C-147 REGISTRATION PACKAGE

Betonnie Tsosie Wash Unit 2208-E03 AST Pad
Recycling Containment and Recycling Facility

February 2025

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): **Betonnie Tsosie Wash Unit 2208-E03 AST Pad**

OCD Permit Number: 3RF-85 (For new facilities the permit number will be assigned by the district office)

U/L or Qtr/Qtr **Lot 4 and SW/NW** Section **3** Township **22N** Range **08W** County: **San Juan**

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

2.

☒ **Recycling Facility:**

Location of recycling facility (if applicable): Latitude **36.172227** Longitude **-107.677500** 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 **36.172227** Longitude **-107.677500** 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: **86,000** bbl Dimensions: Radius **x2 43K ASTs 81'2"** 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 _____**See variance request in registration package Exhibit H** _____

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: **02/11/2025**
e-mail address: **hhuntington@enduringresources.com** Telephone: **505-636-9751**

11.
OCD Representative Signature: _____ **Approval Date:** 02/12/2025
Title: Environmental Specialist **OCD Permit Number:** 3RF-85
☒ OCD Conditions Victoria Venegas
☒ 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, LLC. Leases, rights of ways, wells, and other property interests will continue to be held in their current entity names.
OGRID	371838
Project Name	Betonnie Tsosie Wash Unit 2208-E03 AST Pad Recycling Containment and Recycling Facility
Project Type	Recycling Facility & Recycling Containment
Legal Location	Lot 4 and Southwest ¼ of the Northwest ¼, of Section 3, Township 22N, Range 08W
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 Betonnie Tsosie Wash Unit 2208-E03 AST Pad (BTWU E03 AST Pad) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package.

The recycling containment will consist of two 43,000 barrel above ground storage tanks (AST) for a combined volume of 86,000 barrels. 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.* These two AST containments fall 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 barrels 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 containments 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 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 site survey plat and Exhibit B for a site diagram of the proposed ASTs and recycling facility layout. This facility will not be used for the disposal of produced water.

The BTWU E03 AST Pad is located at 36.172227° N, -107.677500° W, within Section 3, Township 22N, Range 08W, 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). DJR is the operator of the applicable oil and gas mineral rights at this location.

BLM FFO has been notified and approved of this site for water storage and water recycling. This AST pad was planned as associated infrastructure to DJR's Betonnie Tsosie Wash Unit 2208-E03 well pad project and permitted via three approved Applications for Permit to Drill from this location. See Exhibit C, approved Form 3160-3 Application for Permit to Drill or Reenter for the Betonnie Tsosie Wash Unit 602H (30-045-38274) one of the three approved APDs detailing use of this AST pad. 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 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, site reclamation requirements, and surface owner notification.

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

If the AST containments are found to be needed beyond five years, DJR will submit annual extensions to NMOCD on Form C-147 at least 30 days prior to the expiration. The extension request will include a summary of all monthly inspections of the containments, including monitoring of the leak detection systems indicating that the containments 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 multiple ground water determination sources in the surrounding area. These sources are listed below.

Source Name	Type of Well	Location	Elevation	Well Depth	Water Depth	Distance to BTWU E03 AST Pad	Elevation at BTWU E03 AST Pad
SJ01709	Water Well – Livestock Watering	NW ¼ of the NW ¼ of Sec 27, T23N, R08W	6894’ AMSL	317	225’	2.11 miles North	6875’ AMSL
SJ00949-S	Water Well – Mineral Mining or Milling or Oil	SW ¼ of the NE ¼, Sec 1, T22N, R08W	6930’ AMSL	2647’	1106’	2.56 miles East	6875’ AMSL
SJ1400	Water Well – Livestock Watering	SW/4 of the SE/4, Sec 15, T22N, R08W	6628’ AMSL	230’	Not Documented	2.58 miles South-Southeast	6875’ AMSL
SJ01706	Water Well – Livestock Watering	SW/4 of the SE/4, Sec 12, T22N, R09W	6708’ AMSL	762’	362’	3.75 miles Southwest	6875’ AMSL

With the proposed containments being ASTs sitting above ground level, the groundwater depth is greater than 50 feet below the bottom of the recycling containments. See Exhibit D for well records of the aforementioned wells supporting this determination.

Additional average depth to ground water information can be found below for the nearest four townships.

Average, Minimum, and Maximum depth to ground water within T23N R07W = 540’, 180’, 900’
Average, Minimum, and Maximum depth to ground water within T23N R08W = 203’, 40’, 290’
Average, Minimum, and Maximum depth to ground water within T22N R07W = No well data.
Average, Minimum, and Maximum depth to ground water within T22N R08W = 705’, 220’, 1106’

The water well with a depth to ground water at 40' is SJ01334 located over 6.6 miles Northeast in Section 1, Township 23N, Range 08 West. A second well was drilled adjacent to this well being SJ01304 to 100-feet and documented as a dry hole.

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

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

DJR contracted Barr Engineering Co. (Barr) in January of 2025 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 B02 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 facility/containments are 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. The nearest residence displayed close to the 1000-foot buffer is located 1,105 feet northwest.

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

The recycling facility/containments are not located within 500 horizontal feet of a spring or fresh water 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 referenced above in subsection 2.1 at 2.11 miles away. Nearest spring/seep according to the National Hydrologic Dataset (NHD) is 3.17 miles Southeast.

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

The recycling facility 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 over 39.4 miles Northwest.

2.6. Distance to Wetland 19.15.34.11 A.(6)

The recycling facility/containments are 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. Nearby drainages have no defined bed and bank and no isolated pockets or pools to hold water.

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 22N, Range 08W, San Juan County, New Mexico.

See Exhibit E Map 1 showing mines near the project area. The nearest EMNRD permit is a Humate pit approximately 11.21 miles south.

2.8. Site Stability 19.15.34.11 A.(8)

The recycling containments are 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 containments.

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

- Prior to earthwork, all trees (if applicable) and slash/brush is mulched and incorporated into the topsoil. Tree roots and trunks are removed from the site. The topsoil (vegetative root layer) and mulched organic matter is stripped from location and windrowed along the perimeter of location. Topsoil is not used for pad construction as the organic matter mixed within the soil prevents adequate compaction.
- Subsoil horizons are then utilized to construct a balanced (high areas are cut and used to fill low areas) location. Fill slopes are deposited and compacted in approximate 6-inch lifts with optimal soil moisture content.
- If soil is deemed too wet from inclement weather, it is not utilized as adequate compaction cannot be achieved. Additionally, if construction occurs during winter months, the frost layer if applicable is stripped and sub frost line soil horizons are 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.
- Each AST 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 facility/containments are 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 3,645 feet South.

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 containments at the BTWU E03 AST Pad. The facility and recycling containments have been designed to prevent release 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 containments are provided as Exhibit G.

3.1. Foundation Construction

The containment ASTs will be constructed on DJR's existing BTWU E03 AST Pad. The AST footprints will have properly constructed foundations 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 containments 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 containments are above ground and are not subject to water run-on.

3.2. Liner and Leak Detection

The containments will be double-lined frac water tank systems. 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 tanks. 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 seams, the liners overlap 4 to 6 inches and are thermally sealed. Field seams are avoided or minimized in corners and irregularly shaped areas. At a point 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 each 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 containments being above ground tanks.

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

Please see the variance request attached as Exhibit H.

With the recycling containments being ASTs with 12-foot wall height, entrance 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 each containment. The netting will be inspected monthly for disrepair. The containments 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 containments and leak detection systems while the containments hold 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 containments upon discovery.
- DJR will maintain a minimum of three feet of freeboard in the containments at all times.

- The injection and withdrawal of fluids from the containments 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, 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, 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 containments 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 BTWU E03 AST Pad. 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 within 60 days from the date that operations cease and close the containments 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 containments, 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 containments and recycling facility will be removed from the site.

5.2. Closure Soil Sampling

Once the containments are removed, DJR will test the soils beneath each containment 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

The location will be reclaimed upon completion of use in accordance with the reclamation plan attached to the Betonnie Tsosie Wash Unit 602H (30-045-38274) approved APD. This reclamation plan was developed with, and approved by, the surface managing agency.

EXHIBIT A. PLAT

WELL FLAG
LATITUDE: 36.171428° N
LONGITUDE: 107.676362° W
DATUM: NAD83

DJR OPERATING, LLC
BETONNIE TSOSIE WASH UNIT #602H

1709' FNL & 451' FWL
LOCATED IN THE SW/4 NW/4 OF SECTION 3,
T22N, R8W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6875', NAVD 88
FINISHED PAD ELEVATION: 6870.0', NAVD 88
BTWU E03-2208

NOTES:

1.) BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE WEST QUARTER CORNER AND THE NORTHWEST CORNER OF SECTION 3, TOWNSHIP 22 NORTH, RANGE 8 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.
LINE BEARS: N 00°24'41" W A DISTANCE OF 2690.30 FEET AS MEASURED BY G.P.S. AND BASED ON THE N.M.S.P. COORDINATE SYSTEM (WEST ZONE).

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 GEOID09.

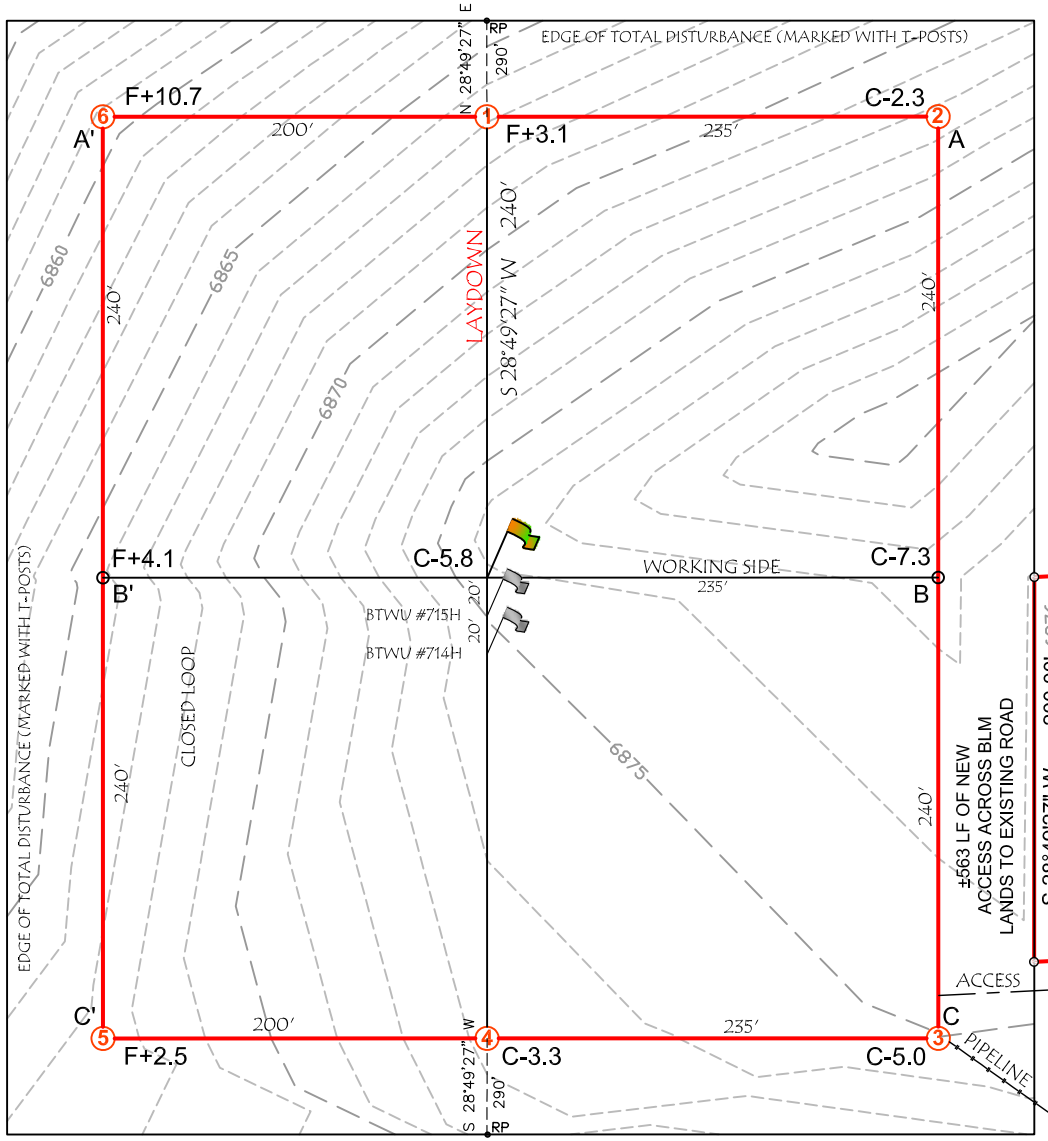
3.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LWEST 48 HOURS PRIOR TO CONSTRUCTION.

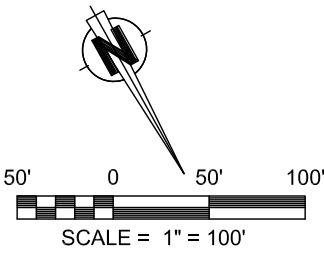
4.) T-POSTS HAVE BEEN SET TO DEFINE THE EDGE OF DISTURBANCE LIMITS WHICH ARE 50' OFFSETS FROM THE EDGE OF THE STAKED WELL PAD.

SLOPES TO BE CONSTRUCTED TO MATCH THE ORIGINAL CONTOURS AS CLOSE AS POSSIBLE.

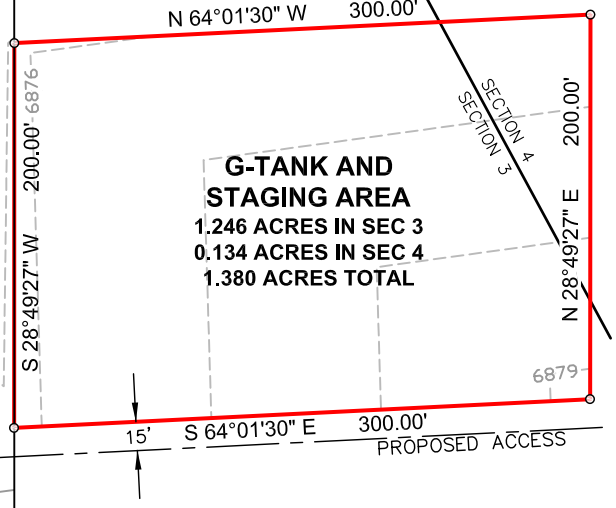
~ SURFACE OWNERSHIP ~
BUREAU OF LAND MANAGEMENT

TOTAL PERMITTED AREA
535' x 580' = 7.124 ACRES
SCALE: 1" = 100'
DATE: 05/17/21
DRAWN BY: GRR





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.
4600 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

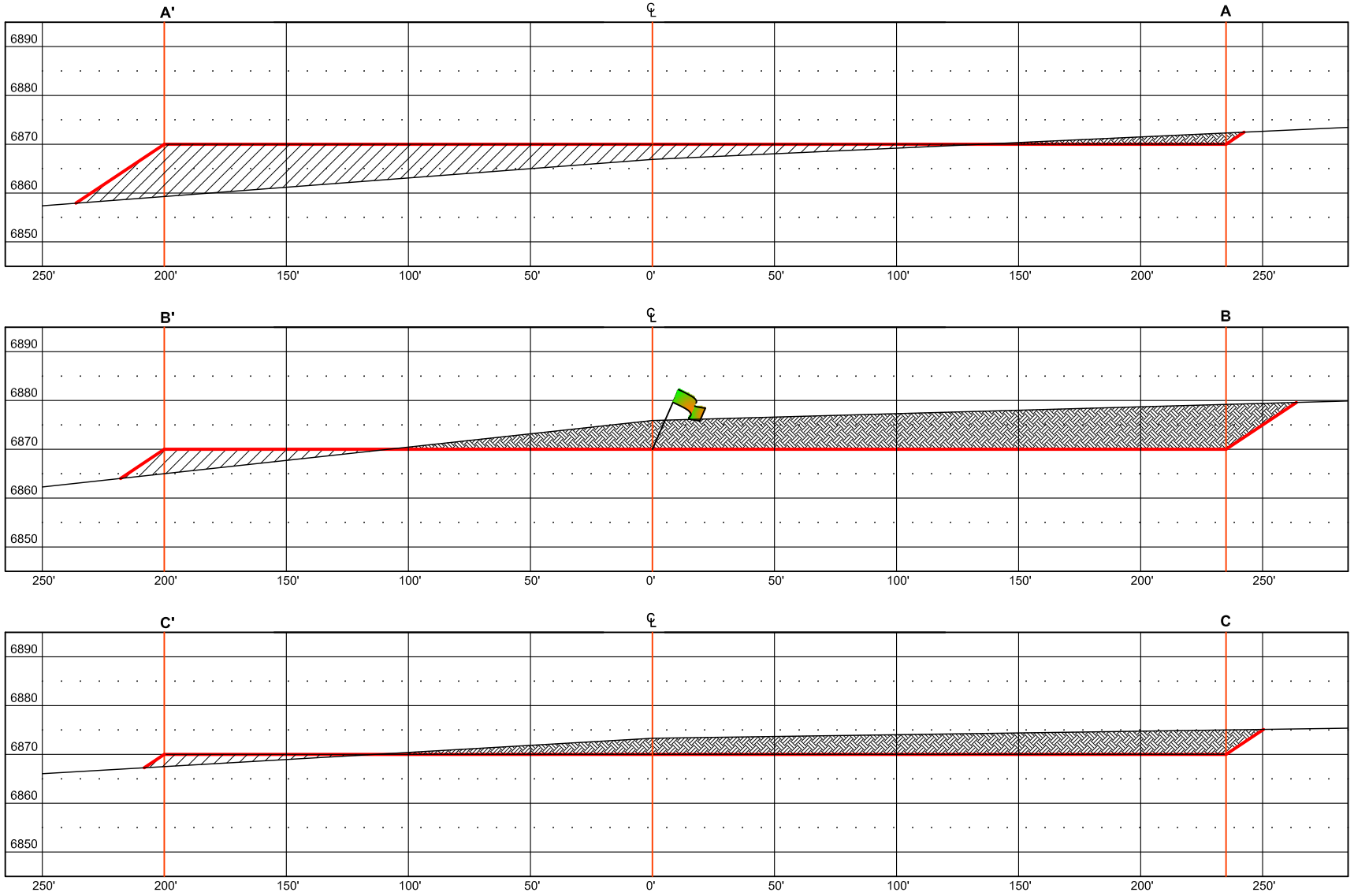
DJR OPERATING, LLC

WELL FLAG
LATITUDE: 36.171428° N
LONGITUDE: 107.676362° W
DATUM: NAD83

DJR OPERATING, LLC
BETONNIE TSOSIE WASH UNIT #602H

1709' FNL & 451' FWL
LOCATED IN THE SW/4 NW/4 OF SECTION 3,
T22N, R8W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6875', NAVD 88
FINISHED PAD ELEVATION: 6870.0', NAVD 88
BTWU E03-2208

THIS DIAGRAM IS AN ESTIMATE OF DIRT BALANCE AND IS NOT INTENDED TO BE AN EXACT MEASURE OF VOLUME



DJR OPERATING, LLC

FILL CUT

VERT. SCALE: 1" = 30'
HORZ. SCALE: 1" = 60'
DATE: 05/17/21
DRAWN BY: GRR

CCI
CHENAULT CONSULTING INC.
4600 COLLEGE BLVD.
SUITE 201
FARMINGTON, NM 87402
(505)-325-7707

DJR OPERATING, LLC
BETONNIE TSOSIE WASH UNIT #602H
LOCATED IN THE SW/4 NW/4 OF SECTION 3,
T22N, R8W, 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, 39.0 MILES TO INDIAN ROUTE 7061 (M.P. 112.7).
2) TURN RIGHT ONTO 7061 AND GO 5.2 MILES TO A DIRT 2-TRACK ON THE RIGHT.
3) TURN RIGHT AND GO 100' WHERE ACCESS IS STAKED ON THE LEFT.

WELL FLAG LOCATED AT LAT. 36.171428° N, LONG.107.676362° W (NAD 83).

DJR OPERATING, LLC

DATE: 05/17/21
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 an Enduring Resources, LLC Company
Betonnie Tsosie Wash Unit 2208-E03 Staging Area Diagram for Use of Two 43K BBL ASTs
L4 and SW/4 of the NW/4 of Section 3, T22N, R08W, NMPM, San Juan County, New Mexico

EXHIBIT C. SURFACE OWNER NOTIFICATION

C

Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

2. Name of Operator

9. API Well No.
30-045-38274

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool, or Exploratory

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface

At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office*

12. County or Parish

13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

16. No of acres in lease

17. Spacing Unit dedicated to this well

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth

20. BLM/BIA Bond No. in file

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

22. Approximate date work will start*

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature

Name *(Printed/Typed)*

Date

Title

Approved by *(Signature)*

Name *(Printed/Typed)*

Date

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED WITH CONDITIONS

(Continued on page 2)

*(Instructions on page 2)

Approval Date: 06/10/2022

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 01709		NW	NW	27	23N	08W	259451.0	4009831.0 *	

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

Driller License:		**Driller Company:**			
Driller Name:	W.R. WEST CO.				
Drill Start Date:	1963-08-20	**Drill Finish Date:**	1964-01-23	**Plug Date:**	
Log File Date:		**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	9
Casing Size:	6.63	**Depth Well:**	317	**Depth Water:**	225

New Mexico Office of the State Engineer
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 Number	Q64	Q16	Q4	Sec	Tws	Rng	X	Y
	SJ 00949 -S	1	3	2	01	22N	08W	263242	4006176*

Driller License: 709 **Driller Company:** KEY ENERGY SERVICES, INC.

Driller Name:

Drill Start Date:	05/19/1980	**Drill Finish Date:**	05/29/1980	**Plug Date:**	
Log File Date:	08/01/1980	**PCW Rcv Date:**	03/15/1984	**Source:**	Artesian
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	400 GPM
Casing Size:	13.38	**Depth Well:**	2647 feet	**Depth Water:**	1106 feet

Water Bearing Stratifications:	Top	Bottom	Description
	2037	2634	Sandstone/Gravel/Conglomerate

Casing Perforations:	Top	Bottom
	2046	2609

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

dd TOC j

READ INSTRUCTIONS ON BACK

Revised March 1972

APPLICATION TO APPROPRIATE UNDERGROUND WATERS IN ACCORDANCE WITH SECTION 75-11-1 NEW MEXICO STATUTES

STATE ENGINEER
SANTA FE, N.M.
'81 JAN 20 PM 1 06

1. Name and Address of Applicant:

Robert Johnson

Box 372

Cuba, New Mexico

File No. SJ-1400

2. Describe well location under one of the following subheadings:

✓ a. NW ¼ SW ¼ SE ¼ of Sec. 15 Twp. 22N Rge. 8W N. M. P. M., in San Juan County.

b. Tract No. _____ of Map No. _____ of the _____

c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in San Juan County.

d. X = _____ feet, Y = _____ feet, N. M. Coordinate System _____ Zone in the _____ Grant.

✓ e. Give street address or route and box No. of property upon which well is to be located, or location by direction and distance from known landmarks Well is 3/4 miles NW of Escavada Trading Post

✓ 3. Approximate depth (if known) 230' feet; outside diameter of casing 6" plastic inches.

Name of driller (if known) Mobile, 1951 (existing well)

4. Use of water (check appropriate box or boxes):

XX Household, non-commercial trees, lawn and garden not to exceed 1 acre.

X Livestock watering.

XX Drinking and sanitary purposes and the irrigation of non-commercial trees, shrubs and lawns in conjunction with a commercial operation.

☐ Prospecting, mining or drilling operations to discover or develop natural resources.

☐ Construction of public works, highways and roads.

If any of the last three were marked, give name and nature of business under Remarks. (Item 5)

5. Remarks: Water used for domestic purposes at residence and for drinking and sanitary purposes at Escavada Trading Post. Well is on BLM land and was drilled by Moible in 1951.

I, Robert V Johnson, affirm that the foregoing statements are true to the best of my knowledge and belief and that development shall not commence until approval of the permit has been obtained.

✓ Robert V Johnson, Applicant

By: _____ Date: ✓ 1-18-81

ACTION OF STATE ENGINEER

This application is approved for the use indicated, subject to all general conditions and to the specific conditions numbered 4 on the reverse side hereof. This permit will automatically expire unless this well is drilled or driven and the well record filed on or before Completed.

S. E. Reynolds, State Engineer

By: E. C. Barry
E.C.Barry, Water Resources Spec. 1
Water Rights Bureau

Date: 4/30/81

File No. SJ-1400

GENERAL CONDITIONS OF APPROVAL

A. The maximum amount of water that may be appropriated under this permit is 3 acre feet in any calendar year.

B. The well shall be drilled only by a driller licensed in the State of New Mexico in accordance with Section 75-11-13 New Mexico Statutes Annotated. A licensed driller shall not be required for the construction of a driven well; provided, that the casing shall not exceed two and three-eights (2 3/8) inches outside diameter (Section 75-11-13).

C. Driller's log must be filed in the office of the State Engineer within 10 days after the well is drilled or driven. Failure to file the log within that time shall result in automatic cancellation of the permit. Log forms will be provided by the State Engineer upon request.

D. The casing shall not exceed 7 inches outside diameter except under specific conditions in which reasons satisfactory to the State Engineer are shown.

E. If the well under this permit is used at any time to serve more than one household, livestock in a commercial feed lot operation, or any other commercial purpose, the permittee shall comply with Specific Conditon of Approval number 5(b).

F. In the event this well is combined with other wells permitted under Section 75-11-1 New Mexico Statutes Annotated, the total outdoor use shall not exceed the irrigation of one acre of non-commercial trees, lawn, and garden, or the equivalent outside consumptive use, and the total appropriation for household and outdoor use from the entire water distribution system shall not exceed 3 acre feet per annum.

SPECIFIC CONDITIONS OF APPROVAL

(Applicable only when so indicated on the other side of this form.)

1. Depth of the well shall not exceed the thickness of the (a) the valley fill or (b) Ogallala formation.
2. The well shall be constructed to artesian well specifications and the State Engineer Office shall be notified before casing is landed or cemented.
3. Appropriation and use of water under this permit shall not exceed a period of one year from the date of approval.
4. Use shall be limited to household, non-commercial trees, lawn and garden not to exceed one acre and/or stock use.
5. A totalizing meter shall be installed before the first branch of the discharge line from the well and the installation shall be acceptable to the State Engineer; the State Engineer shall be advised of the make, model, serial number, date of installation, and initial reading of the meter prior to appropriation of water and pumping records shall be submitted to the District Supervisor (a) for each calendar month, on or before the 30th day of the following month (b) on or before the 10th of January, April, July and October of each year for the three preceding calendar months (c) for each calendar year on or before the 30th day of January of the following year.
6. The well shall be plugged upon completion of the permitted use and a plugging report shall be filed in the office of the State Engineer within 10 days.
7. Final approval for the use of the well shall be dependent upon a leakage test made by the State Engineer Office.
8. Use shall be limited strictly to household and/or drinking and sanitary purposes; water shall be conveyed from the well to the place of use in closed conduit and the effluent returned to the underground so that it will not appear on the surface. No irrigation of lawns, garden, trees or use in any type of pool or pond is authorized under this permit.

INSTRUCTIONS

The application shall be made in the name of the actual user of the well for the purpose specified in the application.

The application shall be executed in triplicate and forwarded with a $1.00 filing fee to the appropriate office of the State Engineer.

A separate application must be filed for each well to be drilled or used.

If well to be used is an existing well, an explanation (and file number, if possible) should be given under Remarks. (Item 5.)

Applications for appropriation, well logs and request for information in the following basins should be addressed to the State Engineer at the office indicated;

Bluewater, Estancia, Rio Grande, and Sandia Basins
District No. 1, 505 Marquette NW, Room 1023, Albuquerque, New Mexico 87101

Capitan, Carlsbad, Fort Sumner, Hondo, Jal, Lea, Penasco, Portales, Roswell, and Upper Pecos Basins
District No. 2, Box 1717, Roswell, New Mexico 88201

Animas, Gila-San Francisco, Hot Springs, Las Animas Creek, Lordsburg, Mimbres, Nutt-Hockett, Playas, San Simon, and Virden Valley Basins
District No. 3, Box 844, Deming, New Mexico 88030

Canadian River Basin
State Engineer Office, State Capitol, Bataan Memorial Bldg., Santa Fe, New Mexico 87501

MEMORANDUM

Water Resources Division
Room 101 Bataan Building
Santa Fe, New Mexico
April 27, 1981

TO File

FROM E. C. Barry, Water Resources Spec. I

SUBJECT Application to Appropriate Underground Waters in Accordance with Section 75-11-1 New Mexico Statutes, 1953 annotated, filed by Robert Johnson.

Field check by E. C. Barry on April 20, 1981 it was disclosed by Mr. Johnson that the application was to use an existing well for live stock watering purposes only and not to be considered for domestic and residence and sanitary purposes at the Escavada Trading Post.

Approval of application for live stock watering purposes only is recommended.

E. C. Barry

E. C. Barry, Water Resources Spec. I
Water Rights Bureau

Point of Diversion Summary

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

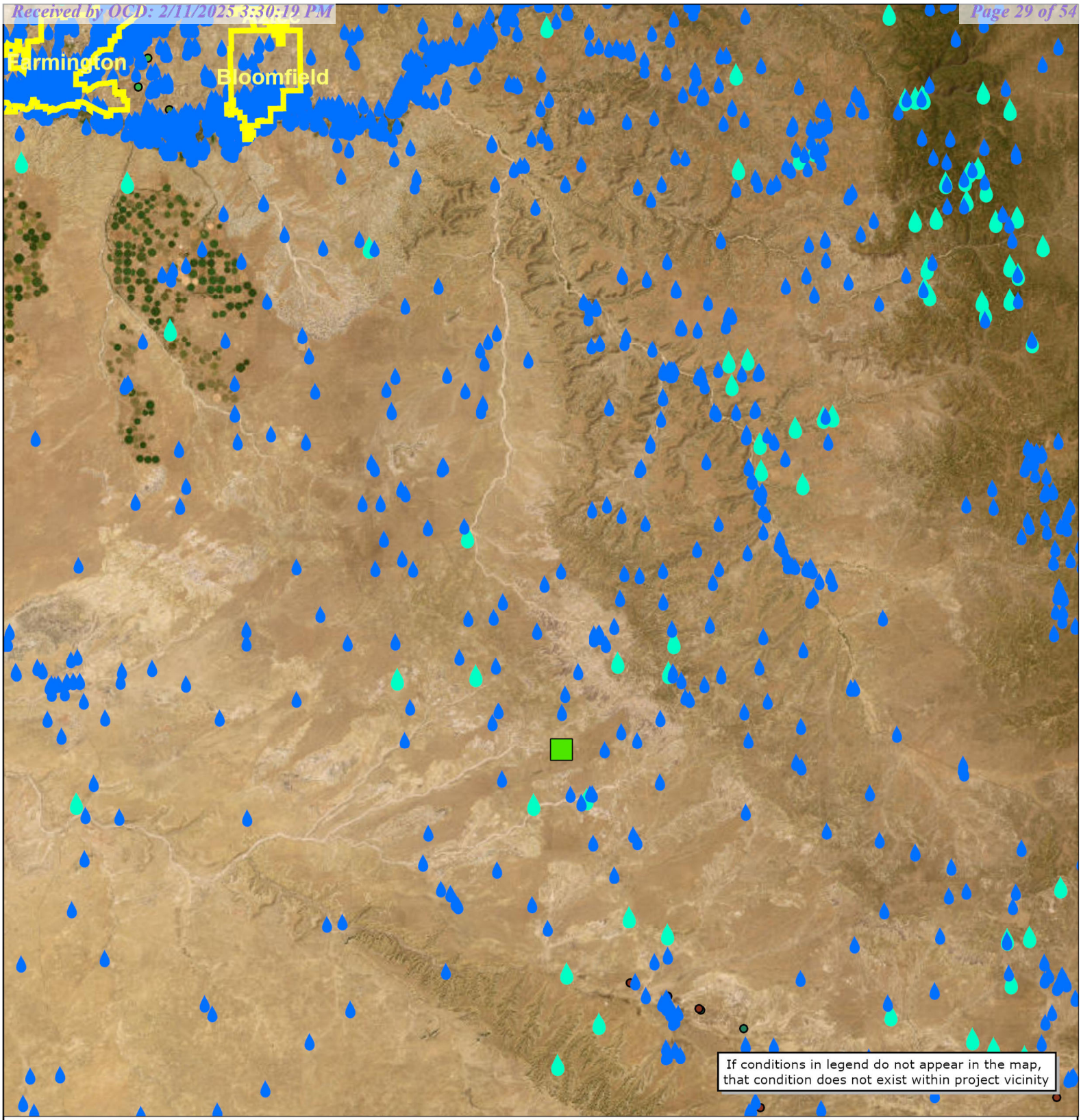
NAD83 UTM in meters

Well Tag	POD Nbr	Q64	Q16	Q4	Sec	Tws	Rng	X	Y	Map
	SJ 01706		SW	SE	12	22N	09W	253627.0	4003944.0 *	

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

Driller License:		**Driller Company:**			
Driller Name:	VAN R. TURNER DRILLING CO.				
Drill Start Date:	1963-09-11	**Drill Finish Date:**	1964-01-31	**Plug Date:**	
Log File Date:		**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	9
Casing Size:	6.63	**Depth Well:**	762	**Depth Water:**	362

EXHIBIT E. SITING CRITERIA MAPS



BTWU E03Containment Location Map 1
Siting Criteria

- BTWU E03 AST Pad
- OSE Water Wells
- Spring Seep
- Active Mining
- Active Mining, Active Reclamation
- Approved
- Enforcement
- No Permit
- No Response
- Pending
- Released
- Temporary Suspension
- Under Development
- New_Mexico_incorporated_places_April2023

ENDURING RESOURCES, LLC

N

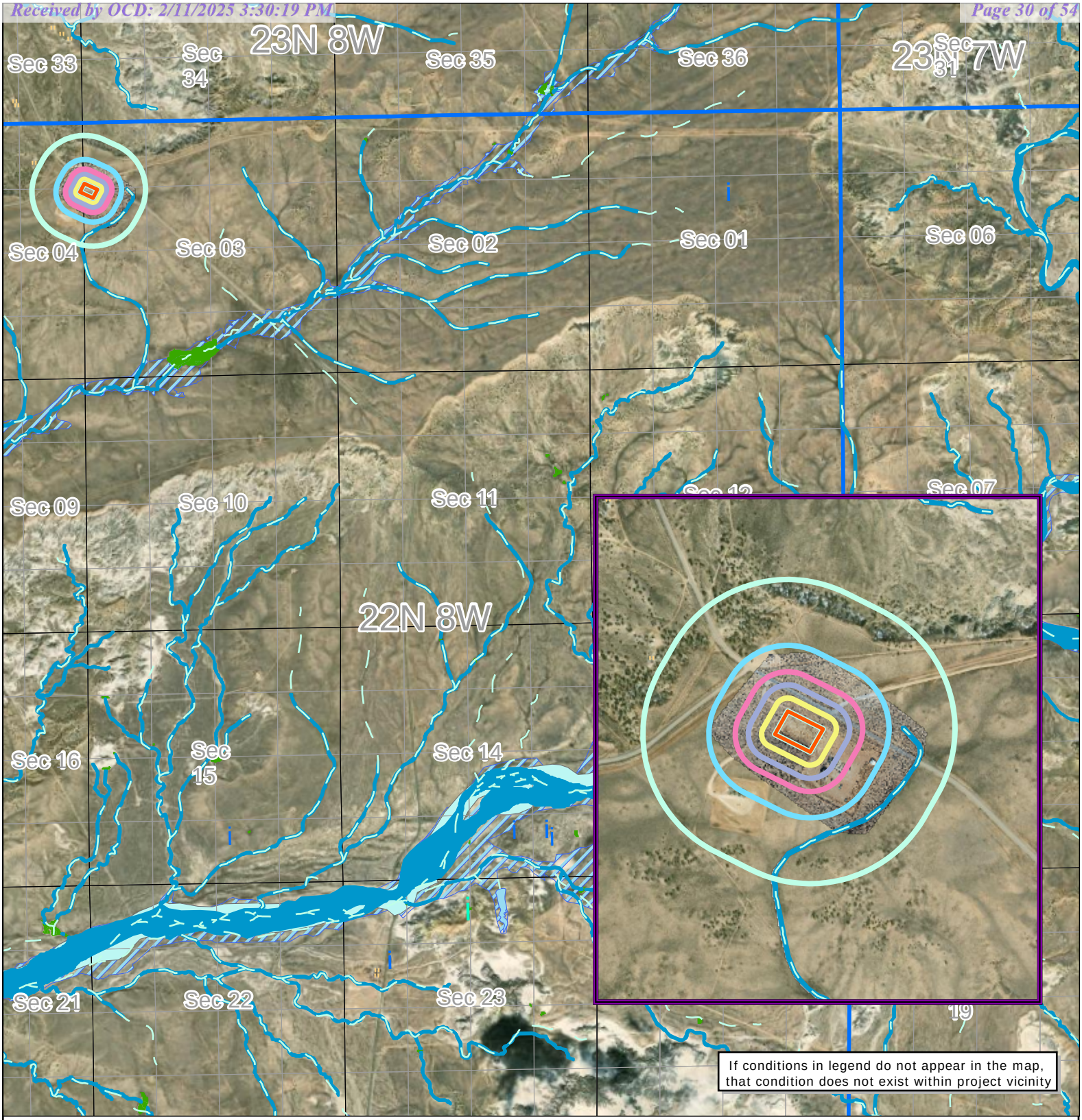
S

Miles

0 5 10 15 20

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: 2/7/2025



BTWU E03 Containment Location Map 2
Siting Criteria

- OSE Water Wells
- Spring Seep
- Residence
- BTWU E03 AST Pad
- Active Mining
- Active Mining, Active Reclamation
- Approved
- Enforcement
- No Permit
- No Response
- Pending
- Released
- Temporary Suspension
- Under Development
- Wash
- NHDWaterbody
- FEMA High Risk Flood Zone
- USGS Water Courses
- Marine
- Estuary
- Marsh, Swamp, Bog, Prairie
- Riverine
- Lake, Reservoir
- 100
- 200
- 300
- 500
- 1000

ENDURING RESOURCES, LLC

0 1,000 2,000 3,000 4,000 Feet

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: 2/7/2025

EXHIBIT F. AQUATIC RESOURCES INVENTORY REPORT

Technical Memorandum

To: Casey Haga, Enduring Resources IV, LLC
From: Joey Herring
Subject: Aquatic Resources Delineation
Date: February 7, 2025
Project: Betonnie Tsosie Wash Unit E03 G-Tank and Staging Area

Enduring Resources IV, LLC (Enduring) retained Barr Engineering Co. (Barr) to conduct an aquatic resources delineation survey for the Betonnie Tsosie Wash Unit (BTWU) E03 G-tank and staging area located in the SW ¼ NW ¼ of Section 3 and SE ¼ NE ¼ of Section 4, Township 22 North, Range 8 West, New Mexico Principal Meridian, San Juan County (Map 1). The pad would be 300 feet long and 200 wide for a total disturbance of 1.4 acres. The BTWU E03 G-tank and staging area is located on Bureau of Land Management (BLM) Farmington Field Office (FFO) managed land. The survey area included the BTWU Unit E03 G-tank staging area and a 300-foot buffer around the perimeter.

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) following the USACE methods and guidance.

1 Regulatory Framework

1.1 Federal

In September 2023, the USACE issued a final rule revising the definition of WOTUS to include 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 2025). 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.

Depending on the proposed activity, a permit or registration (Form C-147) 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 Oil Conservation Division (OCD). Form C-147 siting criteria require that 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 under 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* (USACE 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 without long-term hydrologic data. The use of the SDAM may inform a range of activities where information on streamflow duration is beneficial, 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 BTWU E03 G-tank and staging area is located in the Escavada Wash watershed (Hydrologic Unit Code 1408010603) (USGS 2021) and can be found on the Lybrook NW, New Mexico U.S. Geological Survey 7.5-minute quadrangle. Table 3-1 lists the two soil mapping units in the survey area. These soil units are not listed as hydric soil (NRCS 2025).

Table 3-1. Soil Mapping Units in the Survey Area

Map Unit Name	Acres in the Survey Area	Percent of Survey Area
Fruitland-Persayo-Sheppard complex, hilly	99.9	67
Doak-Sheppard-Shiprock association, rolling	4.8	33
Total	**14.8**	**100**

Source: NRCS 2025.

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 2025). 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 2025).

3.2 Field Survey

The aquatic resources delineation survey was conducted on January 28, 2025, 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 defined channel were observed within 300 feet of the BTWU E03 G-tank and staging area. 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 registration applicable to 19.15.34 NMAC.

5 References

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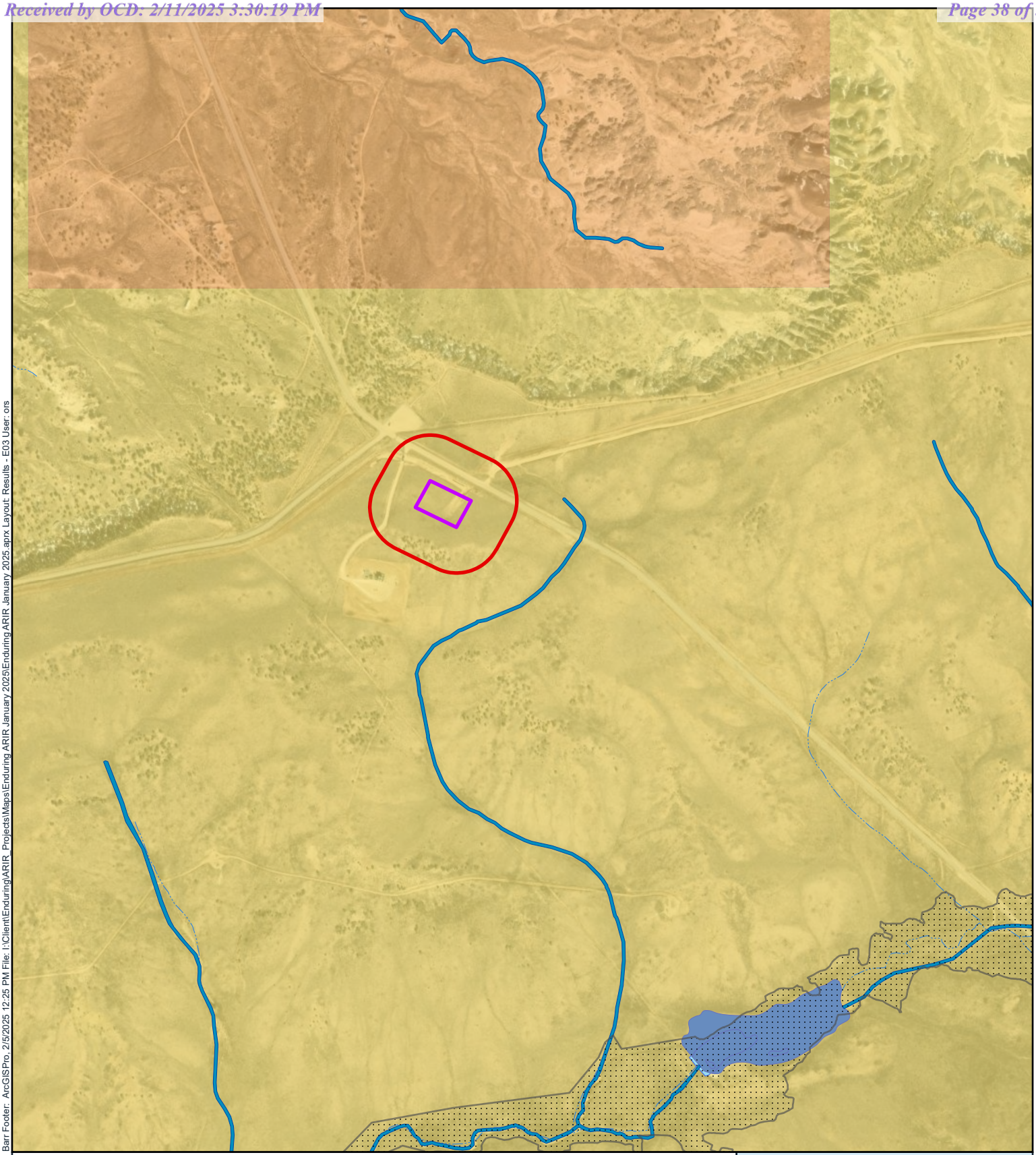
Attachment A

Maps



Betonnie Tsosie Wash Unit E03 G-Tank/Staging Area
300-foot Buffer

National Wetland Inventory
Freshwater Pond
Riverine

Flood Zone
Special Flood Hazard Area
Area of Minimal Flood Hazard (Zone X)

National Hydrography Dataset - Waterbody
Lake/Pond

National Hydrography Dataset - Flowline
River/Stream: Perennial
River/Stream: Intermittent

Surface Management Agency
Bureau of Land Management (BLM)
Bureau of Indian Affairs (BIA)

0 0.25 Miles

Enduring Resources IV, LLC

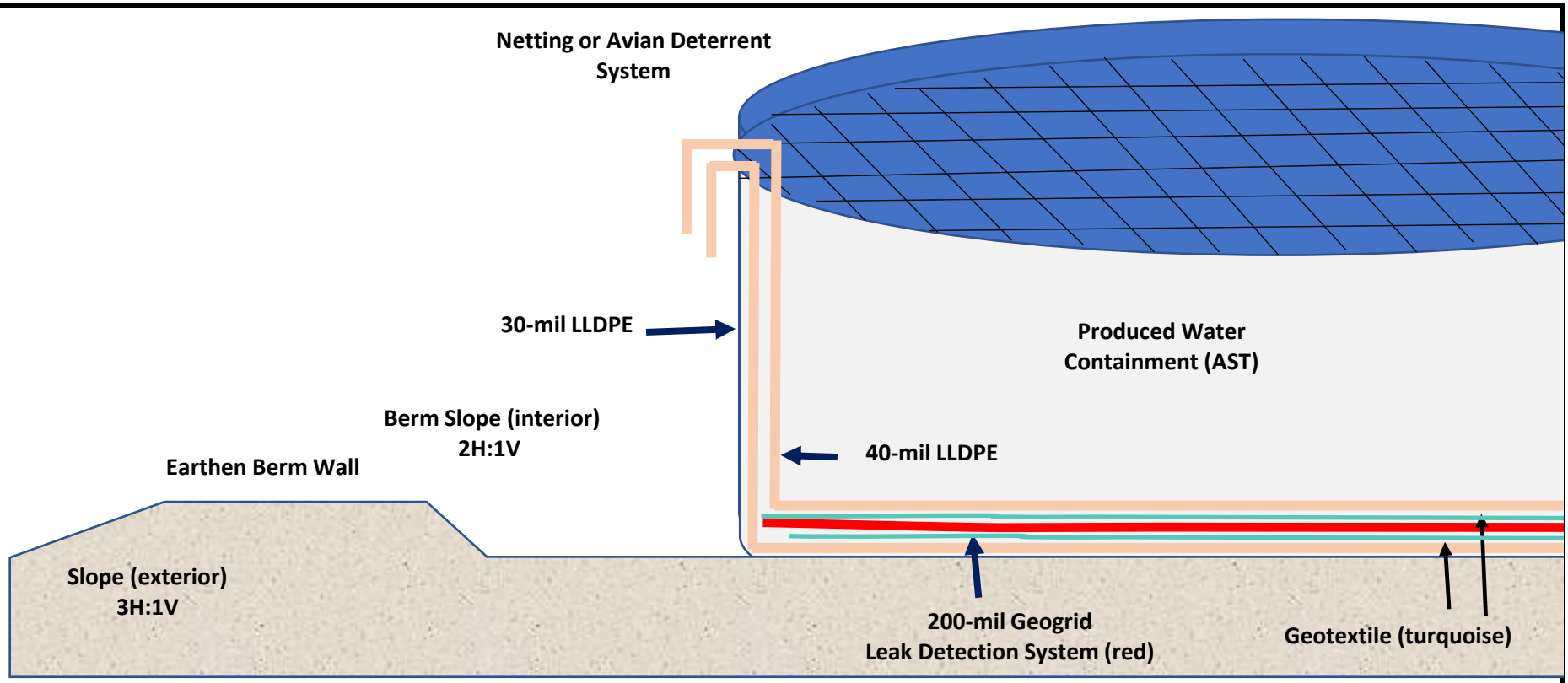
Betonnie Tsosie Wash Unit E03 G-Tank/Staging Area

Aquatic Resources Delineation Findings

BARR

Barr Footer: ArcGISPro, 2/5/2025 12:25 PM File: I:\Client\Enduring\ARIR_Projects\Maps\Enduring ARIR January 2025\Enduring ARIR January 2025.aprx Layout: Results - E03 User: ors

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)

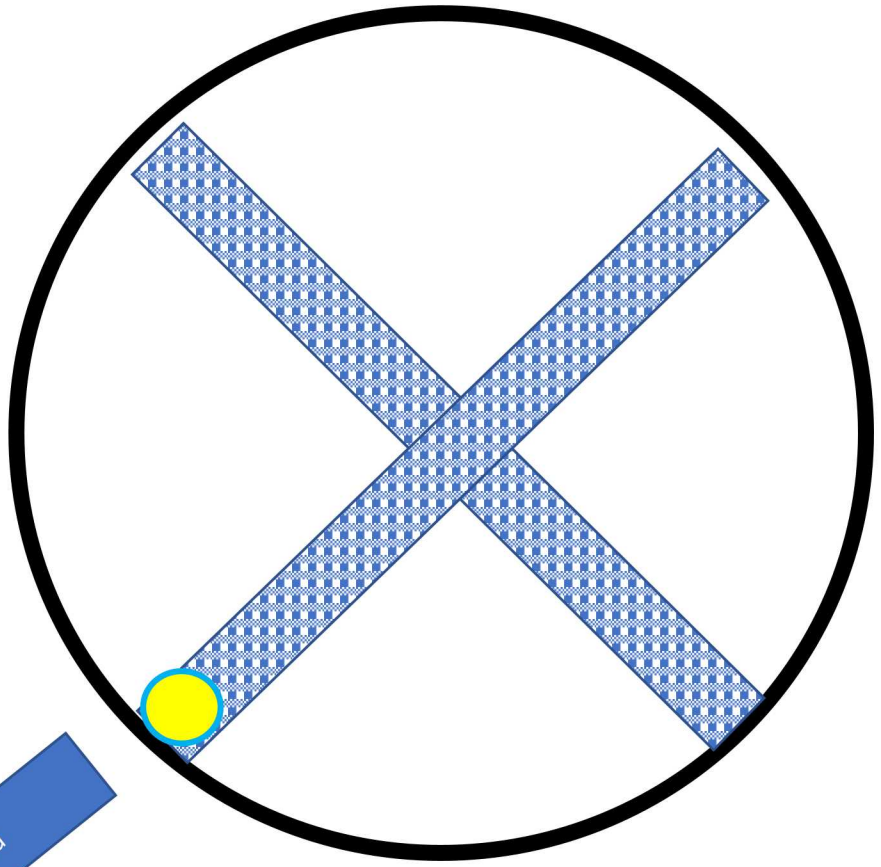
R.T. Hicks Consultants Albuquerque, NM	**Design Sketch**	**Plate 1**
	Well Water Solutions	**May-21**

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

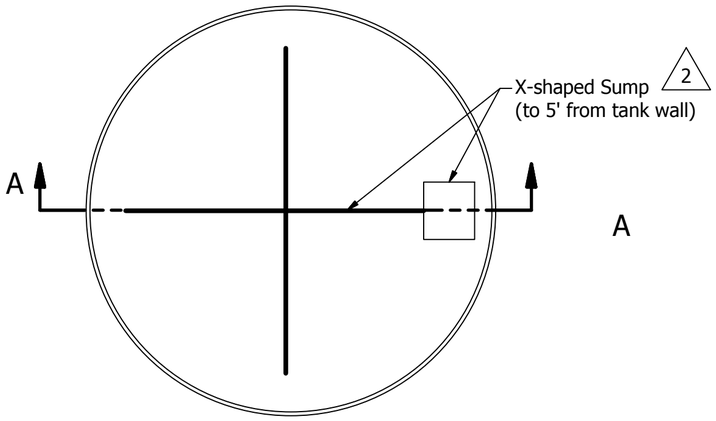


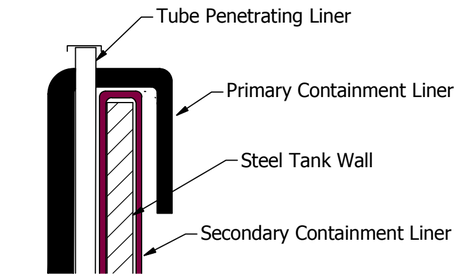
Sump Location

0 50 100

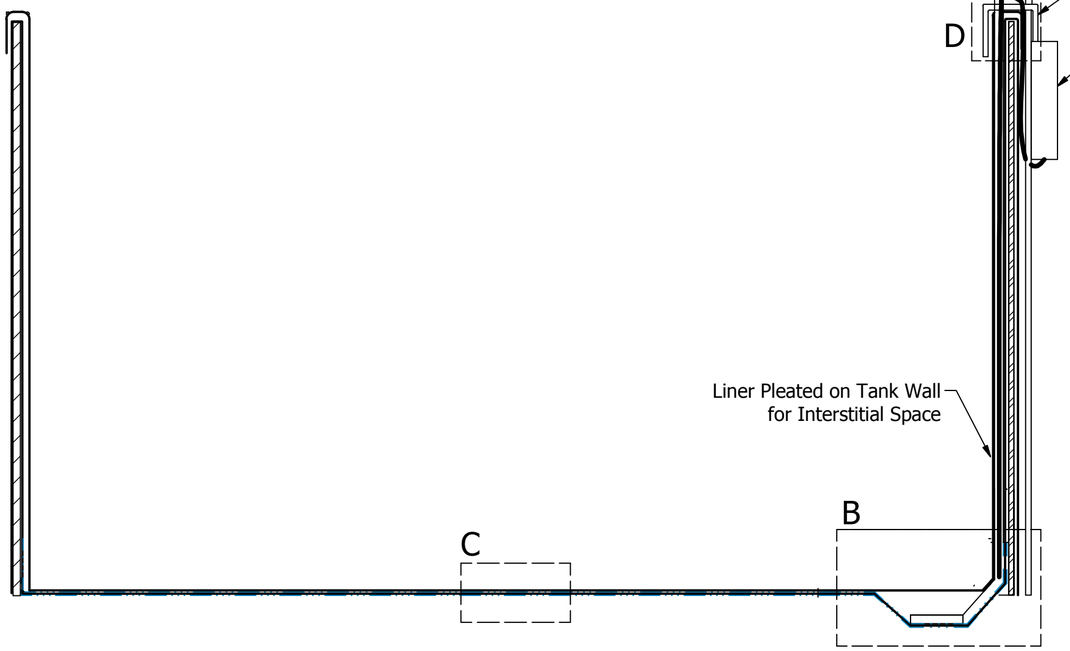
R.T. Hicks Consultants Albuquerque, NM	Layout of Geogrid Drainage Mat	Plate 1
	WWS - New Mexico Produced Water Set Up	June 2021

WWS DOUBLE-LINED FRAC WATER TANK SYSTEM

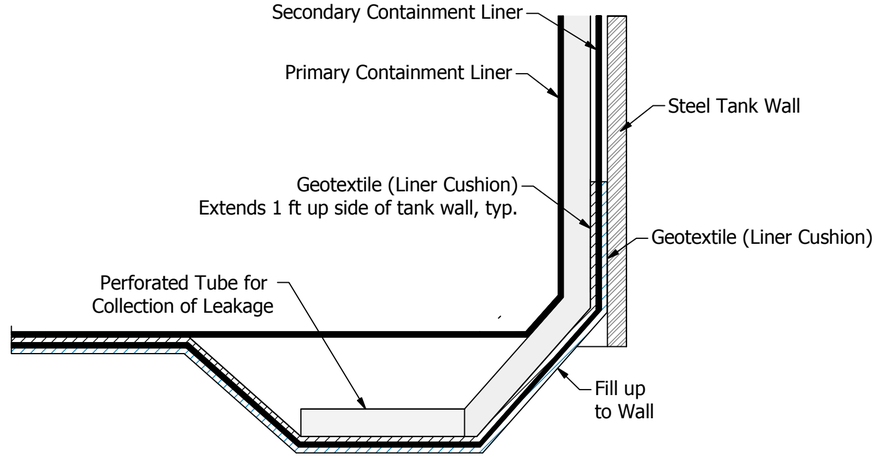




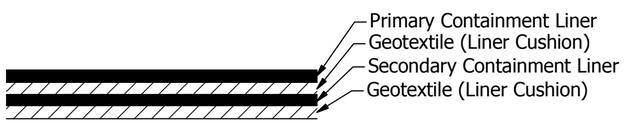
SECTION D
TUBE DETAIL
(Automated Leak Detection System Removed for Clarity)



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

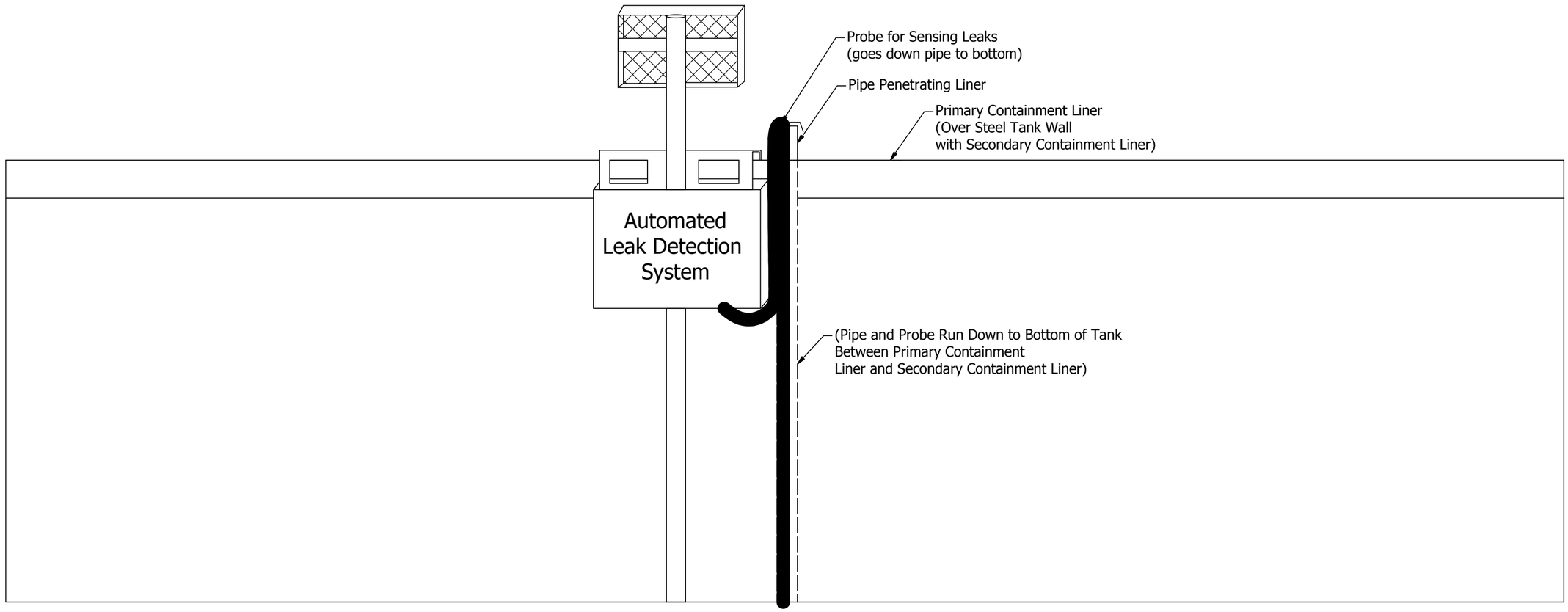
TITLE: Double-Lined Frac Tank System
CUSTOMER:
PROJECT/JOB: WWS Double-Lined Tank System
APPROVAL:
DRAFTER: SES
DATE: 10/28/2015

WELL WATER SOLUTIONS AND RENTALS, INC.

SIZE: C | DWG NO: LDD15-WWS-02 | REV: 3

SHEET 1 OF 2

1 AUTOMATED LEAK DETECTION SYSTEM

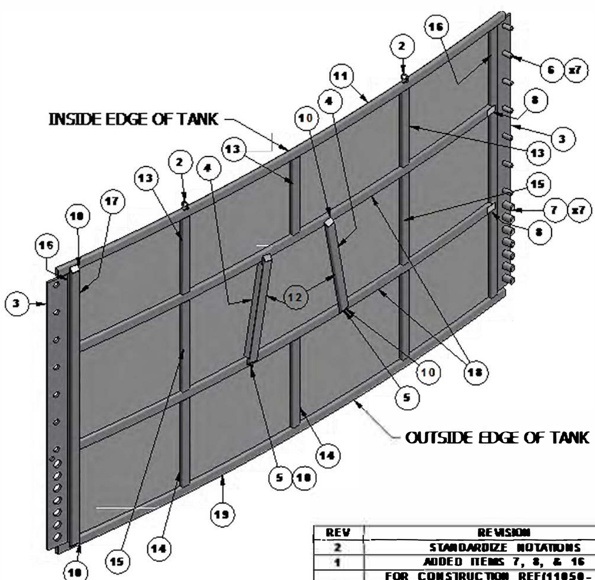


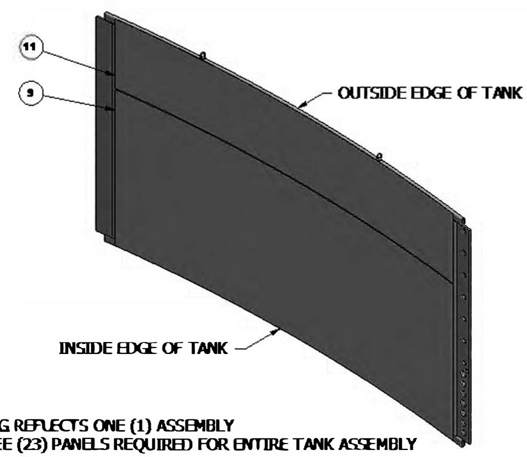
TITLE	Double-Lined Frac Tank System
CUSTOMER	
PROJECT/JOB	WWS Double-Lined Tank System
APPROVAL	
DRAFTER	SES
DATE	10/28/2015
SIZE	C
DWG NO	LDD15-WWS-02
REV	3
SHEET	2 OF 2

WELL WATER SOLUTIONS AND RENTALS, INC.

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 4080 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





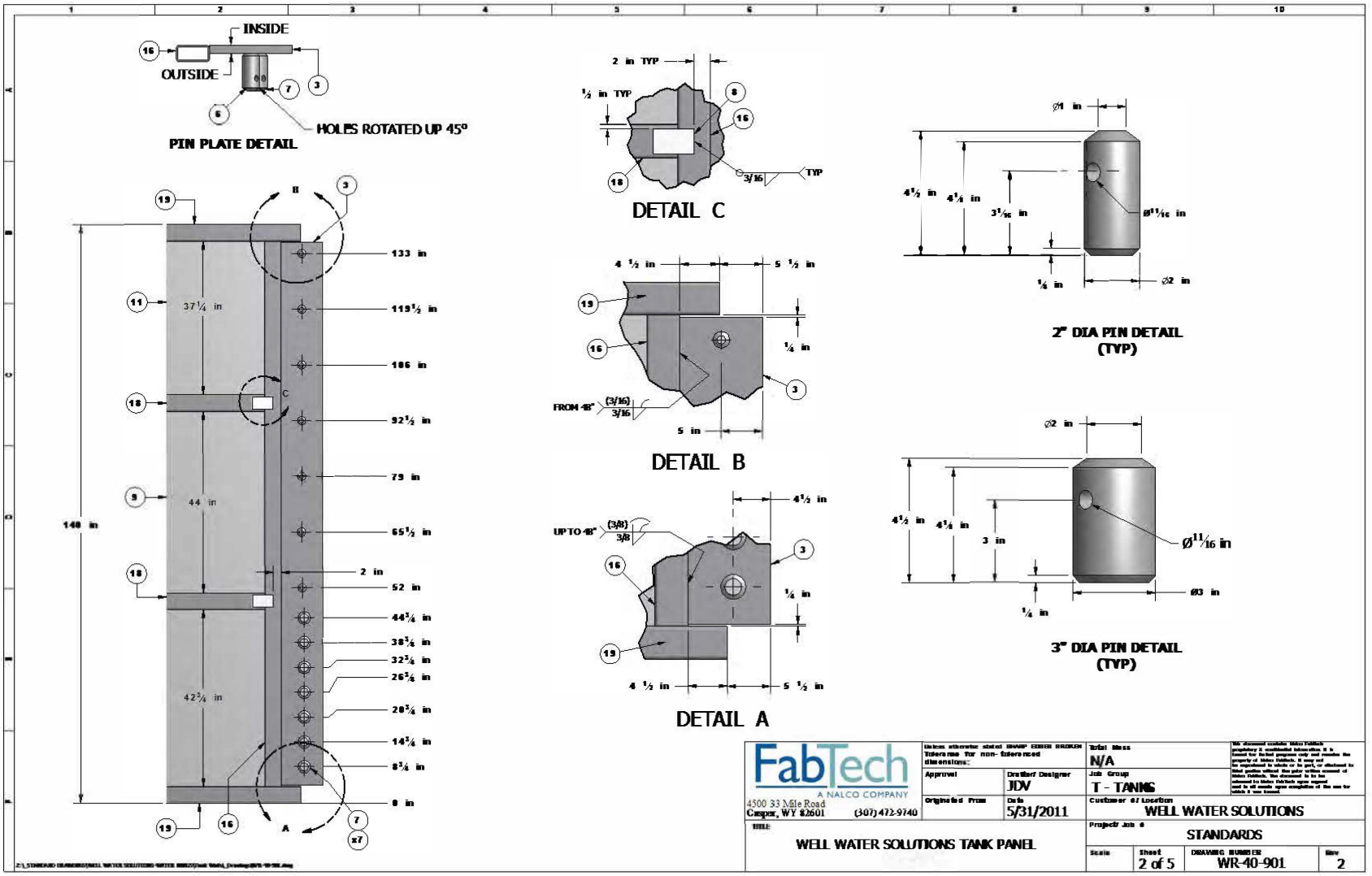
NOTES:
- THIS DRAWING REFLECTS ONE (1) ASSEMBLY
- TWENTY THREE (23) PANELS REQUIRED FOR ENTIRE TANK ASSEMBLY

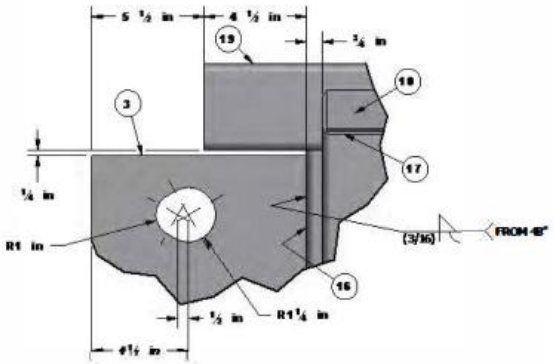
REV	REVISION	DATE	BY
2	STANDARDIZE NOTATIONS	1/17/2012	JDV
1	ADDED ITEMS 7, 8, & 16	12/09/11	DSG
0	FOR CONSTRUCTION REF(11050-901) CHANGED HEIGHT AND LOCATION OF PINS REF(11078-40-901)	9/1/2011	CJD

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

Title: WELL WATER SOLUTIONS TANK PANEL

Total Mass	N/A
Drafter/Designer	JDV
Job Group	T - TANKS
Date	5/31/2011
Customer & Location	WELL WATER SOLUTIONS
Project Job #	STANDARDS
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
¼ 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
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
2 of 5
DRAWING NUMBER
WR-40-901
Rev
2



DETAIL E
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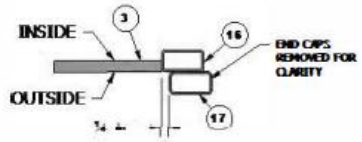
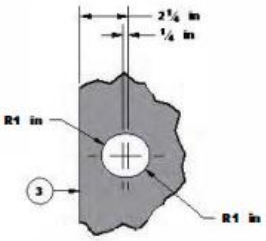


PIN-HOLE PLATE DETAIL



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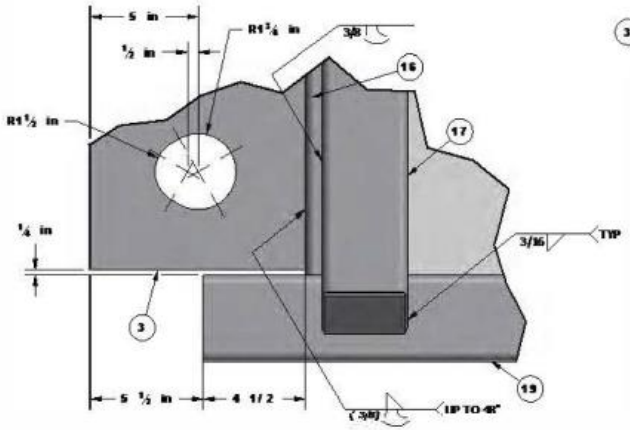

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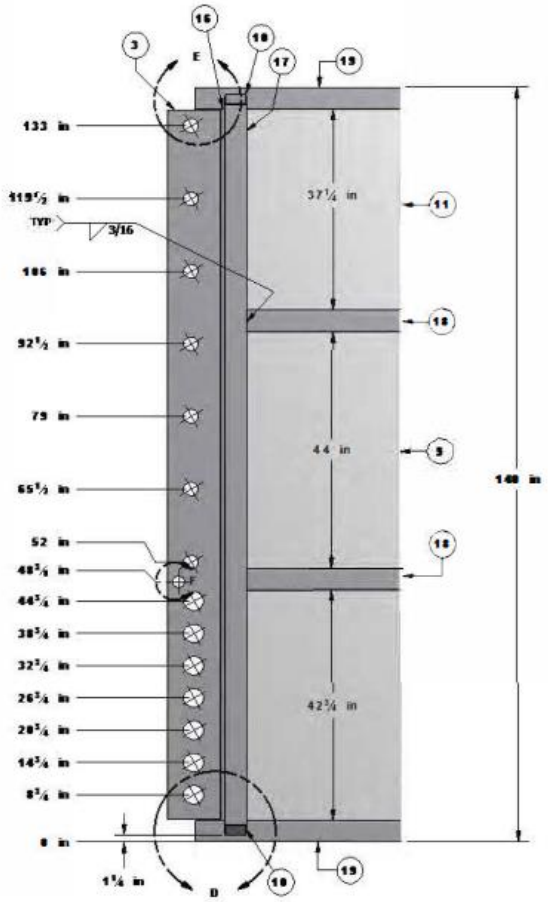
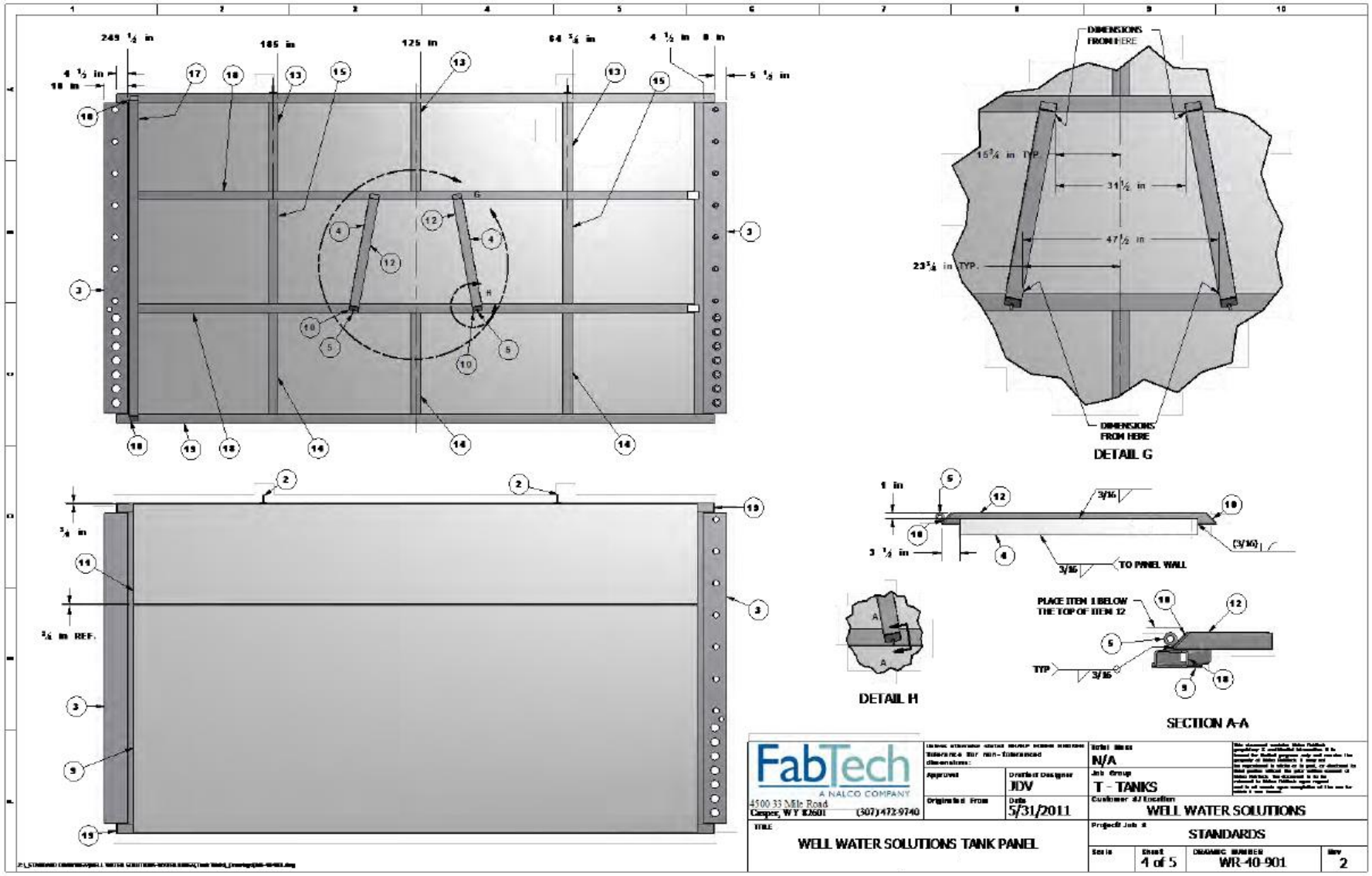
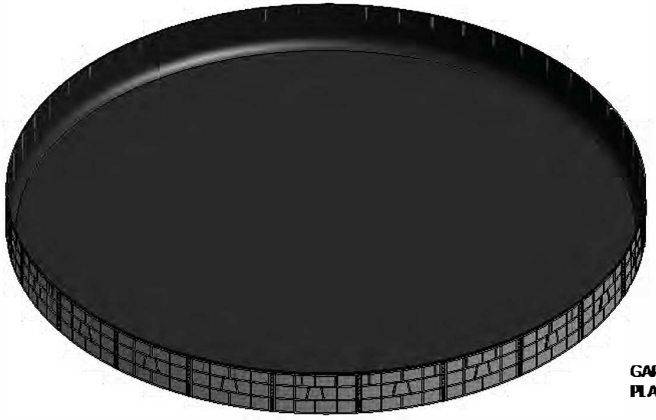
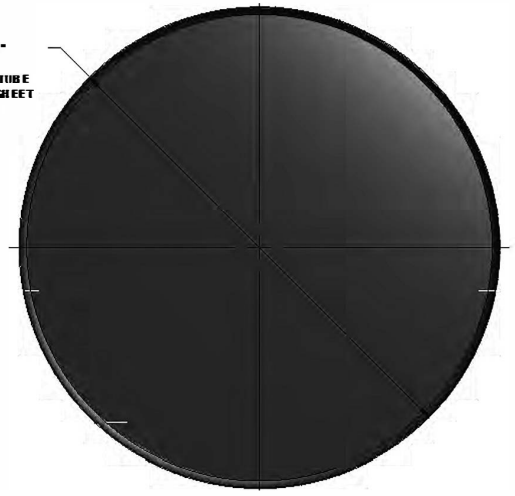
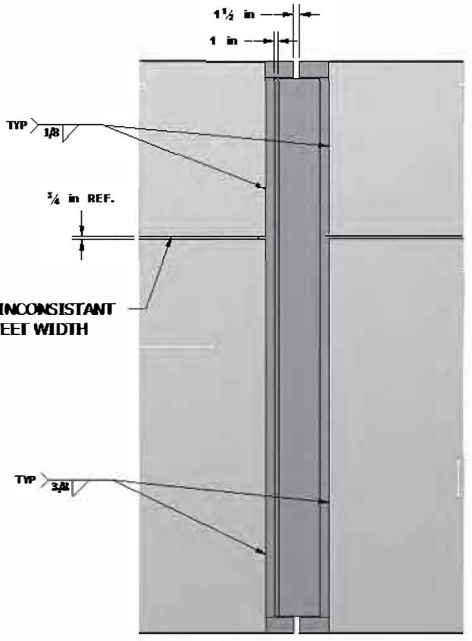


FabTech A NALCO COMPANY 4500 33 Mile Road Casper, WY 82601 (307) 472-9740	Approval	Drafted/Designer JDV	Total Mass N/A
	Originated From	Date 5/31/2011	Job Group T - TANKS
			Customer & Location WELL WATER SOLUTIONS
Title: WELL WATER SOLUTIONS TANK PANEL			Project/Job # STANDARDS
		Scale	Sheet 3 of 5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

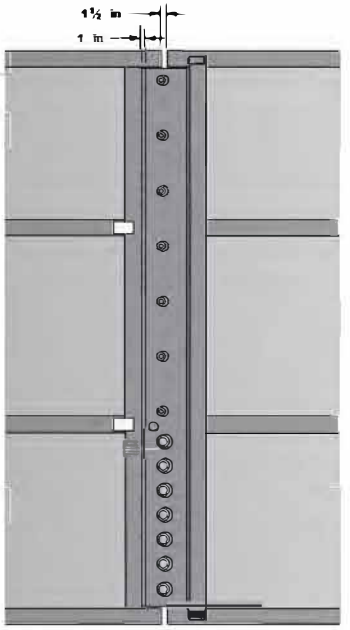

249 ½ in
185 in
125 in
64 ⅝ in
4 ½ in
8 in
4 ½ in
18 in
5 ½ in
DIMENSIONS FROM HERE
15¾ in TYP.
31½ in
47½ in
23¾ in TYP.
DIMENSIONS FROM HERE
DETAIL G
1 in
3 ½ in
3/16
(3/16)
3/16
TO PANEL WALL
PLACE ITEM 1 BELOW THE TOP OF ITEM 12
TYP
3/16
DETAIL H
SECTION A-A
¾ in
¾ in REF.
FabTech
A NALCO COMPANY
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 ID / Location
WELL WATER SOLUTIONS
STANDARDS
TITLE
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:

Approved | 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
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Enduring Resources IV, LLC Betonnie Tsosie Wash Unit 2208-E03 Staging Area 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 a 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 containments are above ground tanks (AST) not an in-ground pond; therefore, will not have inside/outside levee slopes. The ASTs are self-contained free-standing structures 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 the circular steel ASTs 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. 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.

Fencing: Enduring Resources requests a variance to NMAC 19.15.34.12 (D)(1) and (2) which applies to fencing or enclosing the containments. With the recycling containments being ASTs with 12-foot walls, entrance would have to be intentional. There is no risk of accidental entrance into containments by wildlife or the public. The site will be maintained to prevent harm to wildlife and the public. The freestanding above grade ASTs will provide equal or better protection to public health and the environment, as the fencing requirements of NMAC 19.15.34.12 (D)(1) and (2).

Thank you,

Casey Haga
Regulatory Specialist
Enduring Resources, LLC.
970.769.8814 – Cell

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, February 12, 2025 2:04 PM
To: Heather Huntington
Subject: 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]
Attachments: C-147 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] 02.12.2025.pdf

3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764]

Good morning Ms. Huntington.
NMOCD has reviewed the recycling containment permit application and related documents, submitted by [371838] DJR OPERATING, LLC on 02/11/2025, Application ID 430947, for 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] in E-03-22N-08W, San Juan County, New Mexico. [371838] DJR OPERATING, LLC requested variances from 19.15.34 NMAC for 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764].

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.
- [371838] DJR OPERATING, LLC requests a variance to NMAC 19.15.34.12 (D)(l) and (2) which applies to fencing or enclosing the containment. The freestanding 12-foot wall height above grade ASTs will provide equal or better protection to public health and the environment, as the fencing requirements of NMAC 19.15.34.12 (D)(l) and (2). This variance is approved.

The form C-147 and related documents for 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] are 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] is approved for five years of operation from the date of permit application of 02/11/2025. 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] permit expires on 02/11/2030. 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 01/11/2030.
- 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] consists of two (2) 43,000 barrels above ground storage tank (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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] in compliance with NMAC 19.15.34 NMAC.
- [371838] DJR OPERATING, LLC shall notify OCD, through OCD Permitting when construction of 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] commences.
- [371838] DJR OPERATING, LLC shall notify NMOCD through OCD Permitting when recycling operations commence and cease at 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764].
- A minimum 3-feet freeboard must be maintained at 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] are considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764].
- Per 19.15.34.14.G The re-vegetation and reclamation obligations imposed by federal, state trust land or tribal agencies on land 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-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] in all future communications.
Regards,

Victoria Venegas ● Environmental Specialist Advanced
EMNRD - Oil Conservation Division
506 W. Texas Ave. Artesia, NM 88210
575.909.0269 | Victoria.Venegas@emnrd.nm.gov

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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: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID: 371838
	Action Number: 430947
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] is approved for five years of operation from the date of permit application of 02/11/2025. 3RF-85 - BETONNIE TSOSIE WASH UNIT 2208-E03 AST PAD [fVV2504340764] permit expires on 02/11/2030. 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 01/11/2030.	2/12/2025