GPS) units with submeter accuracy were used to digitally record sampling points and any wetland or other features in the survey area. Geographic information system (GIS) software was used to analyze recorded features, calculate areas, and generate the survey area maps.

3 Results

3.1 Desktop Review

The Nageezi CLF AST pad is located in the Escavada Wash watershed (Hydrologic Unit Code 1408010603) (USGS 2021) and can be found on the Blanco Trading Post, New Mexico U.S. Geological Survey 7.5-minute quadrangle. One soil mapping unit is in the survey area—Blancot-Notal association, gently sloping. This soil unit is not listed as hydric soil (NRCS 2024).

The survey area falls within a FEMA Flood Zone X, an area of minimal flood hazard. No FEMA-designated 100-year flood zones are in the survey area (FEMA 2024). The desktop review did not identify

any NHD flowlines, NWI wetlands, or other surface water features within 500 feet of the project (USGS 2016; USFWS 2024).

3.2 Field Survey

The aquatic resources delineation survey was conducted on December 6, 2024, by Barr biologists John Dodge and Olivia Sheldon. The field survey verified the absence of any wetlands or other surface water features in the survey area. No drainages or other flowlines were recorded within the survey area.

4 Conclusions

Based on the regulatory framework (Section 1), evaluation of the survey area, and the USACE Albuquerque District's current policies regarding jurisdictional determinations, it is Barr's professional opinion that under the current CWA rule, there are no features present in the survey area that would be considered jurisdictional WOTUS.

Pursuant to 19.15.34 NMAC, no drainages with an OHWM were observed within 200 feet of the Nageezi CLF AST pad. No FEMA 100-year flood zones are in the survey area. These conclusions are based on Barr's professional opinion. The USACE has the final regulatory authority to determine the presence and extent of jurisdictional WOTUS. The NMOCD has the final and regulatory authority for determining the presence of continuously flowing watercourses, significant watercourses, or wetlands and their boundaries for the permitting and/or registration applicable to 19.15.34. NMAC.

5 References

Environmental Protection Agency (EPA). 2024. Current Implementation of Waters of the United States. Available at: https://www.epa.gov/wotus/current-implementation-waters-united-states. Accessed December 2024.

ESRI. 2024. World Imagery. Available online at: https://services.arcgisonline.com/ArcGIS/rest/services/World_Imagery/MapServer.

Federal Emergency Management Agency (FEMA). 2024. Flood map service center. U.S. Department of Homeland Security. Washington, D. C. Available online at: https://msc.fema.gov/portal/. Accessed December 2024.

Natural Resource Conservation Service (NRCS). 2024. Web Soil Survey. [Online digital data.] Soil Survey Staff, Natural Resources Conservation Service, United States Department of Agriculture. Available at: http://websoilsurvey.sc.egov.usda.gov/.

Mazor, R. D., B. Topping, T. L. Nadeau, K. M. Fritz, J. Kelso, R. Harrington, W. Beck, K. McCune, H. Lowman, A. Allen, R. Leidy, J. T. Robb, and G. C. L. David. 2023. User Manual for a Beta Streamflow Duration Assessment Method for the Arid West of the United States. Version 1.1. Document No. EPA 800-5-21001.

U.S. Army Corps of Engineers (USACE). 1987. Corps of Engineers Wetlands Delineation Manual. Technical Report Y-87-1, Environmental Laboratory, US Army Corps of Engineer Waterways Experiment Station. Vicksburg, Mississippi.

USACE. 2005. Regulatory Guidance Letter No. 05-05, Ordinary High Water Mark Identification. December 7, 2005.

USACE. 2008. Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Arid West Region (Version 2.0), edited by J.S. Wakeley, R.W. Lichvar, and C.V. Noble. ERDC/EL TR-08-28. Vicksburg, Mississippi: U.S. Army Engineer Research and Development Center.

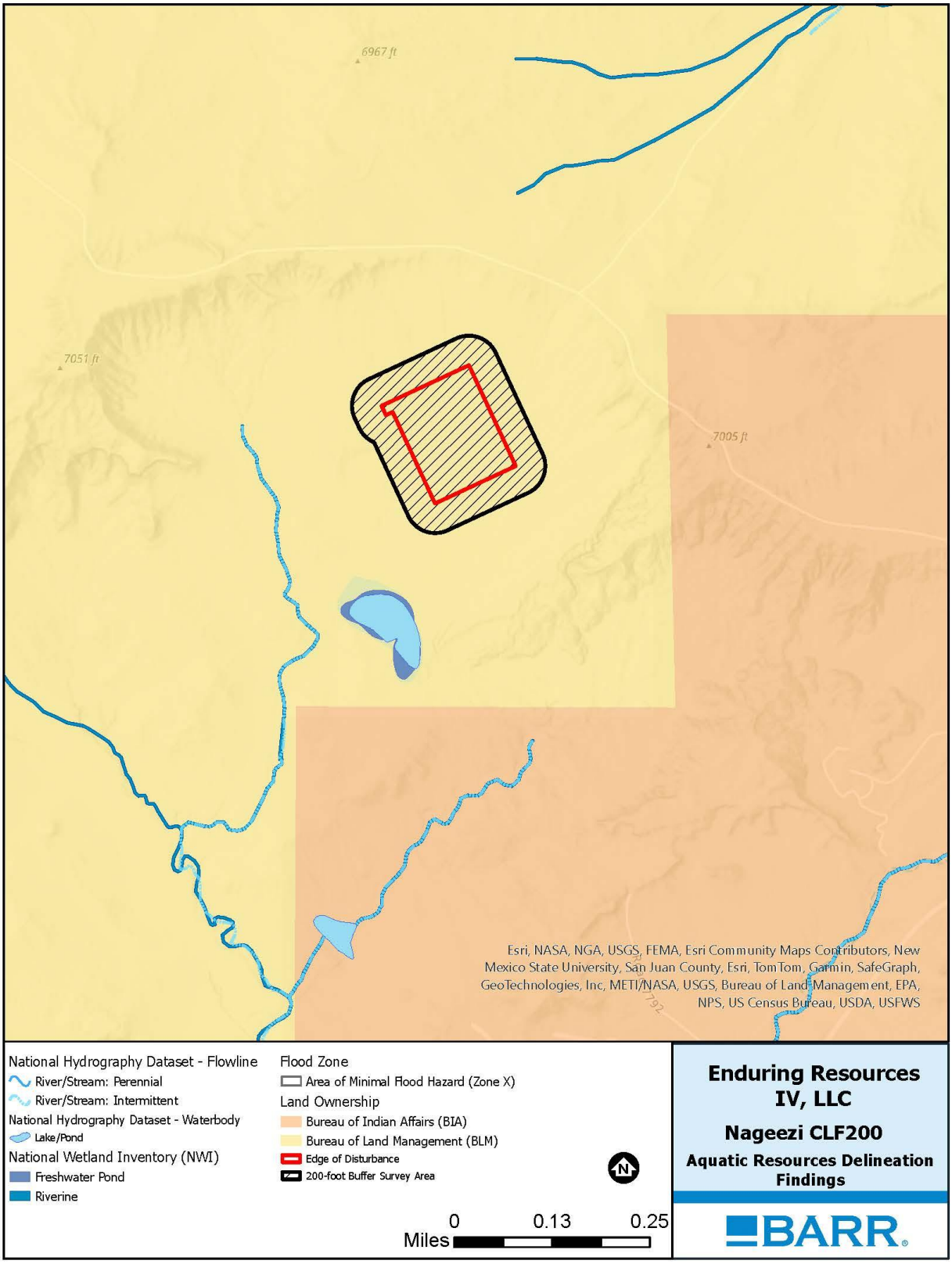
U.S. Fish and Wildlife Service (USFWS). 2024. National Wetlands Inventory. U.S. Fish and Wildlife Service Ecological Services. Available at: https://www.fws.gov/program/national-wetlands-inventory. Accessed December 2024.

U.S. Geological Survey (USGS). 2016. National Hydrography Dataset. Available at: http://nhd.usgs.gov/index.html. Accessed December 2024.

USGS. 2021. Watershed Boundary Dataset. Available at: https://www.usgs.gov/national-hydrography/watershed-boundary-dataset. Accessed December 2024.

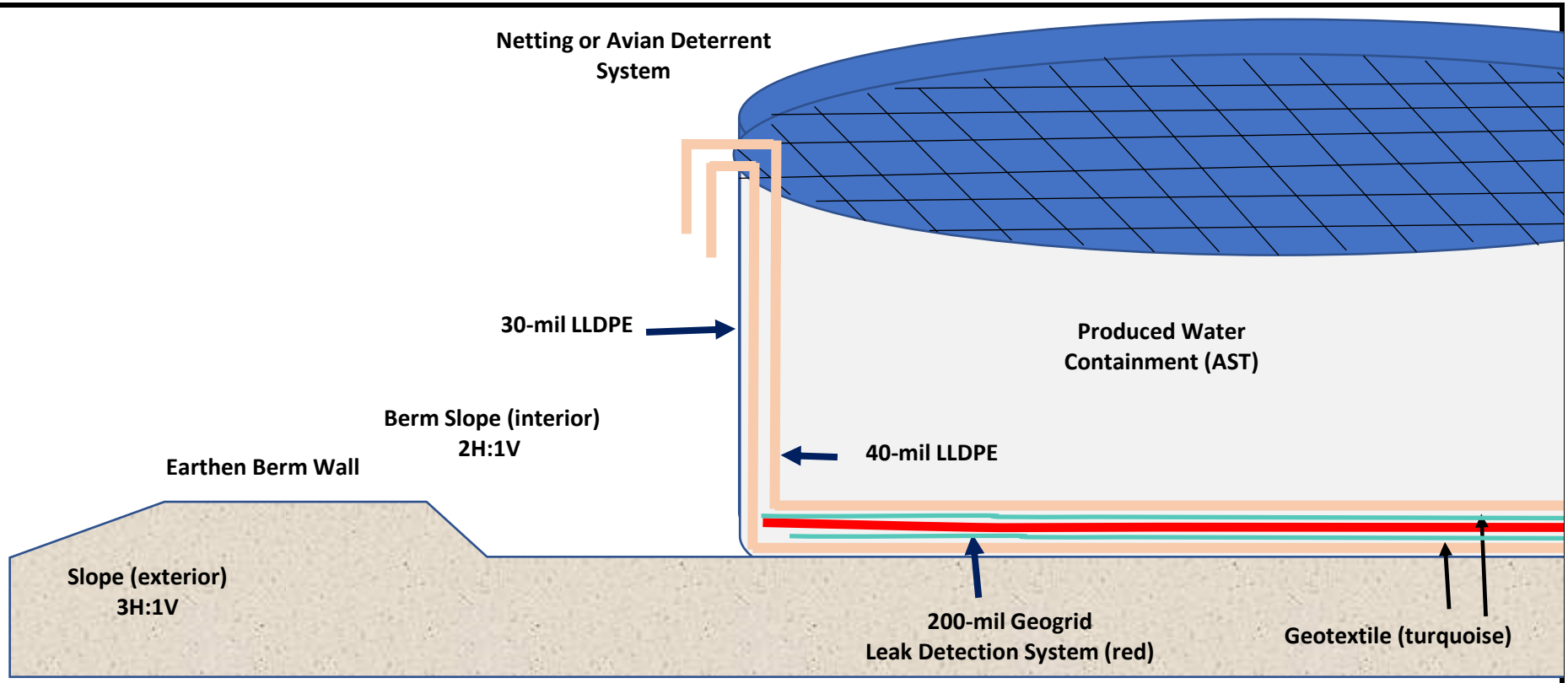
Attachment A

Map



Map 1. Nageezi CLF AST Pad Aquatic Resources Delineation Survey Results

EXHIBIT G. MANUFACTURE SPECIFICATION



Description of Leak Detection System

- 40-mil LLDPE comprise primary liner and 30-mil LLDPE comprise the secondary liner
- 200-mil geogrid drainage layer lies between the primary and secondary liner per Plate 2
- Geotextile between the geogrid and each liner
- > 3-inch deep sump excavated on down slope side of AST per Sump Design Drawing
- A small hose runs from the collection sump to top of AST via tube (see Section D)
- Every week, a portable self-priming peristaltic pump connects to the leak detection system.
- The self-priming pump discharge hose runs back into the AST, on top of the primary liner
- If fluid is detected, it is tested for conductance to determine the origin of the water (i.e. produced water or condensation)

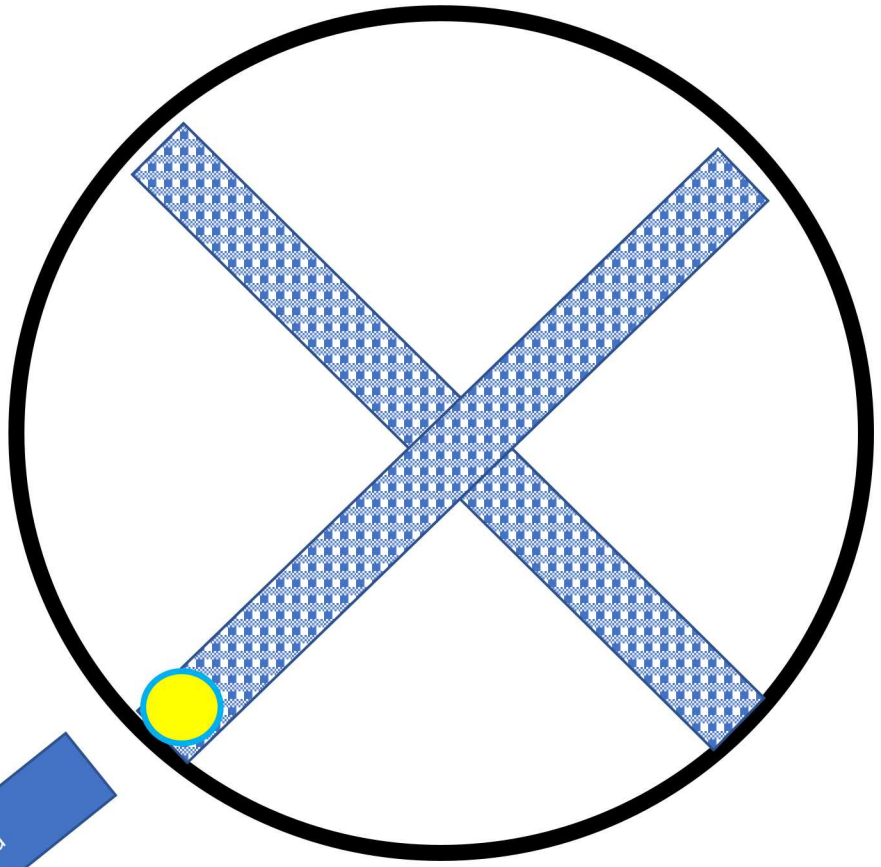
R.T. Hicks Consultants Albuquerque, NM	**Design Sketch**	**Plate 1**
	Well Water Solutions	**May-21**

Use laser level to determine slope of pad and low point of AST

200 mil geogrid placed
- above 8-oz geotextile and 30-mil secondary liner
- inside of AST after set up, before install of primary liner
- below 40-mil primary liner

8-oz geotextile is placed
- over the 30-mil LLDPE liner inside the steel AST ring
- under the 40-mil primary liner inside the AST

Sump at lowest point of the AST set up

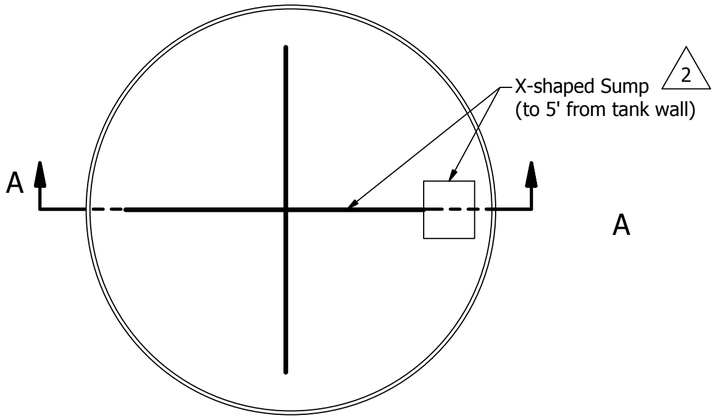


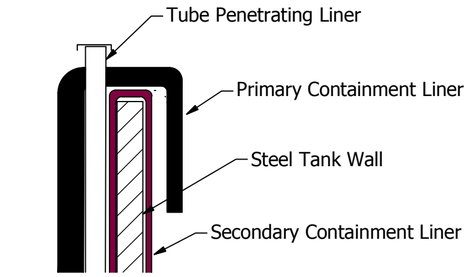
Sump Location

0 50 100

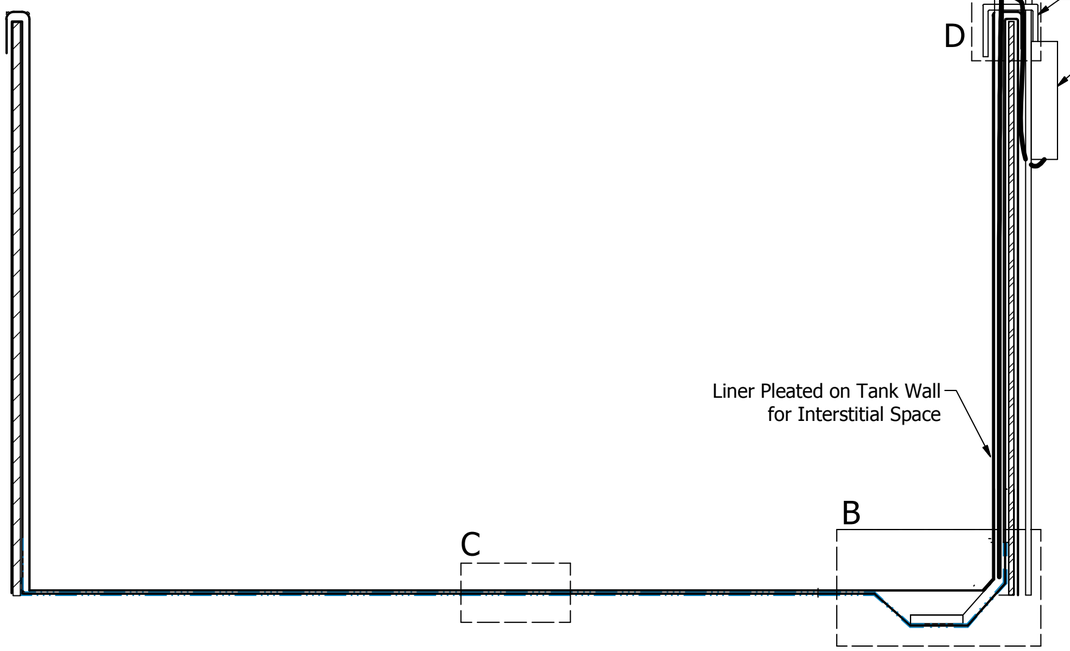
R.T. Hicks Consultants Albuquerque, NM	**Layout of Geogrid Drainage Mat**	**Plate 1**
	WWS - New Mexico Produced Water Set Up	**June 2021**

WWS DOUBLE-LINED FRAC WATER TANK SYSTEM

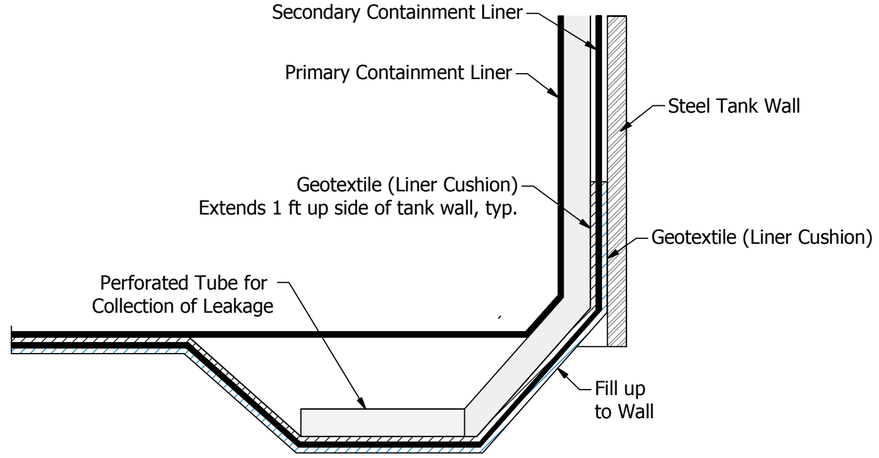




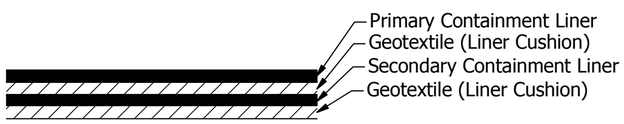
SECTION D
TUBE DETAIL
(Automated Leak Detection System Removed for Clarity)



VIEW A-A
TANK DETAIL



SECTION B
SUMP DETAIL



SECTION C
LINER DETAIL

LUCID
DRAFTING & DESIGN LLC
sarah@luciddrafting.com 307.752.7388

REVISION HISTORY

REV	DESCRIPTION	DATE	BY
0	INITIAL DWG	10/29/2015	SES
1	ADDED LEAK DETECTION SYSTEM	11/6/2015	SES
2	REVISED SUMP	11/6/2015	SES
3	ADDED GEOTEXTILE UNDER AND BETWEEN LINERS	11/24/15	SES

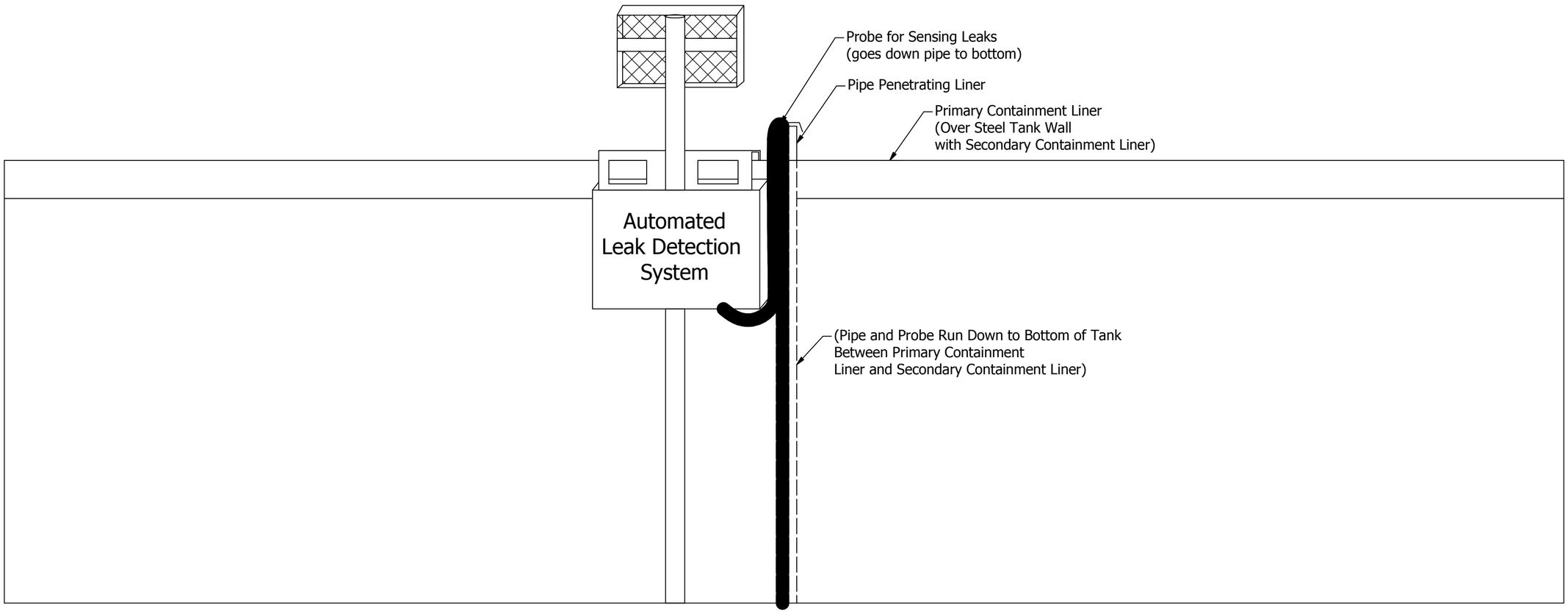
TITLE: Double-Lined Frac Tank System
CUSTOMER:
PROJECT/JOB: WWS Double-Lined Tank System
APPROVAL:
DRAFTER: SES
DATE: 10/28/2015

WELL WATER SOLUTIONS AND RENTALS, INC.

SIZE	DWG NO	REV
C	LDD15-WWS-02	3

SHEET 1 OF 2

1 AUTOMATED LEAK DETECTION SYSTEM



TITLE	Double-Lined Frac Tank System
CUSTOMER	
PROJECT/JOB	WWS Double-Lined Tank System
APPROVAL	
DRAFTER	SES
DATE	10/28/2015

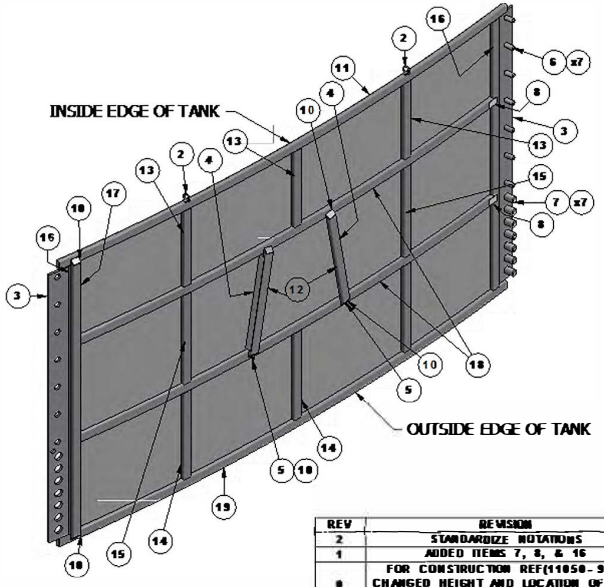
WELL WATER SOLUTIONS AND RENTALS, INC.

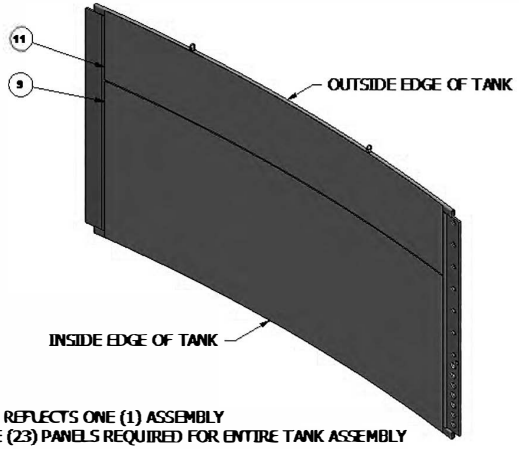
SIZE	DWG NO	REV
C	LDD15-WWS-02	3

SHEET 2 OF 2

Parts List

CK	ITEM	QTY	DESCRIPTION	WIDTH	LENGTH	MATERIAL	CLENGTH (in)	WEIGHT
	1	14	BAR, ROUND, 5/8" (LOCK PIN)		6 1/2 in	A36	6.50	
	2	2	D-RING, 1/2" B38, WORKING LOAD 4000 lbs			A29/A29M - 91 1045(C-1045), MODIFIED TO WELD DOWN		2
	3	2	FBAR, 1"	10 in	131 1/2 in	A36	131.50	373
	4	2	FBAR, 10GA	3 in	43 1/8 in	A36	86.25	99
	5	2	PAD EYE, #2			CROSBY GROUP, S-264		0
	6	7	PIN, 2" DIA		4 1/2 in	KUSTOM KONCEPTS, A1018	31.50	3
	7	7	PIN, 3 " DIA		4 1/2 in	KUSTOM KONCEPTS, A1010	31.50	8
	8	2	PLATE, 3/16"	3 in	5 in	A36	10.00	2
	9	1	PLATE, 3/16"	96 in	240 in	A36	240.00	156
	10	6	SHEET, 10GA	2 1/2 in	3 3/4 in	A36	22.50	3
	11	1	SHEET, 10GA	42 1/2 in	240 in	A36	240.00	50
	12	2	TUBE, 4" x 2" x 1/4" (MITER BOTH ENDS)		52 in	A500B CLEAN COAT	104.00	55
	13	3	TUBE, 4" x 2" x 3/16"		37 1/4 in	A500B CLEAN COAT	74.50	43
	14	3	TUBE, 4" x 2" x 3/16"		42 3/4 in	A500B CLEAN COAT	128.25	74
	15	2	TUBE, 4" x 2" x 3/16"		44 in	A500B CLEAN COAT	88.00	50
	16	2	TUBE, 4" x 2" x 3/16"		132 in	A500B CLEAN COAT	264.00	151
	17	1	TUBE, 4" x 2" x 3/16" (MITER BOTH ENDS)		137 1/2 in	A500B CLEAN COAT	137.50	78
	18	2	TUBE, 4" x 2" x 3/16", (ROLL TO 155'-6 7/8" I.D.)		236 3/8 in	A500B CLEAN COAT	472.75	271
	19	2	TUBE, 4" x 2" x 3/16", (ROLL TO 155'-6 7/8" I.D.)		253 7/8 in	A500B CLEAN COAT	507.75	291





NOTES:
-THIS DRAWING REFLECTS ONE (1) ASSEMBLY
-TWENTY THREE (23) PANELS REQUIRED FOR ENTIRE TANK ASSEMBLY

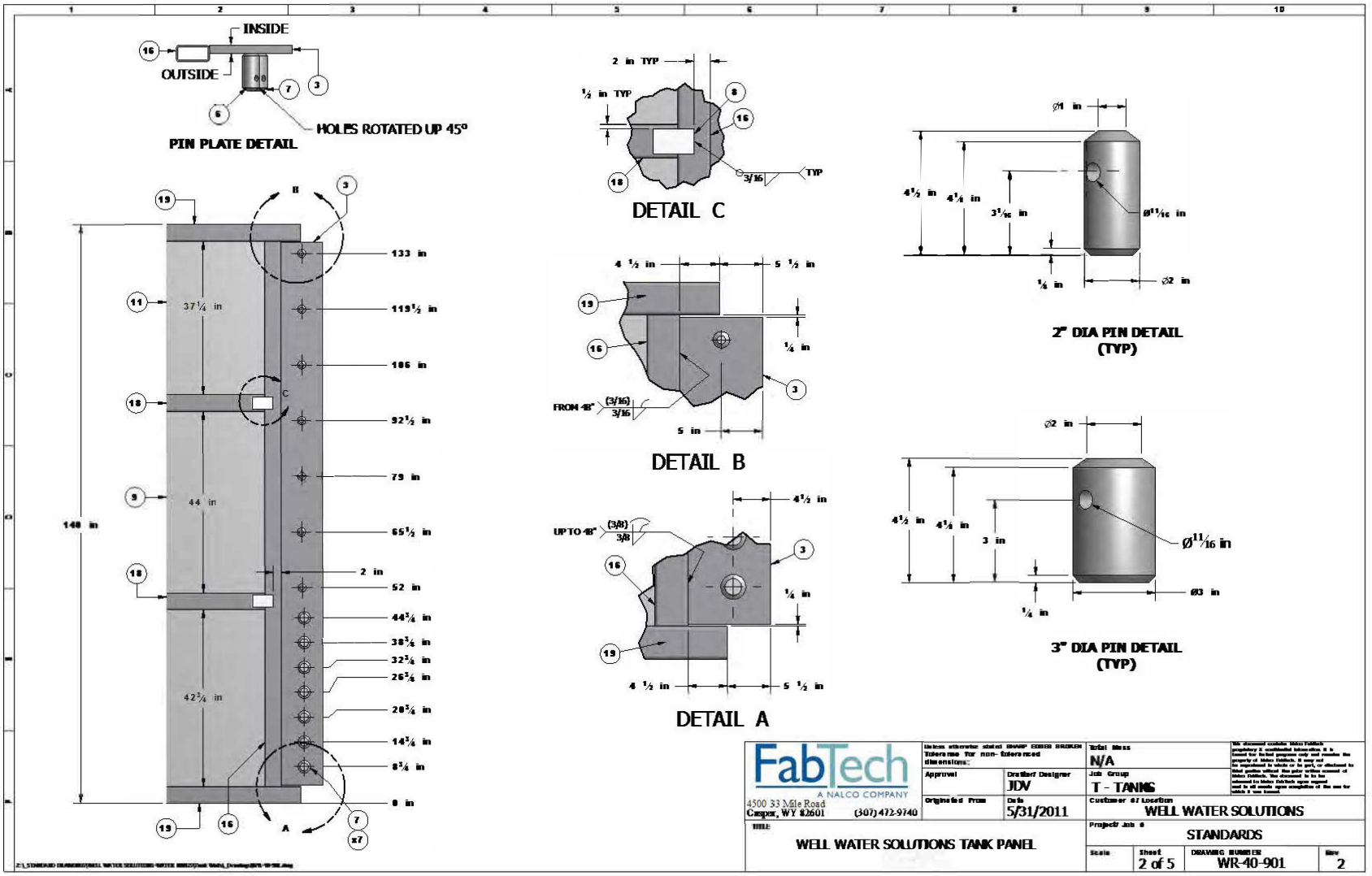
REV	REVISION	DATE	BY
2	STANDARDIZE NOTATIONS	1/17/2012	JDV
1	ADDED ITEMS 7, 8, & 16	12/09/11	DSG
0	FOR CONSTRUCTION REF(11050-901) CHANGED HEIGHT AND LOCATION OF PINS REF(11078-40-901)	9/1/2011	CJD

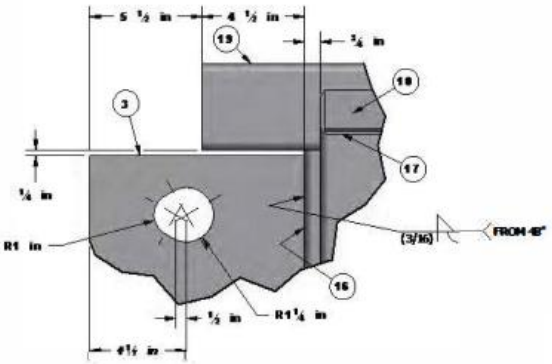
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307)472-9740

Unless otherwise stated SHARP EDGES BROKEN
Tolerance for non-tolerenced dimensions:
Approval
Drafted Designer JDV
Originated From
Date 5/31/2011
Tarit Mass N/A
Job Group T - TANKS
Customer or End Item WELL WATER SOLUTIONS
Project Job # STANDARDS

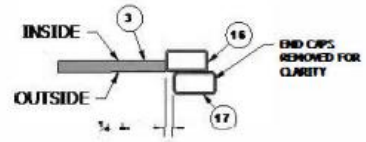
TITLE: WELL WATER SOLUTIONS TANK PANEL

Scale
Sheet 1 of 5
DRAWING NUMBER WR-40-901
Rev 2

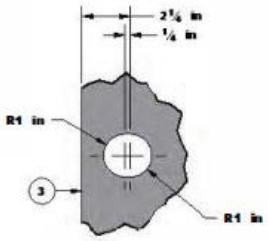

INSIDE
OUTSIDE
HOLES ROTATED UP 45°
PIN PLATE DETAIL
2 in TYP
½ in TYP
3/16 TYP
DETAIL C
4 ½ in
5 ½ in
¼ in
FROM 45°
(3/16)
3/16
5 in
DETAIL B
UP TO 45°
(3/8)
3/8
4½ in
4 ½ in
5 ½ in
DETAIL A
Ø1 in
4½ in
4¼ in
3 15/16 in
Ø11/16 in
¼ in
Ø2 in
2" DIA PIN DETAIL
(TYP)
Ø2 in
4½ in
4¼ in
3 in
Ø11/16 in
¼ in
Ø3 in
3" DIA PIN DETAIL
(TYP)
140 in
37¼ in
44 in
42¾ in
133 in
119½ in
106 in
92½ in
79 in
65½ in
2 in
52 in
44¾ in
38⅛ in
32¾ in
26¾ in
20¾ in
14¾ in
8¾ in
0 in
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307) 472-9740
Unless otherwise stated SHARP EDGES BROKEN
Tolerance for non-toleranced dimensions:
Approval
Drafted Designer
JDV
Original Issue Date
5/31/2011
Total Mass
N/A
Job Group
T - TANKS
Customer or Location
WELL WATER SOLUTIONS
Project Job #
STANDARDS
TITLE:
WELL WATER SOLUTIONS TANK PANEL
Scale
Sheet
2 of 5
DRAWING NUMBER
WR-40-901
Rev
2



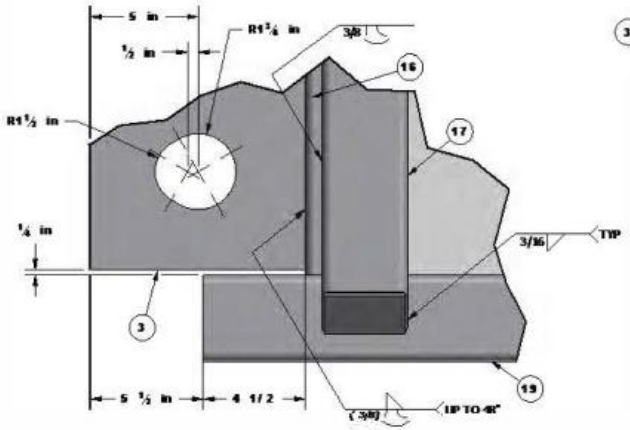
DETAIL E
(x7 TYP)



PIN-HOLE PLATE DETAIL



DETAIL F
(x1 TYP)



DETAIL D
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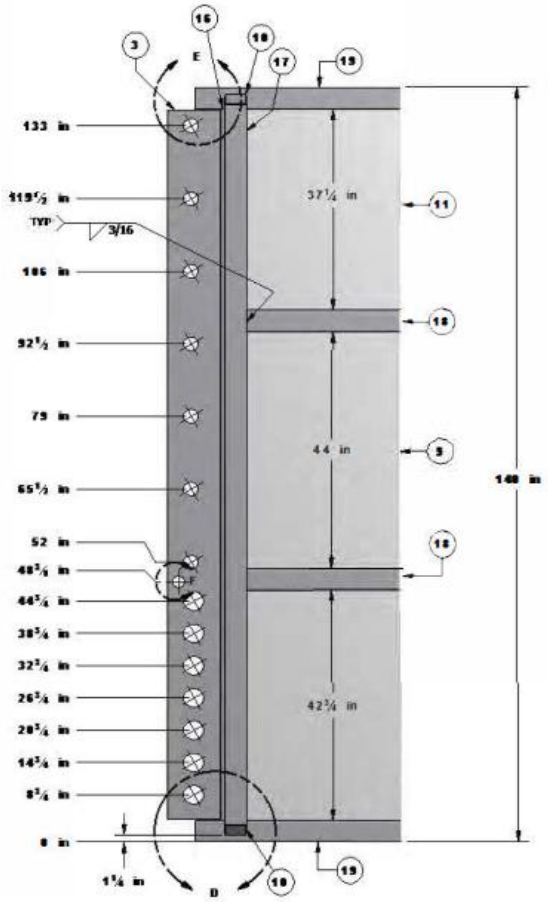
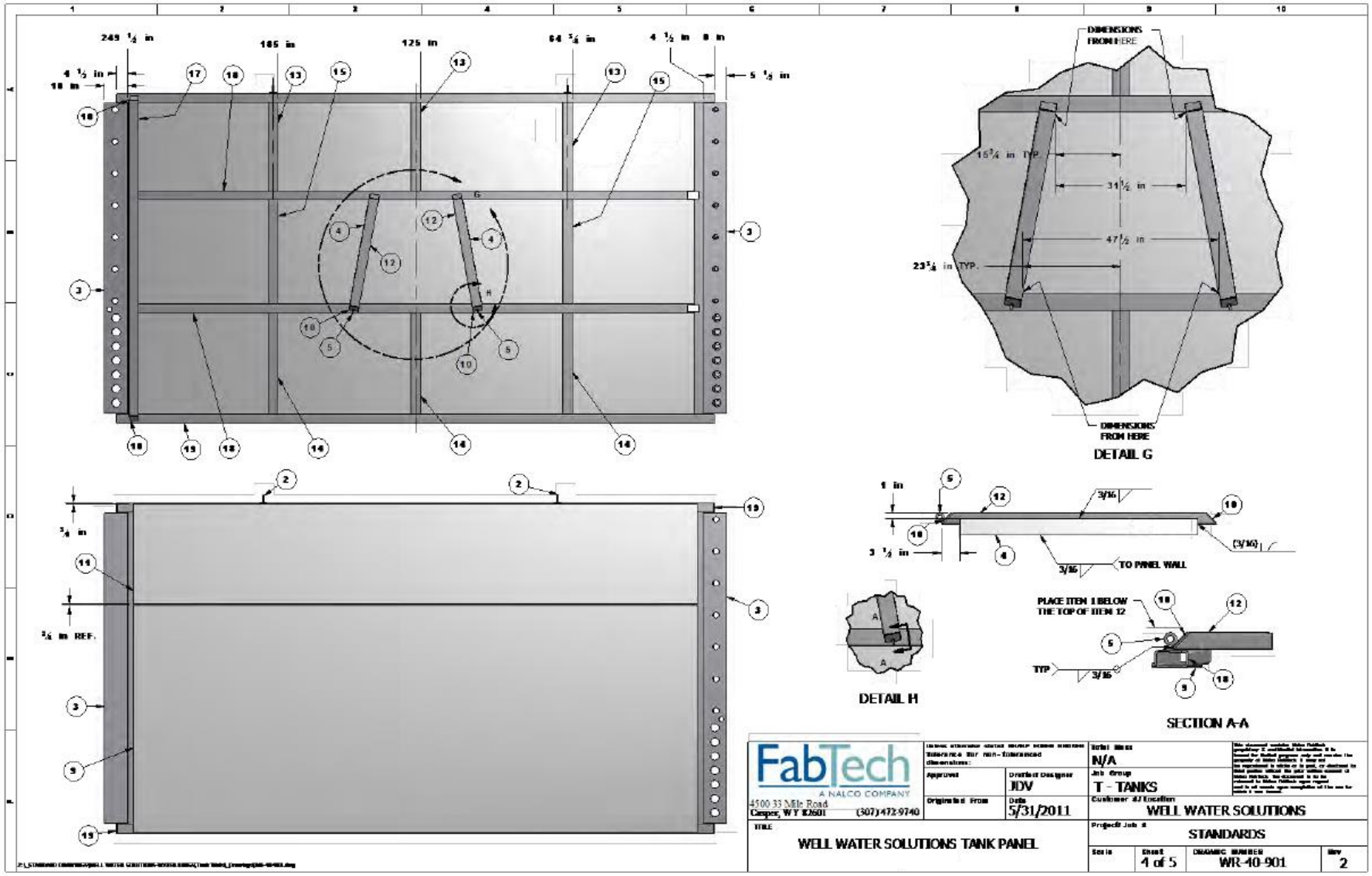
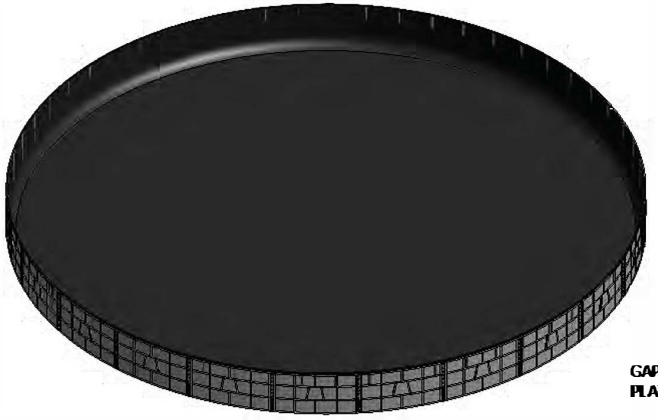
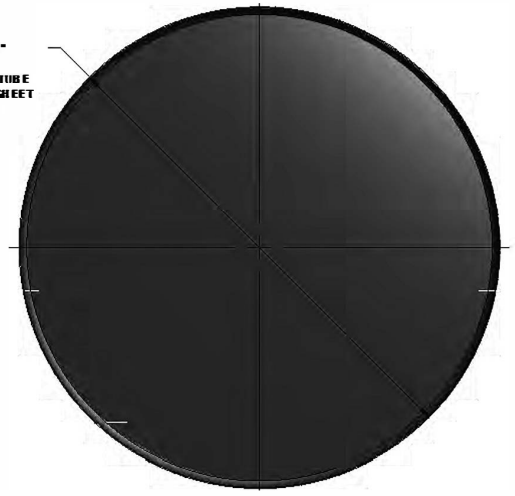
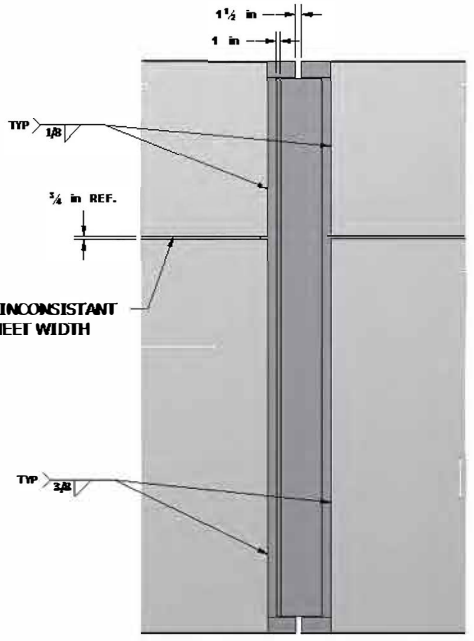


FabTech A NALCO COMPANY 4500 33 Mile Road Casper, WY 82601 (307) 472-9740	Approval	Drafted/Designer: JDV	Total Mass: N/A
			Job Group: T – TANKS
	Originated From	Date: 5/31/2011	Customer & Location: WELL WATER SOLUTIONS
Title: WELL WATER SOLUTIONS TANK PANEL			Project/Job #: STANDARDS
		Scale	Sheet: 3 of 5
			Drawing Number: WR-40-901
			Rev: 2

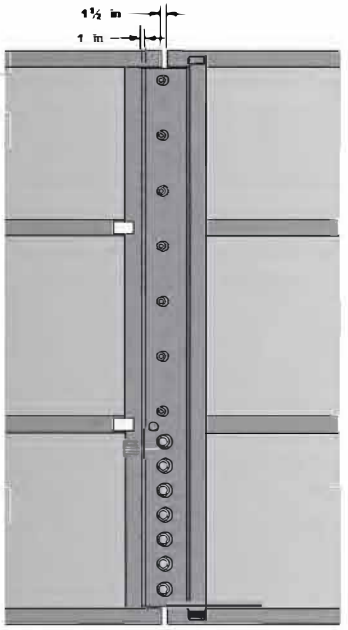

249 ½ in
185 in
125 in
64 ⅝ in
4 ½ in
8 in
4 ½ in
18 in
5 ½ in
DIMENSIONS FROM HERE
15¾ in TYP.
31½ in
47½ in
23¾ in TYP.
DIMENSIONS FROM HERE
DETAIL G
1 in
3 ½ in
3/16
(3/16)
TO PANEL WALL
PLACE ITEM 1 BELOW THE TOP OF ITEM 12
TYP
3/16
DETAIL H
SECTION A-A
¾ in
¾ in REF.
FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601
(307) 472-9740
Approved
Drafted Designer
JDV
Originated From
Date
5/31/2011
Job Group
T - TANKS
Customer or Location
WELL WATER SOLUTIONS
STANDARDS
WELL WATER SOLUTIONS TANK PANEL
Scale
Sheet
4 of 5
DRAWING NUMBER
WR-40-901
Rev
2







SEAM DETAIL
(INSIDE-OUT)



SEAM DETAIL
(OUTSIDE-IN)

FabTech
A NALCO COMPANY
4500 33 Mile Road
Casper, WY 82601 (307) 472-9740

Unless otherwise stated SHARP EDGES BROKEN
Tolerance for non-toleranced dimensions:

Approval | Drafter/ Designer: JDV | Originated From | Date: 5/31/2011

Total Mass: N/A
Job Group: T - TANKS
Customer or location: WELL WATER SOLUTIONS
Project/ Job #: STANDARDS

TITLE: WELL WATER SOLUTIONS TANK PANEL

Scale | Sheet: 5 of 5 | DRAWING NUMBER: WR-40-901 | Rev: 2

TANK SIZE CHART

TANK SIZE BBLS	PANEL COUNT	INSIDE DIAMETER (FEET)	VOLUME BBLS	BBLS/INCH	SECONDARY CONTAINMENT (ADD 2 PANELS)	SECONDARY CONTAINMENT DIAMETER	TOTAL FEET OF CONTAINMENT
6,000	9	60' 2"	6,090	43.5	11	75'	234'
10,000	12	81' 2"	10,753	76.8	14	95'	298'
13,000	13	87' 10-5/8"	12,609	90.1	15	101'	318'
17,000	15	101.4285	16,800	120	17	115'	361'
20,000	16	108' 2"	19,115	136.53	18	122'	384'
22,000	17	114' 11-7/16"	21,564	154.03	19	135'	426'
27,000	19	128' 6-1/4"	26,954	192.53	21	142'	446"
30,000	20	135' 3-3/8"	29,867	213.35	22	149'	468'
33,000	21	142' 0-9/16"	32,928	235.2	23	156'	489'
36,000	22	148' 9-11/16"	36,139	258.14	24	163'	510'
40,000	23	155' 6-7/8"	39,499	282.14	25	170'	532'
43,000	24	162' 4-1/16"	43,008	307.2	26	176'	553'
47,000	25	169' 1-3/16"	46,667	333.34	27	183'	574'
50,000	26	175' 10-5/16"	50,475	360.54	28	190'	595'
55,000	27	182' 7-9/16"	54,433	388.8	29	196'	617'
60,000	28	189' 4-11/16"	58,539	418.14	30	203'	638'
62,500	29	196' 1/16"	62,500	446.43	31	210'	658'
67,000	30	202' 10 6/16"	66,885	477.75	32	216'	678'
72,000	31	209' 7-7/16"	71,705	512.18	33	223'	701'
77,000	32	216' 4-9/16"	76,405	545.75	34	230'	722'
81,000	33	223' 1-11/16"	81,254	580.39	35	237'	744'

EXHIBIT H. VARIANCE REQUESTS

ENDURING RESOURCES IV LLC
6300 S Syracuse Way Centennial, CO 80111
Field Office: 505.636.9720 | Main Office: 303.573.1222

Enduring Resources IV, LLC Nageezi Unit CLF and SWD Pad Recycling
Containment and Recycling Facility Variance Request to 19.15.34 NMAC

New Mexico Oil Conservation Division
Attn: Victoria Venegas

Enduring Resources is requesting variances to the below listed items as outlined in 19.15.34 NMAC. This Recycling Containment/Facility will consist of self-contained free-standing structures instead of a lined earthen pit. The variances requested below will provide equal or better protection of fresh water, public health, and the environment.

Variance Requests:

Inside/Outside Levee Slopes: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(2) which applies to a lined earthen pit. The containment is an AST not an in-ground pond; therefore, will not have inside/outside levee slopes. The AST is a self-contained free-standing structure that will provide equal or better protection than the requirements listed in 19.15.34.12 (A)(2) NMAC.

Liner Anchoring: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(3) which applies to a lined earthen pit. This statute is not applicable to a circular steel AST with liners clamped to the top of the steel containment panels. We believe this will provide equal or better protection than the requirements listed in 19.15.34.12 (A)(3) NMAC.

Primary Liner: Enduring Resources requests a variance to NMAC 19.15.34.12 (A)(4) which applies to the thickness of the primary liner. Enduring Resources proposes the use of a 40-mil LLDPE primary liner and 30-mil LLPDE secondary liner provided by Water Well Solutions and Rentals, Inc. The proposed variance will provide equal or better protection of fresh water, public health and the environment, as the proposed liner meets all other the requirements of NMAC 19.15.34.12 (A)(4) and meets or exceeds the EPA SW-846 method 9090A or subsequent relevant publication.

Thank you,

Steven Merrell
Regulatory Specialist
Enduring Resources, LLC.
505.634.6490 – Cell

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Thursday, January 2, 2025 10:25 AM
To: Heather Huntington
Subject: 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201]
Attachments: C-147 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201].pdf

3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201]

Good morning Ms. Huntington.
NMOCD has reviewed the recycling containment permit application and related documents, submitted by [371838] DJR OPERATING, LLC on 12/23/2024, Application ID 414620, for 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] in D-34-24N-09W, San Juan County, New Mexico. [371838] DJR OPERATING, LLC requested variances from 19.15.34 NMAC for 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201].

The following variances have been approved:

- The variance to 19.15.34.12.A.(2) NMAC for the no side-slope requirement for the AST containment with vertical walls is approved.
- The variance to 19.15.34.12.A.(3) NMAC for the liners to be anchored to the top of the AST steel walls and no anchor trenches is approved.
- The variance to 19.15.34.12.A.(4) NMAC for the installation on the AST containment of a 40-mil non-reinforced LLDPE primary liner is approved. [371838] DJR OPERATING, LLC proposes the use of a 40-mil LLDP E primary liner and 30-mil LLPDE secondary liner provided by Water Well Solutions and Rentals, Inc.

The form C-147 and related documents for 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] is approved with the following conditions of approval:

- The purpose of this permit is for oil and gas activities regulated under the NMAC 19.15.34.3 STATUTORY AUTHORITY: 19.15.34 NMAC is adopted pursuant to the Oil and Gas Act, Paragraph (15) of Section 70-2-12(B) NMSA 1978, which authorizes the division to regulate the disposition of water produced or used in connection with the drilling for or producing of oil and gas or both and Paragraph (21) of Section 70-2-12(B) NMSA 1978 which authorizes the regulation of the disposition of nondomestic wastes from the exploration, development, production or storage of crude oil or natural gas.
- 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] is approved for five years of operation from the date of permit application of 12/23/2024.
- 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] permit expires on 12/23/2029. If [371838] DJR OPERATING, LLC wishes to extend operations past five years, an annual permit extension request must be submitted using an OCD form C-147 through OCD Permitting by 11/23/2029.
- 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] consists of one (1) 60,000 barrels AST. The recycling facility will consist of up to thirty 400 bbl vertical frac tanks with a consolidated volume of 12,000 bbl. [371838] DJR OPERATING, LLC must submit a “recycling facility” modification in the event the number of frac tanks exceeds the approved number of thirty (30) 400 bbl vertical frac tanks.

- Water reuse and recycling from 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] is limited to wells owned or operated by [371838] DJR OPERATING, LLC per 19.15.34.15(A)(2) NMAC.
- [371838] DJR OPERATING, LLC shall construct, operate, maintain, close, and reclaim 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] in compliance with NMAC 19.15.34 NMAC.
- [371838] DJR OPERATING, LLC shall notify OCD, through OCD Permitting when construction of 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] commences.
- [371838] DJR OPERATING, LLC shall notify NMOCD through OCD Permitting when recycling operations commence and cease at 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201].
- A minimum of 3-feet freeboard must be maintained at 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] at all times during operations.
- If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdrawal, operations of the 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] are considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 form through OCD Permitting. If after that 6-month extension period, the 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] is not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.
- [371838] DJR OPERATING, LLC shall submit monthly reports of recycling and reuse of produced water, drilling fluids, and liquid oil field waste on OCD form C-148 via OCD Permitting even if there is zero activity.
- [371838] DJR OPERATING, LLC shall inspect the recycling containment and associated leak detection systems weekly while it contains fluids. The operator shall maintain a current log of such inspections and make the log available for review by the division upon request according to 19.15.34.13.A.
- [371838] DJR OPERATING, LLC shall comply with 19.15.29 NMAC Releases in the event of any release of produced water or other oil field waste at 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201].
- Per 19.15.34.14.G The re-vegetation and reclamation obligations imposed by federal, state trust land 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.

Please reference number 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] in all future communications.
Regards,

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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

CONDITIONS

Operator:	OGRID:
DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	371838
	Action Number: 414620
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	•3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] permit expires on 12/23/2029. If [371838] DJR OPERATING, LLC wishes to extend operations past five years, an annual permit extension request must be submitted using an OCD form C-147 through OCD Permitting by 11/23/2029. • [371838] DJR OPERATING, LLC shall construct, operate, maintain, close, and reclaim 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201] in compliance with NMAC 19.15.34 NMAC. • [371838] DJR OPERATING, LLC shall comply with 19.15.29 NMAC Releases in the event of any release of produced water or other oil field waste at 3RF-82 - NAGEEZI UNIT CENTRAL LIQUIDS FACILITY AND SALTWATER DISPOSAL [fVV2500234201].	1/2/2025