## LucasKamat, Susan, EMNRD

From: LucasKamat, Susan, EMNRD

Sent: Friday, December 13, 2019 2:31 PM

To: 'Galan\_Kelley@eogresources.com'; 'reese\_martin@eogresources.com'
Cc: Bratcher, Mike, EMNRD; Griswold, Jim, EMNRD; Billings, Bradford, EMNRD

Subject: EOG, Gem Reuse Water Facility and Containment (1RF-446), Section 36. T25S, R32E / Lea County, NM

Dear Mr. Kelley and Mr. Martin:

The New Mexico Oil Conservation Division (NM OCD) has reviewed the submitted Form C-147 and related documents, dated July 8, 2019, for the proposed Gem Reuse Water Facility and Containment in Lea County New Mexico. The Form C-147 form submitted for registering and permitting the Gem Reuse Water Facility and Containment is accepted/approved. The facility has been assigned NM OCD Admin Order number 1RF-446. Please reference this number in all future communications regarding Gem Reuse Water Facility and Containment and for future monthly reporting of recycling and reuse of produced water, drilling fluids and liquid oil field waste. A copy of the approved C-147 form for 1RF-446 is available through the OCD Imaging system at http://ocdimage.emnrd.state.nm.us/Imaging/AEOrderFileView.aspx?appNo=pSL1933029983 .

EOG requested variances from 19.15.34.12 related to 19.15.34.12 A (4) liner requirements, 19.15.34.12 D (2) fencing requirements, and 19.15.34.12 E netting requirements. These variances are approved as requested in the submittal.

It is understood by OCD that water reuse and recycling from Gem Reuse Water Facility and Containment is limited to wells owned or operated by EOG Resources Inc (EOG) (OGRID # 7377). Notifications when operations begin or cease should be sent to me as the OCD Environmental Bureau permitting contact, with a cc to Mike Bratcher (mike.bratcher@state.nm.us) in the OCD District 2 Office.

As a condition of approval, EOG agrees to construct, operate, maintain, and close the Gem Reuse Water Facility and Containment in compliance with 19.15.34 NMAC and submit monthly recycling and reuse of produced water, drilling fluids and liquid oil field waste via From C-148. (C-148s are available for download at the OCD website at <a href="http://www.emnrd.state.nm.us/OCD/forms.html">http://www.emnrd.state.nm.us/OCD/forms.html</a>). Please be advised that a minimum of 3-feet freeboard must be maintained at all times during the operation of the recycling containment. Thank you for your assistance and cooperation on this matter.

Please keep a copy of this electronic communication for your files, as no paper copy of the approval will be delivered. A copy of this electronic communication will be saved in 1RF-446 electronic file on OCD Imaging referenced above.

Please do not hesitate to contact me if you have further questions or concerns.

Regards, Susan

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