From: <u>Cliff Humphreys</u>

To: Billings, Bradford, EMNRD; Randall Hicks; Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD

Cc: Casey Snow; Lance Brock; Cody Davis; Eric Nichols; Primitivo Aleman; Jay Bilberry; Aaron Byrd; Chris Calvert

Subject: RE: Matador - Tiger Recycling Facility/Containment

Date: Friday, July 01, 2016 3:12:21 PM

Mr. Billings, Mr. Bratcher, Ms. Patterson:

I am pleased to inform you that we expect our water treatment program at the Tiger Recycling Facility located in Eddy County to be fully underway by end of day today, 7/1. All above-ground tanks and liners were installed as per the detailed procedure in our C-147, complete with secondary containment around those that will hold produced water. Thank you for your assistance in making this project a reality for our company. We invite you to visit at your convenience. If you have any questions please do not hesitate to call either myself or Casey Snow at 972-371-5439.

Best Regards,

CLIFF HUMPHREYS

Senior Engineer Matador Resources Company

Direct: <u>972-371-5288</u> Cell: <u>940-704-3268</u> Fax: 214-866-4888



From: Billings, Bradford, EMNRD [mailto:Bradford.Billings@state.nm.us]

Sent: Thursday, June 23, 2016 4:19 PM

To: Randall Hicks <r@rthicksconsult.com>; Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>;

Patterson, Heather, EMNRD < Heather. Patterson@state.nm.us>
Cc: Cliff Humphreys < chumphreys@matadorresources.com>
Subject: RE: Matador - Tiger Recycling Facility/Containment

To, Matador Production Company and RT Hicks Consultants

Conditions of Approval for C-147 as Submitted for Matador. Tiger Recycling Facility and Containment.

Registration of Facility and Application for Permit for Containment is Approved with the following conditions/stipulations:

(1) Soil samples collected from designated area(s) for future containments may be used for evaluation of "background" values at time of closure. Possible adjustments to delineation

needs and or remediation needs may occur when incorporating said background values. Grid and report of recently gathered soil sample data regarding "background" should be submitted to OCD for future use/reference. This is approved.

(2) Soil values for delineation at closure (following adjustments if needed as indicated above) will be, at minimum, the following:

Chloride - 600 mg /Kg for horizontal delineation, and 250 mg/Kg for vertical delineation. Benzene - 10 parts per million (ppm) Total BTEX - 50 ppm TPH - 100 ppm (includes MRO,GRO, DRO)

Additional sampling at closure, as outlined in the C-147 package and allied electronic communication is acceptable, and approved.

As the "bottom" of the containment has been determined to be less than 50 feet to ground water (nominally 47 feet), and as there are identified clay layers above the water table, the request for Variance of the 50 foot rule is approved. Incorporated in this decision process was the acceptance of the additional sampling offered by Matador.

OCD appreciates the issues as defined in the variance request for two foot of freeboard versus three feet in the containment, nonetheless, this specific variance request is denied. OCD does not wish to increase groundwater contamination risk beyond that already being allowed with the above indicated depth to groundwater concern.

OCD hopes these conditions and approvals meet with you satisfaction. If there are questions or comments please do not hesitate to contact myself, or the District II Office.

You may contact Amalia Bustamante, OCD, District II Office, Artesia, at 575-748-1283 ext. 113 to secure an allocated RF Number for Registration and Permit applications. They are approved with the above considerations.

Please attend the required forms and data streams for submittal to the OCD regarding safety/system/leak detection checks and fluid volumes moved at facility/containment(s) when operations begin.

Please retain this notification as your official notification.

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination, that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Bradford Billings

Hydrologist – District II Oil Conservation Division/Environmental Bureau 505.476.3482

email: <u>bradford.billings@state.nm.us</u>

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