

Souder, Miller & Associates • 201 S. Halagueno St.• Carlsbad, NM 88220 (575) 689-8801

November 25, 2024

PROJECT # 5E33088 BG# 1

EMNRD – Oil Conservation Division 506 W. Texas Ave Artesia, NM 88210

SUBJECT: Closure Request Report for the Billiken 6 CTB 1, Incident ID # nAPP2427041103, Lea County, New Mexico.

1.0 Introduction

On behalf of Devon Energy Production Company, LP (Devon), Souder, Miller & Associates (SMA) has prepared this Closure Request Report that describes the corrective actions for a produced water incident related to oil and gas production activities at the Billiken 6 CTB 1 (Billiken), nAPP2427041103, that occurred on September 24, 2024. The spill area is located at N 32.07635, W -103.411119.

Devon completed a release notification to the New Mexico Energy, Minerals, and Natural Resources Department—Oil Conservation Division (OCD) via Operators Electronic Permitting and Payment Portal on September 26, 2024, for the submission of Notice of Release (NOR), followed by the submission of the Form C-141, Release Notification on September 30, 2024. This letter provides a description of the spill assessment and includes a request for spill closure.

Table 1: Release Information and Closure Criteria						
Name	Billiken 6 CTB 1	Company	Devon Energy Production Company, LP			
API Number	fAPP213637205	Location	D-6-26S-35E/32.07635, - 103.411119			
Incident Number	nAPP2427041103	Land Status	Federal			
Date of Release September 24, 2024		Lease Number	NMNM125401			
Source of Release	Pinhole in water transfer pump					
Released Volume	20 bbls	Recovered Volume	20 bbls			
NMOCD Closure Criteria	Depth to Groundwater >100 feet bgs (below ground surface)					

2.0 Background

On September 24, 2024, a pinhole leak was discovered in the swedge threads of the water transfer pump. The total volume of released fluids was 20 barrels (bbls) of produced water. The release occurred within the secondary lined containment at Billiken. Initial response activities were conducted by the operator, including source elimination, photographs of standing fluids, recovery of approximately 20 bbls of produced water, and verification that the affected area was properly exposed and cleaned for visual

Billiken 6 CTB 1 nAPP2427041103

Liner Inspection Closure Report

Devon Energy November 25, 2024

observation. Documentation of the liner inspection, including photographs, is provided in the Site Assessment Report in Attachment 1.

3.0 Site Geology and Vegetation

The Geologic Map of New Mexico by New Mexico Bureau of Geology and Mineral Resources indicates the surface geology at the incident location area is comprised of primarily Qep—Eolian and piedmont deposits (Holocene to middle Pleistocene), interlayed eolian sands, and piedmont-slope deposits. Soil texture is classified as Pyote and Maljamar fine sands. Ecological settings include vegetation of mixed grasses, dominating in aspect is sand bluestem and giant dropseeds with Havard panicum and dropseeds, shrubs, and forbs. Sand bluestem and giant dropseed are dominant, while panicum and dropseeds are subdominant. Sand shinnery oak and soapweed yucca are dominant and sub-dominant shrubs consist of sand sagebrush. Sand bluestem, giant dropseed, Harvad panicum, plains bristlegrass, sand paspalum, and fourwing saltbrush are present in substantial amounts. The grass cover is not continuous, but uniform across undisturbed areas. Grass coverage is variable in shifting sands and large irregular dunes produce considerable variation in the distribution and composition of the plant community. Common features of the sandhills sites include large natural bare areas or blowouts.

The surrounding geography and terrain are associated with plains, dunes, fan piedmonts, and interdunal areas with landforms consisting of sand dunes, hillslopes, and dunes at elevations between 3,000 and 3,900 feet above sea level. The annual average rainfall and precipitation ranges between 10 to12 inches. The soil in the release location area consists of fine sand to fine loamy sand, to a sandy clay loam, and a limiting layer of cemented material that tends be well drained, with negligible to very low run off, and low available water supply.

4.0 Site Information and Closure Criteria

The Billiken is located approximately 14 miles west of Jal, New Mexico, on Federal (BLM) land at an elevation of approximately 3,266 feet above mean sea level (amsl). SMA completed site assessment/characterization pursuant to 19.5.29.11-12 NMAC to determine potential environmental impacts and closure criteria. Site assessment and characterization results are included in Attachments 1 and 2.

There is no surface water located on site or within closure criteria parameters of the site. The nearest significant watercourse, as defined in 19.15.17.7.P NMAC, is the Jal Lake located approximately 13 miles east of the site (U.S. Fish and Wildlife Service, National Wetlands Inventory, 2024). There are no continuous flowing watercourses or significant watercourses, lakebeds, sinkholes, playa lakes, or other critical water or community features as outlined in Paragraph (4) of Subsection C of 19.15.29.11 NMAC.

Depth to ground water was determined using a previously reported and measured temporary borehole on site, C-4846-POD1, for a depth of 101 feet bgs. The temporary borehole was completed on July 17, 2024. Documentation in reference to site characterization and depth to groundwater is included in Attachment 2.

Based on data included in the closure criteria determination worksheet, the incident at Billiken is not subject to the requirements of 19.15.29.11.A.4 NMAC. The closure criteria for the site are the constituent concentration limits associated with greater than 100 feet depth to groundwater as stated in Table 1 of 19.15.29.12 NMAC.

Billiken 6 CTB 1 nAPP2427041103 Liner Inspection Closure Report Devon Energy November 25, 2024

5.0 Remediation Activities

Notification of the liner inspection, scheduled for October 30, 2024, was provided to Devon through email by SMA personnel on October 28, 2024. Devon provided notification to OCD and the Bureau of Land Management (BLM) through the ENMRD Electronic Permitting and Payment Portal for Operators on October 28, 2024. Notification documentation is included in Attachment 3.

On October 30, 2024, SMA personnel performed a visual inspection of the secondary containment to verify liner integrity as outlined in in Paragraph (5)(a) of Subsection A of 19.15.29.11 NMAC.

Visual observation of the liner was completed on all sidewalls and base of the containment, around equipment, and all seams of the liner. The inspection included looking for any potential perforations in the liner that could lead to a breach of the secondary containment. Observations concluded no signs of any cuts, rips, tears, or weathering of the liner condition needs repairs or replacement, and liner integrity was confirmed. Photo documentation of the liner inspection is in the Site Assessment Report (Attachment 1).

6.0 Conclusions and Recommendations

Based on the liner inspection and assessment, SMA concludes the liner integrity is adequate to contain the spill related to incident nAPP2427041103, and there is no evidence of release to the environment. Based on the professional activities and site assessment, Devon Energy Production Company, respectfully requests closure on the incident that occurred at Billiken 6 CTB 1.

7.0 Scope and Limitations

The scope of our services included: visual inspection for liner integrity; regulatory liaison; and preparing this report. All work has been performed in accordance with generally accepted professional environmental consulting practices for oil and gas releases in the Permian Basin in New Mexico.

If there are any questions regarding this report, please contact Stephanie Hinds at (505) 302-1127 or Monica Peppin at (575) 909-3418.

Submitted by:

SOUDER, MILLER & ASSOCIATES

Reviewed by:

Monica Peppin

Project Manager

Stephanie Hinds, P.E.

Atylinia Shorts

Senior Engineer

Billiken 6 CTB 1 nAPP2427041103

Liner Inspection Closure Report

Devon Energy November 25, 2024

REFERENCES:

New Mexico Office of the State Engineer (NMOSE) online water well database

Httpe://gis.ose.state.nm.us/gisapps/ose_pod_locations/

USGS National Water Information System: Web interface online water well database

https://nwis.waterdata.usgs.gov/nwis/gwlevels?site_no=321205103544701&agency_cd=USGS&format=html

U.S. Fish and Wildlife Service: National Wetlands Inventory

Wetlands Mapper | U.S. Fish & Wildlife Service

New Mexico State Land Office: Land Status

NMSLO Land Status

United States Department of Agriculture: Natural Resources Conservation Service: Web Soil Survey https://websoilsurvey.sc.egov.usda.gov/App/WebSoilSurvey.aspx

USDA, USGS The National Map: Orthoimagry: FEMA's National Flood Hazard Layer (NFHL) Viewer https://hazards-

fema.maps.arcgis.com/apps/webappviewer/index.html?id=8b0adb51996444d4879338b5529aa9cd

ATTACHMENTS:

Attachment 1: Site Assessment Field Report

Attachment 2: Closure Criteria Determination Research

Attachment 3: Correspondence

ATTACHMENT 1: SITE ASSESSMENT FIELD REPORT

Site Assessment Report

INCIDENT ID: nAPP2427041103

SITE NAME: Billiken 6 CTB 1

CLIENT: Devon Energy Oct 30, 2024 at 2:18 PM

Field Notes

The site is located in Lea County, occurred/discovered on 9/24/24, 20 bbls were released and 20 bbls were recovered. The cause of release was due to a pinhole located on the water transfer pump discharge connection inside the lined containment. The liner was cleaned on 10/10/24 and Devon energy notified SMA that the liner was ready for inspection.

- Arrived on location at 1:40 pm to complete a liner inspection of the secondary lined containment. Completed photographs in a 360 view to get sufficient photos to determine if there were any type perforation that could lead to a potential breach.
- Inspection concluded that there were no rips, tears, cuts, or weathering that could have led to a breach of the secondary containment when the release occurred.

Photographs

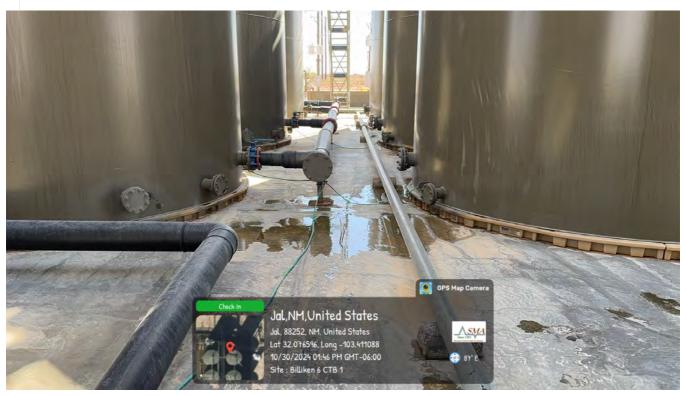


Photo #1: Liner between tanks.

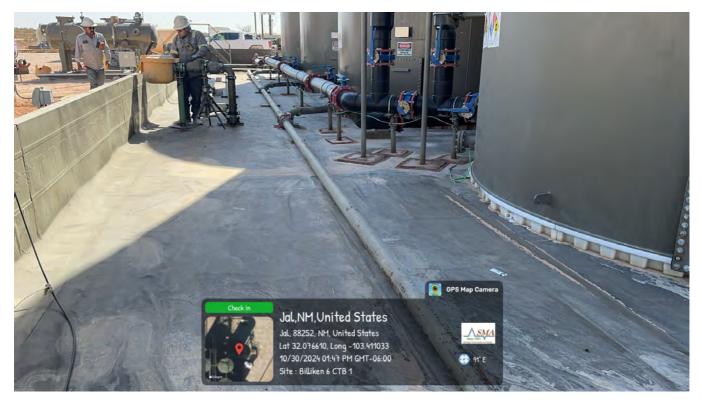


Photo #2: Liner on east side of containment.

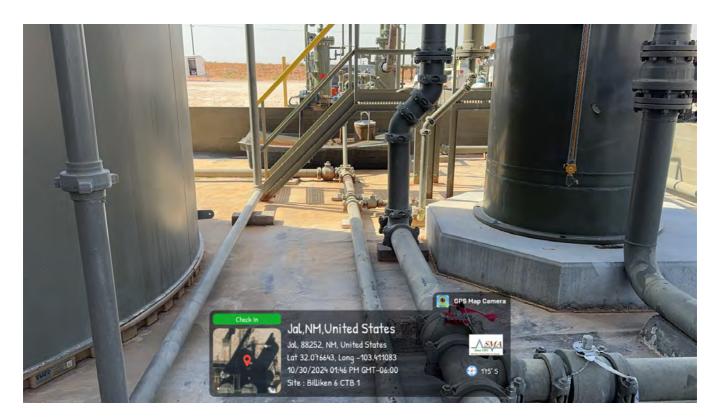


Photo #3: North side of containment.

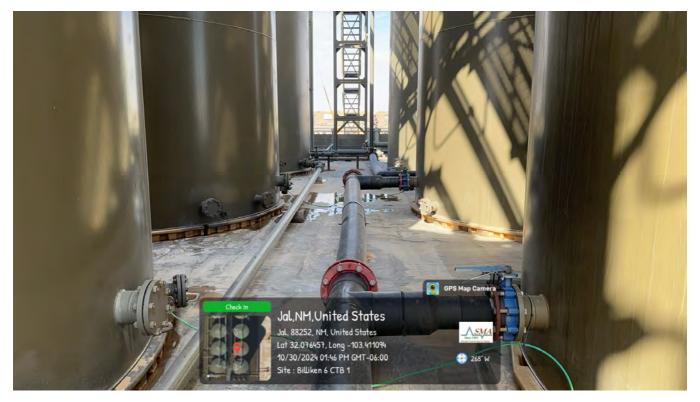


Photo #4: In between tanks facing north.

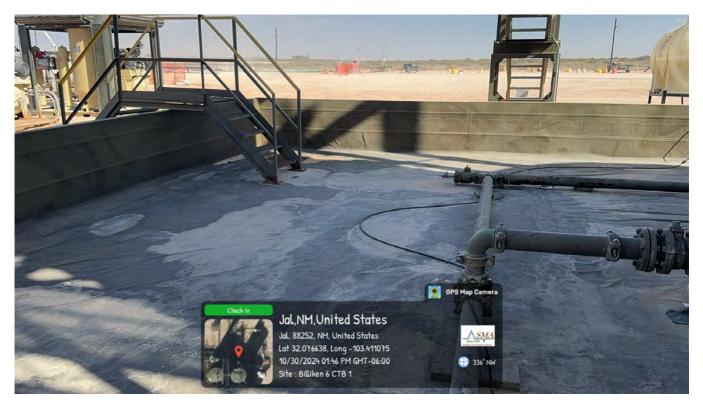


Photo #5: Northeast corner of containment.

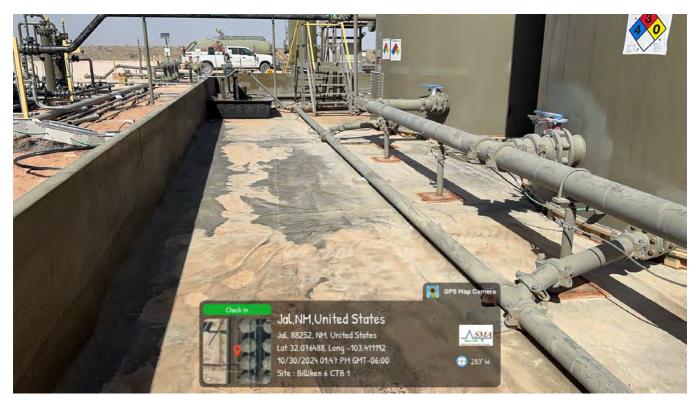


Photo #6: West side of containment facing north.

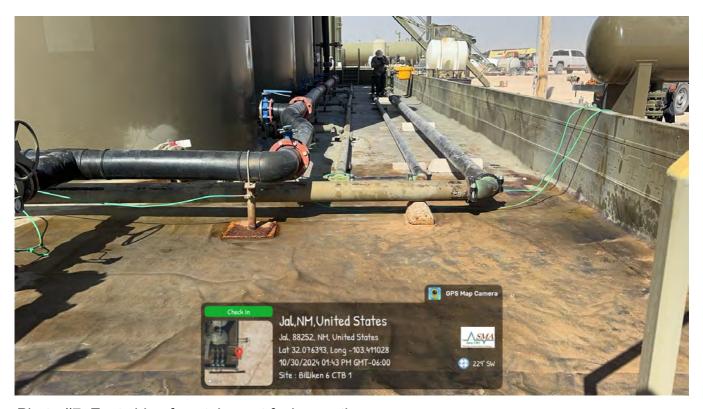


Photo #7: East side of containment facing north.

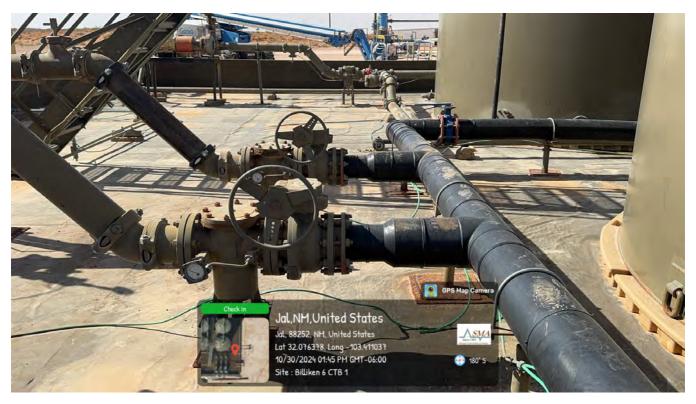


Photo #8: South end of containment facing west.

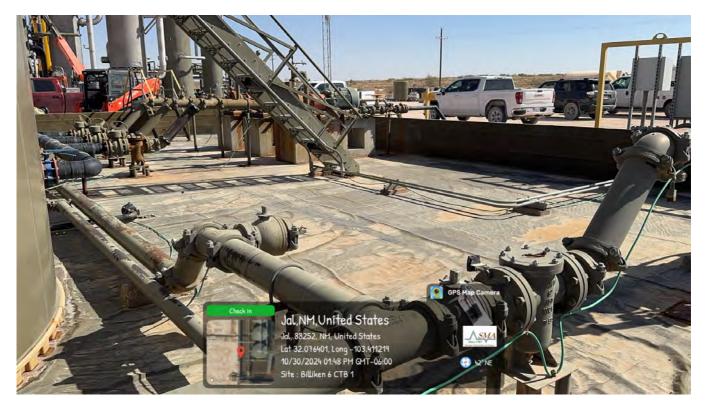


Photo #9: South side of containment facing southeast.

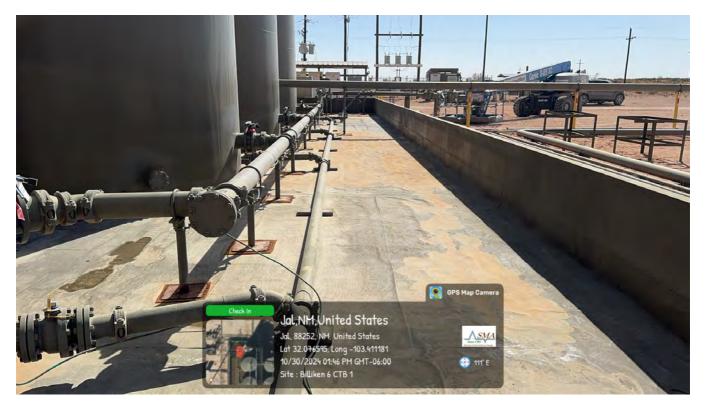


Photo #10: West side of containment facing south.

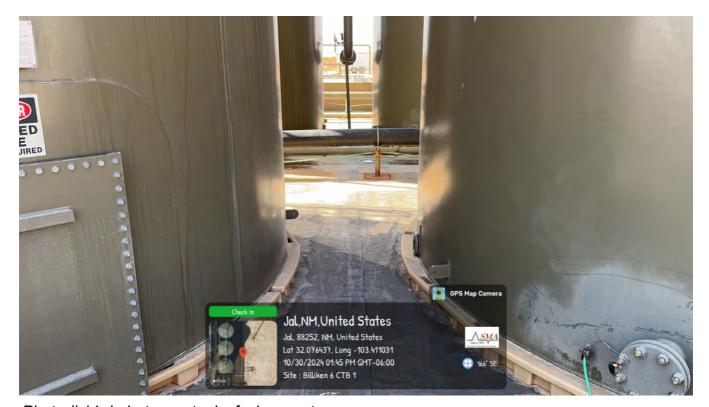


Photo # 11: In between tanks facing west.

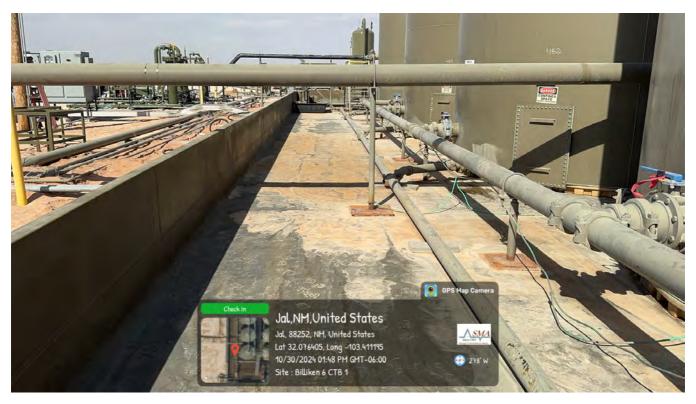


Photo #12: West side of containment closer to the southern end facing north.



Photo #13: In between tanks facing east.

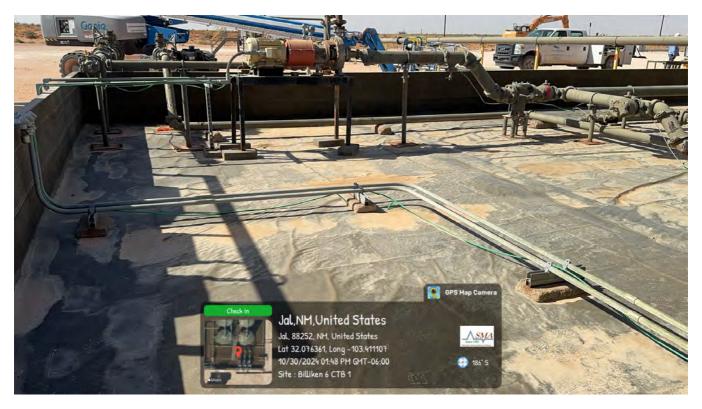


Photo #14: South end of containment facing west/southwest.

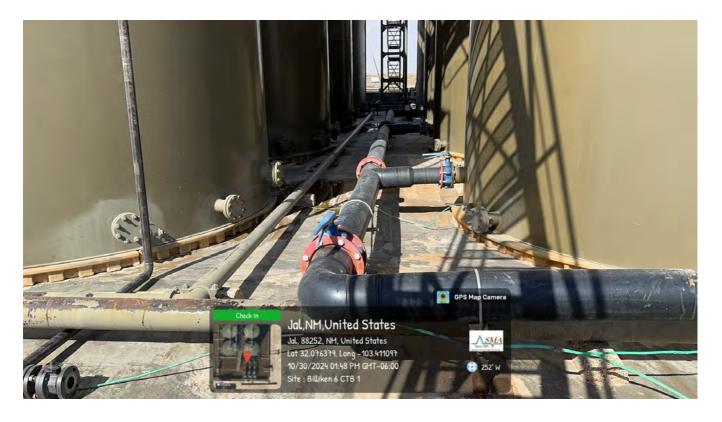


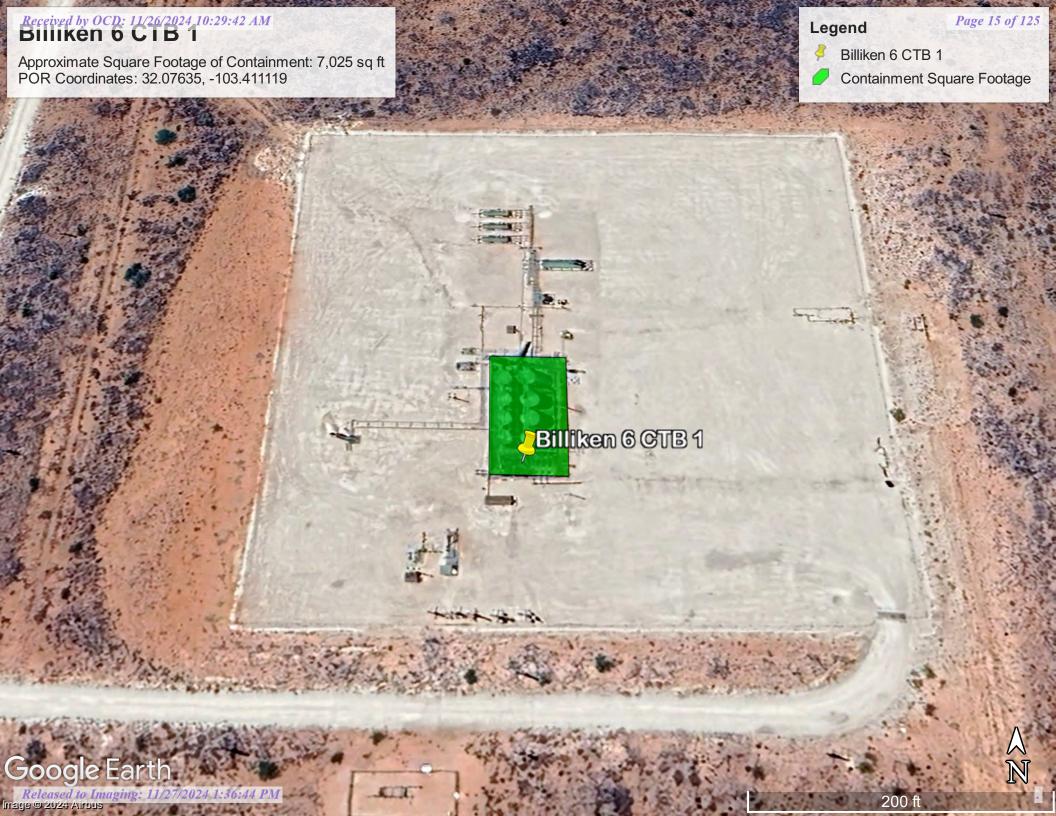
Photo #15: In between tanks facing north.

October 30, 2024 at 3:01 PM

Technician: Monica Peppin

Signature:

ATTACHMENT 2: CLOSURE CRITERIA DETERMINATION RESEARCH



Mike A. Hamman, F.E. State Engineer



ROSWell Office 1960 WEST SECOND STREET ROSWELL, NM 88201

STATE OF NEW MEXICO OFFICE OF THE STATE ENGINEER

Trn Nbr: 761418 File Nbr: C 04846

Jun- 11, 2024

STEPHANIE HINDS SOUDER MILLER & ASSOCIATES 401 W BROADWAY FARMINGTON. NM 87401

Greetings:

Your approved copy of the above numbered permit to drill a well for non-consumptive purposes is enclosed. You must obtain an additional permit if you intend to use the water. It is your responsibility to provide the contracted well driller with a copy of the permit that must be made available during well drilling activities.

Carefully review the attached conditions of approval for all specific permit requirements.

- * If use of this well is temporary in nature and the well will be plugged at the end of the well usage, the OSE must initially approve of the plugging. If plugging approval is not conditioned in this permit, the applicant must submit a Plugging Plan of Operations for approval prior to the well being plugged. The Plugging Record must be properly completed and submitted to the OSE within 30 days of the well plugging.
- If the final intended purpose and condition requires a well ID tag and mater installation, the applicant must immediately send a completed mater report form to this office.
- The well record and log must be submitted within 30 days of the completion of the well or if the attempt was a dry hole
- This permit expires and will be cancelled if no well is drilled and/or a well log is not received by the date set forth in the conditions of approval.

Appropriate forms can be downloaded from the OSE website www.ose.state.nm.us.

Sincerely,

Rodolfo Chavez (575) 622-6521

Englosure

explore

Released to Imaging: 11/27/2024 1:36:44 PM

FILE NO. L. DUBYLE POLI

NEW MEXICO OFFICE OF THE STATE ENGINEER



WR-07 APPLICATION FOR PERMIT TO DRILL A WELL WITH NO WATER RIGHT



(check applicable boxes).

Ригровы	Pollution Control And/Or Recovery	El Ground Source Heat Pump
☐ Exploratory West*((rump.(est))	Construction Site/	
■ Monitoring W/ell	Mine Dewatering	
A acquarate permit will be required to app	nly water to deneficial use regard	less it use is consumptive in nonconsumptive
		DWB) will be notified if a proposed explorator if well is used for rubblic water supply.
Check here if the uprepole is a	nything other than vernical	(directions) boring or angle boring) and include a schematic of your design
Temporary Request - Request	ed Start Date: 6/5/2024	Requested End Date 8/31/2024
Plugging Plan of Operations Subm	milled? 🗷 Yes 🗌 No	
Note If there is known arresian condition	na contamination of high min	eral content at the drilling location, include the boreholating of a well log from an
eristing well at that location. If this offer	mation is not submitted, direct	k box and altach form WD-09 to this form.
APPLICANT(S)		
		18-6
Name Davon Energy Corp		Name
		Hollidar Miller & Decordates
The second secon	chart frame if Angert	Souder Miller & Associates
Contact or Agent:	Thech here if Agent 🔲	Contact or Age 1 check here if Agent
Contact or Agent:	theck here if Agent []	1 Production of the Control of the C
Contact or Agent:	Theck here if Agent	Contact or Age at check here if Agent 🔳
Contact or Agent: Dale Woodall	Theck here if Agent	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway
Contact or Agent: Date Woodall Mailing Address 353 West Sheridan Avenue City	Theck here if Agent	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City.
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City	Theck here if Agent	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City. Familington
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City Okiahoma City State	Zip Cade	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broadway City. Familington State. Zip Code
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City Oklahoma City State. Oklahoma	Zip Gede 73102	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City. Familington State. NM 87401
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City Oklahoma City State: Oklahoma Phone (405) 318-4697	Zip Cade	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City. Familington State. NM Phone 505-793-7079 City Home Cell
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City Okiahoma City State.	Zip Gede 73102	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City. Familington State. NM 87401
Contact or Agent: Date Woodall Mailing Address 333 West Sheridan Avenue City Oklahoma City State Oklahoma Phone (405) 318-4697	Zip Gede 73102	Contact or Age at check here if Agent Stephanie Hinds Mailing Address 401 W. Broedway City. Familington State. NM 2ip Code NM 87401 Phone 505-793-7079

FOR OSE INTERNAL USE	2-07 Rev 02/29/2024	
FIRMO C-OUSEG	Tm. 1/0 761438	Receipt No 2-46919
Trans Description (optional):		
Sub-Basin EUB	POWILOG OF	10 Date 6/11/25
		Daire Lis

Exploratory: Is proposed well a future public weter supply wall? Yes NO If Yes an application must be flied with MEC-GWa concurrently Include a description of any proposed pump test, if applicable Monitoring*: include the reason for the monitoring well, and, if the planned monitoring the planned monitoring the planned monitoring the planned	Follution Control and/or Recovery Include a plan for politicon control/recovery, that includes the following A description of the need for the politician control or recovery operation The estimated maximum penod of time for completion of the operation The annual diversion amount The annual consumptive use amount The maximum amount of water to be diverted and injected for the duration of the operation The method and place of discharge The method of measurement of water produced and discharged The method of measurement of water injected The method of measurement of water injected The characteristics of the aquifer The method of following the resulting annual consumptive use of water and depletion from any related stream evalum Proof of any permit required from the New Mexico Environment Department An access agreement if the expirant is not the owner of the land on which the pollution plane control or recovery well is to be located in monitoring drilling activity is required by the monitoring drilling activity is required activity is requir	Construction De-Watering: Include a description of the proposed dewalering operation The estimated duration of the operation. The maximum amount of water to be diverted. A description of the need for the dewalering operation, and. A description of how the diverted water will be disposed of Ground Source Heat Pump: Include a description of the geothermal heat exchange project. The number of poreholes for the completed project and required depths. The time frame for constructing the geothermal heat exchange project, and. The duration of the project. Preliminary surveys design data and additional information shall be included to provide all essential facts relating to the request.	Mine De-Watering Include a plan for pollution control/recovery, that includes the following A description of the need for mine dewatering. The estimated maximum period of time for completion of the operation: The source(s) of the water to be diverted. The geohydrologic characteristics of the aquifer(s) The maximum amount of water to be diverted for the duration of the operation. The maximum amount of water to be diverted for the duration of the operation. The quality of the water. The method of measurement of water diverted. The recharge of water to the aquifer. Description of the estimated area of hydrologic effect of the project. The method and place of discharge An estimation of the effects on surface water rights and underground water rights from the mine dewatering project. A description of line methods employed to estimate affects on surface water rights from the mine devalering project. In description of the methods employed to estimate affects on surface water rights flotormation on existing wells, rivers springs, and wettains within the area of hydrologic effect. The NMED Work Plan)
I, We (name of	applicant(s)k, Stephanie Hinds, Soutier, N	filler & Associates, on behalf of De	eyon Energy Corp.
		Prin(Name(s)	
	regoing statements are true to the best of		
Stephan	ie Hinds Digitally signed by Stephenia H	00°	
Applicant Signal	ACTION	Applicant Signature OF THE STATE ENGINEER	_ = 5VB
		This application s:	
	[approved	partially approved	Idenied

MIKE A. HAMMAN, P.E. Stale Engineer

KASHYAP PAREKH

Title: WATER RESOURCE MANAGER I

FOR OSE INTERNAL USE

Approximate for Period: Form WR-07 Version 02/29/2024

Page 3 of 3

NEW MEXICO STATE ENGINEER OFFICE PERMIT TO EXPLORE

SPECIFIC CONDITIONS OF APPROVAL

- 17-16 Construction of a water well by anyone without a valid New Mexico Well Driller License is illegal, and the landowner shall beer the cost of plugging the well by a licensed New Mexico well driller. This does not apply to driven wells, the casing of which does not exceed two and three-eighths inches outside diameter.
- 17-1A Depth of the well shall not exceed the thickness of the valley fill.
- No water shall be approprieted and beneficially used under this permit.
- 1758 The well authorized by this permit shall be plugged completely using the following method per Rules and Regulations Governing Well Driller Licensing, Construction, Repair and Plugging of Wells; Subsection C of 19.27.9.30 NMAC unless an alternative plugging method is proposed by the well owner and approved by the State Engineer upon completion of the permitted use. All pumping appurtenance shall be removed from the well prior to plugging. To plug a well, the entire well shall be filled from the bottom upwards to ground surface using a fremie pipe The bottom of the tremis shall remain submerged in the sealant throughout the entire sealing process, other placement methods may be acceptable and approved by the state angineer. The well shall be plugged with an office of the state engineer approved sealant for use in the plugging of non-artssian wells. The well driller shall cut the casing off at least four (A) feet below ground surface and fill the open hole with at least two vertical feet of approved sealant. The driller must fill or cover any open annulus with scalant. Once the sealant has cured, the well driller or well owner may cover the seal with soil A Plugging Report for said well shall be filed with the Office of the State Engineer in a District Office within 30 days of completion of the plugging.

Trn Desc: C 04846 POD1

Received by OCD: 11/26/2024 10:29:42 AM

File Number: C 04846 Trn Number: 751438

NEW MEXICO STATE ENGINEER OFFICE PERMIT TO EXPLORE

SPECIFIC CONDITIONS OF APPROVAL (Continued)

- 17-2 The Permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.
- 17-B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with 72-12-12 NMSA 1978. A licensed driller shall not be required for the construction of a well driven without the use of a drill rig, provided that the casing shall not exceed two and three-eighths (2-3/8) inches outside diameter.
- The well driller must file the well record with the State Engineer and the applicant within 30 days after the well is drilled or driven. It is the well owner's responsibility to ensure that the well driller files the well record.

 The well driller may obtain the well record form from any District Office or the Office of the State Engineer Website.
- 17-P The well shall be constructed, maintained, and operated to prevent inter-aquifer exchange of water and to prevent loss of hydraulic head between hydrogeologic zones.
- 17-0 The State Engineer retains jurisdiction over this permit.
- 17-F Pursuant to section 72-8-1 NMSA 1378, the permittee shall allow the State Engineer and OSE representatives entry upon private property for the performance of their respective duties, including access to the ditch or acequia to measure flow and also to the well for meter reading and water level measurement.

Trn Desc: C 04846 BOD1

Received by OCD: 11/26/2024 10:29:42 AM

Pile Number: C 04848 Tra Number: 761438

NEW MEXICO STATE ENGINEER OFFICE. PERMIT TO EXPLORE

SPECIFIC CONDITIONS OF APPROVAL (Continued)

LOG The Point of Diversion C 04846 POD1 must be completed and the Well Log filed on or before 86/11/2025

IT 18 THE PERMITTEE'S RESPONSIBILITY TO OBTAIN ALL AUTHORIZATIONS AND PERMISSIONS TO DRILL ON PROPERTY OF OTHER OWNERSHIP BEFORE COMMENCING ACTIVITIES UNDER THIS PERMIT.

ACTION OF STATE ENGINEER

Notice of Intention Royd: Formal Application Royd: 05/20/2024 Date Returned - Correction:

Date Royd Corrected: Pub of Wotice Ordered: Affidavit of Pub. Filed:

This application is approved provided it is not exercised to the detriment of any others having existing rights, and is not contrary to the conservation of water to New Mexico nor detrimental to the public welfare of the state: and further subject to the specific conditions listed previously.

Witness my hand and seal this 11 day of Jun A.D., 2024

Mike A. Hamman, P.E.

KASHYAP PAREKH

. State Engineer

By: N.

Trn Desc C 04846 PODI

File Number C 04846 Tra Number 761438 Released to Imaging: 11/27/2024 1:36:44 PM



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlstead Field Office 620 E Organi St. orland AM 88220-6292

In Reply Refor To: 3162.4 (NM-080) EMNM125401

May 16, 2024

NM Office of the State Engineer 1900 W. Second St. Roswell, NM 88201

Re: BILLIKEN 6 FEDERAL TH/CTB Sec 6, TS 26S, RE 35E Lea County, New Mexico 30-025-42685 32,07865, -103,41259

To Whom It May Concerns



The above well location and the immediate area mentioned above requires advanced soil boring to take place at approximately 101 feet below ground surface. The boring will be secured and jeft open for 72 hours at which time DEVON ENERGY PRODUCTION COMPANY LP will assess for the presence or absence of groundwater. Temporary PVC well material will be placed to total depth of the boring and secured at the surface. If water is encountered at any point during the boring, installation of the soil boring will be plugged using Portland Type 1/11 neat cement less than 6.0 gallons of water per 94th sack. If no water is encountered, then the soil boring will be plugged. The Bureau of Land Management (landowner) authorizes the access of the area to accomplish depth to groundwater determination of this site.

If you have any questions contact Crisha Morgan, at 575-234-5987.

Sincerely.

CRISHA MORGAN MORGAN

Digitally signed by CRISHA MCRGAN Date: 2024/05.16 (2:08:86-06/00)

Crisha A. Morgan Certified Environmental Protection Specialist



Mike A. Hamman, P.E.

State Engineer

DISTRICT IF

1900 West Second St. Roswell, New Mexico 88201 Phone: (\$75) 622-6521 Fax: (\$75) 623-8559

June 11. 2024

Devon Energy 333West Sherian Ave Oklahoma City, OK 73102

RE: Well Plugging Plan of Operations for well no. C-4846-Pod/

Greetings:

Enclosed is your copy of the Well Plugging Plan of Operations for the above referenced well subject to the attached Conditions of Approval. The proposed method of operation is found to be acceptable and in accordance with the Rules and Regulations Governing Well Driller Licensing; Construction, Repair and Plugging of Wells 19.27.4 NMAC adopted June 30, 2017 by the State Engineer, subject to the attached Conditions of Approval.

Within 30 days after the well is plugged, the well driller is required to file a complete plugging record with the OSE and the permit holder.

Sincerely,

Received by OCD: 11/26/2024 10:29:42 AM

Samantha Davis

Water Resources Professional III



WELL PLUGGING PLAN OF OPERATIONS



NOTE: A Well Plugging Plan of Operations shall be filed with und accepted by the Office of the State Engineer prior to plugging. This form may be used to plug a single well, or if you are plugging multiple monitoring wells on the same site using the same plugging methodology.

Alert! Your well may be eligible to participate to the Aquifre Mapping Program (AMP)-NM Bureau of Grology genoticom kedu/resources/water/
egonol if within no oreg of interest and meets the minimum construction requirements, such as there is still water in your well, and the well
construction reflected in a well record and log is not compromised, contact AMP 3e 575-835.5038 or -6951, or by could name unterlevels gland, due,
prior to completing this prior form. Showing proof to the OMP that your well was accepted to this program, may delay the plugging of your well until
a later date.

Mail	and The same	and the same		0.74	
	ng address: 333 West Sh	lendan Avenue		Coun	
City:	Oklahoma City		State:	Oklahoma	Zip code73102
thon	e number: 4053184697		E-mail:	dale.woodall@dv	n.com
ша	VELL DRILLER INFOR	MATION:			
Well	Driller contracted to provide	de plugging services:	Scarporough		
	Mexico Well Driller Licen			Expiration	in Date: 3/34/2024
	Reason(s) for plugging	110/18/19/19	-103 deg,	24 min,	39.97 sec, NAD 83
	Soil boring to determine	e depth to ground wal	ter		
53.	Was well used for any to what hydrogeologic pa- water, authorization fro	arameters were mon	itored. If the wel	was used to me	e section VII of this form to nitor contaminated or poor c ired prior to plugging.
	Does the well tap brack	cish, saline, or others	wise poor quality w	ater? N/A	If yes, provide additional
1)	including analytical res	ulis and/or laboratory	y report(s):		
ĺ.	margaring miner) ment 145				
	Static water level:	N/A feet belo	ow land surface fe	et above land surfa	ce (dirde one)
5) 5)	manus Paragonal	N/A feet belo	ow land surface / fe	et above land surfi	ice (dirdle one)

1)	Inside diameter of innermost casing: N/A inches
8)	Casing material: N/A
9).	The well was constructed with: an open-hole production interval, state the open interval: a well screen or perforated pipe, state the screened interval(s):
605	What annular interval surrounding the artesian casing of this well is coment-grouted?
115	Was the well built with surface casing? N/A If yes, is the annulus surrounding the surface casing grouted or
	otherwise sealed?If yes, please describe:
(2)	Has all pumping equipment and associated piping bean removed from the well? N/A If not, describe remaining equipment and intentions to remove prior to plugging in Section VII of this form.
dingra as geor	If this plan proposes to plug an artesian well in a way other than with rement grout, placed buttom to tog with a trentr pipe, a detailed m of the well showing proposed frant plugged configuration shall be uttached, as well as any additional technical information, such thysical logs, that are necessary to udequately describe the proposal. Attach a copy of any signed UNE variance to this glugging plan. This planned plugging plan requires a variance to 15.27.4 NMAC, attach a detailed variance request signed by the applicant.
1)	Describe the method by which cement grout shall be placed in the well, or describe requested plugging methodology
	proposed for the well: Pressure grout with bentonite cement slurry using a tremmie pripe from bottom of hole to surface
2)	Will well head be cut-off below land surface after plugging?
VL F	LUGGING AND SEALING MATERIALS:
Note: Fruit	The plugging of a well that taps poor quality water may require the use of a specialty cement or specialty sealant. Attach a copy of the battle make the company and/or product description for specialty coment mixes or any sealant that deviates from the list of ONE approved scalants.
1)	For plugging intervals that employ cement grout, complete and attach Table A.
2)	For plugging intervals that will employ approved non-coment based scalant(s), complete and attach Table B.
3)	Theoretical volume of groot required to plug the Well to land surface:
11	Type of Cement proposed: type I/II Portland cement
10	FR. Washington Co.
. 1/	Proposed cement grout mix: 5.5 gallons of Water per 94 pound sack of Portland cement.

6% bentonite		e lo cement:	
a ya bashiar ing			
Additional notes and calculations:			
ADDITIONAL INFORMATION: [ist additional information	below, or on separate sheer(s	Ê
Printer and The Control			
SIGNATURE:	70000		A 100 A 100 A
ephanie Hinds	say that I have	emefully read the foregoing V	Vell Plugging Plan of
ations and any attachments, which are a near pertaining to the plugging of wells	a part bereot; that i am fai and will comply with the	miliar with the rules and regula m. and that each and all of the	uous or the State statements in the Wel
ging Plan of Operations and attachroenly			
		and the state of the state of	
	Stephanie Hinds	Digitally signal by Staphenic Hods. Daw. 2024.02.19.12.26.57.4700	
		Urgishly slowed by Sisoheria rands Gare 2024-02-19 12-26-57 -0700* UTC Of Applicant	
ACTION OF THE STATE ENGINE	Signal		May 8, 202-
	Signal		May 8, 202-
	Signal EB: ttached conditions.	ure of Applicant	May 8, 202
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal ER: ttached conditions. ons provided on the attach	nre of Applicant	May 8, 2024
Well Plugging Plan of Operations is: Approved subject to the a	Signal ER: ttached conditions. ons provided on the attach	nre of Applicant	May 8, 202-
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal EB: ttached conditions, one provided on the attached attached at the attached attached at the attached at	ned letter	May 8, 2024 Date 21 3. 2224
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal ER: ttached conditions. ons provided on the attach	ned letter	May 8, 2024 Date 21 3. 2224
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal Ettached conditions. ons provided on the attached and the attached and the attached and the attached and the attached at	ned letter	May 8, 2024 Date 21 3. 2224
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal EB: ttached conditions ons provided on the attach his day Mike A, Hamme	ned letter	May 8, 2024 Date
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal Els: ttached conditions. ons provided on the attach his day Mike A, Hamma	ned letter of June an, P.E., New 1	May 8, 2024 Date Date Jos 4 Western State Engineer
Not approved for the reason	Signal Els: ttached conditions. ons provided on the attach his day Mike A, Hamma	ned letter or June an, P.E., New 1	May 8, 2024 Date Date Jos 4 Westen State Engineer Wood Well Plugging Pl. Version March 07, 203
Well Plugging Plan of Operations is: Approved subject to the a Not approved for the reas	Signal Els: ttached conditions. ons provided on the attach his day Mike A, Hamma	ned letter or June an, P.E., New 1	May 8, 202 Date Date Joi 4 Vexton State Engineer

TABLE A - For plugging intervals that employ cement grout. Start with deepest interval.

	Interval 1 - deepest	Interval 2	Interval 3 - most shallow
			Note: if the well is non-arrestan and breaches only one aquifer, use only this column.
Top of proposed interval of grout placement (ft bgl)			
Bottom of proposed interval of grout placement (ft bg!)			
Theoretical volume of grout required per interval (gallons)			
Proposed cement grout mix gallons of water per 94-lb sack of Portland gement			
Mixed on-site or batch- mixed and delivered?			
Grout additive: L requested			
Additive I percent by dry weight relative to cement			
Grout additive 2 requested			
Additive 2 percent by dry weight relative to cement			- Y - 12 - 110

Released to Imaging: 11/27/2024 1:36:44 PM

TABLE B - For plugging intervals that will employ approved non-cement based scalant(s). Start with deepest interval.

	Interval I - deepest	Interval 2	Interval 3 - most shallow
			Note: If the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of sealant placement (ft bgt)			
Bottom of proposed sealant of grout placement (ft bgl)			
Theoretical volume of sealant required per interval (gallons)			
Proposed abandonment sealant (manufacturer and trade name)			

TEURnes - Street artis



STATE OF NEW MEXICO OFFICE OF THE STATE ENGINEER ROSWELL

1900 West Second St. Roswell, New Mexico 88201 Phone: (575) 622-6521 Fax: (575) 623- 8559

Applicant has identified wells, listed below, to be plugged.

John Scarborough Drilling Inc. (WD-1188)

will perform the plugging.

Permittee: Devon Energy

NMOSE Pennit Number: 6 4846-Pol

NMOSE File	Casing diameter (inches)	Well depth (feet bgl)	Approximate static water level (feet bgl)	Latitude	Longitude
CHEGORIA	(Soil Boring)	101	Unknown	32 04 38.32	103 24 39.97

Specific Plugging Conditions of Approval for Well located in Lea County, New Mexico.

- Water well drilling and well drilling activities, including well plugging, are regulated under 19.27.4 NMAC, which requires any person engaged in the business of well drilling within New Mexico to obtain a Well Driller License issued by the New Mexico Office of the State Engineer (NMOSB). Therefore, the firm of a New Mexico licensed Well Driller shall perform the well plugging.
- 2 Ground Water encountered: The total Theoretical volume of scalant required for abandonment of soil boring well is approximately 17.0 gallons. Total minimum volume of necessary scalant shall be calculated upon sounding the actual pluggable depth of well, which is estimated at 105 feet.
- Dry Hole: The total Theoretical volume of sealant required for abandonment of soil boring well is approximately 2.0 gallons. Total minimum volume of necessary sealant shall be calculated upon sounding the actual pluggable depth of well, which is estimated at 10 feet.
- 4. Ground Water encountered: Type I/II Portland cement mixed with 5.2 to 6.0 gallons of fresh water per 94-lb sack of cement is approved for the plugging the well.
- <u>Dry Holer</u> (a) Drill cuttings up to ten feet of land surface, (b) 10 feet to 0 feet Hydrated bentonite. The bentonite shall be hydrated separately with its required increments of water prior to being mixed into the cement slurry.

Released to Imaging: 11/27/2024 1:36:44 PM

- Sealant shall be placed by pumping through a tremie pipe extended to near well bottom and kept below top of the slurry column as the well is plugged from bottom-upwards in a manner that displaces the standing water column upwards from below. Fremie pipe may be pulled as necessary to retain minimal submergence in the advancing column of scalant.
- 7 Should cement "shrinks-back" occur in the well, use of a tremie for topping off is required for cement placement deeper than 20 feet below land surface or if water is present in the casing. The approved sealant for topping off is identified in condition 3 & 4 of these Specific Conditions of Approval.
- 8. Any open annulus uncountered surrounding the casing shall also be sealed by the placement of the approved sealant. When plugging shallow wells with no construction or environmental concerns, and if the well record on a well to be plugged shows a proper 20-foot annular seal, a plugging plan can propose the use of clean fill material to a nominal 30 feet bgs, then placing an OSE approved sealant to surface. Lacking that information, we would require an excavation of at least 2-feet which shall then be filled in its entirety with sealant to surface.
- Should the NMED, or another regulatory agency sharing jurisdiction of the project authorize, or by regulation require a more stringent well plugging procedure than herein acknowledged, the more stringent procedure should be followed. This, in part, includes provisions regarding pre-authorization to proceed, contaminant remediation, inspection, pulling/perforating of casing, or prohibition of free discharge of any fluid from the borehole during or related to the plugging process.
- 10. NMOSE witnessing of the plugging of the shallow well will not be required.
- Any deviation from this plan must obtain an approved variance from this office prior to implementation.
- 12. A Well Plugging Record itemizing actual abandonment process and materials used shall be filed with the State Engineer within 30 days after completion of well plugging. For the plugging record, please resurvey coordinate location for well and note coordinate system for GPS unit. Please attach a copy of these plugging conditions.

The NMOSE Well Plugging Plan of Operations is hereby approved with the aforesaid conditions applied.

Witness my hand and seal this / day of June, 2024

Mike A. Hamman, P.E. State Engineer

By:

Samaniha Davis

Water Resources Professional III



PLUGGING RECORD



NOTE: A Well Plugging Plan of Operations shall be approved by the State Engineer prior to plugging - 19.27.4 NMAC

Well	owner: Devon Energy Corp		Phone No.: 405-318-4697		
	ng address 333 West Sheridan Avenue				
City:	Oklahoma City	State	Oklahoma	Zip code: 73102	
<u>ı. v</u>	VELL PLUGGING INFORMATION:				
}	Name of well drilling company that p	olugged well; Scarbo	prough		
2)	New Mexico Well Driller License No	o.: WD-1188	Ex	xpiration Date: 3/21/2026	
3)	Well plugging activities were supervi Scott Scarborough	ised by the following	well driller(s)/rig supervis	sor(s):	
4)	Date well plugging began: 7/24/24		rate well plugging conclud	led: 7/24/24	
5)	GPS Well Location: Latitude: _Longitude				
5)	Depth of well confirmed at initiation by the following manner: Meter tape	of plugging as:1 with water detection	01 ft below ground le	vel (bgl),	
7)	Static water level measured at initiati	on of plugging:N	MA ft bgl		
3)	Date well plugging plan of operations	s was approved by the	State Engineer: 6/11/2	024	
9)	Were all plugging activities consister differences between the approved plu				

Version: September 8, 2009 Page 1 of 2 Log of Plugging Activities - Label vertical scale with depths, and indicate separate plugging intervals with horizontal lines as necessary to illustrate material or methodology changes. Attach additional pages if necessary

For each interval plugged, describe within the following columns:

Depth (ft bgl)	Plugging <u>Material Used</u> (include any additives used)	Volume of <u>Material Placed</u> (gallons)	Theoretical Volume of Borehole/ Casing (gallons)	Placement Method (tremie pipe. other)	Comments ("casing perforated first", "open annular space also plugged", etc.)
	Bentonite Chips (0'-101')	103	103	tremie pipe	no casing
-					
-		MULTIPLY cubic feet x cubic yards x 20	BY AND OBTAIN 7 4805 = gallons 197 = gallons		

III. SIGNATURE:

Received by OCD: 11/26/2024 10:29:42 AM

I, Lane Scarborough	, say	that I	am	familiar	with	the	rules	of t	he Of	fice	of the	State
Engineer pertaining to the plugging of wells and that	each a	and all	of the	e stateme	ents in	this	Plugg	ging	Record	land	attach	ments
are true to the best of my knowledge and belief.				10	1							

Signature of Well Driller

Date

8/9/2024

LOCATION

PAGE 1 OF 3

WELL TAG ID NO

WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

I. GENERAL AND WELL LOCATION	OSE POD NO C-4846-PO)]	WELL TAGIO NO		OSE FILE NO	S)				
	WELL OWNER NAME(S) Devon Energy Corp						ONAL) 97				
	WELLOWNE 333 West S				Oklahoma City OK 73102						
	(FROALGPS)		TITL DE	32 04 -103 24	38.32 N 39.97 W						
	DESCRIPTIO	N RELATIN	G WELL LOCATION TO	STREET ADDRESS AND COMMON L	ANDMARKS - PES	SASECTION, TO	WSSIUIP RANGE) WII	ERE AVAILABLE			
	LICENSE NO WD-1	188	NAME OF LICENSED	DRILLER John Scarborough	-		NAME OF WELL DR John Sca	ILLING COMPANY arborough Drilling Inc			
N.	DRILLING STARTED DRILLING ENDED 7/17/2024 7/17/2024			DEPTH OF COMPLETED WELL (FT) 101		LE DEPTH (FT)	DEPTH WATER FIRST ENCOUNTERED (IT)				
	COMPLETED WELL IS: ARTESIAN and A DRY HOLE SHALLOW (UNCONFINED) Centralizer info below						WA FÜR LEVEL PLETED WELL (DATESTATIC 7/22/			
Ě	DRILLING FL	UID:	AIR	✓ MUD ✓ ADDITIVES	- SPECIFY:		AQF-2 XG (Foa				
RM,	DRILLING ME	ETHOD: 🔽	ROTARY HAMM	MER CABLE TOOL OTHER	SPECIFY		TOFICK INSTAL	THRE H PITLESS ADA	PTER IS		
5	DEPTH (feet bgl) BORE HOLE			CASING MATERIAL AND/O							
CASING INFORMATION	FROM TO		DIAM (inches)	GRADE (include each easing string, an note sections of screen)	Id CON	ASING VECTION YPE http://diameter/	CASING INSIDE DIAM. (inches)	CASING WALL THICKNESS (inches)	HICKNESS SIZE		
3	0	101	5	Borchole		1000					
2. DRILLING											
				Test assets an eggs age tent	U SAIN ESSAUE	Bilita Sign					
ی_	DEPTH (BORE HOLE	LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE- RANGE BY INTERVAL			AMOUNT		METHOD OF		
FERIAL	FROM TO DIAM. (inches)			(if using Centralizers for Artesian wells- indicate the spacing helow) N/A			(cubic feet)	PLACEN	MENT.		
3. ANNULAR MATERIAL											
FOR	OSE INTERN	IAL USE				WR-20	WELL RECORD	& LOG (Version 09.3	12/2(122)		
FILI	NO			POD NO.		TRN	AU.				

FILE NO

LOCATION

PAGE 2 OF 2

	~
	\neg
ı.c	٠,
	-
	_
×	
	-
	A.
٠	Mark.
	7
	• -
	•
۸	
	•
	8
	* 2
	• :
. 7	
	_
٦	Maria.
	4
₹	· 👊
-	_
	>
-2	_
•	1
-	. 4
	_
ъ	_
٩	-
-	
₹	7
8	
	_
٠	_
	_
	_ :
	6
	0
	200
	Sul
	Sul
	Suns
•	gung
•	gung
•	guign
•	guign
•	naging
•	naging
	maging
	maging
	naging
	Imaging
	Imaging
	o Imaging
	Imaging
	o Imaging
	to Imaging
	to Imaging
	o Imaging
	to Imaging
	ed to Imaging
	sed to Imaging
	ed to Imaging
	ised to Imaging
	ased to Imaging
	ised to Imaging
	eased to Imaging
	ased to Imaging
	eased to Imaging
	eased to Imaging
	eased to Imaging
	eased to Imaging
	eased to Imaging

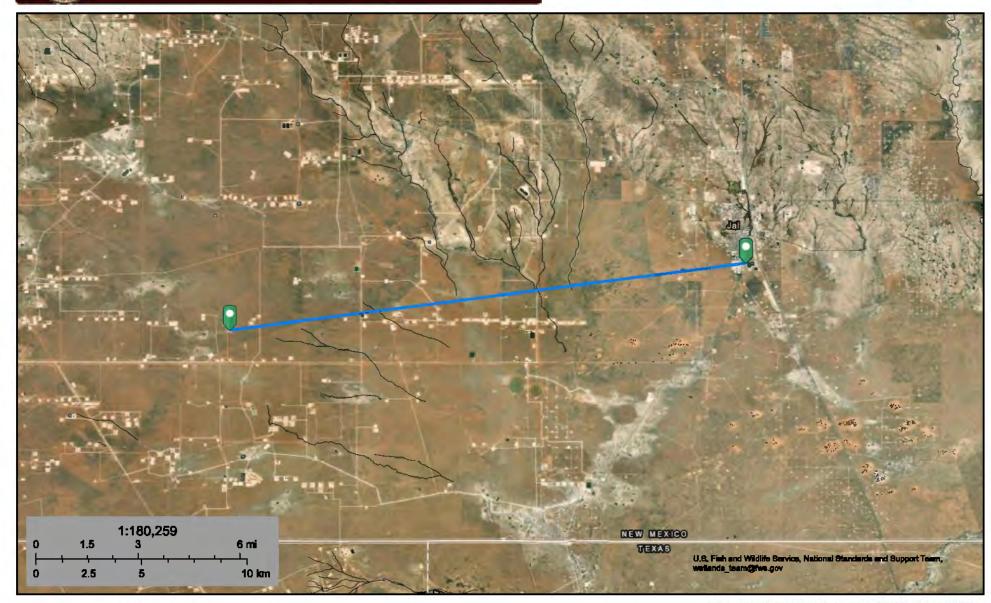
	DEPTH (cet bgl)		COLOR AND TYPE OF MATERIAL ENCOUNTERED -	WATER	ESTIMATED				
	FROM	то	THICKNESS (feet)	INCLUDE WATER-BEARING CAVITIES OR FRACTURE ZONE (attach supplemental sheets to fully describe all units)	COLD INCO	YIELD FOR WATER- BEARING ZONES (gpm)				
	0	10		Red sand	Y VN	0.00				
	10	20		Red sand, silty sand	Y VN	0.00				
	20	30		Tan sand, silty sand w/ <10%gravel	Y ✓N	0.00				
	30	40		Brown silty and	Y ✓N	0.00				
	40	50		Brown silty sand	Y ✓N	0.00				
	50	80		Brown silty sand	Y VN	0.00				
	80	100		Red silty sand	Y V	0.00				
5	100	101		Red silty sand	Y ✓N	0.00				
3					Y N					
2					Y N					
					Y N					
2					Y N					
4. II TOROGEOLOGIC LOG OF WELL					Y N					
					Y N					
-					Y N					
					Y N					
					Y N					
					Y N					
					Y N					
1					Y N					
					Y N					
	METHÓD U	SED TO E	TOTAL ESTIMATED	_						
	PUM	WELL YIELD (gpm):	0							
	WELL TEST TEST RESULTS - ATTACH A COPY OF DATA COLLECTED DURING WELL TESTING, INCLUDING DISCHARGE METHOD, START TIME, END TIME, AND A TABLE SHOWING DISCHARGE AND DRAWDOWN OVER THE TESTING PERIOD.									
LEST; KIG SUPERVISION	MISCELLANEOUS INFORMATION:									
	ANGULLIAMINOS INFORMATION									
2										
3, 15	PRINT NAME(S) OF DRILL RIG SUPERVISOR(S) THAT PROVIDED ONSITE SUPERVISION OF WELL CONSTRUCTION OTHER THAN LICENSEE:									
n	Scott Scarborough									
LUNE	THE UNDE CORRECT I AND THE P	LIEF, THE FOREGOING RECORD WITH THE ST	IS A TRUE ANI ATE ENGINEE							
6. SIGNATURE	10	8/9/2024								
-		Grant C	TUBE OF BRILLS	R / PRINT SIGNEE NAME	DATE					

POD NO

TRN NO.

WELL TAG ID NO.

Billiken 6 CTB 1 Nearest Watercourse: Jal Lake Park Distance: 13 miles/68,569 feet



November 20, 2024

Wetlands

Estuarine and Marine Deepwater

Estuarine and Marine Wetland

Freshwater Emergent Wetland

Freshwater Forested/Shrub Wetland

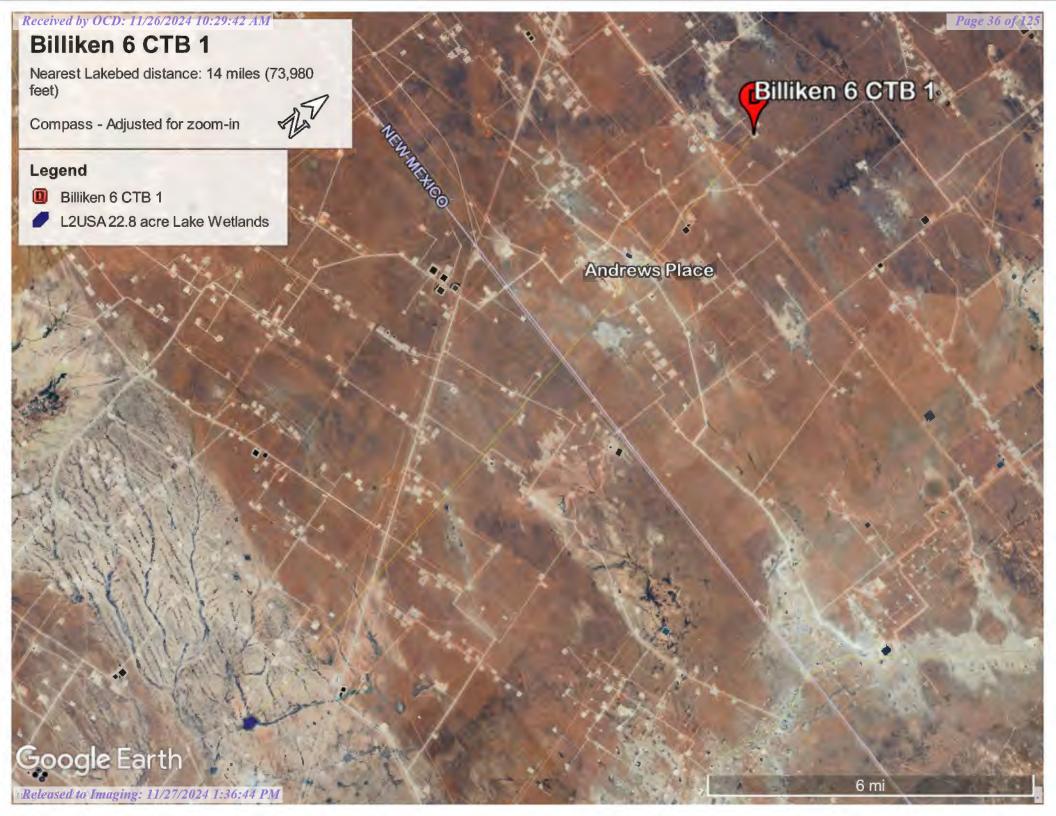
Freshwater Pond

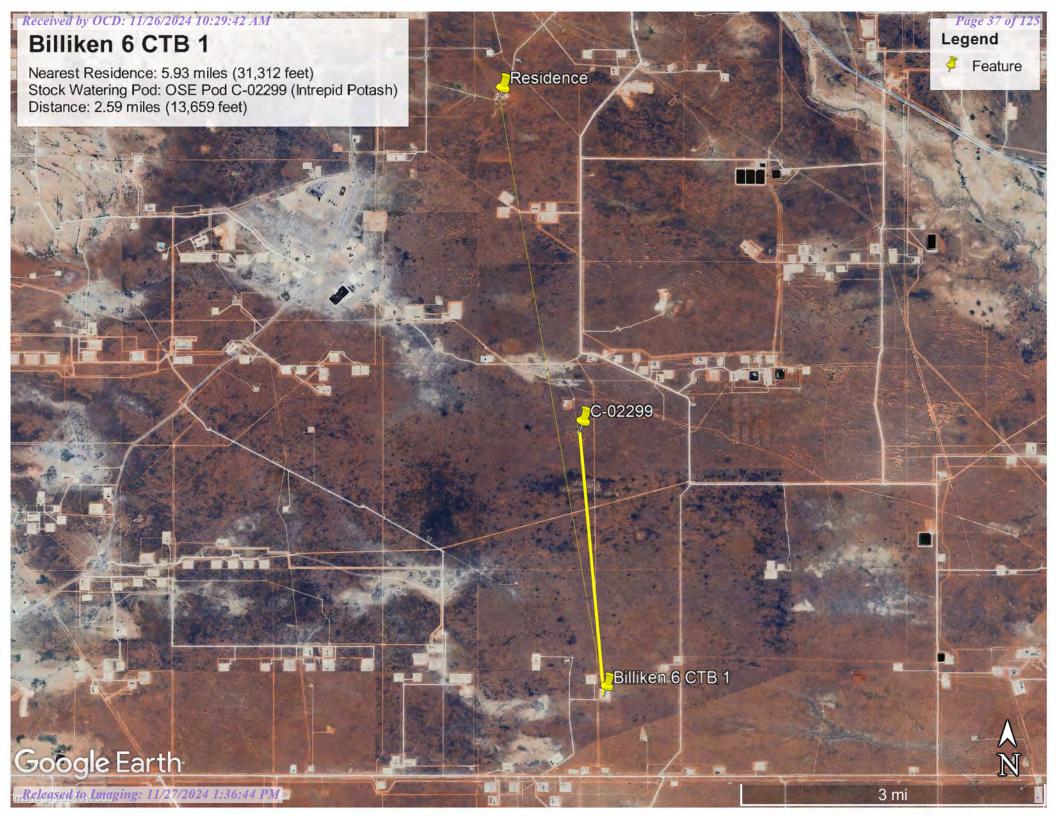
Lake

Other

Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

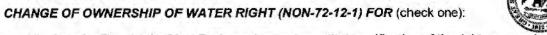




File No. C - 2299



NEW MEXICO OFFICE OF THE STATE ENGINEER



	☐ Individual ☐ Trustee ☐ Estate	☐ Corporation ☐ Partnership ■ Limited Liability Co				
I. OWNER OF RECORD (Selle	er)					
Name: Dinwiddie Cattle Comp	any, LLC	Name:				
Phone: Phone (Work):	☐ Home ☐ Cell	Phone: Phone (Work):	☐ Home ☐ Cell			
a. Dwner of Record File No: C-2299		b, Sub-file No.:	c. Cause No.:			
2. NEW OWNER (Buyer) Note:	If more owners need to be listed,	attach a separate sheet. Attache	ed? 🗆 Yes			
Name: Intrepid Potash-New M	exico, LLC	Name:				
Contact or Agent: Katie Keller	check here if Agent	Contact or Agent:	check here if Agent			
Mailing Address: 1001 17th Str	reet, Suite 1050	Mailing Address:				
City: Denver		City:				
State: Colorado	Zip Code: 80202	State:	Zip Code:			
Phone: Phone (Work): (303) 996-6160	☐ Home ☐ Cell	Phone: Phone (Work):	☐ Home ☐ Cell			
E-mail (optional):	•	E-mail (optional):				
Required: Submit warranty de	ed(s) or other instrument(s) of cor	I nveyance properly recorded with	the county clerk's office.			
Check all that apply: Domestic Indu Livestock Cor	istrial imercial	Amount of Water (acre-feet per a needed, type "See Comments" in in Additional Statements Section	"Other" field below, and explain			
☐ Irrigation ☐ Othe	er Uses (specify):	Diversion:				
<u> Пушпораг</u>		Consumptive Use: 3.0				
Owner of record has conveyed	d all or part of said right (please check	Other (include units):				
FOR OSE INTERNAL USE		Change o	f Ownership, Form wr-02, Rev 11/15/1			
File No.: (- 2)	30 Trn. No.:(a	SOCO Well Tag ID No	o. (if applicable):			

4. LIST ALL KNOWN POINT(S)	OF DIVERSION (POD) FOR	THE WATER RIGHT CONVEYED
----------------------------	------------------------	--------------------------

OSE POD No.	Well Tag ID No.	Subdivision and	/or Lat/Long or Eastin	Section	Township	Range	
C. 2299		SE SE NE			24	25S	34E
Check all that apply:	■ Well □ Pump	Ditch Name		River C	Course		
. PLACE(S) OF USE	(list each individual	y)					
a. NA Acı	res of Irrigated Land D	escribed as Follow	vs (applicable to imiga	tion use only):			
b. Legally Described	d By:	c.	d.	e.	f.		g.
Public Land Su	rvey System (PLSS)	PLSS	PLSS	PLSS	Acres	s P	riority
	Survey Report or Map	Section	n Township	Range			
· -	nservation District Me						
☐ Subdivision		Map No	489 11 1				
PLSS Qua	rters or Halves,	and/or	i each tract				
<u>a</u>	nd/or	Lot No	individually)				
	phic Survey or District	ι,	and/or				
<u>a</u>	nd/or		Block No.				
Name and Co	unty of Subdivision						
						12/3	31/1949
						,,	
-							
h Other description :	relating place of use to	common landmer	tre etreets or other				
Well is located on proj	- '						
I. Place of use is on la		TOO ME DITTION	· · · · · · · · · · · · · · · · · · ·				
j. Are there other sou	irces of water for these	e lands? No ∐ Y	es 🗌 If yes, describe	by OSE file nui	mber:		
Note: If on Federal (or State Land, please	provide copy of	lease				
6. ADDITIONAL STA	TEMENTS OR EXPL	ANATIONS					
あしゃんちょ ロジャレネー・ペー・・ページ	conveyance is attache	d.					
water Rights deed of i							
water Rights daed of t							
water Rights daed of I							
water Rights daed of I							
water Rights daed of I							
water rights daed of							
water Kignis daed of i							
-	JSE			Chang	ae of Ownersh	nia, Form wr-02	Rev 11/15
FOR OSE INTERNAL L	USE 1 0 0 0	Trn. No.:	1057927			nip, Form wr-02,	Rev 11/15/
FOR OSE INTERNAL L	JSE 1299	Trn. No.:	652933		No. (if applic		Rev 11/15.

	npleted only if it is an irrigation water right a	and the book control of coperate in		
(I, We) the a	bove owner(s) of record, hereby consent to a law	wful change in the place and/or purpose	e of use of the above-described water right:	
Signature		Signature		
	ACKN	OWLEDGEMENT FOR INDIVIDUA	AL	
	.,,,,,			
I, We (name	of owner(s)),	Print Name(s)		
affirm that th	e foregoing statements are true to the best of (m	ny, our) knowledge and belief.		
Signature		Signature		
State of)			
County of)			
This instrum	ent was acknowledged before me this	day of	A.D., 20, by (name of owner(s)):	
	·	Notary Public:		
		My commission expires:		
	ACKNOV	VLEDGEMENT FOR CORPORATI	ION	
		NLEDGEMENT FOR CORPORATI	ION	- 20
I, We (name	ACKNOV of owner(s)), Margaret McCandless		ion ::-::::::::::::::::::::::::::::::::::	10.00
	of owner(s)), Margaret McCandless	Print Name(s)	ion : : : : : : : : : : : : : : : : : : :	
affirm that th	of owner(s)), Margaret McCandless see foregoing statements are true to the best of (m	Print Name(s)	+29 +25 +25	
affirm that th	of owner(s)), Margaret McCandless be foregoing statements are true to the best of (m again E. McCandless	Print Name(s)	10N	
affirm that th	of owner(s)), Margaret McCandless be foregoing statements are true to the best of (m again E. McCandless	Print Name(s)	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	15. Control of the Co
affirm that th	of owner(s)), Margaret McCandless The foregoing statements are true to the best of (margaret E.M.Candless The foregoing statements are true to the best of (margaret E.M.Candless)	Print Name(s) ny, our) knowledge and belief.	14.4 +79 7.65	
affirm that th	of owner(s)), Margaret McCandless ine foregoing statements are true to the best of (m. [agant E.MCandless] inature	Print Name(s) ny, our) knowledge and belief.	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	Section 1995
officer Sign State of County of	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (m Against E. McCandless nature Colorado) ss. Denver)	Print Name(s) ny, our) knowledge and belief. Officer Signature	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	said
affirm that the state of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless nature Colorado Denver Denver The contract of the best of (magazet E. McCandless) statement was acknowledged before me this	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May		said
affirm that the state of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (margaret E. McCandless nature Colorado Ss. Denver Name of Officer: Marg	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless	A.D., 20 19, by the following on behalf of	said
affirm that the state of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless nature Colorado Ss. Denver Name of Officer: Margaret McCandless	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate S	A.D., 20 19, by the following on behalf of	said
affirm that the state of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (margaret E. McCandless nature Colorado Ss. Denver Name of Officer: Marg	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Solid Potash-New Mexico, LLC	A.D., 20 19, by the following on behalf of	said
officer Sign State of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless nature Colorado Ss. Denver Name of Officer: Marg. Title of Officer: VP & Intrec. Name of Corporation Acknowledging: New Intrec.	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Sold Potash-New Mexico, LLC Mexico	A.D., 20 19, by the following on behalf of	said
officer Sign State of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless nature Colorado Ss. Denver Name of Officer: Marg. Title of Officer: VP & Name of Corporation Acknowledging: Intrec. State of Corporation: New I	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Solid Potash-New Mexico, LLC Mexico Notary Public:	A.D., 20 19, by the following on behalf of	said
officer Sign State of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless Colorado Denver Name of Officer: Marg. Title of Officer: VP & Intrec. Name of Corporation Acknowledging: New Intrec. State of Corporation: New Intract Officer: New Intrac	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Sold Potash-New Mexico, LLC Mexico	A.D., 20 19, by the following on behalf of	said
officer Sign State of County of This instrum	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless Colorado Denver Name of Officer: Marg. Title of Officer: VP & Name of Corporation Acknowledging: Intrec. State of Corporation: New Introduction Notary Public State Of Colorado NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20044032943	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Sold Potash-New Mexico, LLC Mexico Notary Public: My commission expires:	A.D., 20 19, by the following on behalf of ecretary yolanda M.B. 9/15/2020	Meals
Officer Sign State of County of This instrum corporation.	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless Colorado Denver Name of Officer: Marg. Title of Officer: VP & Intrec. Name of Corporation Acknowledging: New Intrec. State of Corporation: New Intract Officer: New Intrac	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate Sold Potash-New Mexico, LLC Mexico Notary Public: My commission expires:	A.D., 20 19, by the following on behalf of Georetary Georetary Change of Ownership, Form wr-02, F	Meals
Officer Sign State of County of This instrum corporation.	of owner(s)), Margaret McCandless se foregoing statements are true to the best of (magazet E. McCandless Colorado Denver Name of Officer: Marg. Title of Officer: VP & Name of Corporation Acknowledging: Intrec. State of Corporation: New I YOLANDA M BARRIENTOS NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20044032943 MY COMMISSION EXPIRES SEPTEMBER	Print Name(s) ny, our) knowledge and belief. Officer Signature day of May aret McCandless General Counsel and Corporate S oid Potash-New Mexico, LLC Mexico Notary Public: My commission expires:	A.D., 20 19, by the following on behalf of ecretary yolanda M.B. 9/15/2020	Meals

94

LEA COUNTY, NH
KEITH HANES, COUNTY CLERI
808040958
Book2150 Page Z3
1 of 99
65/81/2019 84:47 PH

WARRANTY DEED

DINWIDDIE CATTLE COMPANY, LLC, a New Mexico limited liability company ("Grantor"), for consideration paid, grants and assigns, subject to the express reservations and restrictions below, to INTREPID POTASH-NEW MEXICO, LLC, a New Mexico limited liability company, having an address of c/o Intrepid Potash Inc., 1001 17th Street, Suite 1050, Denver, CO 80202 ("Grantee"), an undivided one hundred (100%) percent interest, the following:

- (a) that certain real property more particularly described on Exhibit A attached hereto and by this reference made a part hereof (the "Fee Land"), together with any and all rights of any kind or character appurtenant thereto;
- (b) all structures, buildings, and other improvements, and any fixtures and systems, including windmills, tanks, barns, pens, fences, gates, sheds, outbuildings and corrals (collectively, the "Improvements"), located on the Fee Land, including those Improvements identified on Schedule 1 to Exhibit A;
- (c) the wells, tanks, booster stations, generators and pumping facilities (collectively, the "Facilities") located on the Fee Land, including those Facilities identified on Schedule 2 to Exhibit A;
- (d) all flow lines, pipelines, gathering systems, meters and appurtenances thereto constituting a part of the Facilities or used or held for use in connection with the operation of the Facilities (collectively, the "Pipelines") located on the Fee Land, including those Pipelines identified on Schedule 3 to Exhibit A;
- (e) all pits for storage of groundwater ("Freshwater Storage Pits") located on the Fee Land, including those identified on Schedule 4 to Exhibit A;
- (f) all wells utilized to dispuse of produced water recovered as a byproduct of oil and gas exploration and production ("SWD Wells") located on the Fee Land, including those identified on Schedule 5 to Exhibit A;
- (g) the right to drill disposal wells to any depth beneath the surface, including a permanent easement for use (collectively, the "Disposal Rights"), on the Fee Land, for the purpose of injecting produced water from oil and gas wells located either on or off the Fee Land;
- (h) all easements, rights-of-way, servitudes, and other rights, privileges, and appurtenances (collectively, the "Easements") on or appurtenant to the Fee Land;

US-DOCS\107409140.2

- (i) all metallic and non-metallic minerals and mineral substances that are commonly mined or quarried by surface mining methods and/or used for industrial, building or construction purposes, including clay, limestone, building stone, all other stone, aggregate, soil, near-surface coal, near surface lignite, sand, gravel, caliche, and near-surface shale, to the extent, and including as, part of the surface estate thereof or as part of the mineral estate thereof, including any severed or unsevered interest of Grantor therein, together with all of Grantor's rights of ingress and egress thereto and therefrom (the "Asset Minerals"), in, on or under the Fee Land;
- (j) all wind rights and solar rights of any kind or character, including all such rights that are choate, inchoate, vested, unvested, harvested, unharvested, captured, uncaptured, reduced to possession, not reduced to possession, appropriated, unappropriated, used or useful for the generation of electricity or production of heat or not so used or useful, or applied to beneficial use or not so applied (the "Wind and Solar Rights"), appurtenant, on or relating to the Fee Land,

BUT SUBJECT TO, all reservations, restrictions, encumbrances and other matters set forth on Exhibit B, with warranty covenants.

FOR THE SAME CONSIDERATION, Grantor does hereby assign to Grantee the following (including all after-acquired title of Grantor):

- (a) the agricultural leases issued by Commissioner of Public Lands, State of New Mexico described in Exhibit C attached hereto and by this reference made a part hereof (the "State Leases"), as well as a leasehold estate in the real property described in Exhibit C, pursuant and subject to the State Leases (the "State Lease Land");
- (b) all Improvements, Facilities, Pipelines, Water Rights, Freshwater Storage Pits, SWD Wells, Disposal Rights (with respect to produced water from oil and gas wells located either on or off the State Lease Land), Easements, Asset Minerals, and Wind and Solar Rights appurtenant, on or relating to the State Lease Land;
- (c) all licenses and permits from governmental authorities, and any amendments thereto, which are directly or indirectly related to or connected with the Fee Land and the State Lease Land (and the Improvements located on such Fee Land and State Lease Land), the Water Rights, the Asset Minerals, and any other assets conveyed herein, or the development or use of any of the foregoing,

with special warranty covenants.

LEA COUNTY, NH
(EITH NANES, COUNTY CLERK
080048958
Book2150 Page 23
2 of 99
05/81/2019 04:47 PH
by CRESLEY SPEARS

FOR THE SAME CONSIDERATION, Grantor does hereby assign to Grantee all Grantor's interests (including all after-acquired title of Grantor) in all water rights appurtenant to, associated with, held, used or useful in connection with, or with points of diversion and/or places of use on the Fee Land or the State Lease Land (cullectively, the "Water Rights").

Grantor is not making any warranties of any kind or character, express or implied, with respect to the Water Rights.

EXCLUDING from said conveyance any and all pipelines, flow lines, gathering systems, meters, and appurtenances owned by third parties;

SAVE AND EXCEPT FROM THIS CONVEYANCE AND RESERVING TO GRANTOR:

1. <u>Mineral Estate Reservation</u>: All right, title and interest, in and to the oil, gas and other hydrocarbons, whether in liquid or gaseous form, and other minerals in, on, or under and that may be produced from the Fee Land, and not previously reserved, including any interest therein of any kind or character, and any rights appurtenant thereto of any kind or character, including, but not limited to, all executive and leasing rights therein, EXCEPTING the Asset Minerals and appurtenant rights thereto which are conveyed by this Warranty Deed to Grantee, provided, that, Grantor agrees that Grantor's implied easement to explore for and produce the non-hydrocarbon reserved minerals will not be exercised in any manner which interferes in any way with the operations of Grantee; and

SWD Royalty Reservation:

- a. Unless and until Grantee enters into any Adjacent Disposal Venture, as defined below, a 10% royalty, proportionally reduced as to Grantee's interests, on Grantee's undivided interest share of all saltwater disposal revenue received by Grantee from any salt water disposal wells developed from and after the Execution Date on any portion of the Fee Land or the Lease Land, as defined below; and
- b. From and after the date that Grantee enters into any Adjacent Disposal Venture, a 10% royalty, proportionally reduced as to Grantee's interests, on Grantee's undivided interest share of all saltwater disposal revenue received by Grantee from any salt water disposal wells developed from and after the Execution Date on any portion of the Fee Land, Lease Lands, Beckham Ranch, described below, and/or McCloy Ranch, described below, (in each case, to the extent covered by the Adjacent Disposal Venture) pursuant to and in accordance with such Adjacent Disposal Venture.

LEA COUNTY, NH
EITH HANES, COUNTY CLERK
BOBBA8958
BOOK2158 Page 23
J of 99
85-81/2019 84:47 PH
BY CRESLEY SPEARS

3

Whether or not Grantee has entered into any Adjacent Disposal Venture, and notwithstanding anything to the contrary herein, the SWD Royalty shall (A) expire and terminate without any other action by Granter or Grantee on the date that is 20 years following the Execution Date, and (B) explicitly exclude any and all revenues arising from that certain Saltwater Disposal Lease and Easement Agreement dated February 1, 2014, by and between Grantor and BC&D Operating, Inc., covering a portion of the Land comprising Township 25 South, Range 36 East, Section 17: NE/4 located in Lea County, New Mexico, as amended.

As used in this Reservation, the following terms have the following meanings:

"Adjacent Disposal Venture" means any joint venture, joint development arrangement, or other similar contractual relationship between (a) Grantee, its successors and assigns, on the one hand, and (b) the owner(s) of the Beckham Ranch and/or McCloy Ranch, on the other hand, that is entered into in order to exploit, develop and market the Disposal Rights granted to Grantee under this Warranty Deed and any similar rights underlying the Beckham Ranch and/or McCloy Ranch. Notwithstanding anything in the foregoing to the contrary, for purposes of defining the SWD Royalty, the term "Adjacent Disposal Venture" shall only cover the Disposal Rights granted to Grantee under this Warranty Deed and similar rights (and revenues therefrom) with respect to the Fee Land, the Lease Lands, the Beckham Ranch, and/or the McCloy Ranch, as applicable, and not any other assets or rights that may be held by Grantee or such owner(s) of the Beckham Ranch and/or McCloy Ranch.

"Beckham Ranch" means the geographic area situated in Lea County, New Mexico generally described and depicted on the map attached as Exhibit D hereto.

"McCloy Ranch" means the geographic area situated in Lea County, New Mexico generally described and depicted on the map attached as Exhibit E hereto.

"Lease Lands" means the State Lease Land and the leasehold estate in, or other interest in or right to, the real property subject to the Bureau of Land Management grazing allotment permits described on Exhibit F hereto.

To the extent permitted by law, Grantee shall be subrogated to Grantor's rights in and to representations, warranties and covenants given by others with respect to the interests conveyed herein, and Grantor hereby grants and transfers to Grantee, its successors and assigns, in the same undivided percentages referenced above and to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Grantor is entitled to enforce with respect to said interests.

LEA COUNTY, NM
KEITH MANES, COUNTY CLERK
080640958
Book2150 Page 23
4 of 99
65/01/2019 04:47 PM
BY CRESLEY SPEARS

4

This Warranty Deed is expressly made subject to the terms and conditions of that certain Purchase and Sale Agreement, dated February 5, 2019, by and among Grantor, Sherbrooke Partners LLC ("Sherborroke") and Grantee (as such may be amended and/or modified from time to time, the "Purchase and Sale Agreement") (which terms and conditions shall control in the event of a conflict with the terms and conditions of this Warranty Deed). Prior to the Execution Date hereof, Sherbrooke has assigned all of its rights in and to the Purchase and Sale Agreement to Grantee. The Purchase and Sale Agreement contains certain representations, warranties, covenants, indemnities and agreements between the parties, some of which may survive the delivery of this Warranty Deed, as more particularly provided for therein, but third parties may conclusively rely on this Warranty Deed to vest title to the Real Property in Grantee as described herein.

[Signature and Acknowledgement Page Follows]

LEA COUNTY, NH
KEITH MANES, COUNTY CLERI
808040958
Book2150 Page 23
5 of 99
85/01/2019 84:47 PM

5

IN WITNESS WHEREOF, Grantor and Grantee have caused these presents to be executed as of this 1st day of May, 2019 (the "Execution Date"), by its duly authorized agent, but effective for all purposes as of 12:00 A.M., Mountain Standard Time, on March 1, 2019.

GRANTOR:

DINWIDDIE CATTLE COMPANY, LLC,

a New Mexico limited liability company

John Thomas (Tommy) Dinwiddie

Managing Member

STATE OF NEW MEXICO)

COUNTY OF LEA

This instrument was acknowledged before me on May 1, 2019, by John Thomas (Tommy) Dinwiddie, as Managing Member of Dinwiddie Cattle Company, LLC, a New Mexico limited

liability company.

(Seal, if any)

My Commissi

OFFICIAL SEAL Amanda Baker

NOTARY PUBLIC STATE OF NEW MEXICO My Commission Expires: 10-9-31

[Signature and Acknowledgment Page to Warranty Deed]

LEA COUNTY, NM
KEITH MENES, COUNTY CLERK
G22949958
Bock2150 Page 23
6 of 99
95/01/2019 04:47 PM
RY CRESLEY SPEARS

GRANTEE:

INTREPID POTASH - NEW MEXICO, LLC,

a New Mexico fimited liability company

Robert P. Jornayvax III

President/and Chief/Executive Officer

STATE OF NEW MEXICO)) SS.

)

COUNTY OF LEA

This instrument was acknowledged before me on May 1, 2019, by Robert P. Jornayvaz III, as President and Chief Executive Officer of Intrepid Potash - New Mexico, LLC, a New Mexico

limited liability company.

(Scal, if any)

Notary Public

My Commission Expires:

OFFICIAL SEAL Amanda Baker

[Signature and Acknowledgment Page to Warranty Deed]

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDLE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

TOWNSHIP 25 SOUTH, RANGE 33 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 33: SW14, W1/2E1/2

Section 34: E½SE¼

Section 35: S%NW4, SW4, W%SE4

TOWNSHIP 26 SOUTH, RANGE 33 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 3: E½NE¼, SE¼, NW¼, E½SW¼, W½SW¼

Section 4: N½, N½S½, S½S½

Section 10: NW4, NE4, E4SW4, W4SE4

Section 11: W1/2

Section 12: S½NE¼, SE¼

Section 14: W1/2

TOWNSHIP 25 SOUTH, RANGE 34 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 13: NE¼, W½NW¼, NE¼NW¼

Section 24: S½NE¼, SE¼

TOWNSHIP 26 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 5: WYSWY, NYNY, SYNWY

Section 6: E1/2

TOWNSHIP 25 SOUTH, RANGE 35 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 1: All

Section 12:

NW4NE4, SHNE4, NE4SW4, EHNW4, N4SE4, LESS AND EXCEPT A Parcel of land situated in Section 12, Township 25 South, Range 35 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the Northeast corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1877+60.31 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Section 12, T25S, R35E, and Section 7, T25S, R36E, NMPM, whence the Quarter Section Corner common to Section 12, T25S, R35E, and Section 7, T25S, R36E bears N00°29'00"W, 197.73 feet distance; thence, S00°29'00"E, 79.00 feet distance to a point on the Centerline Station 1877+85.12 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'00"E, 26.15 feet distance to the southeast corner of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N 72°10'57"W, 4,167.36 feet distance to the southwest corner of the parcel of land herein described; thence N00°29'57"W, 26.27 feet distance to a point on the Centerline Station 1836+17.71 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°29' 57"W, 79.00 feet distance to the northwest corner of the parcel of land

Exhibit A, Page 1 of 7

LEA COUNTY, NY KEITH MANES, COUNTY CLERK 980640958 Book2158 Page 23 8 of 99 95/81/2819 04:47 PM BY CRESLEY SPEARS

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

herein described; thence, S72°10'51"E, 4,167.43 feet distance to the Point of Beginning of the parcel of land herein described, said tract referenced in Warranty Deed filed October 14, 2008, in Book 1604, Page 922, Lea County Records, Lea County, New Mexico.

Section 13: S1/2

Section 14: S½SE¼, NE¼SE¼

Section 17: N/2, N/2SW1/4, SE1/4

Section 18: S%NE% Section 20: N%NE%

Section 21: NW1/4

Section 23: E1/2

Section 24: W1/2, NE1/4, N1/4SE1/4

Section 27: SW1/4

Section 28: SE1/4

Section 33: NE1/4

Section 34: NW1/4

TOWNSHIP 24 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 31: N/2, W/2SW/4

TOWNSHIP 25 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 4: All

Section 5: All

Section 6: All

Section 7:

WINEY, SEY, NWY, LESS AND EXCEPT A Parcel of land situated in the SE1/4 of Section 7, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northeast corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1933+20.00 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 7 and 8, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 7 and 8, T25S, R36E bears N00°28'22"W, 1,924.28 feet distance; thence, S00°28'22"E, 78.99 feet distance to a point on the Centerline Station 1933+44.80 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°28'22"E, 25.98 feet distance to the southeast corner of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271 (I); thence, N 72°10'57"W, 2,782.07 feet distance to the southwest comer of the parcel of land herein described; thence, N00°22'04"W, 26.05 feet distance to a point on the Centerline Station 1905+62.75 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°22'04"W, 78.94 feet distance to the northwest

Exhibit A, Page 2 of 7

LEA COUNTY, NY
KEITH HANES, COUNTY CLERK :
808048958 :
Bock2158 Page 23
9 of 99
85/81/2019 84:47 PM
BY CRESLEY SPEARS

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

corner of the parcel of land herein described; thence, S72°10'51"E, 2,781.90 feet distance to the Point of Beginning of the parcel of land herein described, said tract being referenced on that certain Warranty Deed filed in Book 1604, Page 925, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 8:

All, LESS AND EXCEPT A Parcel of land situated in Section 8, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1933+20.00 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 7 and 8, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 7 and 8, T25S, R36E bears N00°28'22"W, 1,924.28 feet distance; thence, S72°10'51"E, 125.70 feet distance to the point of curvature; thence, Southeasterly, 3,601.12 feet distance along the arc of a 00°30'27" degree curve bearing to the left (said arc having a radius of 11,290.00 feet, a central angle of 18°16'31" and a chord which bears S81°19'07"E, 3,585.87 feet distance) to the point of tangency; thence, N89°32'38"E, 1,628.77 feet distance to the northeast corner of the parcel of land herein described being a point on the line common to Sections 8 and 9, T25S, R36E, NMPM; thence, S00°29'31"E, 75.00 feet distance to a point on the Centerline Station 1986+99.56 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'31"E, 23.15 feet distance to the southeast corner of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E; thence, S89°28'12"W, 1,271.62 feet distance to a point on the existing northerly right-of-way line of N.M. project S-1271(1); thence, S89°32'36"W, 355.84 feet distance to the point of curvature; thence, Northwesterly 3634.43 feet distance along the arc of a 00°30'10" degree curve bearing to the right (said arc having a radius of 11,395.10 feet, a central angle of 18°16'28" and a chord which bears N81°19'11"W, 3619.05 feet distance) to the point of taugency; thence N72°10'57"W, 92.60 feet distance to the Southwest corner of the parcel of land herein described being a point on the line common to Sections 7 and 8, T25S, R36E; thence N00°28'22"W, 25.98 feet distance to a point on the Centerline Station 1933+44.80 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence N00°28'22"W, 78.99 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 928, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Exhibit A, Page 3 of 7

LEA COUNTY, NM
KEITH HANES, COUNTY CLERK
BOOK2150 Page 23
18 Df 99
95/81/2019 64:47 PM
RY CRESLEY SPEARS

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

Section 9:

All, LESS AND EXCEPT a Parcel of land situated in Section 9, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New

Mexico, being more particularly described as follows:

Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1986+99.51 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 8 and 9, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 8 and 9, T25S, R36E bears N00°29'31"W, 2540.67 feet distance; thence N89°32'38"E, 5279.26 feet distance to the Northeast corner of the parcel of land herein described being a point on the line common to Sections 9 and 10, T25S, R36E, NMPM; thence S00°31'36"E, 75.00 feet distance to a point on the Centerline Station 2039+78.87 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence S00°31'36"E, 12.92 feet distance to the Southeast corner of the parcel of land herein described as being the Section corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence S89°25'58"W, 2639.66 feet distance to the Quarter Section corner common to Sections 9 and 16, T25S, R36E; thence S89°25'58"W, 2,639.66 feet distance to the Southwest corner of the parcel of land herein described being the Section corner common to Sections 8, 9, 16 and 17, T25S, R36E; thence N00°29'31"W, 23.15 feet distance to a point on the Centerline Station 1986+99.56 of N.M. Project No. AC-GRIP-(TPM)-127(23)38; thence N00°29'31"W, 75.00 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 934, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 10:

W1/2, LESS AND EXCEPT a Parcel of land situated in the SW1/4 of Section 10, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 2039+78.78 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 9 and 10, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 9 and 10, T25S, R36E bears N00°31'36"W, 2,551. 77 feet distance; thence, N89°32'38"E, 2,642.51 feet distance to the northeast corner of the parcel of land herein described being a point on the north-south center line of Section 10, T25S, R36E; thence, S00°23'06"E, 75.00 feet distance to a point on the Centerline Station 2066+21.19 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°23'06"E, 7.76 feet distance to the Southeast corner of the parcel of land herein described being the Quarter Section Corner common to Sections 10 and 15, T25S, R36E; thence,

Exhibit A., Page 4 of 7

LEA COUNTY, NM KEITH MANES, COUNTY CLERK 802040950 Book2150 Page 23 11 of 99 05/01/2019 04:47 PM BY CRESLEY SPEARS

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

S89°25'55"W, 2,642.30 feet distance to the southwest corner of the parcel of land herein described being the Section Corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence, N00°31'36"W, 12.92 feet distance to a point on the Centerline Station 2039+78.87 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°31' 36"W, 75.00 feet distance to the Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 940, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 14:

N/2, LESS AND EXCEPT a Parcel of land situated in Section 14, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New

Mexico, being more particularly described as follows:

Beginning at the northwest corner of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E, NMPM, a point 73.38 feet to the left of, northeasterly and opposite Construction Centerline Station 2093+28.20 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, whence the Quarter Section Corner common to Sections 10 and 11, T25S, R36E bears N00°31'31"W, 3,068.49 feet distance; thence, S55°16'31"E, 206.82 feet distance to the most easterly corner of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N56°10'38"W, 204.57 feet distance to the southwest corner of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E N00°31'31"W, 3.94 feet distance to the northwest corner and Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 949, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation. AND FURTHER LESS AND EXCEPT a Parcel of land situated in Section 14, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the southwest corner of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E, NMPM, a point 57.47 feet to the right of, southwesterly and opposite Construction Centerline Station 2094+17.64 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, whence the Quarter Section Corner common to Sections 14 and 15, T25S, R36E bears S00°31'31"E, 2,051.91 feet distance; thence, N00°31'31"W, 9.21 feet distance to the northwest corner of the parcel of land herein described being a point on the existing southerly right-of-way line of N.M. Project S-1271(1); thence, S56°10'38"E, 122.56 feet distance to the most easterly corner of the parcel of land herein described; thence, N59° 53'03"W,

Exhibit A, Page 5 of 7

LEA COUNTY, NM KEITH MANES, COUNTY CLERK 022040958 Book2150 Page 23 12 of 99 85/91/2019 84:47 PM

Section 16:

EXHIBIT A

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

117.61 feet distance to the southwest corner and Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 952, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

All, LESS AND EXCEPT a Parcel of land situated in Section 16, Township 25

Section 15: S¼, and being Tract Two as referenced on that certain Claim of Exemption Plat filed March 22, 2019, in Book 2, Page 558, Survey Records, Lea County, New Mexico.

South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the southwest comer of the parcel of land herein described being a point on the line common to Sections 16 and 17, T25S, R36E, NMPM, a point 24.78 feet to the right of, southerly and opposite Construction Centerline Station 1986+99.58 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38 and a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N00°29'31"W, 1.62 feet distance to the northwest corner of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E; thence N89°25'58"E, 2639.66 feet distance to the Quarter Section corner common to Sections 9 and 16, T25S, R36E; thence N89°25'58"E, 2639.66 feet distance to the northeast corner of the parcel of land herein described being the Section Corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence S00°29'56"E, 11.81 feet distance to the Southeast corner of the parcel of land herein described; thence S89°32'36"W, 5279.32 feet distance to the Southwest corner and point of beginning of the parcel of land herein described, said tract of land referenced in that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 937, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to

Section 17: All, LESS AND EXCEPT a Parcel of land situated in Section 17, Township 25
South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows:

Beginning at the northeast corner of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E, a point 23.15 feet to the right of, southerly and opposite Construction Centerline Station 1986+99.58 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'31"E, 1.62 feet distance to the Southeast corner of the parcel of land herein described being a point on the existing Northerly right of way line of N.M. Project S-1271(1); thence S89°32'36"W, 1271.62 feet distance to the most westerly corner of the parcel of land herein described; thence N89°28'12"E,

New Mexico Department of Transportation.

Exhibit A, Page 6 of 7

LEA COUNTY, NM
KEITH MANES, COUNTY CLERK
D00840958
Dock2150 Page 23
13 of 99
85/81/2015 04:47 PM
RY CRESLEY SPEARS

ATTACHED TO AND MADE A PART OF THAT CERTAIN WARRANTY DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

FEE LAND

1271.62 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 931, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC a New Mexico limited liability company to New Mexico Department of Transportation.

Section 18: Lots 3, 4, E\(\subseteq \subseteq \widete \widete \sime \widete \sime \widete \widete \sime \widete \widete \sime \widete \widete \sime \widete \widete \widete \sime \widete \widete \widete \widete \sime \widete \widete

Section 19: NW¼ Section 20: All Section 21: All Section 22: All

Section 23: W1/2, W1/2E1/2

Section 25: A tract of land beginning at the Southwest corner of Section 25; thence North 363 feet; thence East 363 feet; thence South 363 feet and thence West 363 feet to the

point of beginning.

Section 26: W14, W15NE14, W15SE14, W15E15SE14

Section 35: All Section 36: All

TOWNSHIP 26 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 1: N½, SW¼, NW¼SE¼

Section 9: All – Less and Except that portion of said Section 9 described in that certain Warranty Deed filed June 6, 2016, in Book 2031, Page 11, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC to EOG Resources, Inc.

Section 10: All – Less and Except that portion of said Section 10 described in that certain Warranty Deed filed June 6, 2016, in Book 2031, Page 11, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC to EOG Resources, Inc.

Section 13: All Section 24: All Section 25: All Section 36: All

TOWNSHIP 26 SOUTH, RANGE 37 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 6: S1/2 Lot 2 and All of Lot 3

LEA COUNTY, Not KEITH MANES, COUNTY CLERK 900040958 Book2150 Page 23 14 of 99 85/81/2019 84:47 PM

Exhibit A, Page 7 of 7

LEA COUNTY, NN
KEITH MANES, COUNTY CLERK
200240959
20022150 Page 24
1 of 57
85/81/2019 64:47 PM
EV JOEST FY SPECIE

WATER RIGHTS AND PERMITS DEED

DINWIDDIE CATTLE COMPANY, LLC, a New Mexico limited liability company ("Grantor"), for consideration paid, grants to INTREPID POTASH - NEW MEXICO, LLC, a New Mexico limited liability company, having an address of c/o Intrepid Potash Inc., 1001 17th Street, Suite 1050, Denver, CO 80202 ("Grantee"), an undivided 100% interest, in the following described property associated with real property in Lea County, New Mexico (including all after-acquired title of Grantor in and to any of the following):

All wells, water, water rights, rights to appropriate, use and or sell water, and other rights, under the New Mexico State Engineer ("State Engineer") file and permit numbers set forth on Exhibit A attached hereto and by this reference made a part hereof; water rights, rights to appropriate, use and/or sell water, flood rights, and other rights relating to water, whether perfected or unperfected, decreed or undecreed, adjudicated or unadjudicated, licensed or unlicensed, permitted or unpermitted, declared or undeclared, Mendenhall, surface or underground, appropriated or unappropriated, appropriative or nonappropriative, or other, appurtenant to, associated with, held, used or useful in connection with, or with points of diversion and/or places of use on, that certain real property more particularly described on Exhibit B attached hereto and by this reference made a part hereof (the "Land"); (iii) water storage rights, water sales and water supply contracts, water taps, water withdrawal rights, water diversion rights and other rights in and to, or relating to, the use or sale of water produced on or from the Land; (iv) rights, claims and entitlements associated with the historical beneficial use of water on or produced from the Land; (v) pending and approved applications to the State Engineer for permits, including but not limited to Grantor's 10/23rd interest in application CP-1687, and permits issued by the State Engineer, for any purpose, including the appropriation of water from points of diversion on the Land or the use of water on the Land, to drill wells on the Land for any purpose, including exploration for water and monitoring water levels and/or water quality, (vi) canals and canal rights, ditches and ditch rights, springs and spring rights, and reservoirs and reservoir rights, located or having a place of use on, relating to water or water rights associated with, or with points of diversion and/or places of use on, the Land; (vii) shares of stock and other interests in any irrigation, ditch or reservoir company that delivers, has delivered or may in the future deliver, water to the Land; (viii) rights, titles and interests in, to and under water wells (including wells to produce water for domestic, livestock, commercial, industrial, exploration, monitoring and/or irrigation purposes) located on or associated with water or water rights held, used or useful in connection with or with places of use on, the Land; (ix) points of diversion, water well bores, water exploration drill holes, pumps, pumping stations, motors, casing, tubing, pipes, pipelines, irrigation equipment and facilities, livestock, game and other animal watering equipment and facilities, electric generation and transmission equipment and facilities, tanks, dams, weirs, other diversion works, ditches, gates, chutes, turnouts, and other equipment, facilities and property, utilities, and structures and devices associated with or used or useful in connection with the exploration for or the production, conveyance, measurement, storage or use of water; (x) easements, rights-of-way, licenses, permits, servitudes, agreements, covenants, leases, and contract rights used or held in connection with the ownership or operation of the foregoing; and (xi) rents, income, profits, proceeds and products of and from any of the foregoing (the property described above is herein collectively called the "Water Rights").

Grantor is not making any warranties of any kind or character, express or implied, with respect to the Water Rights.

To the extent permitted by law, Grantee shall be subrogated to Grantor's rights in and to representations, warranties and covenants given by others with respect to the Land and/or the Water Rights, and Grantor hereby grants and transfers to Grantee, its successors and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Grantor is entitled to enforce with respect to the Land and/or the Water Rights.

This Water Rights and Permits Deed is expressly made subject to the terms and conditions of that certain Purchase and Sale Agreement, dated February 5, 2019, by and among Grantor, Sherbrooke Partners LLC ("Sherbrooke") and Grantee (as such may be amended and/or modified from time to time, the "Purchase and Sale Agreement") (which terms and conditions shall control in the event of a conflict with the terms and conditions of this Water Rights and Permits Deed). Prior to the execution of this Water Rights and Permits Deed, Sherbrooke has assigned all of its rights in and to the Purchase and Sale Agreement to Grantee. The Purchase and Sale Agreement contains certain representations, warranties, covenants, indemnities and agreements between the parties, some of which may survive the delivery of this Water Rights and Permits Deed, as more particularly provided for therein, but third parties may conclusively rely on this Water Rights and Permits Deed to vest title to the Land and Water Rights in Grantee as described herein.

[SIGNATURE AND ACKNOWLEDGMENT PAGE FOLLOWS]

LEA COUNTY, NM
(EITH MANES, COUNTY CLERGE
BOOK 2158 Page 24
2 of 57
95/01/2019 04:47 PM

IN WITNESS WHEREOF, Grantor and Grantee have caused these presents to be executed as of this 1st day of May, 2019, but effective for all purposes as of 12:00 A.M., Mountain Standard Time, on March 1, 2019.

GRANTOR:

DINWIDDIE CATTLE COMPANY, LLC, a New Mexico limited liability company

John Thomas (Fommy) Dinwiddie Managing Member

State of New Mexico) ss. County of Lea

This instrument was acknowledged before me on May 1, 2019, by John Thomas (Tommy) Dinwiddie, as Managing Member of Dinwiddie Cattle Company, LLC, a New Mexico limited liability company.

(Seal, if any)

My Commission Expires:
OFFICIAL SEAL

Amanda Baker

NOTARY PUBLIC STATE OF NEW MEXI

[Signature and Acknowledgment Page to Water Rights and Permits Deed]

GRANTEE:

INTREPID POTASH - NEW MEXICO, LLC, a New Mexico limited liability company

By:<u>/×</u>∕

Robert P. Jornayvaz III President and Chief Executive Officer

State of New Mexico

)) ss.

County of Lea

This instrument was acknowledged before me on May 1, 2019, by Robert P. Jornayvaz III, as President and Chief Executive Officer of Intrepid Potash – New Mexico, LLC, a New Mexico limited liability company.

(Seal, if any)

Notaty Public

My Compassion Exorpicial SEAL

Amanda Baker

STATE OF NEW MEXICO

My Commission Expiress

LEA COUNTY, NK
KEITH MANES, COUNTY CLERK
B898849999
Book2158 Page 24
4 of 57
85/01/2019 04:47 PN
BY CRESLEY SPEARS

[Signature and Acknowledgment Page to Water Rights and Permits Deed]

ATTACHED TO ANI DE A PART OF THAT CERTAIN WATER RIGHTS AND SITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

WATER RIGHTS

O. Doots	OSE
Basin	Permit
JAL (Decl)	J-8
	J-9
	J-10
Jal (Permit))	J-11
Capitan	CP-1285
(permit)	CP-858
	CP-857
	CP-938
	CP-1380
	CP-1647
	CP-1049
	CP-1379
	CP-1378
Capitan (Decl)	CP-174
	CP-175
	CP-176
•	CP-177
	CP-178
	CP-179
	CP-180
	CP-181
	CP-182
	CP-183
	CP-859
	CP-860
	CP-1658
Carlsbad	C-2285

Exhibit A, Page 1 of 2

LCA COUNTY, NM
KEITH MANES, COUNTY CLERK
200848959
Bocd 2150 Page 24
5 of 57
95-701/2019 64:47 PM
BY CREELEY GPEARS

Attached to at de a part of that certain Water Rights and mits Deed dated effective March 1, 2019 between Dinwiddie Cattle Company, LLC, as Grantor, and Intrepid Potash-New Mexico, LLC, as Grantee

WATER RIGHTS

(decl)	C-2286
	C-2287
	C-2288
	C-2289
	C-2290
	C-2291
	C-2292
	C-2293
	C-2294
ļ	C-2295
	C-2296
1	C-2297
	C-2298
	C-2299
Carlsbad	C-3441
(permit)	C-3442

LEA COUNTY, NO KE (1H MANES, COUNTY CLERK 802040559 Bookz150 Page 24 5 of 57 82-81/2019 84:47 PM BY CRESLEY SPEARS

Exhibit A, Page 2 of 2

ATTACHED TO AN DE A PART OF THAT CERTAIN WATER RIGHTS AND AITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

LAND

FEE LAND

TOWNSHIP 25 SOUTH, RANGE 33 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 33: SW1/4, W1/2E1/2

Section 34: E½SE¼

Section 35: S½NW¼, SW¼, W½SE¼

TOWNSHIP 26 SOUTH, RANGE 33 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 3: E½NE¼, SE¼, NW¼, E½SW¼, W½SW¼

Section 4: N½, N½S½, S½S½

Section 10: NW¼, NE¼, E½SW¼, W½SE¼

Section 11: W1/2

Section 12: S½NE¼, SE¼

Section 14: W1/2

TOWNSHIP 25 SOUTH, RANGE 34 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 13: NE¼, W½NW¼, NE¼NW¼

Section 24: S½NE¼, SE¼

TOWNSHIP 26 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 5: W%SW%, N%N%, S%NW%

Section 6: E1/2

TOWNSHIP 25 SOUTH, RANGE 35 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 1: All

Section 12: NWWNEY, SYNEY, NEYSWY, EYNWY, NYSEY, LESS AND EXCEPT A

Parcel of land situated in Section 12, Township 25 South, Range 35 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the Northeast corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1877+60.31 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Section 12, T25S, R35E, and Section 7, T25S, R36E, NMPM, whence the Quarter Section Corner common to Section 12, T25S, R35E, and Section 7, T25S, R36E bears N00°29'00"W, 197.73 feet distance; thence, S00°29'00"E, 79.00 feet distance to a point on the Centerline Station 1877+85.12 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'00"E, 26.15 feet distance to the southeast corner of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N 72°10'57"W, 4,167.36 feet distance to the southwest corner of the parcel of land herein described; thence N00°29'57"W, 26.27 feet distance to a point on the Centerline Station 1836+17.71 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°29' 57"W, 79.00 feet distance to the northwest corner of the parcel of land

LEA COUNTY, NH HARES, COUNTY CLERK 0008049559 Sock2156 Page 24 7 of 57 of 57 September 2016 2017 2019 84:47 PH BY CRESLEY SPERIS

Exhibit B, Page 1 of 8

ATTACHED TO AN DE A PART OF THAT CERTAIN WATER RIGHTS ANI MITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

LAND

herein described; thence, S72°10′51″E, 4,167.43 feet distance to the Point of Beginning of the parcel of land herein described, said tract referenced in Warranty Deed filed October 14, 2008, in Book 1604, Page 922, Lea County Records, Lea County, New Mexico.

Section 13: S1/2

Section 14: S¼SE¼, NE¼SE¼

Section 17: N½, N½SW¼, SE¼

Section 18: S½NE¼ Section 20: N½NE¼ Section 21: NW¼ Section 23: E½

Section 24: W½, NE¼, N½SE¼

Section 27: SW4 Section 28: SE4 Section 33: NE4 Section 34: NW4

TOWNSHIP 24 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 31: N½, W½SW¼

TOWNSHIP 25 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 4: All Section 5: All Section 6: All

Section 7:

W1/2NE1/4, SE1/4, NW1/4, LESS AND EXCEPT A Parcel of land situated in the SE¼ of Section 7, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northeast corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 1933+20.00 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 7 and 8, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 7 and 8, T25S, R36E bears N00°28'22"W, 1,924.28 feet distance; thence, S00°28'22"E, 78.99 feet distance to a point on the Centerline Station 1933+44.80 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°28'22"E, 25.98 feet distance to the southeast corner of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271 (1); thence, N 72°10'57"W, 2,782.07 feet distance to the southwest corner of the parcel of land herein described; thence, N00°22'04"W, 26.05 feet distance to a point on the Centerline Station 1905+62.75 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°22'04"W, 78.94 feet distance to the northwest corner of the parcel of land herein described; thence, S72°10'51"E, 2,781.90 feet distance to the Point of Beginning of the parcel of land herein described, said tract

LEA COUNTY, NH
BROGARSS
BROCALSS Page 24
8 of 57
SF01-2019 04:47 PT
SF01-2019 04:47 PT

Exhibit B, Page 2 of 8

ATTACHED TO AN DE A PART OF THAT CERTAIN WATER RIGHTS AND DITTS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

<u>LAND</u>

being referenced on that certain Warranty Deed filed in Book 1604, Page 925, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 8:

All, LESS AND EXCEPT A Parcel of land situated in Section 8, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of. northerly and opposite Construction Centerline Station 1933+20,00 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 7 and 8, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 7 and 8, T25S, R36E bears N00°28'22"W, 1,924.28 feet distance; thence, S72°10'51"E, 125.70 feet distance to the point of curvature; thence, Southeasterly, 3,601.12 feet distance along the arc of a 00°30'27" degree curve bearing to the left (said arc having a radius of 11,290.00 feet, a central angle of 18°16'31" and a chord which bears S81°19'07"E, 3,585.87 feet distance) to the point of tangency; thence, N89°32'38"E, 1,628.77 feet distance to the northeast corner of the parcel of land herein described being a point on the line common to Sections 8 and 9, T25S, R36E, NMPM; thence, S00°29'31"E, 75.00 feet distance to a point on the Centerline Station 1986+99.56 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'31"E, 23.15 feet distance to the southeast comer of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E; thenco, S89°28'12"W, 1,271.62 feet distance to a point on the existing northerly right-of-way line of N.M. project S-1271(1); thence, S89°32'36"W, 355.84 feet distance to the point of curvature; thence, Northwesterly 3634.43 feet distance along the arc of a 00°30'10" degree curve bearing to the right (said are having a radius of 11,395.10 feet, a central angle of 18°16'28" and a chord which bears N81°19'11"W, 3619.05 feet distance) to the point of tangency; thence N72°10'57"W, 92.60 feet distance to the Southwest corner of the parcel of land herein described being a point on the line common to Sections 7 and 8, T25S, R36E; thence N00°28'22"W, 25.98 feet distance to a point on the Centerline Station 1933+44.80 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence N00°28'22"W, 78.99 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 928, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

LEG COUNTY, NO KEITH TANKS, CO.ATTY CLEK 0008405439 Booksiss Prope 24 9 cf 51 By CRESLEY SPEARS BY CRESLEY SPEARS

Section 9:

All, LESS AND EXCEPT a Parcel of land situated in Section 9, Township 25 South, Range 36 Bast, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows:

Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline

Exhibit B, Page 3 of 8

ATTACHED TO AN DE A PART OF THAT CERTAIN WATER RIGHTS ANI VITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

LAND

Station 1986+99.51 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 8 and 9, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 8 and 9, T25S, R36E bears N00°29'31"W, 2540.67 feet distance; thence N89°32'38"E, 5279.26 feet distance to the Northeast corner of the parcel of land herein described being a point on the line common to Sections 9 and 10, T25S, R36E, NMPM; thence S00°31'36"E, 75.00 feet distance to a point on the Centerline Station 2039+78.87 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence S00°31'36"E, 12.92 feet distance to the Southeast corner of the parcel of land herein described as being the Section corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence S89°25'58"W, 2639.66 feet distance to the Quarter Section corner common to Sections 9 and 16, T25S, R36E; thence S89°25'58"W, 2,639.66 feet distance to the Southwest corner of the parcel of land herein described being the Section corner common to Sections 8, 9, 16 and 17, T25S, R36E; thence N00°29'31"W, 23.15 feet distance to a point on the Centerline Station 1986+99.56 of N.M. Project No. AC-GRIP-(TPM)-127(23)38; thence N00°29'31"W, 75.00 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 934, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 10:

W1/2, LESS AND EXCEPT a Parcel of land situated in the SW1/4 of Section 10, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows: Beginning at the northwest corner of the parcel of land herein described being a point 75.00 feet to the left of, northerly and opposite Construction Centerline Station 2039+78.78 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, said point being on the line common to Sections 9 and 10, T25S, R36E, NMPM, whence the Quarter Section Corner common to Sections 9 and 10, T25S, R36E bears N00°31'36"W, 2,551. 77 feet distance; thence, N89°32'38"E, 2,642.51 feet distance to the northeast corner of the parcel of land herein described being a point on the north-south center line of Section 10, T25S, R36E; thence, S00°23'06"E, 75.00 feet distance to a point on the Centerline Station 2066+21.19 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°23'06"E, 7.76 feet distance to the Southeast corner of the parcel of land herein described being the Quarter Section Corner common to Sections 10 and 15, T25S, R36E; thence, S89°25'55"W, 2,642.30 feet distance to the southwest corner of the parcel of land herein described being the Section Corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence, N00°31'36"W, 12.92 feet distance to a point on the Centerline Station 2039+78.87 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, N00°31' 36"W, 75.00 feet distance to the Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 940, Lea

LEA COUNTY, NK
KEITH NANES, COUNTY CLERK
8428.46559
Book2158 Page 24
18 of 57
18 of 57
85-04.2199 84:47 PM
87 ORESLEY SPERKS

Exhibit B, Page 4 of 8

ATTACHED TO ANI

BE A PART OF THAT CERTAIN WATER RIGHTS AND

BITS DEED DATED

EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDLE CATTLE COMPANY, LLC, AS GRANTOR, AND

INTREPID POTASII-NEW MEXICO, LLC, AS GRANTEE

LAND

County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 14:

N½, LESS AND EXCEPT a Parcel of land situated in Section 14, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows:

Beginning at the northwest comer of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E, NMPM, a point 73.38 feet to the left of, northeasterly and opposite Construction Centerline Station 2093+28.20 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, whence the Quarter Section Corner common to Sections 10 and 11, T25S, R36E bears N00°31'31"W, 3,068.49 feet distance; thence, \$55°16'31"E, 206.82 feet distance to the most easterly comer of the parcel of land herein described being a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N56°10'38"W, 204.57 feet distance to the southwest corner of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E N00°31'31"W, 3.94 feet distance to the northwest corner and Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 949, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation. AND FURTHER LESS AND EXCEPT a Parcel of land situated in Section 14, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows. Beginning at the southwest corner of the parcel of land herein described being a point on the line common to Sections 14 and 15, T25S, R36E, NMPM, a point 57.47 feet to the right of, southwesterly and opposite Construction Centerline Station 2094+17.64 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38, whence the Quarter Section Corner common to Sections 14 and 15, T25S, R36E bears S00°31'31"E, 2,051.91 feet distance; thence, N00°31'31"W, 9.21 feet distance to the northwest corner of the parcel of land herein described being a point on the existing southerly right-of-way line of N.M. Project S-1271(1); thence, S56°10'38"E, I22.56 feet distance to the most easterly corner of the parcel of land herein described; thence, N59° 53'03"W, 117,61 feet distance to the southwest corner and Point of Beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 952, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

LEA COMTY, NH
KEITH HAMES, COUNTY CLER
8080469595
Bock 2198 Page 24
11 of 57
11 of 57
12 of 2499 PH
BY CRESIETY SPEARS

Section 15:

S½, and being Tract Two as referenced on that certain Claim of Exemption Plat filed March 22, 2019, in Book 2, Page 558, Survey Records, Lea County, New Mexico.

Exhibit B, Page 5 of 8

ATTACHED TO AN DE A PART OF THAT CERTAIN WATER RIGHTS ANI AITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

<u>LAND</u>

Section 16:

All, LESS AND EXCEPT a Parcel of land situated in Section 16, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows:

Beginning at the southwest corner of the parcel of land herein described being a point on the line common to Sections 16 and 17, T25S, R36E, NMPM, a point 24.78 feet to the right of, southerly and opposite Construction Centerline Station 1986+99.58 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38 and a point on the existing northerly right-of-way line of N.M. Project S-1271(1); thence, N00°29'31"W, 1.62 feet distance to the northwest corner of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E; thence N89°25'58"E, 2639.66 feet distance to the Quarter Section corner common to Sections 9 and 16, T25S, R36E; thence N89°25'58"E, 2639.66 feet distance to the northeast corner of the parcel of land herein described being the Section Corner common to Sections 9, 10, 15 and 16, T25S, R36E; thence S00°29'56'E, 11.81 feet distance to the Southeast corner of the parcel of land herein described; thence S89°32'36"W, 5279.32 feet distance to the Southwest corner and point of beginning of the parcel of land herein described, said tract of land referenced in that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 937, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cottle Company, LLC, a New Mexico limited liability company to New Mexico Department of Transportation.

Section 17:

All, LESS AND EXCEPT a Parcel of land situated in Section 17, Township 25 South, Range 36 East, New Mexico Principal Meridian, Lea County, New Mexico, being more particularly described as follows:

Beginning at the northeast corner of the parcel of land herein described being the Section Corner common to Sections 8, 9, 16 and 17, T25S, R36E, a point 23.15 feet to the right of, southerly and opposite Construction Centerline Station 1986+99.58 of N.M. Project No. AC-GRIP-(TPM)-1271(23)38; thence, S00°29'31'E, 1.62 feet distance to the Southeast corner of the parcel of land herein described being a point on the existing Northerly right of way line of N.M. Project S-1271(1); thence S89°32'36"W, 1271.62 feet distance to the most westerly corner of the parcel of land herein described; thence N89°28'12"E, 1271.62 feet distance to the point of beginning of the parcel of land herein described, said tract of land being referenced on that certain Warranty Deed filed October 14, 2008, in Book 1604, Page 931, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC a New Mexico limited liability company to New Mexico Department of Transportation.

. Ed. .

Section 18: Lots 3, 4, E½SW¼, NE¼, E½SE¼, W½SE¼

Section 19: NW½ Section 20: All Section 21: All Section 22: All

Section 23: W1/2, W1/2E1/2

Exhibit B, Page 6 of 8

ATTACHED TO ANI DE A PART OF THAT CERTAIN WATER RIGHTS AND HTS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

LAND

Section 25: A tract of land beginning at the Southwest corner of Section 25; thence North 363 feet; thence East 363 feet; thence South 363 feet and thence West 363 feet to the point of beginning.

Section 26: W1/2, W1/2NE1/4, W1/2SE1/4, W1/2E1/2SE1/4

Section 35: All Section 36: All

TOWNSHIP 26 SOUTH, RANGE 36 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 1: N½, SW¼, NW¼SE¼

Section 9: All – Less and Except that portion of said Section 9 described in that certain Warranty Deed filed June 6, 2016, in Book 2031, Page 11, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cartle Company, LLC to EOG Resources, Inc.

Section 10: All - Less and Except that portion of said Section 10 described in that certain Warranty Deed filed June 6, 2016, in Book 2031, Page 11, Lea County Records, Lea County, New Mexico, executed by Dinwiddie Cattle Company, LLC to EOG Resources, Inc.

Section 13: All Section 24: All Section 25: All Section 36: All

TOWNSHIP 26 SOUTH, RANGE 37 East, N.M.P.M., LEA COUNTY, NEW MEXICO:

Section 6: S½ Lot 2 and All of Lot 3

LEA COUNTY, NH
KEITH HANES, COUNTY CLERK
0802040959
Book2150 Page 24
13 of 57
05/61/2819 64:47 PH
BY CRESLEY SPEARS

Exhibit B, Page 7 of 8

ATTACHED TO AND MADE A PART OF THAT CERTAIN WATER RIGHTS AND PERMITS DEED DATED EFFECTIVE MARCH 1, 2019 BETWEEN DINWIDDIE CATTLE COMPANY, LLC, AS GRANTOR, AND INTREPID POTASH-NEW MEXICO, LLC, AS GRANTEE

LAND

STATE LEASE LAND

STATE OF NEW MEXICO GRAZING LEASES:

- 1. GT-2459-0000 a copy of which is attached hereto as Exhibit B-1.
- 2. GM-2911 a copy of which is attached hereto as Exhibit B-2.
- 3. GT-0226-0000 a copy of which is attached hereto as Exhibit B-3.

FEDERAL LEASE LAND

BUREAU OF LAND MANAGEMENT GRAZING PERMITS:

- 1. Old Baldy NM-76041 a copy of which is attached hereto as Exhibit B-4.
- 2. East Rattlesnake NM-76033 a copy of which is attached hereto as Exhibit B-5.
- 3. Medlin-Wells NM-76035 a copy of which is attached hereto as Exhibit B-6.

LEA COUNTY, NH
KEITH "SAMES, COUNTY CLER
808849959
Book2152 Page 24
14 of 57
25/91/2014 04:47 Pm

Exhibit B, Page 8 of 8

John R. D Antonio, Jr., P.E. State Engineer



Roswell Office 1900 WEST SECOND STREET ROSWELL, NM 88201

STATE OF NEW MEXICO OFFICE OF THE STATE ENGINEER

Trn Nbr: 652933 File Nbr: C 02299

Jun. 19, 2019

KATIE KELLER
INTREPID POTASH NEW MEXICO LLC
1001 17TH STREET
SUITE 1050
DENVER, CO 80202

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

Sincerely,

Deborah Jones (575)622-6521

Enclosure

chngowrc

		2000
File No.	UP	-2299



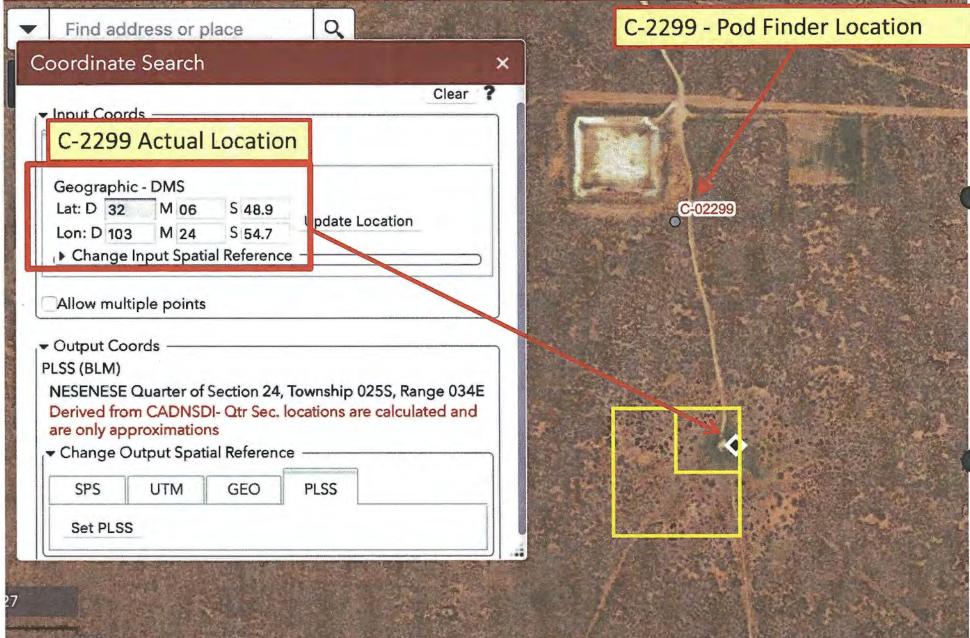
NEW MEXICO OFFICE OF THE STATE ENGINEER Update Well Location

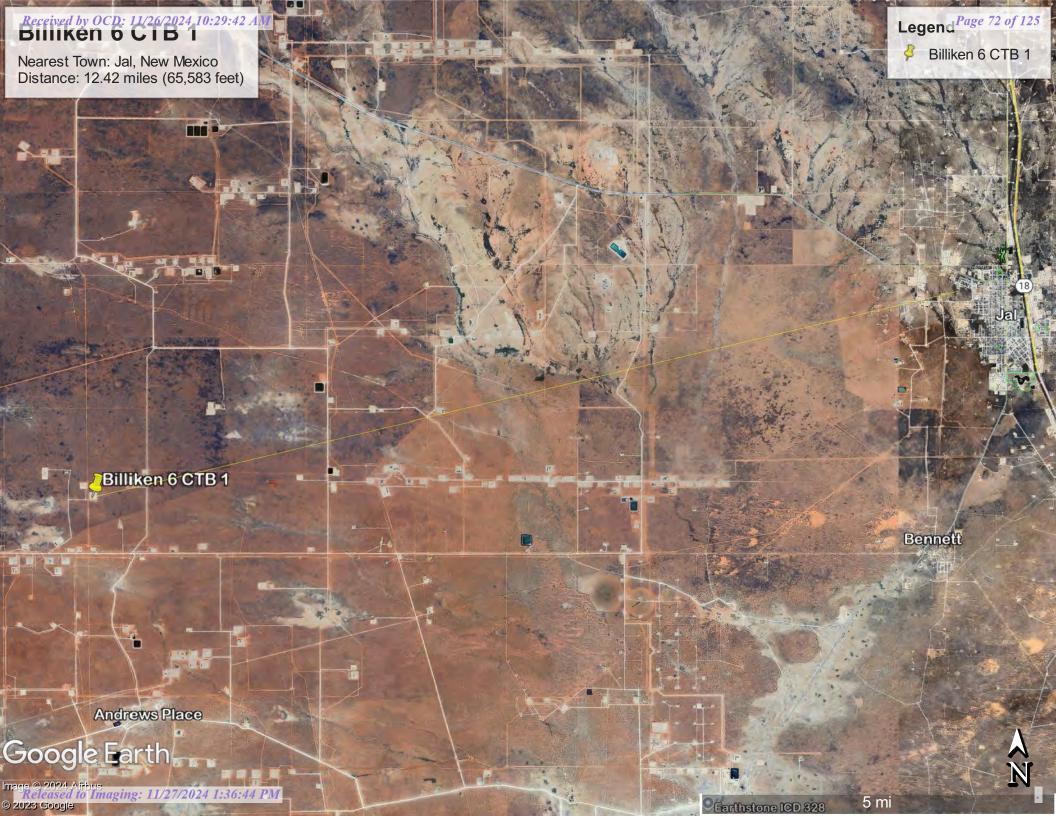


Date: 05/15/2020 POD No.	: C-2299			OSE Staff:	Chris	Angel	
Instructions:	,						
Use this form to correct or update PO	D (ocation(s) based	on In-Offi	ce Geosn	atial Applications, U	odate	WATERS	
by creating a UWL transaction in the p							i
L							
Current Location:							
	NM West Zone		X (in fe	ed).			.
NM State Plane (NAD83) - In feet	NM Central Zone NM East Zone		Y (in fe	-			
	UTM Zone 13N	片	Easting	(in meters):		<u> </u>	
UTM (NAD83) - In meters	UTM Zone 12N	<u> </u>		g (in meters):			
LavLong (WGS84) - To 1/10 th of second	Lat:		deg	ı	nin		80C
Check if seconds are decimal format	Long:		deg		nin		sec
Other Location Information (complete the b	elow, if applicable):						_
PLSS Quarters or Halves: SESENE		Section:	24	Township: 25 \$	South	Range: 34 (East
County: Lea				Subasin: Carlsbad		_	
11a data d 1 11a							
Updated Location:	NM West Zone						
NM State Plane (NAD83) - in feet	NM Central Zone	H	X (in fee	-			:
	NM East Zone		Y (in fee	31.): 			
UTM (NAD83) - In meters	UTM Zone 13N	미	_	(in meters):			
	UTM Zone 12N Let: 32	<u> </u>		g (in meters):		40.0	
LaVLong (WGS84) - To 1/10 th of second Check if seconds are decimal format	Lat: 32 Long: 103		deg		ain ain	48.9 54.7	SSC SSC
Other Location information (complete the bo			uog	24		34.7	640
PLSS Quarters or Halves:		Section:		Township:		Range:	
County: Lea				Subasin: Carlsbad			
Comments:							
A GPS was used to locate the v	vell on the atta	iched m	ар.				
							j

File No.: CP-2299 Tm. No.: 473482







Billiken 6 CTB 1

Page 73 of 125

Nearest Wetland: Emergent Wetland **Distance:** 0.63 miles/3,332 feet



November 20, 2024

Wetlands

Estuarine and Marine Deepwater

Estuarine and Marine Wetland

Freshwater Emergent Wetland

Freshwater Forested/Shrub Wetland

Freshwater Pond

Lake

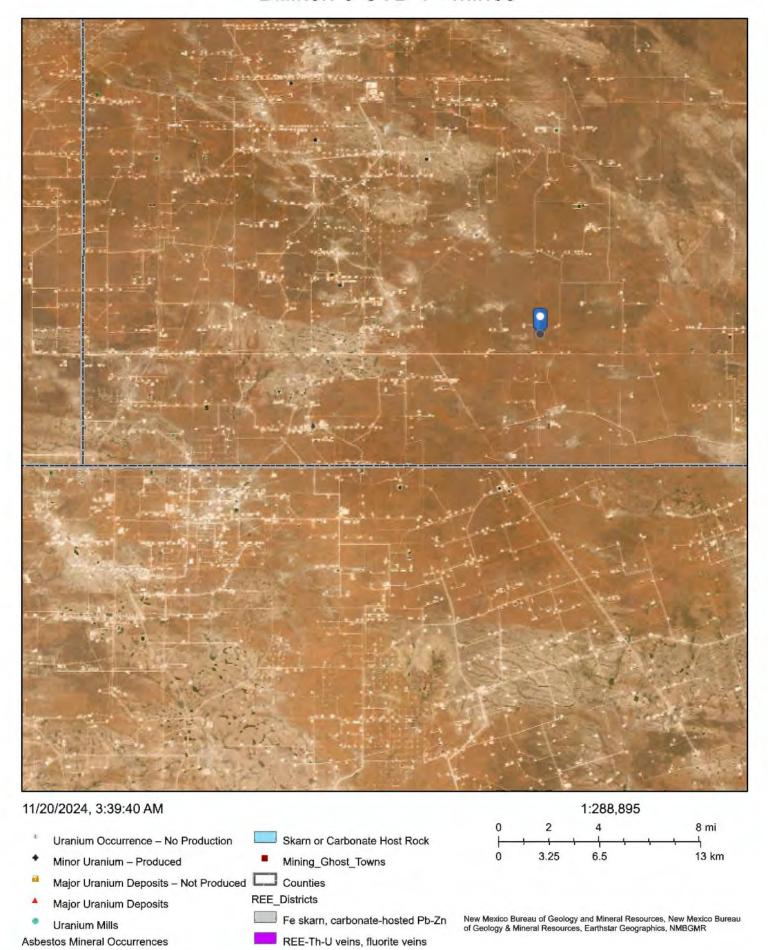
Riverine

Other

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

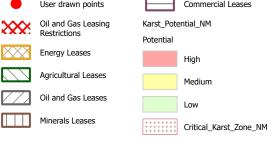
Metamorphic Host Rock

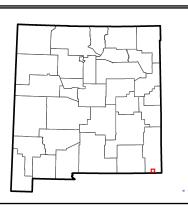
Billiken 6 CTB 1 - Mines









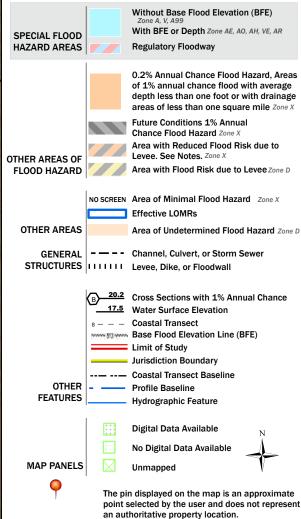


National Flood Hazard Layer FIRMette





SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

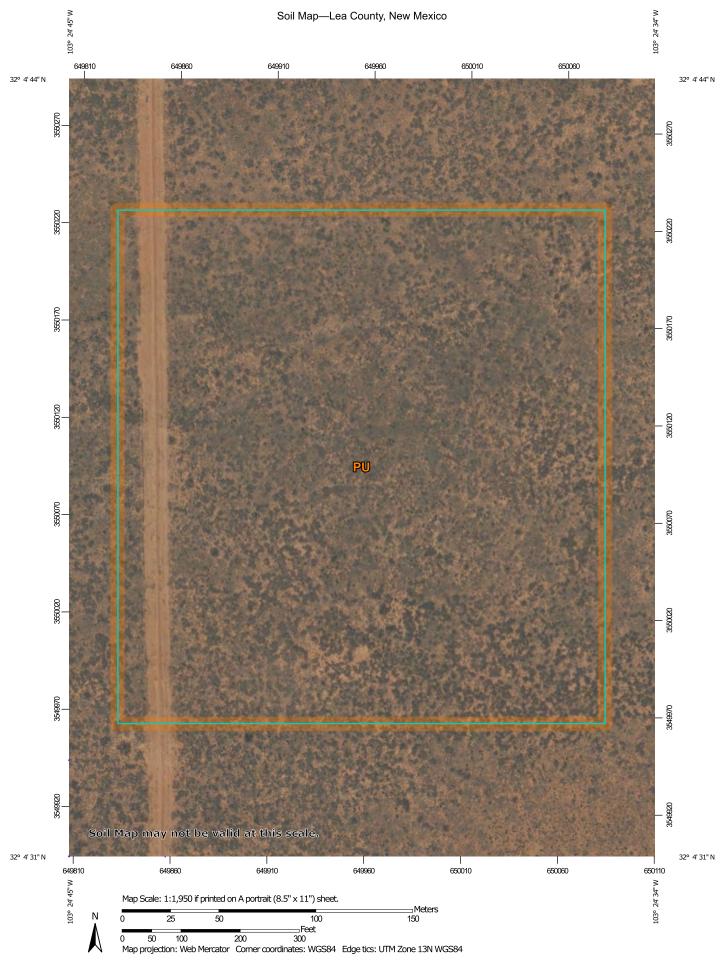


This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 11/20/2024 at 1:21 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.





MAP LEGEND

Area of Interest (AOI)

W Area of Interest (AOI)

Very Stony Spot Spoil Area Stony Spot 8

Wet Spot

Soil Map Unit Polygons

Soils

Other

Soil Map Unit Points Soil Map Unit Lines

Special Point Features

Blowout

Borrow Pit

Clay Spot

Special Line Features

Streams and Canals Water Features **Fransportation**

Interstate Highways US Routes Rails ŧ

Closed Depression

Gravelly Spot

Gravel Pit

Major Roads

Local Roads

Lava Flow

Landfill

Aerial Photography Background

Marsh or swamp

Miscellaneous Water Mine or Quarry

Perennial Water Rock Outcrop

Saline Spot

Sandy Spot

Severely Eroded Spot

Sinkhole

Slide or Slip Sodic Spot

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at

Warning: Soil Map may not be valid at this scale.

contrasting soils that could have been shown at a more detailed misunderstanding of the detail of mapping and accuracy of soil Enlargement of maps beyond the scale of mapping can cause line placement. The maps do not show the small areas of

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service

Coordinate System: Web Mercator (EPSG:3857) Web Soil Survey URL:

distance and area. A projection that preserves area, such as the Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required. This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Lea County, New Mexico Survey Area Data: Version 20, Sep 6, 2023 Soil Survey Area:

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger. Date(s) aerial images were photographed: Feb 7, 2020—May

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident

> Conservation Service Natural Resources USDA

Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
PU	Pyote and Maljamar fine sands	16.5	100.0%
Totals for Area of Interest		16.5	100.0%

Lea County, New Mexico

PU—Pyote and Maljamar fine sands

Map Unit Setting

National map unit symbol: dmqq Elevation: 3,000 to 3,900 feet

Mean annual precipitation: 10 to 12 inches Mean annual air temperature: 60 to 62 degrees F

Frost-free period: 190 to 205 days

Farmland classification: Not prime farmland

Map Unit Composition

Pyote and similar soils: 46 percent Maljamar and similar soils: 44 percent

Minor components: 10 percent

Estimates are based on observations, descriptions, and transects of

the mapunit.

Description of Pyote

Setting

Landform: Plains

Landform position (three-dimensional): Rise

Down-slope shape: Linear Across-slope shape: Linear

Parent material: Sandy eolian deposits derived from sedimentary

rock

Typical profile

A - 0 to 30 inches: fine sand

Bt - 30 to 60 inches: fine sandy loam

Properties and qualities

Slope: 0 to 3 percent

Depth to restrictive feature: More than 80 inches

Drainage class: Well drained Runoff class: Negligible

Capacity of the most limiting layer to transmit water (Ksat): High

(2.00 to 6.00 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None Frequency of ponding: None

Calcium carbonate, maximum content: 5 percent

Gypsum, maximum content: 1 percent

Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0

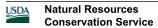
mmhos/cm)

Sodium adsorption ratio, maximum: 2.0

Available water supply, 0 to 60 inches: Low (about 5.1 inches)

Interpretive groups

Land capability classification (irrigated): 6e



Land capability classification (nonirrigated): 7s

Hydrologic Soil Group: A

Ecological site: R070BD003NM - Loamy Sand

Hydric soil rating: No

Description of Maljamar

Setting

Landform: Plains

Landform position (three-dimensional): Rise

Down-slope shape: Linear Across-slope shape: Linear

Parent material: Sandy eolian deposits derived from sedimentary

rock

Typical profile

A - 0 to 24 inches: fine sand

Bt - 24 to 50 inches: sandy clay loam
Bkm - 50 to 60 inches: cemented material

Properties and qualities

Slope: 0 to 3 percent

Depth to restrictive feature: 40 to 60 inches to petrocalcic

Drainage class: Well drained Runoff class: Very low

Capacity of the most limiting layer to transmit water (Ksat): Very low

to moderately low (0.00 to 0.06 in/hr) Depth to water table: More than 80 inches

Frequency of flooding: None Frequency of ponding: None

Calcium carbonate, maximum content: 5 percent

Gypsum, maximum content: 1 percent

Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0

mmhos/cm)

Sodium adsorption ratio, maximum: 2.0

Available water supply, 0 to 60 inches: Low (about 5.6 inches)

Interpretive groups

Land capability classification (irrigated): 6e Land capability classification (nonirrigated): 7e

Hydrologic Soil Group: B

Ecological site: R070BD003NM - Loamy Sand

Hydric soil rating: No

Minor Components

Kermit

Percent of map unit: 10 percent

Ecological site: R070BC022NM - Sandhills

Hydric soil rating: No

Data Source Information

Soil Survey Area: Lea County, New Mexico Survey Area Data: Version 20, Sep 6, 2023



Ecological site R070BD003NM Loamy Sand

Accessed: 09/21/2024

General information

Provisional. A provisional ecological site description has undergone quality control and quality assurance review. It contains a working state and transition model and enough information to identify the ecological site.

Figure 1. Mapped extent

Areas shown in blue indicate the maximum mapped extent of this ecological site. Other ecological sites likely occur within the highlighted areas. It is also possible for this ecological site to occur outside of highlighted areas if detailed soil survey has not been completed or recently updated.

Associated sites

R070BD004NM	Sandy Sandy
R070BD005NM	Deep Sand Deep Sand

Table 1. Dominant plant species

Tree	Not specified
Shrub	Not specified
Herbaceous	Not specified

Physiographic features

This site is on uplands, plains, dunes, fan piedmonts and in inter dunal areas. The parent material consists of mixed alluvium and or eolian sands derived from sedimentary rock. Slope range on this site range from 0 to 9 percent with the average of 5 percent.

Low stabilized dunes may occur occasionally on this site. Elevations range from 2,800 to 5,000 feet.

Table 2. Representative physiographic features

Landforms	(1) Fan piedmont(2) Alluvial fan(3) Dune
Elevation	2,800–5,000 ft
Slope	0–9%
Aspect	Aspect is not a significant factor

Climatic features

The average annual precipitation ranges from 8 to 13 inches. Variations of 5 inches, more or less, are common. Over 80 percent of the precipitation falls from April through October. Most of the summer precipitation comes in the form of high intensity-short duration thunderstorms.

Temperatures are characterized by distinct seasonal changes and large annual and diurnal temperature changes.

The average annual temperature is 61 degrees with extremes of 25 degrees below zero in the winter to 112 degrees in the summer.

The average frost-free season is 207 to 220 days. The last killing frost being late March or early April and the first killing frost being in later October or early November.

Temperature and rainfall both favor warm season perennial plant growth. In years of abundant spring moisture, annual forbs and cool season grasses can make up an important component of this site. Strong winds blow from the southwest from January through June, which accelerates soil drying during a critical period for cool season plant growth.

Climate data was obtained from http://www.wrcc.sage.dri.edu/summary/climsmnm.html web site using 50% probability for freeze-free and frost-free seasons using 28.5 degrees F and 32.5 degrees F respectively.

Table 3. Representative climatic features

Frost-free period (average)	221 days
Freeze-free period (average)	240 days
Precipitation total (average)	13 in

Influencing water features

This site is not influenced from water from wetlands or streams.

Soil features

Soils are moderately deep or very deep. Surface textures are loamy fine sand, fine sandy loam, loamy very fine sand or gravelly sandy loam.

Subsurface is a loamy fine sand, coarse sandy loam, fine sandy loam or loam that averages less than 18 percent clay and less than 15 percent carbonates.

Substratum is a fine sandy loam or gravelly fine sandy loam with less than 15 percent gravel and with less than 40 percent calcium carbonate. Some layers high in lime or with caliche fragments may occur at depths of 20 to 30 inches.

These soils, if unprotected by plant cover and organic residue, become wind blown and low hummocks are formed.

Minimum and maximum values listed below represent the characteristic soils for this site.

Characteristic soils are:

Maljamar

Berino

Parjarito

Palomas

Wink

Pyote

Table 4. Representative soil features

Surface texture	(1) Fine sand (2) Fine sandy loam (3) Loamy fine sand
Family particle size	(1) Sandy
Drainage class	Well drained to somewhat excessively drained
Permeability class	Moderate to moderately rapid

Soil depth	40–72 in
Surface fragment cover <=3"	0–10%
Surface fragment cover >3"	0%
Available water capacity (0-40in)	5–7 in
Calcium carbonate equivalent (0-40in)	3–40%
Electrical conductivity (0-40in)	2–4 mmhos/cm
Sodium adsorption ratio (0-40in)	0–2
Soil reaction (1:1 water) (0-40in)	6.6–8.4
Subsurface fragment volume <=3" (Depth not specified)	4–12%
Subsurface fragment volume >3" (Depth not specified)	0%

Ecological dynamics

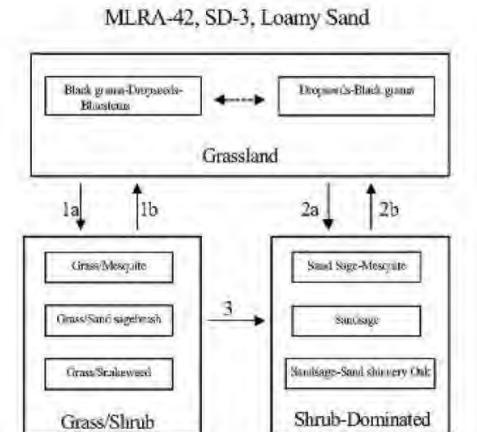
Overview

The Loamy Sand site intergrades with the Deep Sand and Sandy sites (SD-3). These sites can be differentiated by surface soil texture and depth to a textural change. Loamy Sand and Deep Sand sites have coarse textured (sands and loamy sand) surface soils while Sandy sites have moderately coarse textured (sandy loam and fine sandy loam) surfaces. Although Loamy Sand and Deep Sand sites have similar surface textures, the depth to a textural change is different—Loamy Sand sub-surface textures typically increase in clay at approximately 20 to 30 inches, and Deep Sand sites not until around 40 inches.

The historic plant community of Loamy Sand sites is dominated by black grama (*Bouteloua eriopoda*), dropseeds (*Sporobolus flexuosus*, *S. contractus*, *S. cryptandrus*), and bluestems (*Schizachyrium scoparium* and *Andropogon hallii*), with scattered shinnery oak (*Quercus havardii*) and sand sage (*Artemisia filifolia*). Perennial and annual forb abundance and distribution are dependent on precipitation. Litter and to a lesser extent, bare ground, are a significant proportion of ground cover while grasses compose the remainder. Decreases in black grama indicate a transition to either a grass/shrub or shrub-dominated state. The grass/shrub state is composed of grasses/honey mesquite (*Prosopis glandulosa*), grasses/broom snakeweed (*Gutierrezia sarothrae*), or grasses/sand sage. The shrub-dominated state occurs after a severe loss of grass cover and a prevalence of sand sage with secondary shinnery oak and mesquite. Heavy grazing intensity and/or drought are influential drivers in decreasing black grama and bluestems and subsequently increasing shrub cover, erosion, and bare patches. Historical fire suppression also encourages shrub pervasiveness and a competitive advantage over grass species (McPherson 1995). Brush and grazing management, however, may reverse grass/shrub and shrub-dominated states toward the grassland-dominated historic plant community.

State and transition model

Plant Communities and Transitional Pathways (diagram):



- La Drought, over grazing, fire suppression.
- 1b. Brush control, prescribed grazing
- 2.n Severe loss of grass cover, fire suppression, erosion.
- 2b. Brish control, seeding, prescribed grazing.
- Continued loss of grass cover, erosion.

State 1 Historic Climax Plant Community

Community 1.1 Historic Climax Plant Community

Grassland: The historic plant community is a uniformly distributed grassland dominated by black grama, dropseeds, and bluestems. Sand sage and shinnery oak are evenly dispersed throughout the grassland due to the coarse soil

surface texture. Perennial and annual forbs are common but their abundance and distribution are reflective of precipitation. Bluestems initially, followed by black grama, decrease with drought and heavy grazing intensity. Historical fire frequency is unknown but likely occurred enough to remove small shrubs to the competitive advantage of grass species. Fire suppression, drought conditions, and excessive grazing drive most grass species out of competition with shrub species. Diagnosis: Grassland dominated by black grama, dropseeds, and bluestems. Shrubs, such as sand sage, shinnery oak, and mesquite are dispersed throughout the grassland. Forbs are present and populations fluctuate with precipitation variability.

Table 5. Annual production by plant type

Plant Type	Low (Lb/Acre)	Representative Value (Lb/Acre)	High (Lb/Acre)
Grass/Grasslike	442	833	1224
Forb	110	208	306
Shrub/Vine	98	184	270
Total	650	1225	1800

Table 6. Ground cover

Tree foliar cover	0%
Shrub/vine/liana foliar cover	0%
Grass/grasslike foliar cover	28%
Forb foliar cover	0%
Non-vascular plants	0%
Biological crusts	0%
Litter	50%
Surface fragments >0.25" and <=3"	0%
Surface fragments >3"	0%
Bedrock	0%
Water	0%
Bare ground	22%

Figure 5. Plant community growth curve (percent production by month). NM2803, R042XC003NM-Loamy Sand-HCPC. SD-3 Loamy Sand - Warm season plant community.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0	0	3	5	10	10	25	30	12	5	0	0

State 2 Grass/Shrub

Community 2.1 Grass/Shrub



 Blade grams/lifesquite community, with some dropseeds, threeours, and scattered sand shirnery oak
 Ones cover low to moderate

Grass/Shrub State: The grass/shrub state is dominated by communities of grasses/mesquite, grasses/snakeweed, or grasses/sand sage. Decreases in black grama and bluestem species lead to an increase in bare patches and mesquite which further competes with grass species. An increase of dropseeds and threeawns occurs. Grass distribution becomes more patchy with an absence or severe decrease in black grama and bluestems. Mesquite provides nitrogen and soil organic matter to co-dominant grasses (Ansley and Jacoby 1998, Ansley et al. 1998). Mesquite mortality when exposed to fire is low due to aggressive resprouting abilities. Herbicide application combined with subsequent prescribed fire may be more effective in mesquite reduction (Britton and Wright 1971). Diagnosis: This state is dominated by an increased abundance of communities including grass/mesquite, grass/snakeweed, or grass/sand sage. Dropseeds and threeawns have a patchy distribution. Transition to Grass/Shrub State (1a): The historic plant community begins to shift toward the grass/shrub state as drivers such as drought, fire suppression, interspecific competition, and excessive grazing contribute to alterations in soil properties and herbaceous cover. Cover loss and surface soil erosion are initial indicators of transition followed by a decrease in black grama with a subsequent increase of dropseeds, threeawns, mesquite, and snakeweed. Snakeweed has been documented to outcompete black grama especially under conditions of fire suppression and drought (McDaniel et al. 1984). Key indicators of approach to transition: • Loss of black grama cover • Surface soil erosion • Bare patch expansion • Increased dropseed/threeawn and mesquite, snakeweed, or sand sage abundances Transition to Historic Plant Community (1b): Brush and grazing management may restore the grassland component and reverse shrub or grass/shrub dominated states back toward the historic plant community.

State 3 Shrub Dominated

Community 3.1 Shrub Dominated

Shrub-Dominated State: The shrub-dominated state results from a severe loss of grass cover. This state's primary species is sand sage. Shinnery oak and mesquite also occur; however, grass cover is limited to intershrub distribution. Sand sage stabilizes light sandy soils from wind erosion, which enhances protected grass/forb cover (Davis and Bonham 1979). However, shinnery oak also responds to the sandy soils with dense stands due to an

aggressive rhizome system. Shinnery oak's extensive root system promotes competitive exclusion of grasses and forbs. Sand sage, shinnery oak, and mesquite can be controlled with herbicide (Herbel et al. 1979, Pettit 1986). Transition to Shrub-Dominated (2a): Severe loss of grass species with increased erosion and fire suppression will result in a transition to a shrub-dominated state with sand sage, Shin oak, and honey mesquite directly from the grassland-dominated state. Key indicators of approach to transition: • Severe loss of grass species cover • Surface soil erosion • Bare patch expansion • Increased sand sage, shinnery oak, and mesquite abundance Transition to Historic Plant Community (2b): Brush and grazing management may restore the grassland component and reverse shrub or grass/shrub dominated states back toward the historic plant community. In addition, seeding with native grass species will augment the transition to a grassland-dominated state. Transition to Shrub-Dominated (3): If the grass/shrub site continues to lose grass cover with soil erosion, the site will transition to a shrub-dominated state with sand sage, shinnery oak, and honey mesquite. Key indicators of approach to transition: • Continual loss of dropseeds/threeawns cover • Surface soil erosion • Bare patch expansion • Increased sand sage, shinnery oak, and mesquite/dropseed/threeawn and mesquite/snakeweed abundance

Additional community tables

Table 7. Community 1.1 plant community composition

Group	Common Name	Symbol	Scientific Name	Annual Production (Lb/Acre)	Foliar Cover (%)
Grass	/Grasslike				
1	Warm Season		61–123		
	little bluestem	scsc	Schizachyrium scoparium	61–123	_
2	Warm Season			37–61	
	sand bluestem	ANHA	Andropogon hallii	37–61	_
3	Warm Season	•		37–61	
	cane bluestem	воваз	Bothriochloa barbinodis	37–61	_
	silver bluestem	BOSA	Bothriochloa saccharoides	37–61	_
4	Warm Season			37-61 37-61 37-61 37-61 37-61 4es 37-61 123-184 123-184 123-184 123-184 123-184 123-184 123-184 123-184	
	black grama	BOER4	Bouteloua eriopoda	123–184	_
	bush muhly	MUPO2	Muhlenbergia porteri	123–184	_
5	Warm Season			123–184	
	thin paspalum	PASE5	Paspalum setaceum	123–184	_
	plains bristlegrass	SEVU2	Setaria vulpiseta	123–184	_
	fringed signalgrass	URCI	Urochloa ciliatissima	123–184	_
6	Warm Season			123–184	
	spike dropseed	SPCO4	Sporobolus contractus	123–184	_
	sand dropseed	SPCR	Sporobolus cryptandrus	123–184	_
	mesa dropseed	SPFL2	Sporobolus flexuosus	123–184	_
7	Warm Season			61–123	
	hooded windmill grass	CHCU2	Chloris cucullata	61–123	_
	Arizona cottontop	DICA8	Digitaria californica	61–123	_
9	Other Perennial Grasses			37–61	
	Grass, perennial	2GP	Grass, perennial	37–61	_
Shrub	/Vine				
8	Warm Season			37–61	
	New Mexico feathergrass	HENE5	Hesperostipa neomexicana	37–61	_
	giant dropseed	SPGI	Sporobolus giganteus	37–61	_
10	Shrub	•	•	61–123	

	sand sagebrush	ARFI2	Artemisia filifolia	61–123	-
	Havard oak	QUHA3	Quercus havardii	61–123	-
11	Shrub			34–61	
	fourwing saltbush	ATCA2	Atriplex canescens	37–61	_
	featherplume	DAFO	Dalea formosa	37–61	_
12	Shrub			37–61	
	jointfir	EPHED	Ephedra	37–61	_
	littleleaf ratany	KRER	Krameria erecta	37–61	-
13	Other Shrubs			37–61	
	Shrub (>.5m)	2SHRUB	Shrub (>.5m)	37–61	_
Forb					
14	Forb			61–123	
	leatherweed	CRPOP	Croton pottsii var. pottsii	61–123	_
	Indian blanket	GAPU	Gaillardia pulchella	61–123	_
	globemallow	SPHAE	Sphaeralcea	61–123	_
15	Forb			12–37	
	woolly groundsel	PACA15	Packera cana	12–37	_
16	Forb			61–123	
	touristplant	DIWI2	Dimorphocarpa wislizeni	61–123	_
	woolly plantain	PLPA2	Plantago patagonica	61–123	_
17	Other Forbs	-	•	37–61	
	Forb (herbaceous, not grass nor grass-like)	2FORB	Forb (herbaceous, not grass nor grass-like)	37–61	_

Animal community

This Ecological Site provides habitat which supports a resident animal community that is characterized by pronghorn antelope, desert cottontail, spotted ground squirrel, black-tailed prairie dog, yellow faced pocket gopher, Ord's kangaroo rat, northern grasshopper mouse, southern plains woodrat, badger, roadrunner, meadowlark, burrowing owl, white necked raven, lesser prairie chicken, morning dove, scaled quail, Harris hawk, side blotched lizard, marbled whiptail, Texas horned lizard, western diamondback rattlesnake, dusty hognose snake and ornate box turtle.

Where mesquite has invaded, most resident birds and scissor-tailed flycatcher, morning dove and Swainson's hawk, nest. Vesper and grasshopper sparrows utilize the site during migration.

Hydrological functions

The runoff curve numbers are determined by field investigations using hydraulic cover conditions and hydrologic soil groups.

Hydrologic Interpretations

Soil Series Hydrologic Group

Berino B

Kinco A

Maljamar B

Pajarito B

Palomas B

Wink B

Pyote A

Recreational uses

This site offers recreation potential for hiking, borseback riding, nature observation, photography and hunting. During years of abundant spring moisture, this site displays a colorful array of wildflowers during May and June.

Wood products

This site has no potential for wood products.

Other products

This site is suitable for grazing by all kinds and classes of livestock at any time of year. In cases where this site has been invaded by brush species it is especially suited for goats. Mismanagement of this site will cause a decrease in species such as the bluestems, blsck grama, bush muhly, plains bristlegrass, New Mexico feathergrass, Arizona cottontop and fourwing saltbush. A corresponding increase in the dropseeds, windmill grass, fall witchgrass, silver bluestem, sand sagebrush, shinery oak and ephedra will occur. This will also cause an increase in bare ground which will increase soil erodibility. This site will respond well to a system of management that rotates the season of use.

Other information

Guide to Suggested Initial Stocking Rate Acres per Animal Unit Month Similarity Index Ac/AUM 100 - 762.3 - 3.5 75 - 513.0 - 4.5 50 - 264.6 - 9.0 25 - 09.1 +

Inventory data references

Data collection for this site was done in conjunction with the progressive soil surveys within the Southern Desertic Basins, Plains and Mountains, Major Land Resource Areas of New Mexico. This site has been mapped and correlated with soils in the following soil surveys. Eddy County, Lea County, and Chaves County.

Other references

Literature Cited:

Ansley, R. J.; Jacoby, P. W. 1998. Manipulation of fire intensity to achieve mesquite management goals in north Texas. In: Pruden, Teresa L.; Brennan, Leonard A., eds. Fire in ecosystem management: shifting the paradigm from suppression to prescription: Proceedings, Tall Timbers fire ecology conference; 1996 May 7-10; Boise, ID. No. 20. Tallahassee, FL: Tall Timbers Research Station: 195-204.

Ansley, R. J.; Jones, D. L.; Tunnell, T. R.; [and others]. 1998. Honey mesquite canopy responses to single winter fires: relation to herbaceous fuel, weather and fire temperature. International Journal of Wildland Fire 8(4):241-252.

Britton, Carlton M.; Wright, Henry A. 1971. Correlation of weather and fuel variables to mesquite damage by fire. Journal of Range Management 24:136-141.

Davis, Joseph H., III and Bonham, Charles D. 1979. Interference of sand sagebrush canopy with needleandthread. Journal of Range Management 32(5):384-386.

Herbel, C. H, Steger, R, Gould, W. L. 1974. Managing semidesert ranges of the Southwest Circular 456. Las Cruces, NM: New Mexico State University, Cooperative Extension Service. 48 p.

McDaniel, Kirk C.; Pieper, Rex D.; Loomis, Lyn E.; Osman, Abdelgader A. 1984. Taxonomy and ecology of perennial snakeweeds in New Mexico. Bulletin 711. Las Cruces, NM: New Mexico State University, Agricultural Experiment Station. 34 p.

McPherson, Guy R. 1995. The role of fire in the desert grasslands. In: McClaran, Mitchel P.; Van Devender, Thomas R., eds. The desert grassland. Tucson, AZ: The University of Arizona Press: 130-151.

Pettit, Russell D. 1986. Sand shinnery oak: control and management. Management Note 8. Lubbock, TX: Texas Tech University, College of Agricultural Sciences, Department of Range and Wildlife Management. 5 p.

Contributors

Don Sylvester Quinn Hodgson

Rangeland health reference sheet

Interpreting Indicators of Rangeland Health is a qualitative assessment protocol used to determine ecosystem condition based on benchmark characteristics described in the Reference Sheet. A suite of 17 (or more) indicators are typically considered in an assessment. The ecological site(s) representative of an assessment location must be known prior to applying the protocol and must be verified based on soils and climate. Current plant community cannot be used to identify the ecological site.

Author(s)/participant(s)	
Contact for lead author	
Date	
Approved by	
Approval date	
Composition (Indicators 10 and 12) based on	Annual Production

Indicators

1.	Number and extent of rills:
2.	Presence of water flow patterns:
3.	Number and height of erosional pedestals or terracettes:
4.	Bare ground from Ecological Site Description or other studies (rock, litter, lichen, moss, plant canopy are not bare ground):
5.	Number of gullies and erosion associated with gullies:
6.	Extent of wind scoured, blowouts and/or depositional areas:

Amount of litter movement (describe size and distance expected to travel):
Soil surface (top few mm) resistance to erosion (stability values are averages - most sites will show a range of values):
Soil surface structure and SOM content (include type of structure and A-horizon color and thickness):
Effect of community phase composition (relative proportion of different functional groups) and spatial distribution on infiltration and runoff:
Presence and thickness of compaction layer (usually none; describe soil profile features which may be mistaken for compaction on this site):
Functional/Structural Groups (list in order of descending dominance by above-ground annual-production or live foliar cover using symbols: >>, >, = to indicate much greater than, greater than, and equal to):
Dominant:
Sub-dominant:
Other:
Additional:
Amount of plant mortality and decadence (include which functional groups are expected to show mortality or decadence):
Average percent litter cover (%) and depth (in):
Expected annual annual-production (this is TOTAL above-ground annual-production, not just forage annual-production):
Potential invasive (including noxious) species (native and non-native). List species which BOTH characterize degraded states and have the potential to become a dominant or co-dominant species on the ecological site if their future establishment and growth is not actively controlled by management interventions. Species that become dominant for only one to several years (e.g., short-term response to drought or wildfire) are not invasive plants. Note that unlike other indicators, we are describing what is NOT expected in the reference state for the ecological site:

17. Perennial plant reproductive capability:



Ecological site R070BC022NM Sandhills

Accessed: 09/21/2024

General information

Provisional. A provisional ecological site description has undergone quality control and quality assurance review. It contains a working state and transition model and enough information to identify the ecological site.

Figure 1. Mapped extent

Areas shown in blue indicate the maximum mapped extent of this ecological site. Other ecological sites likely occur within the highlighted areas. It is also possible for this ecological site to occur outside of highlighted areas if detailed soil survey has not been completed or recently updated.

Table 1. Dominant plant species

Tree	Not specified
Shrub	Not specified
Herbaceous	Not specified

Physiographic features

This site occurs on plains. The soils are calcareous sandy eolian deposits derived from sedimentary rock. Land form of sand dunes or hillslopes. Slopes average 5 to 35 percent. Slopes are complex as the steeper slopes are shorter in length while the more gentle slopes are longer in length. Direction of slopes vary and is usually not significant. Elevations range from 2,842 to 4,500 feet.

Table 2. Representative physiographic features

Landforms	(1) Plain (2) Hill (3) Dune
Flooding frequency	None
Ponding frequency	None
Elevation	2,842-4,500 ft
Slope	5–35%
Aspect	Aspect is not a significant factor

Climatic features

The climate of the area is "semi-arid continental". The average annual precipitation ranges from 8 to 13 inches. Variations of 5 inches, more or less, are common. Over 80 percent of the precipitation falls from April through October. Most of the summer precipitation comes in the form of high intensity – short duration thunderstorms. Temperatures are characterized by distinct seasonal changes and large annual and diurnal temperature changes. The average annual temperature is 61 degrees with extremes of 25 degrees below zero in the winter to 112 degrees in the summer. The average frost-free season is 180 to 220 days. The last killing frost is in late March or early April, and the first killing frost is in late October or early November. Temperature and rainfall both favor warm season perennial plant growth. In years of abundant spring moisture, annual forbs and cool season grasses can make up an important component of this site. Because of the texture of this soil, most rainfall is effective. Strong winds blow from the west and southwest from January through June which accelerates soil drying at a time for cool season

plant growth.

Climate data was obtained from http://www.wrcc.sage.dri.edu/summary/climsmnm.html web site using 50% probability for freeze-free and frost-free seasons using 28.5 degrees F and 32.5 degrees F respectively.

Table 3. Representative climatic features

Frost-free period (average)	220 days
Freeze-free period (average)	240 days
Precipitation total (average)	13 in

Influencing water features

This site is not influenced by wetlands or streams.

Soil features

The soils of this site are deep and very deep. Surface textures are fine sand or loamy fine sand. Subsoilis a fine sand or loamy fine sand to a depth of 60 inches or more. These soils have less than 10 percent clay content. These soils are subject to severe wind erosion if vegetative cover is not adequate.

Minimum and maximum values listed below represent the characterist soils for this site.

Characteristic Soils Are:

Kermit

Aguena

Table 4. Representative soil features

Sumfa an toxytum	(1) Fine cond
Surface texture	(1) Fine sand
	(2) Learny and
	(3) Loamy sand
Family particle size	(1) Sandy
Drainage class	Well drained to excessively drained
Permeability class	Rapid to very rapid
Soil depth	60–72 in
Surface fragment cover <=3"	0–5%
Surface fragment cover >3"	0%
Available water capacity	3–9 in
(0-40in)	
Calaium aarbanata aguiyalant	0–7%
Calcium carbonate equivalent (0-40in)	0-7 %
(0-4011)	
Electrical conductivity	0–2 mmhos/cm
(0-40in)	
Sodium adsorption ratio	0–1
(0-40in)	0-1
,	
Soil reaction (1:1 water)	7.4–8.4
(0-40in)	
Subsurface fragment volume <=3"	0–5%
(Depth not specified)	
, , ,	0%
Subsurface fragment volume >3" (Depth not specified)	076
(Dehtit Hot shecilied)	

Ecological dynamics

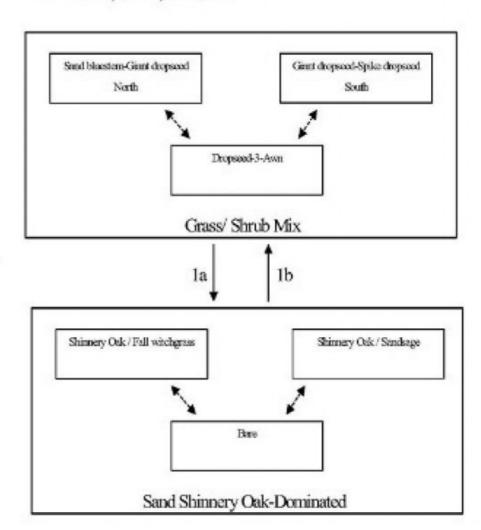
Overview:

The Sandhills site occurs adjacent to or intergrades with the Deep Sand site. The Sandhills site is differentiated from deep sand sites by a steeper average slope, and an increased depth to a soil texture change. Sandhills slopes are usually greater than eight percent, and the soil profile is a fine sand or loamy fine sand to a depth greater than 60 inches. Deep Sand sites have slopes less than eight percent and a textural change can occur at less than 60 inches. The historic plant community of the Sandhills site is a mixture of grasses, shrubs and forbs, with tall grasses dominating in aspect. During years of abundant spring moisture, tall growing forbs occasionally reach aspect dominance. Sand bluestem and giant dropseed are the dominant grasses, with Havard panicum and dropseeds as sub-dominants. Sand shinnery oak and soapweed yucca are the dominant shrubs. Drought favors shinnery by impacting grasses more severly. Shinnery oak's ability to store water and carbohydrates, and its strong negetive leaf water potential enable it to out compete grasses during drought conditions. Changes in historical fire regimes, competition by shrubs, and overgrazing may contribute to this site becoming dominated by sand shinnery oak.

State and transition model

Plant Communities and Transitional Pathways (diagram)

MLRA-42, SD-3, Sandhills



 Above average summer rainfall, fire suppression, competition, over grazing, chought

1b. Brush control, Prescribed grazing

State 1 Grass/Shrub Mix

Community 1.1 Grass/Shrub Mix

Grass/Shrub Mix: The historic plant community in the northern part of the resource area (SD-3) is dominated by sand bluestem and giant dropseed, with Havard panicum as a sub-dominant. Primary grass dominance may gradually shift moving south across the resource area to a community dominated by giant dropseed and spike dropseed, with mesa dropseed as the sub-dominant grass species. Throughout the resource area sand shinnery oak and soapweed yucca are the dominant shrubs with sand sagebrush as the sub-dominant. As retrogression within this state occurs, plants such as sand bluestem, giant dropseed, Havard panicum, plains bristlegrass, sand paspalum, and fourwing saltbush decrease. This results in an increase in spike dropseed, sand dropseed, mesa dropseed, threeawns sand shinnery oak, and sand sagebrush. Continued loss of grass cover may result in a transition to a sand shinnery oak dominated state. Diagnosis: Sand bluestem or giant dropseed are dominant or present in substantial amounts. Spike dropseed, sand dropseed or mesa dropseed may be dominant in some instances. Grass cover is variable, shifting sands and large irregular dunes produce considerable variation in the spatial distribution and composition of the plant community. Grass cover is not continuous, but is fairly uniform across the more stable areas. Large natural bare areas or blowouts are a common feature on the less stable portions of the Sandhills site.

Table 5. Annual production by plant type

Plant Type	Low (Lb/Acre)	Representative Value (Lb/Acre)	High (Lb/Acre)
Grass/Grasslike	360	585	810
Shrub/Vine	120	195	270
Forb	120	195	270
Total	600	975	1350

Table 6. Ground cover

Tree foliar cover	0%
Shrub/vine/liana foliar cover	0%
Grass/grasslike foliar cover	10-15%
Forb foliar cover	0%
Non-vascular plants	0%
Biological crusts	0%
Litter	20-25%
Surface fragments >0.25" and <=3"	0%
Surface fragments >3"	0%
Bedrock	0%
Water	0%
Bare ground	45-60%

Figure 5. Plant community growth curve (percent production by month). NM2822, R042XC022NM Sandhills HCPC. R042XC022NM Sandhills HCPC warm season plant community.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0	1	3	4	10	10	25	30	12	5	0	0

State 2 Sand Shinnery Oak-Dominated

Community 2.1 Sand Shinnery Oak-Dominated

Additional States: Sand Shinnery Oak -Dominated: Sand shinnery oak is the dominant species and in dense stands may reduce forage production by as much as 90 percent.1 It often forms a mosaic of dense thickets interspersed with occasional motts of taller oaks, large areas of bare ground, and concentrations of sand sagebrush. Sand shinnery oak is well suited to deep sandy soils. The height and cover of oak decreases as sand depth decreases or clay content increases. The aggressive nature of fall witchgrass and continued loss of more palatable grasses and threeawn species may result in a sand shinnery oak-fall witchgrass community. Burning may result in a community with very little grass or sand shinnery oak (bare). Sand shinnery oak usually recovers due to its ability to sprout aggressively following fire. Diagnosis: Sand shinnery oak is the dominant species. Grass cover is sparse and patchy. Shrub cover is high. Blowouts and bare areas are common, however, high shrub cover mediates erosion. Transition to Sand Shinnery Oak Dominated (1a): Climate may play a role in facilitating the spread sand shinnery oak. It is best adapted to those areas that receive and average of 16 inches of annual rainfall; it may therefore gain a competitive advantage during cycles of above average precipitation. Sand shinnery oak spreads mainly by elongation of rhizomes, but in some instances will reproduce by seed. The establishment and survival of seedlings is limited to those years with abundant rainfall during the months of July and August. If fire historically played a part in suppressing the density and distribution of shrubs in desert grasslands, then fire suppression may facilitate a shift to shrub dominance.2 Competition for resources between grasses and shrubs may be a factor in increased densities of sand shinnery oak. 1 Sand shinnery oak has an extensive system of underground roots and stems that can uptake and store water for growth during drier periods, allowing it to increase, at times when grasses decrease. Evidence of competitive suppression of grasses is indicated by increases in herbaceous vegetation following chemical control of sand shinnery oak.1 However, this increase may in part be due to a flush of nutrients made available from the decomposing biomass of woody roots and stems. Loss of grass cover due to overgrazing or drought may give a competitive advantage to sand shinnery oak. Key indicators of approach to transition: * A decrease in the tall grass species and the associated increase in threeawns may be indicative of the initial stage of transition to a shrub-dominated state. * Increased cover of sand shinnery oak. Transition back to Grass/Shrub Mix (1b) Chemical brush control is an effective means of controlling sand shinnery oak and sand sagebrush. Where large areas of chemical control are planned, increased erosion and the effect on loss of wildlife habitat should be considered. Prescribed grazing will help ensure an adequate deferment period to allow grass recovery and subsequent proper forage utilization. There have been studies that suggest long term browsing by goats can reduce sand shinnery oak, altering production in favor of grasses.3

Additional community tables

Table 7. Community 1.1 plant community composition

Group	Common Name	Symbol	Scientific Name	Annual Production (Lb/Acre)	
Grass	/Grasslike		•	•	
1				195–293	
	sand bluestem	ANHA	Andropogon hallii	195–293	_
	Havard's panicgrass	PAHA2	Panicum havardii	195–293	_
	giant dropseed	SPGI	Sporobolus giganteus	195–293	_
2		•		146–195	
	spike dropseed	SPCO4	Sporobolus contractus	146–195	_
	sand dropseed	SPCR	Sporobolus cryptandrus	146–195	_
	mesa dropseed	SPFL2	Sporobolus flexuosus	146–195	_
3		-		49–98	
	thin paspalum	PASE5	Paspalum setaceum	49–98	_
	plains bristlegrass	SEVU2	Setaria vulpiseta	49–98	-
Л			•	20 10	

+	1			∠ ∪"1 ∪	
	threeawn	ARIST	Aristida	29–49	_
	mat sandbur	CELO3	Cenchrus longispinus	29–49	_
	flatsedge	CYPER	Cyperus	29–49	_
5				29–49	
	Grass, perennial	2GP	Grass, perennial	29–49	_
Shru	b/Vine	•			
6				49–98	
	Havard oak	QUHA3	Quercus havardii	49–98	_
7		•		49–98	
	soapweed yucca	YUGL	Yucca glauca	49–98	_
8				29–49	
	sand sagebrush	ARFI2	Artemisia filifolia	29–49	_
9			•	20–49	
	fourwing saltbush	ATCA2	Atriplex canescens	20–49	_
10				20–49	
	rabbitbrush	CHRYS9	Chrysothamnus	20–49	_
11				20–49	
	Shrub (>.5m)	2SHRUB	Shrub (>.5m)	20–49	_
Forb					
12				20–49	
	featherplume	DAFO	Dalea formosa	20–49	_
13				29–49	
	sundrops	CALYL	Calylophus	29–49	_
	phlox heliotrope	HECO5	Heliotropium convolvulaceum	29–49	_
	sharpleaf penstemon	PEAC	Penstemon acuminatus	29–49	_
14				20–49	
	touristplant	DIWI2	Dimorphocarpa wislizeni	20–49	_
	lemon beebalm	MOCI	Monarda citriodora	20–49	_
16				29–49	
	hymenopappus	HYMEN4	Hymenopappus	29–49	_
	blazingstar	MENTZ	Mentzelia	29–49	_
	threadleaf ragwort	SEFLF	Senecio flaccidus var. flaccidus	29–49	_
17		1		20–49	
	sunflower	HELIA3	Helianthus	20–49	_
18		1	ı	20–49	
	buckwheat	ERIOG	Eriogonum	20–49	_
19		1	1 -	20–49	
	Forb (herbaceous, not grass nor grass-like)	2FORB	Forb (herbaceous, not grass nor grass-like)	20–49	_

Animal community

This site provides habitat which support a resident animal community that is characterized by pronghorn antelope, black-tailed jackrabbit, Ord's kangaroo rat, Northern grasshopper mouse, Southern Plains woodrat, swift fox, roadrunner, meadowlark, lark bunting, ferruginous hawk, lesser prairie chicken, mourning dove, scaled quail, sand

dune lizard, marbled whiptail, ornate box turtle, bullsnake and Western diamondback rattlesnake. Grasshopper and vesper sparrows utilize the site during migration. The ferruginous hawk sometimes nests on dunes associated with the site. White-tailed deer are also sometimes associated with this site (Mescalero Sands). Where mesquite invades, resident species of birds such as white-necked raven, roadrunner, pyrrhuloxia, mourning dove, and Harris hawk nest. Where sand hummocks form around shrubs, rodent populations and their predators increase. Fourwing saltbush, shinnery oak, sand sagebrush, and mesquite provide protective cover for scaled quail. Seed, green herbage, and fruit from a variety of grasses, forbs, and shrubs provide food for a number of birds and mammals, including mourning dove, scaled quail, lessor prairie chicken and antelope.

Hydrological functions

The runoff curve numbers are determined by field investigations using hydrolic cover conditions and hydrologic soil groups.

Hydrologic Interpretations
Soil Series----- Hydrologic Group
Kermit----- A
Aguena----- A

Recreational uses

This site offers recreation potential for hiking, horseback riding, nature observation and photography. This site also offers opportunities for hunting of such species as quail, dove and antelope.

Mechanical, off-road vehicle use by dune buggies, four wheelers, or motor bikes is site-destructive, resulting in severe soil movement by wind erosion. Off-road vehicle use should be confined to those areas which are already deterioriated and where intensive management for soil protection can be practiced.

During years of abundant spring moisture, this site desplays a colorful array of wildflowers during May and June. A few showy summer and fall flowers also occur.

Wood products

The plant community associated with this site affords little or no wood products.

Other products

This site is suitable for grazing during all seasons of the year by all kinds and classes of livestock. Where shinnery oak has increased considerably above the amount in the potential plant community cattle loss can occur if grazed during the late bud and early leaf stage. This site responds well to an integrated brush management and grazing management. Brush management is inappropriate in occupied or potential habitat for sand dune lizard. Mismannagement of this site will cause a decrease in Harvard panicum, sand bluestem, giant dropseed, plains bristlegrass, sand paspalum and fourwing saltbush. There will be a corresponding increase in dropseeds, sand sagebrush and shinnery oak. When shinnery oak is not a problem, this site responds best to a system of mangement that rotates the season of use. Grazing management plans should be design to leave adequate residual cover for lesser prairie chicken nesting.

Other information

Guide to Suggested Initial Stocking Rate Acres per Animal Unit Month

Similarity Index---- Ac/AUM 100 - 76----- 2.0 - 4.0 75 - 51---- 3.0 - 6.5 50 - 26---- 5.0 - 12.0 25 - 0---- 12.0 - +

Inventory data references

Data collection for this site was done in conjunction with the progressive soil surveys within the Southern Desertic Basins, Plains and Mountains (SD-3) Major Land Resource Area of New Mexico. This site has been mapped and correlated with soils in the following soil surveys: South Chaves, Eddy, Lea and Otero Counties.

Other references

Literature Cited:

- 1. Sears, W.E., C.M. Britton, D.B. Wester, and R.D. Pettit. 1986. Herbicide conversion of a sand shinnery oak (Quercus havardii) community: effects on biomass. J. Range. Manage. 39: 399-403.
- 2. U.S. Department of Agriculture, Forest Service, Rocky Mountain Research Station, Fire Sciences Laboratory (2002, September). Fire Effects Information System, [Online]. Available: http://www.fs.fed.us/database/feis/[accessed 1/07/02].
- 3. Villena, F. and J.A. Pfister. 1990. Sand shinnery oak as forage for Angora and Spanish goats. J. Range. Manage. 43: 116-122.

Contributors

David Trujillo
Don Sylvester

Rangeland health reference sheet

Interpreting Indicators of Rangeland Health is a qualitative assessment protocol used to determine ecosystem condition based on benchmark characteristics described in the Reference Sheet. A suite of 17 (or more) indicators are typically considered in an assessment. The ecological site(s) representative of an assessment location must be known prior to applying the protocol and must be verified based on soils and climate. Current plant community cannot be used to identify the ecological site.

Author(s)/participant(s)	
Contact for lead author	
Date	
Approved by	
Approval date	
Composition (Indicators 10 and 12) based on	Annual Production

Indicators

1.	Number and extent of rills:
2.	Presence of water flow patterns:
3.	Number and height of erosional pedestals or terracettes:

4. Bare ground from Ecological Site Description or other studies (rock, litter, lichen, moss, plant canopy are not bare ground):

5.	Number of gullies and erosion associated with gullies:
6.	Extent of wind scoured, blowouts and/or depositional areas:
7.	Amount of litter movement (describe size and distance expected to travel):
8.	Soil surface (top few mm) resistance to erosion (stability values are averages - most sites will show a range of values):
9.	Soil surface structure and SOM content (include type of structure and A-horizon color and thickness):
10.	Effect of community phase composition (relative proportion of different functional groups) and spatial distribution on infiltration and runoff:
11.	Presence and thickness of compaction layer (usually none; describe soil profile features which may be mistaken for compaction on this site):
12.	Functional/Structural Groups (list in order of descending dominance by above-ground annual-production or live foliar cover using symbols: >>, >, = to indicate much greater than, greater than, and equal to):
	Dominant:
	Sub-dominant:
	Other:
	Additional:
13.	Amount of plant mortality and decadence (include which functional groups are expected to show mortality or decadence):
14.	Average percent litter cover (%) and depth (in):
15.	Expected annual annual-production (this is TOTAL above-ground annual-production, not just forage annual-production):

16.	Potential invasive (including noxious) species (native and non-native). List species which BOTH characterize
	degraded states and have the potential to become a dominant or co-dominant species on the ecological site if
	their future establishment and growth is not actively controlled by management interventions. Species that
	become dominant for only one to several years (e.g., short-term response to drought or wildfire) are not
	invasive plants. Note that unlike other indicators, we are describing what is NOT expected in the reference state
	for the ecological site:

17. Perennial plant reproductive capability:

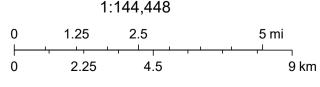
Page 105 of 125



Playa—Alluvium and evaporite deposits (Holocene)

Water—Perenial standing water

Qa—Alluvium (Holocene to upper Pleistocene)



Earthstar Geographics, NMBGMR

ATTACHMENT 3: CORRESPONDENCE



nAPP2427041103 Billiken 6 CTB 1 Liner Inspection Notification

From Monica Peppin < Monica. Peppin@soudermiller.com >

Date Fri 10/25/2024 2:13 PM

To jim.raley < jim.raley@dvn.com>

Cc Stephanie Hinds <stephanie.hinds@soudermiller.com>; Reid Allan <reid.allan@soudermiller.com>

1 attachment (29 KB)

Portal Questionaire Billiken 6 CTB 1.xlsx;

Jim,

Please see the attached portal questionnaire for the details of the liner inspection notification.

I put the inspection date for 10.30.24 at 11 AM. If this needs to be updated for a later time and date, please let me know. This date give a slightly larger window than the 48 hour alloted timeframe in case you see this email too late.

Let me know if you have any questions or concerns.

--MP



Stronger Communities by Design





www.soudermiller.com

Monica Peppin, A.S. Project Manager

Direct/Mobile: 575.909.3418

Office: 575.689.7040

201 S Halagueno St. Carlsbad, NM 88220

Corporate Registrations: AZ Engineering/Geology/Surveying Firm (14070), FL Engineering Firm (34203), ID Engineering/Surveying Firm (C-3564), ND Engineering Firm (28545PE), OK Engineering Firm (8498), SD Surveying Firm (C-7436), TX Engineering Firm (8877), TX Geology Firm (50254), TX Surveying Firm (10162200), WY Engineering/Surveying Firm (S-1704)

Notice of Confidentiality and Privileged Status: This electronic mail message, including all attachments, is for the sole use of the intended recipient(s) and may contain confidential and/or privileged information or otherwise may be protected from disclosure. Any unauthorized review, use, disclosure, distribution or actions which rely on the contents of this information is prohibited. If you are not the intended recipient, please contact the sender and delete the message and any attachment(s) from your system.



Billiken 6 CTB 1 Liner Inspection [In-person]

Organizer Monica Peppin < Monica.Peppin@soudermiller.com>

Meeting time This event occurred 3 weeks ago (Wed 10/30/2024 1:00 PM - 5:00 PM)

My response Not yet responded

Optional attendees jim.raley, Stephanie Hinds, Reid Allan

Message sent Fri 10/25/2024 2:34 PM

1 attachment (29 KB)

Portal Questionaire Billiken 6 CTB 1.xlsx;

NAPP2427041103 Liner Inspection scheduled for 1 PM. Notification submitted to J. Raley at 2:35 PM on 10.25.24 with followup phone call of notification being submitted via email. Please forward verification that notice has been received to NMOCD for the closure report.

MP

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 387343

QUESTIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	387343
	Action Type:
	[NOTIFY] Notification Of Release (NOR)

Location of Release Source		
Please answer all the questions in this group.		
Site Name	BILLIKEN 6 CTB 1	
Date Release Discovered	09/24/2024	
Surface Owner	Federal	

Incident Details		
Please answer all the questions in this group.		
Incident Type	Produced Water Release	
Did this release result in a fire or is the result of a fire	No	
Did this release result in any injuries	No	
Has this release reached or does it have a reasonable probability of reaching a watercourse	No	
Has this release endangered or does it have a reasonable probability of endangering public health	No	
Has this release substantially damaged or will it substantially damage property or the environment	No	
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No	

Nature and Volume of Release	
Material(s) released, please answer all that apply below. Any calculations or specific justifications fo	or the volumes provided should be attached to the follow-up C-141 submission.
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure Pump Produced Water Released: 20 BBL Recovered: 20 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	pinhole in water transfer pump discharge connection. 20.2 bbls produced water spilled. 20 bbls recovered. spill was in lined containment.

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS, Page 2

Action 387343

	(continu	1
111111111111111111111111111111111111111	<i>IC</i> ODTIDI I	וחב

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	387343
	Action Type:
	[NOTIFY] Notification Of Release (NOR)

QUESTIONS

Nature and Volume of Release (continued)		
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.	
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No	
Reasons why this would be considered a submission for a notification of a major release	Unavailable.	
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e.	gas only) are to be submitted on the C-129 form.	

Initial Response		
The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.		
The source of the release has been stopped	True	
The impacted area has been secured to protect human health and the environment	True	
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True	
All free liquids and recoverable materials have been removed and managed appropriately	True	
If all the actions described above have not been undertaken, explain why	Not answered.	

Per Paragraph 4 of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

ACKNOWLEDGMENTS

Action 387343

ACKNOWLEDGMENTS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	387343
	Action Type:
	[NOTIFY] Notification Of Release (NOR)

ACKNOWLEDGMENTS

V	l acknowledge that I am authorized to submit notification of a release on behalf of my operator.
V	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to my operator) to track the notification(s) and corrective action(s) for a release, pursuant to NMAC 19.15.29.
V	I acknowledge that creating a new incident file will require my operator to file subsequent submission(s) of form "C-141, Application for administrative approval of a release notification and corrective action", pursuant to NMAC 19.15.29.
	I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment.
<u> </u>	I acknowledge the fact that the acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment.
V	I acknowledge the fact that, in addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 387343

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	387343
	Action Type:
	[NOTIFY] Notification Of Release (NOR)

Created	Condition	Condition
Ву		Date
wdale	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	9/26/2024

BILLIKEN 6 CTB 1

9/24/2024

OCD INCIDENT nAPP2427041103

Spills In Lined Containment	
Measurements Of Standing Fluid	
Length(Ft)	60
Width(Ft)	116
Depth(in.)	0.25
Total Capacity without tank displacements (bbls)	25.83
No. of 500 bbl Tanks	
In Standing Fluid	8
No. of Other Tanks In	
Standing Fluid	0
OD Of Other Tanks In Standing Fluid(feet)	0
Total Volume of standing fluid accounting for tank displacement.	20.23

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 388328

QUESTIONS

ı	Operator:	OGRID:
ı	DEVON ENERGY PRODUCTION COMPANY, LP	6137
ı	333 West Sheridan Ave.	Action Number:
ı	Oklahoma City, OK 73102	388328
ı		Action Type:
ı		[C-141] Initial C-141 (C-141-v-Initial)

Prerequisites	
Incident ID (n#)	nAPP2427041103
Incident Name	NAPP2427041103 BILLIKEN 6 CTB 1 @ 0
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Facility	[fAPP2123637205] BILLIKEN 6 CTB 1

Location of Release Source	
Please answer all the questions in this group.	
Site Name	BILLIKEN 6 CTB 1
Date Release Discovered	09/24/2024
Surface Owner	Federal

Incident Details	
Please answer all the questions in this group.	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release		
Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.		
Crude Oil Released (bbls) Details	Not answered.	
Produced Water Released (bbls) Details	Cause: Equipment Failure Pump Produced Water Released: 20 BBL Recovered: 20 BBL Lost: 0 BBL.	
Is the concentration of chloride in the produced water >10,000 mg/l	Yes	
Condensate Released (bbls) Details	Not answered.	
Natural Gas Vented (Mcf) Details	Not answered.	
Natural Gas Flared (Mcf) Details	Not answered.	
Other Released Details	Not answered.	
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	pinhole in water transfer pump discharge connection. 20.2 bbls produced water spilled. 20 bbls recovered. spill was in lined containment.	

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

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

QUESTIONS, Page 2

Action 388328

Phone: (505) 476-3470 Fax: (505) 476-3462	,	
QUEST	ONS (continued)	
Operator: DEVON ENERGY PRODUCTION COMPANY, LP	OGRID: 6137	
333 West Sheridan Ave. Oklahoma City, OK 73102	Action Number: 388328	
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)	
QUESTIONS	,	
Nature and Volume of Release (continued)		
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" re	port.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No	
Reasons why this would be considered a submission for a notification of a major release	Unavailable.	
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.	e. gas only) are to be submitted on the C-129 form.	
Initial Response		
The responsible party must undertake the following actions immediately unless they could create a s	rafety hazard that would result in injury.	
The source of the release has been stopped	True	
The impacted area has been secured to protect human health and the environment	True	
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True	
All free liquids and recoverable materials have been removed and managed appropriately	True	
If all the actions described above have not been undertaken, explain why	Not answered.	
Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remed actions to date in the follow-up C-141 submission. If remedial efforts have been successfully comple Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure e	ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragra	
I hereby certify that the information given above is true and complete to the best of my to report and/or file certain release notifications and perform corrective actions for release the OCD does not relieve the operator of liability should their operations have failed to water, human health or the environment. In addition, OCD acceptance of a C-141 report local laws and/or regulations.	ases which may endanger public health or the environment. The acceptance of a C adequately investigate and remediate contamination that pose a threat to groundw	ater, surface
I hereby agree and sign off to the above statement	Name: Dale Woodall Title: EHS Professional Email: Dale.Woodall@dvn.com Date: 09/30/2024	

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS, Page 3

Action 388328

QUESTIONS (continued)

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	388328
	Action Type:
	[C-141] Initial C-141 (C-141-v-Initial)

Site Characterization		
Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.		
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.	
What method was used to determine the depth to ground water	Not answered.	
Did this release impact groundwater or surface water	Not answered.	
What is the minimum distance, between the closest lateral extents of the release an	nd the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Not answered.	
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.	
An occupied permanent residence, school, hospital, institution, or church	Not answered.	
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.	
Any other fresh water well or spring	Not answered.	
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.	
A wetland	Not answered.	
A subsurface mine	Not answered.	
An (non-karst) unstable area	Not answered.	
Categorize the risk of this well / site being in a karst geology	Not answered.	
A 100-year floodplain	Not answered.	
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.	

Down disting Diag	
Remediation Plan	
Please answer all the questions that apply or are indicated. This information must be provided to	the appropriate district office no later than 90 days after the release discovery date.
Requesting a remediation plan approval with this submission	No
The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.	

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 388328

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	388328
	Action Type:
	[C-141] Initial C-141 (C-141-v-Initial)

Created		Condition Date
rham	None	10/1/2024

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 396172

QUESTIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	396172
	Action Type:
	[NOTIFY] Notification Of Liner Inspection (C-141L)

Prerequisites		
Incident ID (n#)	nAPP2427041103	
Incident Name	NAPP2427041103 BILLIKEN 6 CTB 1 @ 0	
Incident Type	Produced Water Release	
Incident Status	Initial C-141 Approved	
Incident Facility	[fAPP2123637205] BILLIKEN 6 CTB 1	

Location of Release Source	
Site Name	BILLIKEN 6 CTB 1
Date Release Discovered	09/24/2024
Surface Owner	Federal

Liner Inspection Event Information		
Please answer all the questions in this group.		
What is the liner inspection surface area in square feet	7,025	
Have all the impacted materials been removed from the liner	Yes	
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	10/30/2024	
Time liner inspection will commence	01:00 PM	
Please provide any information necessary for observers to liner inspection	Contact Monica Peppin 575-909-3418	
Please provide any information necessary for navigation to liner inspection site	Intersection of 128 and Buck Jackson travel southwest for 0.42 miles, turn left (southeast) on lease road, follow for 1.43 miles south, turn left (east) down lease road for 0.85 miles, continue on lease road where dog leg goes around location for 0.31 miles, continue travelling south for 0.14 miles and end on location. Contact Monica Peppin 575.909.3418 for assistance	

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 396172

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	396172
	Action Type:
	[NOTIFY] Notification Of Liner Inspection (C-141L)

Cre By	eated	Condition	Condition Date
jra	aley	Failure to notify the OCD of liner inspections including any changes in date/time per the requirements of 19.15.29.11.A(5)(a)(ii) NMAC, may result in the inspection not being accepted.	10/28/2024

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

QUESTIONS

Action 406693

QUESTIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	406693
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

Prerequisites	
Incident ID (n#)	nAPP2427041103
Incident Name	NAPP2427041103 BILLIKEN 6 CTB 1 @ 0
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Facility	[fAPP2123637205] BILLIKEN 6 CTB 1

Location of Release Source		
Please answer all the questions in this group.		
Site Name	BILLIKEN 6 CTB 1	
Date Release Discovered	09/24/2024	
Surface Owner	Federal	

Incident Details		
Please answer all the questions in this group.		
Incident Type	Produced Water Release	
Did this release result in a fire or is the result of a fire	No	
Did this release result in any injuries	No	
Has this release reached or does it have a reasonable probability of reaching a watercourse	No	
Has this release endangered or does it have a reasonable probability of endangering public health	No	
Has this release substantially damaged or will it substantially damage property or the environment	No	
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No	

Nature and Volume of Release	
faterial(s) released, please answer all that apply below. Any calculations or specific justifications	for the volumes provided should be attached to the follow-up C-141 submission.
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure Pump Produced Water Released: 20 BBL Recovered: 20 BB Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	pinhole in water transfer pump discharge connection. 20.2 bbls produced water spilled. 20 bbls recovered, spill was in lined containment.

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**

QUESTIONS, Page 2

Action 406693

QUESTIONS (d	continued)
--------------	------------

QUESTI	IONS (continued)
Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137 Action Number: 406693 Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)
QUESTIONS	
Nature and Volume of Release (continued)	T
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	Unavailable.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.	e. gas only) are to be submitted on the C-129 form.
Initial Response The responsible party must undertake the following actions immediately unless they could create a s	safety hazard that would result in injury.
The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.
	ation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of evaluation in the follow-up C-141 submission.
to report and/or file certain release notifications and perform corrective actions for releate OCD does not relieve the operator of liability should their operations have failed to	knowledge and understand that pursuant to OCD rules and regulations all operators are required ases which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface it does not relieve the operator of responsibility for compliance with any other federal, state, or
I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvn.com Date: 11/26/2024

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

QUESTIONS, Page 3

Action 406693

QUESTIONS (continued)

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	406693
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization	
Please answer all the questions in this group (only required when seeking remediation plan approva release discovery date.	l and beyond). This information must be provided to the appropriate district office no later than 90 days after the
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	Direct Measurement
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release ar	nd the following surface areas:
A continuously flowing watercourse or any other significant watercourse	Greater than 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Greater than 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1 and 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between ½ and 1 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan		
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.		
Requesting a remediation plan approval with this submission	Yes	
Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.		
Have the lateral and vertical extents of contamination been fully delineated	Yes	
Was this release entirely contained within a lined containment area	Yes	
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.		
On what estimated date will the remediation commence	10/30/2024	
On what date will (or did) the final sampling or liner inspection occur	10/30/2024	
On what date will (or was) the remediation complete(d)	10/30/2025	
What is the estimated surface area (in square feet) that will be remediated	7025	
What is the estimated volume (in cubic yards) that will be remediated	0	
These estimated dates and measurements are recognized to be the best guess or calculation at t	he time of submission and may (be) change(d) over time as more remediation efforts are completed.	

The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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

QUESTIONS, Page 4

Action 406693

QUESTIONS (continued)

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	406693
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Remediation Plan (continued)		
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.		
This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:		
(Select all answers below that apply.)		
Is (or was) there affected material present needing to be removed	Yes	
Is (or was) there a power wash of the lined containment area (to be) performed	Yes	
OTHER (Non-listed remedial process)	Not answered.	
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed e	efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC,	

Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC which includes the anticipated timelines for beginning and completing the remediation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

I hereby agree and sign off to the above statement

Name: James Raley Title: EHS Professional Email: jim.raley@dvn.com Date: 11/26/2024

The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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 Fo. NM 87505

QUESTIONS, Page 6

Action 406693

QUESTIC	ONS (continued)
Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137 Action Number: 406693 Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)
QUESTIONS	[o 111] Nombulation Global o Noquest o 111 (o 111 V Global o)
Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	396172
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	10/30/2024
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	7025
Remediation Closure Request	
Only answer the questions in this group if seeking remediation closure for this release because all re	mediation steps have been completed.
Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	7025
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	Liner Inspection Completed

hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Name: James Raley Title: EHS Professional I hereby agree and sign off to the above statement Email: jim.raley@dvn.com Date: 11/26/2024

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 406693

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	406693
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

Created By	Condition	Condition Date
rhamlet	We have received your Remediation Closure Report for Incident #NAPP2427041103 BILLIKEN 6 CTB 1, thank you. This Remediation Closure Report is approved.	11/27/2024