C-147 REGISTRATION PACKAGE

Good Times P30-2409 Pad
Recycling Containment and Recycling Facility

August 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 <u>District I</u> 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

String-Reinforced

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.
I. 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): Good Times P30-2409 AST
OCD Permit Number:(For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr SW/SW Section 29 Township 24N Range 09W County: San Juan
Surface Owner: X Federal X State Private Tribal Trust or Indian Allotment
2. NAD83 Recycling Facility: Location of recycling facility (if applicable): Latitude 36.280771 Longitude -107.818725 NAD83
Proposed Use: ☐ Drilling* ☐ Completion* ☐ 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:
☐ 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:

Liner Seams: Welded Factory Other Volume: 60,000 bbl Dimensions: Diameter 190' x Height 12' Recycling Containment Closure Completion Date:

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

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

☐ Liner type: Thickness 40 mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other

Center of Recycling Containment (if applicable): Latitude 36.280771

NAD83

Longitude -107.818725

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 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 amounts are approved) Attach closure cost estimate and documentation on how the closure cost was calculated.							
s. 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							
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						

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. 										
Operator Application Certification: I hereby certify that the information and attachments submitted with this applicat	tion are tr	rue, accurate and complete to the best of my knowledge and belief.								
Name (Print): Heather Huntington	Title: _	Permitting Technician								
Signature: Heather Huntington		Date: <u>08/25/25</u>								
e-mail address: <u>hhuntington@enduringresources.com</u>		Telephone: <u>505-636-9751</u>								
OCD Representative Signature: Victoria Venegas		Approval Date: 10/07/2025								
Title: Environmental Specialist	OCD P	Permit Number: 3RF-91								
X OCD Conditions										
X 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	Good Times P30-2409 Pad Recycling Containment and Recycling Facility
Project Type	Recycling Facility & Recycling Containment
Legal Location	Southwest ¼ of the Southwest ¼ of Section 29, 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 IV, LLC requests registration of their Good Times P30-2409 Pad (Good Times P30-2409 Pad) Recycling Containment and Recycling Facility through the approval of this C-147 registration and permit package.

The <u>recycling containment</u> 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 <u>recycling facility</u> 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. <u>DJR will only set as many tanks anticipated to be needed based on incoming volumes and extent of treatment necessary</u>. 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 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 Good Times P30-2409 Pad is located at 36.280771° N, -107.818725° W, within Section 29, 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). 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 Good Times P30 well pad project and permitted via two 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 Good Times P30 102H (30-045-38217) one of the two 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 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-01714 in the Southwest ¼ of the Southeast ¼ of Section 36, Township 24N, Range 10W. This water well was drilled to a total depth of 442 feet with depth to ground water measured at 284 feet. This water well is located approximately 9,845 feet southwest of the Good Times P30 2409 AST. With the proposed containment being an above ground tank, water depth of 284 feet, and AST pad elevation 80 plus vertical feet (downgradient) from this water well, 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.

Average, Minimum, and Maximum depth to ground water within T24N R09W = 742', 515', 1073' Average, Minimum, and Maximum depth to ground water within T23N R09W = 3516', 173', 6830' Average, Minimum, and Maximum depth to ground water within T24N R10W = 439', 284', 595' Average, Minimum, and Maximum depth to ground water within T23N R10W = No report data available

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

There are no continuously flowing watercourses within 300 feet; nor, any other significant watercourse or lakebeds, sinkholes, or playa lakes within 200 feet of the proposed AST.

DJR contracted Barr Engineering Co. (Barr) in June 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 300 feet of the Good Times P30-2409 Federal Com G-Tank/Staging Area 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 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.

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 1,000-foot buffer ring of the AST. A field visit verified there have been no new structures 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 facility/containment is 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) for domestic or stock water use is referenced above in subsection 2.1 at 9,845 feet away. Nearest spring/seep according to the National Hydrologic Dataset (NHD) is 4.36 miles Southwest.

An open water ephemeral pond is located northeast of the AST pad. This pond is not within the 500-foot buffer ring on Exhibit E Map 2. There are no nearby springs/seeps or water wells that would have supplied water to this dirt tank.

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 approximately 36.3 miles Northwest.

2.6. Distance to Wetland 19.15.34.11 A.(6)

The recycling facility/containment is not located within 500 feet of a wetland per the evidence provided below and detailed in the Aquatic Resource Delineation Technical Memorandum attached hereto as Exhibit F.

According to the US Fish and Wildlife Service National Wetland Inventory (NWI) and Exhibit E Map 2, the proposed site is located within 500 feet and 200 feet of an ephemeral drainage that has been mapped as "Riverine" with classification code: R4SBJ. Please see decoded descriptions below from US Fish and Wildlife Service for each of these.

R4SBJ:

System **Riverine** (**R**): The Riverine System includes all wetlands and deepwater habitats contained within a channel, with two exceptions: (1) wetlands dominated by trees, shrubs, persistent emergents, emergent mosses, or lichens, and (2) habitats with water containing ocean-derived salts of 0.5 ppt or greater. A channel is an open conduit either naturally or artificially created which periodically or continuously contains moving water, or which forms a connecting link between two bodies of standing water.

Subsystem **Intermittent** (4): This Subsystem includes channels that contain flowing water only part of the year. When the water is not flowing, it may remain in isolated pools or surface water may be absent.

Class **Streambed** (SB): Includes all wetlands contained within the Intermittent Subsystem of the Riverine System and all channels of the Estuarine System or of the Tidal Subsystem of the Riverine System that are completely dewatered at low tide.

Water Regime Intermittently Flooded (J): The substrate is usually exposed, but surface water is present for variable periods without detectable seasonal periodicity. Weeks, months, or even years may intervene between periods of inundation. The dominant plant communities under this Water Regime may change as soil moisture conditions change. Some areas exhibiting this Water Regime do not fall within our definition of wetland because they do not have hydric soils or support hydrophytes. This Water Regime is generally limited to the arid West.

The data used and displayed near the project area on the US Fish and Wildlife Service Wetland Inventory was mapped as described in the San Juan, Estancia Basin, and Sante Fe County, NM - Supplemental Map Information document as follows:

All feature creation and attribution was completed with on-screen digitization procedures using Esri, ArcGIS Pro 2.7.0, and ArcMap 10.7.1, with advanced editing tools.

The wetland mapping of this project involved an area-wide inventory of wetlands and non-wetland riparian habitats using 2018, year color infrared and true-color aerial imagery. Fieldwork review was conducted for the purpose of verification of wetland features and non-wetland features and a "selective key" of photo-signatures was created. This baseline information served as a guide for identifying and classifying features (as interpreted from the project imagery) within the NWI (version 2.0), and the Landscape Position Landform Water Flow Path and Water Body Type (LLWW, version 2) Classification Systems.

Since the Wetlands Inventory is identified and mapped from a desktop perspective utilizing photo-signatures the resulting data is a desktop approximation of potential wetlands and non-wetland riparian habitat. Thus, field investigation is necessary to confirm or deny wetland status based on the presents of hydric soils or support hydrophytes.

DJR contracted Barr Engineering Co. (Barr) in June 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:

The mapped R4SBJ channel was assessed and did not support a defined channel with an OHWM either flowing into or out of the impounded stock pond.

No drainages with an OHWM were observed within 200 feet of the Good Times Unit P30 2409 G-Tank site. The seasonal stock pond upstream of the site does not have a defined inlet or outlet and appears to be fed by sheet flow during precipitation events. This pond is outside the 500-foot buffer; no associated wetlands were observed.

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 9W, 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 23 miles 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 provide adequate compaction of the pad surface for the anticipated load of the recycling facility and AST containment.

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

- Prior to earthwork, all trees (if applicable) and slash/brush, will be mulched and incorporated into the topsoil. Tree roots and trucks will be removed from the site. The topsoil (vegetative root layer) and mulched organic matter will be stripped from location and windrowed along the perimeter of location. Topsoil will not be used for pad construction as the organic matter mixed within the soil prevents adequate compaction.
- Subsoil horizons will be utilized to construct a balanced (high areas are cut and used to fill low areas) location. Fill slopes will be deposited and compacted in approximate 6-inch lifts with optimal soil moisture content.
- No soil deemed too wet from inclement weather will be utilized for construction as adequate compaction cannot be achieved. Additionally, if construction occurs during winter months, the frost layer if applicable will be stripped and sub frost line soil horizons utilized for construction to achieve adequate compaction that will not settle with warming temperatures.
- Cut and fill slopes around location will be 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 facility/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 within the same watershed shown in Exhibit E Map 2 is 2.1 miles West.

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 Good Times P30-2409 AST Pad. The facility and recycling containment 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 containment are provided as Exhibit G.

3.1. Foundation Construction

The containment AST will be constructed on DJR's Good Times P30-2409 AST 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. or similar 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

Please see variance request attached as Exhibit H.

With the recycling containment being an AST with 12-foot wall height, entrance to containment would have to be intentional. There is no risk of accidental entrance into the containment 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 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 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 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 Ponderosa F31 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 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 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, 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 Good Times P30 102H approved APD. This reclamation plan was developed with, and approved by, the surface managing agency.

EXHIBIT A. PLAT

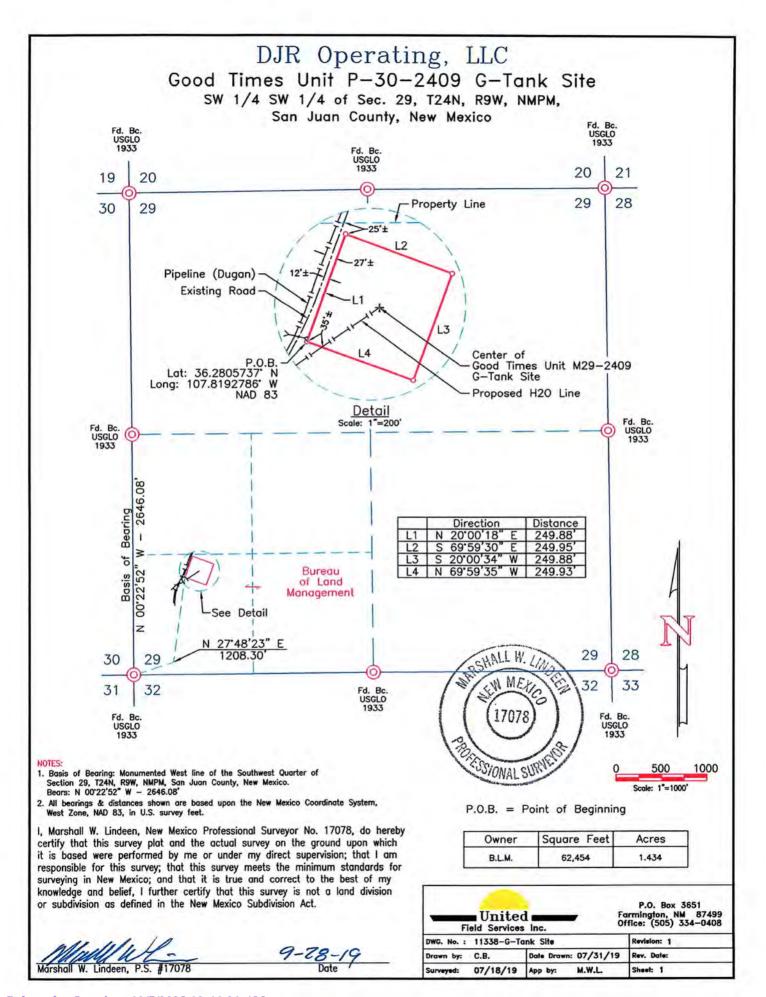


EXHIBIT B. RECYCLING FACILITY AND RECYCLING CONTAINMENT SITE DIAGRAM

EXHIBIT C. SURFACE OWNER NOTIFICATION

Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. NMNM4958 **BUREAU OF LAND MANAGEMENT** APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. **✓** DRILL REENTER 1a. Type of work: NMNM 136924A 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone ✓ Multiple Zone GOOD TIMES UNIT 102H 2. Name of Operator 9. API Well No. DJR OPERATING LLC 30-045-38217 10. Field and Pool, or Exploratory 3a. Address 3b. Phone No. (include area code) 1700 LINCOLN STREET, SUITE 2800, DENVER, CO 802 (505) 632-3476 BASIN/BASIN MANCOS 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 30/T24N/R9W/NMP At surface SESE / 1012 FSL / 6 FEL / LAT 36.280419 / LONG -107.821235 At proposed prod. zone NWSE / 2137 FSL / 2411 FEL / LAT 36.298111 / LONG -107.847381 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State SAN JUAN NM 34 miles 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well 6 feet location to nearest property or lease line, ft. 680.6 (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 20 feet 5021 feet / 14805 feet FED: NMB001464 applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 6917 feet 11/11/2020 12 days 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. 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. SUPO must be filed with the appropriate Forest Service Office). 6. Such other site specific information and/or plans as may be requested by the 25. Signature Name (Printed/Typed) Date (Electronic Submission) SHAW-MARIE FORD / Ph: (505) 632-3476 05/14/2020 Title Regulatory Specialist Approved by (Signature) Date Name (Printed/Typed) (Electronic Submission) DAVE J MANKIEWICZ / Ph: (505) 564-7761 01/26/2022 Title Office AFM-Minerals Farmington Field 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.

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.



Conditions of approval, if any, are attached.

EXHIBIT D. GROUND WATER REPORT



Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are smallest to largest)

(In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Мар		Depth Water	Water Column
<u>SJ 00001</u>		SJ	SJ		SE	NW	12	23N	09W	253534.0	4014427.0 *		695	630	65
<u>SJ 00144</u>		SJ	SJ	NW	NW	SW	31	23N	09W	244786.0	4007922.0 *	•	100		
<u>SJ 01710</u>		SJ	SJ		NW	SW	25	23N	09W	252985.0	4009203.0 *	•	550	173	377
<u>SJ 04301 POD2</u>		SJ	SJ		NE	SW	19	23N	09W	245436.0	4010999.6	•	6630	6432	198
<u>SJ 04301 POD3</u>		SJ	SJ		SE	SW	24	23N	09W	253586.5	4010276.6	•	7408	6830	578

Average Depth to Water: 3516 feet

Minimum Depth: 173 feet

Maximum Depth: 6830 feet

Record Count: 5

Basin/County Search:

Basin: SJ

PLSS Search: Range: 09W Township: 23N

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

^{*} UTM location was derived from PLSS - see Help



Water Column/Average Depth to Water

No report data available.

Basin/County Search:

Basin: SJ

PLSS Search: Range: 10W Township: 23N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



Water Column/Average Depth to Water

(A CLW#### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are smallest to largest)

(In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Мар		Depth Water	Water Column
<u>SJ 01255</u>		SJ	SJ		NW	NW	07	24N	09W	245350.0	4024741.0 *	•	1100	1073	27
<u>SJ 01712</u>		SJ	SJ		NE	SE	27	24N	09W	251195.0	4018933.0 *	•	528	515	13
<u>SJ 04587 POD1</u>		SJ	SJ		NE	SW	25	24N	09W	253560.7	4018930.3	•	800	640	160

Average Depth to Water: 742 feet

Minimum Depth: 515 feet

Maximum Depth: 1073 feet

Record Count: 3

Basin/County Search:

Basin: SJ

PLSS Search: Range: 09W Township: 24N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



Water Column/Average Depth to Water

in the POD suffix indicates the POD has been

replaced

serves a water right

& no longer

(R=POD has replaced, O=orphaned, C=the file is

(quarters are smallest to largest)

file.) closed)				larges	largest)									(In feet)		
	POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Мар		Depth Water	Water Column
	<u>SJ 01713</u>		SJ	SJ		SE	SE	33	24N	10W	239936.0	4017203.0 *		373		
	SJ 01714		SJ	SJ		SW	SE	36	24N	10W	244334.0	4017107.0 *		442	284	158
	<u>SJ 03141</u>		SJ	SJ	SW	NE	NW	29	24N	10W	237520.0	4019956.0 *		640	595	45

Average Depth to Water: 439 feet

Minimum Depth: 284 feet

Maximum Depth: 595 feet

Record Count: 3

Basin/County Search:

Basin: SJ

PLSS Search: Range: 10W Township: 24N

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

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	Υ	Мар
	SJ 01714		SW	SE	36	24N	10W	244334.0	4017107.0 *	

* UTM location was derived from PLSS - see Help

Driller License:		Driller Company:			
Driller Name:					
Drill Start Date:	1963-08-06	Drill Finish Date:	1964-01-29	Plug Date:	
Log File Date:		PCW Rcv Date:		Source:	Shallow
Pump Type:		Pipe Discharge Size:		Estimated Yield:	3
Casing Size:	6.63	Depth Well:	442	Depth Water:	284

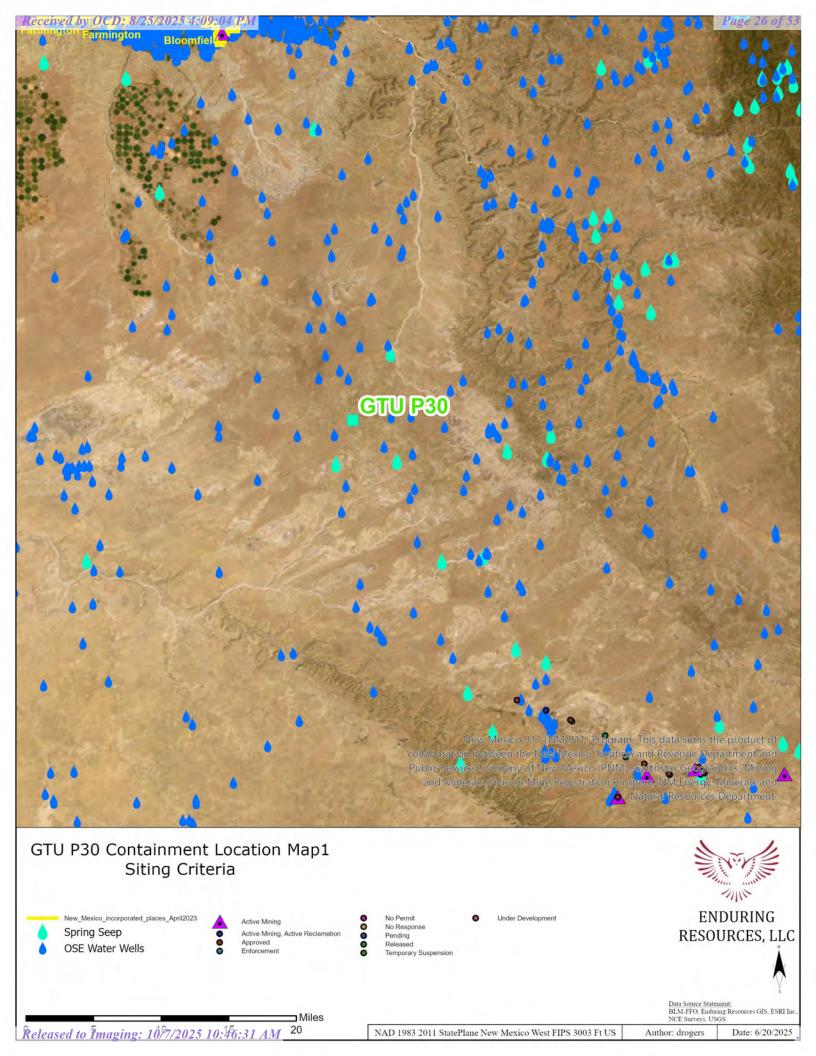
The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, or suitability for any particular purpose of the data.

7/1/25 10:07 AM MST Point of Diversion Summary

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EXHIBIT E. SITING CRITERIA MAPS



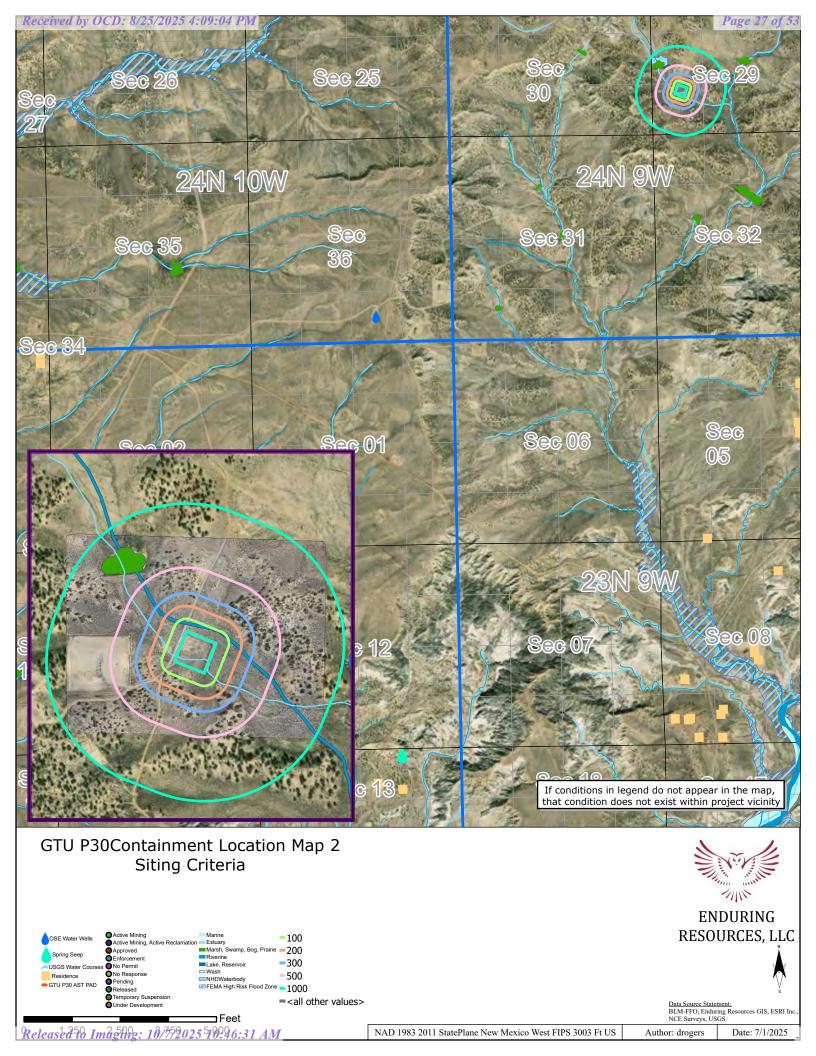


EXHIBIT F. AQUATIC RESOURCES DELINEATION TECHNICAL MEMORANDUM



Technical Memorandum

To: Casey Haga, Enduring Resources IV, LLC

From: Julia Hanson

Subject: Aquatic Resources Delineation

Date: July 31, 2025

Project: Good Times Unit P30 2409 G-Tank Site

DJR Operating, LLC (DJR) retained Barr Engineering Co. (Barr) to conduct an aquatic resources delineation survey for Good Times Unit P30 2409 G-Tank Site located in the SW ¼ SW ¼ of Section 29, Township 24 North, Range 9 West, New Mexico Principal Meridian, San Juan County (Map 1). The pad would be approximately 250 feet by 250 feet for a total disturbance of 1.43 acres. The center coordinates for the G-tank site are 36.2805737° N, -107.8212786° W, North American Datum 1983 Zone 13N. The site is located on Bureau of Land Management Farmington Field Office-managed land. The survey area included the Good Times Unit P30 2409 G-tank site and a 500-foot buffer around the site.

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. DJR 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, 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, gas, or both; in road construction or maintenance, or other construction; and the

4801 North Butler, Suite 15101 Farmington, NM 87401 | 505.327.3088

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From: Julia Hanson

Subject: Aquatic Resources Delineation

Date: July 31, 2025

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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.

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ESRI ArcGIS Online World Imagery (ESRI 2025).

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 all three conditions be met under normal conditions 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 SDAM may inform a range of activities where information on streamflow duration is beneficial, including specific 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.

A handheld global positioning system (GPS) unit with submeter accuracy was 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 Good Times Unit P30 2409 G-tank site is 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. One soil unit occurs in the survey area and is the Fruitland-Persayo-Sheppard complex, hilly. This soil unit is not listed as a hydric soil for San Juan County, New Mexico (NRCS 2025).

No FEMA-designated 100-year flood zones are in the survey area (FEMA 2025). The desktop review identified an intermittent (R4SBJ) channel and a palustrine unconsolidated shore sand temporary flooded impounded wetland (PUS2Ah) northwest of the project area and outside the 500-foot buffer (USGS 2016; USFWS 2025).

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Casey Haga, Enduring Resources IV, LLC To:

From: Julia Hanson

Subject: Aquatic Resources Delineation July 31, 2025

Date:

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3.2 **Field Survey**

Barr biologist Julia Hanson conducted the aquatic resources delineation survey on June 27, 2025. The field survey verified the presence of an open water stock pond (PUS2Ah) (1.3 acres) without any associated wetlands. The mapped R4SBJ channel was assessed and did not support a defined channel with an OHWM either flowing into or out of the impounded stock pond. Seasonal precipitation or snowmelt flows as sheet flow into the stock pond as mapped and depicted on Map 1. Photographs 1 through 3 show the stock pond and lack of OWWM at the inflow and outflow for the mapped NHD and NWI historical channels.



Photograph 1. The impounded stock pond contained water during the field survey in June 2025.

To: Casey Haga, Enduring Resources IV, LLC

From: Julia Hanson

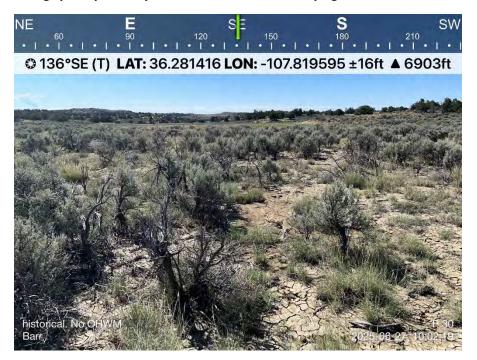
Subject: Aquatic Resources Delineation

Date: July 31, 2025

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Photograph 2. Ephemeral pond inlet with no defined ordinary high water mark.



Photograph 3. Pond outlet (Data Point 1 on Map 1).

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From: Julia Hanson

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Photograph 4. No defined channel occurs as an outflow down slope of the impounded stock pond, as depicted on the National Hydrography Dataset (Data Point 2 on Map 1).

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 Good Times Unit P30 2409 G-Tank site. The seasonal stock pond upstream of the site does not have a defined inlet or outlet and appears to be fed by sheet flow during precipitation events. This pond is outside the 500-foot buffer; no associated wetlands were observed. 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 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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Federal Emergency Management Agency (FEMA). 2025. Flood map service center. U.S. Department of Homeland Security. Washington, D. C. Available online at: https://msc.fema.gov/portal/. Accessed July 2025.

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From: Julia Hanson

Subject: Aquatic Resources Delineation

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- 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.
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Attachment A

Maps

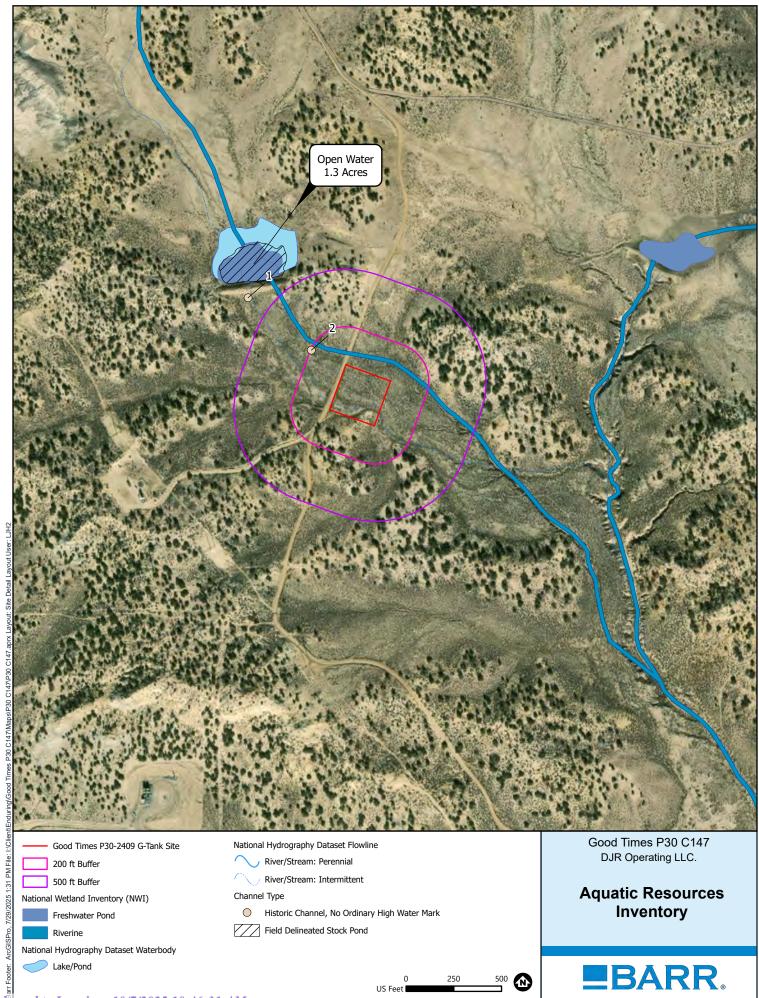
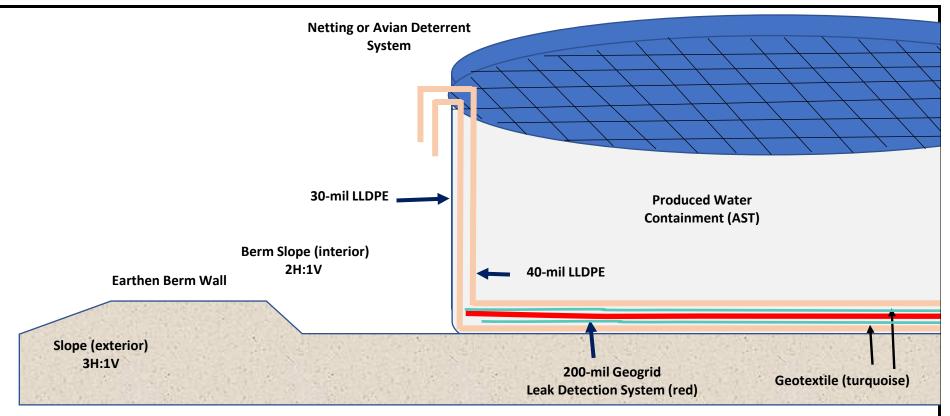


EXHIBIT G. MANUFACTURE SPECIFICATION



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

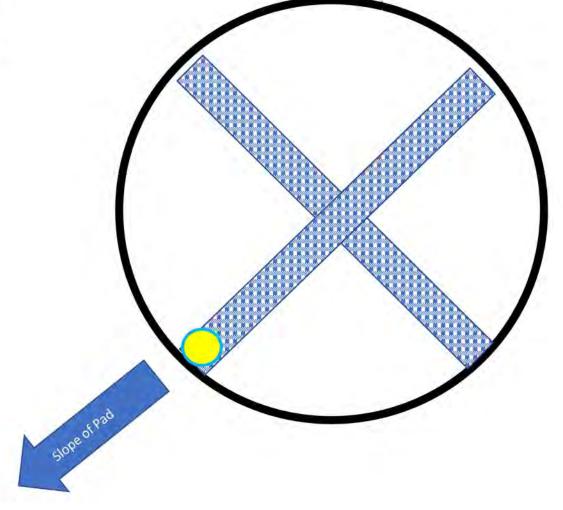
8-oz geotextile is placed

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

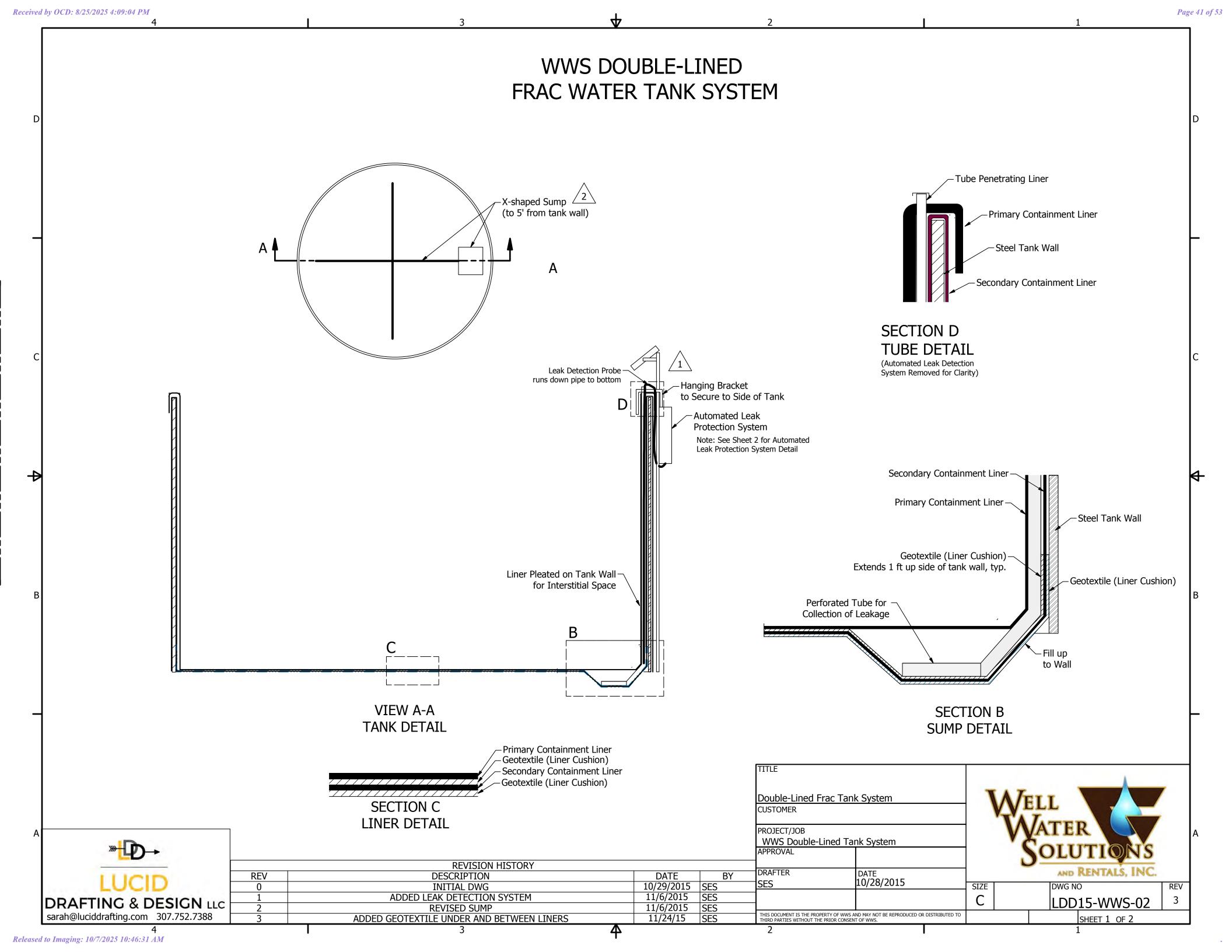


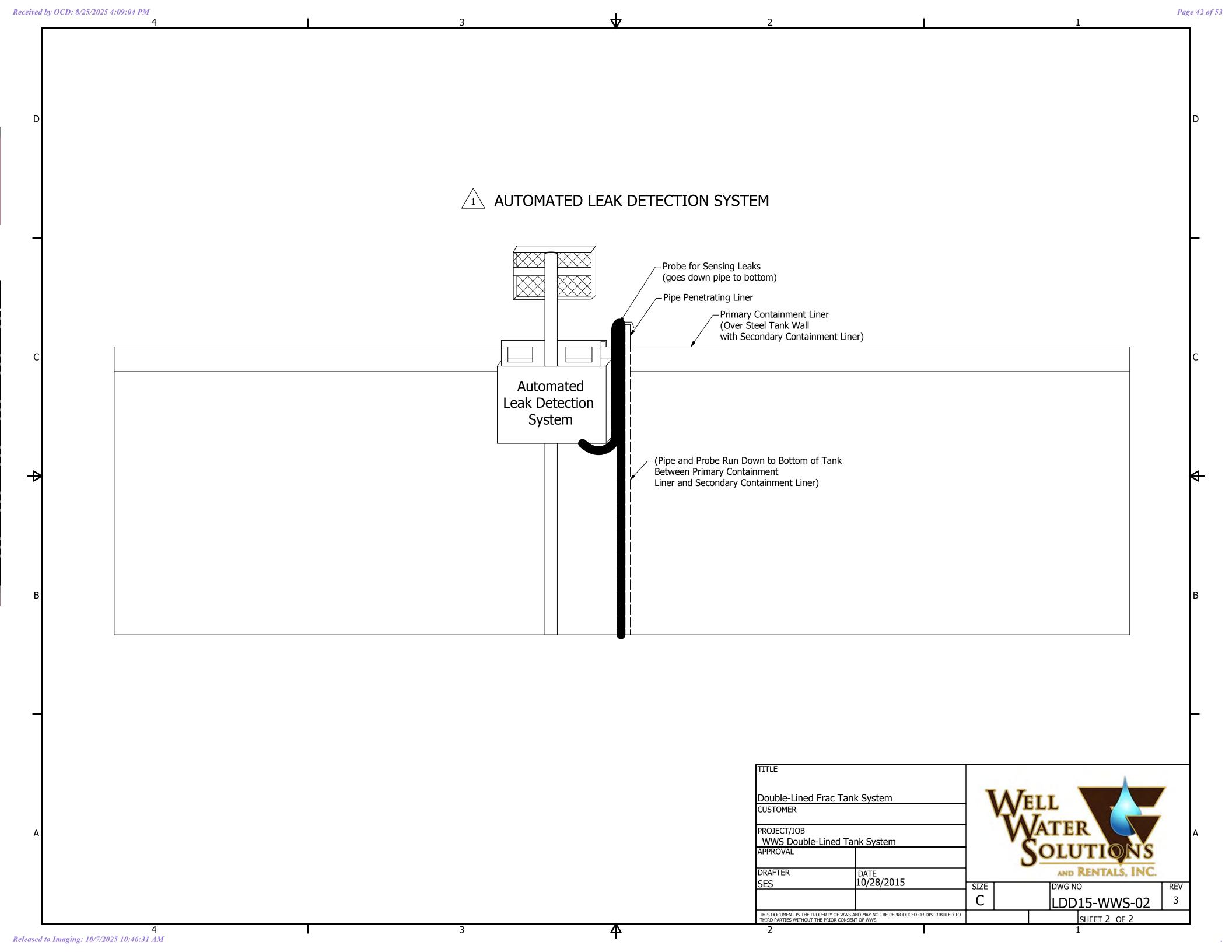
Sump Location

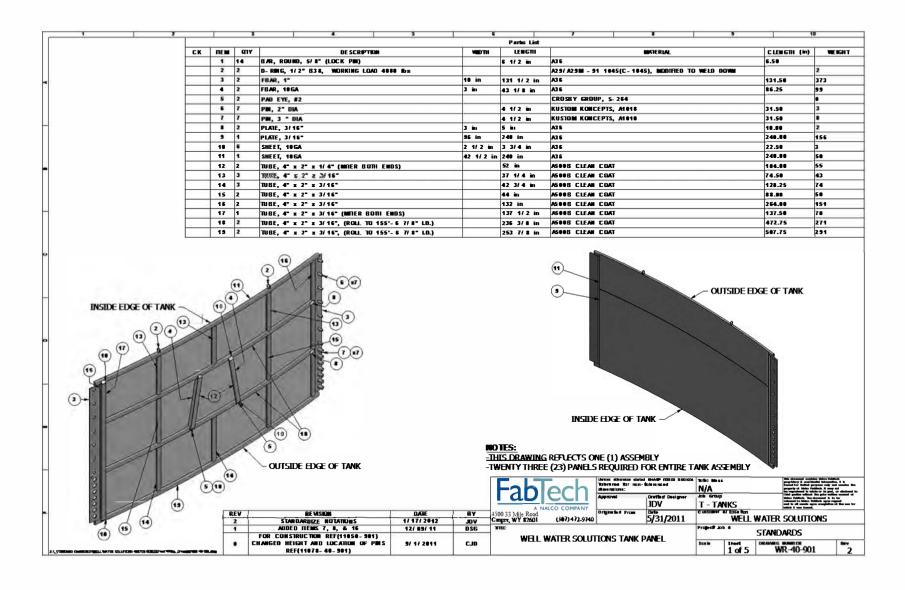


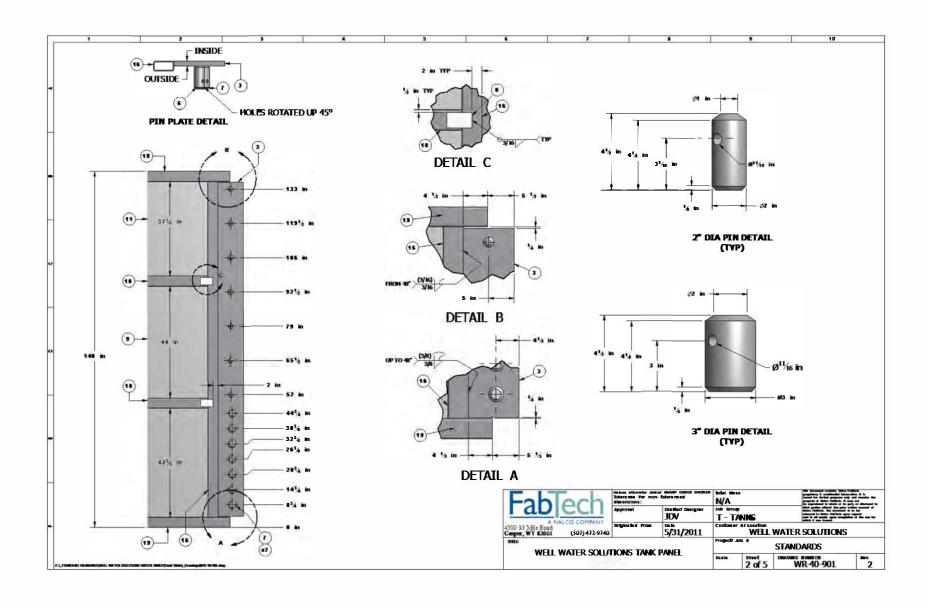
0	50	100

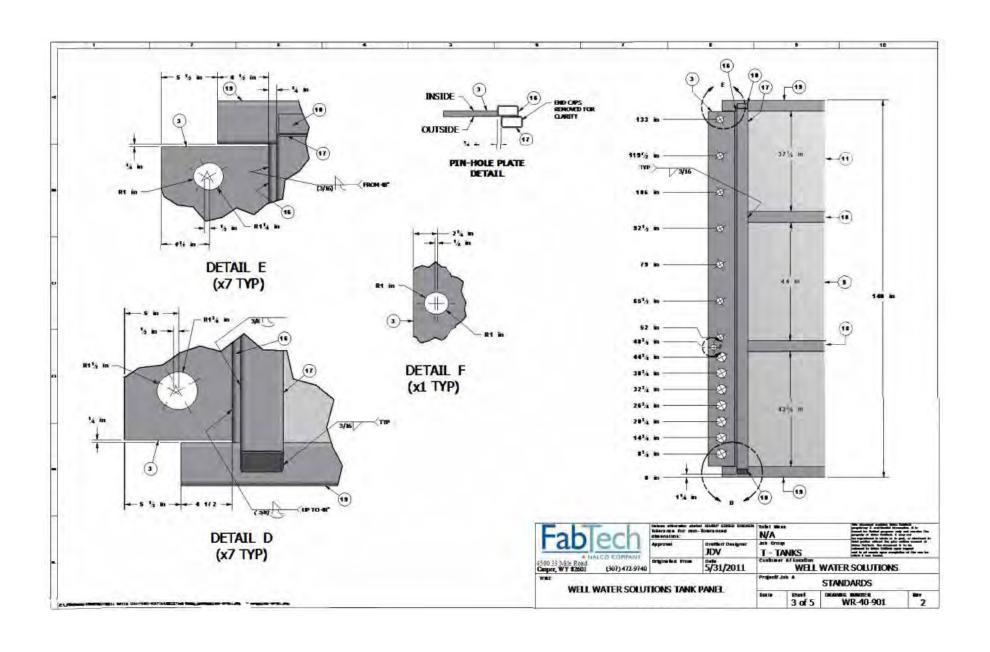
R.T. Hicks Consultants	Layout of Geogrid Drainage Mat	Plate 1
Albuquerque, NM	WWS - New Mexico Produced Water Set Up	June 2021

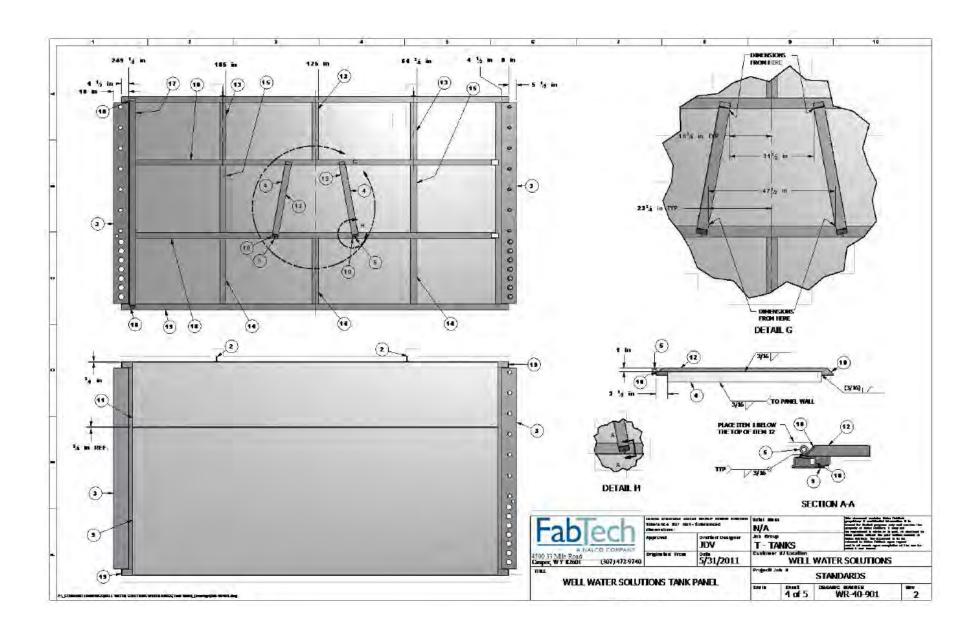


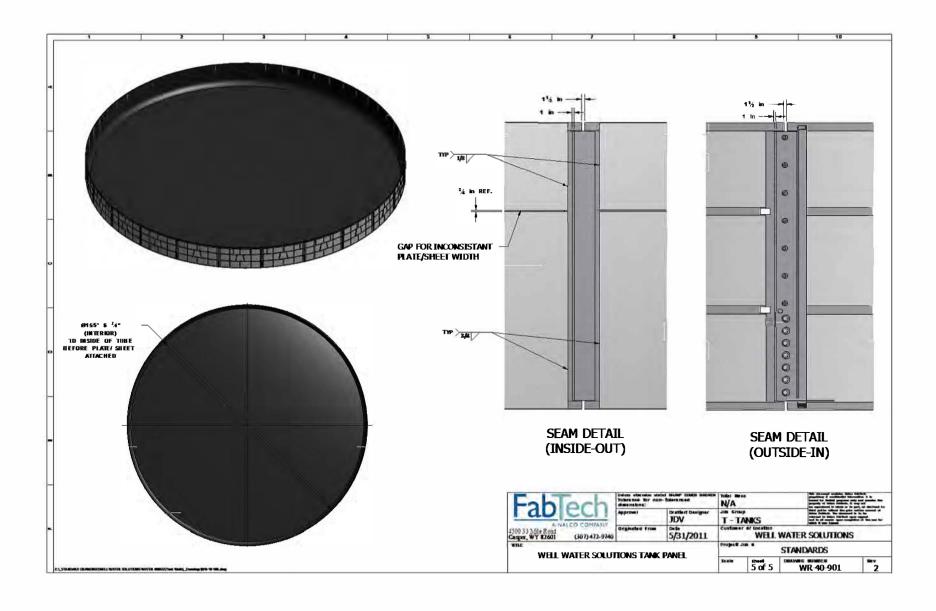














TANK SIZE CHART

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



6300 S Syracuse Way Centennial, CO 80111 Field Office: 505.636.9720 | Main Office: 303.573.1222

Enduring Resources IV, LLC Good Times Unit P30 AST 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 a self-contained free-standing structure 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. The proposed variance will provide equal or better protection of fresh water, public health and the environment, as the proposed liner meets all other 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 containment. With the recycling containment being an AST with 12-foot wall height, entrance to containment would have to be intentional. There is no risk of accidental entrance into containment by wildlife or the public. The site will be maintained to prevent harm to wildlife and the public. The freestanding above grade AST 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: Tuesday, October 7, 2025 10:39 AM **To:** Hhuntington@enduringresources.com

Subject: 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983]

Attachments: C-147 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983] 10.07.2025.pdf

3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983]

Good morning Ms. Huntington.

NMOCD has reviewed the recycling containment permit application and related documents, submitted by [371838] DJR OPERATING, LLC on 08/25/2025, Application ID **499111**, for 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983] in M-29-24N-09W, San Juan County, New Mexico. [371838] DJR OPERATING, LLC requested variances from 19.15.34 NMAC for 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983].

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 and a 30-mil LLPDE secondary liner is approved.
- [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-91 - GOOD TIMES P30-2409 AST [FVV2527956983] 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-91 GOOD TIMES P30-2409 AST [FVV2527956983] is approved for five years of operation from the date
 of permit application of 08/25/2025. 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] permit expires
 on 08/25/2030. 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
 07/25/2030.
- 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] will consist of one above ground storage tank (AST) of 60,000 barrels of capacity. The AST containment will be surrounded by an Earthen Berm Wall as shown in Exhibit G Plate 1. The recycling facility will consist of up to (30) 400 bbl vertical frac tanks with a consolidated volume of 12,000 barrels to treat (mechanical and chemical reconditioning process) produced water for reuse.

- [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 reused and recycled from 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] 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-91 GOOD TIMES P30-2409 AST [FVV2527956983] in compliance with NMAC 19.15.34 NMAC.
- [371838] DJR OPERATING, LLC shall notify OCD, through OCD Permitting when construction of 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] commences.
- [371838] DJR OPERATING, LLC shall notify NMOCD through OCD Permitting when recycling operations commence and cease at 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983].
- A minimum 3-feet freeboard must be maintained at 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] 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-91 GOOD TIMES P30-2409 AST [FVV2527956983] 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 the 6-month extension period, the 3RF-91 GOOD TIMES P30-2409 AST [FVV2527956983] 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-91 GOOD TIMES P30-2409 AST [FVV2527956983].

Please reference number 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983] in all future communications. Best regards,

Victoria Venegas • Senior Environmental Scientist EMNRD - Oil Conservation Division 506 W. Texas Ave. Artesia, NM 88210 575.909.0269 | Victoria.Venegas@emnrd.nm.gov Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 499111

CONDITIONS

Operator:	OGRID:
DJR OPERATING, LLC	371838
200 Energy Court	Action Number:
Farmington, NM 87401	499111
	Action Type:
	[C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	. 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983] permit expires on 08/25/2030. 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 07/25/2030. • [371838] DJR OPERATING, LLC shall construct, operate, maintain, close, and reclaim 3RF-91 - GOOD TIMES P30-2409 AST [FVV2527956983] 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-91 - GOOD TIMES P30-2409 AST [FVV2527956983].	10/7/2025