



This Agreement between the Regents of New Mexico State University (the "University") and Member (each individually a "Party" and, collectively, the "Parties"), is effective from the date of signature through the end of the current year.

BACKGROUND

- The State of New Mexico, Environment Department ("NMED") has designated the University to undertake and oversee activities for the NM Produced Water Research Consortium ("Consortium").
- The purpose of the Consortium is to facilitate collaborative research and to foster interactions that advance scientific research and technology development necessary to guide statewide regulation of treated produced water uses outside the oil and gas industry (the "Purpose").
- The University has invited persons or organizations to obtain membership in the Consortium based on their research or direct capabilities applicable to the Purpose, for projects of mutual interest and benefit to the University and to the person or organization.
- The Parties consider this Agreement's activities to:
 - Further the University's research and instructional objectives consistent with the University's status as a non-profit, tax-exempt, educational institution; and
 - Present potential benefits for both the University and any entity or applicable Affiliate of that entity that has current Consortium membership status as set forth under this Agreement (each, a "Consortium Member") through data, improved methods, and know-how, or discoveries that may result from the Consortium.

AGREEMENT

The Parties agree to the following:

I. CONSORTIUM OPERATION

A. Definitions

1. "Operating Plan" means the Consortium's official and current management plan as set forth in Exhibit A.
2. "Sponsor" means any entity that has donated funding to the Consortium to support the Consortium's research as set forth in Exhibit A.

B. Membership Role

Member must provide support to the University and each Consortium Member, as set forth under this Agreement and consistent with statutory authority.

C. Sponsor Status

Sponsor status is to encourage funding to accelerate testing, evaluation, and deployment of cost-effective technologies and other solutions to enhance and support produced water treatment and reuse and reduce, as appropriate, fresh water use in the oil and gas sector. Furthermore, Member may elect to be a Sponsor at one of the Sponsorship levels set forth in Exhibit A, by indicating Sponsorship status and level upon written notice to the University.

D. Governance

Member accepts the effective date of the Operating Plan in governing the Consortium's and Member's conduct applicable to that operation or such other date as the parties mutually agree. This Agreement prevails upon any conflict between its provisions and the Operating Plan, although the Agreement remains subject to the NMED MOU.

II. MEMBERSHIP

A. Inception

Membership in the Consortium is open to each interested person or organization on an annual basis. Membership rights under the Consortium take effect immediately when a person or organization has signed the Agreement and has provided its first payment of dues as set forth under the Agreement.

B. Continuance

Nothing under this Agreement obligates Member to remain a Consortium Member. Because research of the type to be done by the Consortium takes time – and research results may not be obvious immediately – Member should understand that Consortium membership and participation of less than two years may produce only a limited benefit.

III. FINANCIAL

A. Amount Due

In exchange for each Consortium Member privilege set forth under the Agreement, Member must pay to the University non-refundable annual membership dues as set forth in Exhibit A. Member is responsible for its own tax liability and must not hold University liable for any such tax.

B. Invoicing

University is entitled to submit an initial invoice to Member for the payment of the annual dues no later than 30 days after signing this Agreement.

C. Payment

Each invoice is due and payable in full 30 days after Member receives the invoice. Member shall make dues payable to "New Mexico State University" with reference to NMPWRC membership and mail to:

1. Checks:

NM Produced Water Research Consortium
New Mexico State University
Office of Engineering Outreach
MSC 3ENG NM
P.O. Box 30001
Las Cruces, NM 88003

Credit Cards: Contact NMPWRC to make a payment over the phone. (575) 646-2913

D. Funds Use

University shall use membership dues and sponsorship funds for funding of Consortium activities and projects according to University's standard procedure for sponsored projects, as described in Exhibit A.

E. No Refund

University has no duty to provide to Member any refund or waiver of fees paid if, during the Term:

1. Member terminates under the Agreement;
2. Two or more Consortium Members merge
3. Member is acquired by another Consortium Member; or
4. Any combination of Consortium Member companies results from merger, acquisition, or otherwise.

IV. TERM; TERMINATION

A. Duration

The Term is one year based on a calendar year.

B. Termination

If a Party commits any material breach of this Agreement and has failed to remedy that breach as of thirty days after receipt of written notice of that breach from the other Party, then the non-breaching Party is entitled immediately to terminate this Agreement. That termination is in addition to any other remedy that the non-breaching Party has at law or in equity.

1. By *University*

Upon any termination by University, Member's membership automatically ceases and Member has no further rights under this Agreement except those rights identified in Articles VII, X, and XI. University also has the right immediately to terminate the Agreement via written notice to Member:

- a. If University has not received payment within 30 days after Member receives an annual membership dues invoice; or
- b. No later than 180 days before the termination takes effect, upon University's decision to cease its Consortium role or to discontinue the Consortium otherwise.

2. By *Member*

Member has a right to terminate this Agreement immediately for convenience by giving University written notice, provided that Member will not be entitled to a refund of any funds already paid to the University.

C. Survival of Provisions

Each Agreement provision that by its nature is intended to survive expiration or termination of this Agreement, including specifically Articles VII (entitled, Confidentiality) and VIII (entitled, Liability Allocation):

1. Survives that expiration or termination; and
2. Remains in effect under applicable law or as the Agreement specifies otherwise.

V. PROPRIETARY RIGHTS

"*Consortium Invention*" means any invention or discovery conceived and actually or constructively reduced to practice in performing Consortium-supported research.

A. Testing of Acquired Member Information

Any improvement in technology design or process operations of acquired Member process or technology information identified during performance testing and evaluations supported by the Consortium:

- i. is to be acknowledged by each Party or other Consortium Member as operational testing data; and
- ii. does not constitute a Consortium Invention.

B. Invention Ownership

Each Consortium Invention shall be jointly owned only by those Consortium Sponsors who (a) were active Sponsors at the time the invention was made, and (b) contributed financially to the project or work effort that generated the invention. Sponsors who did not contribute funding to the relevant project, or who joined the Consortium after the invention date, shall have no ownership interest in the Consortium Invention.

C. Duty of Disclosure

Within 3 months of discovering any Consortium Invention, NMSU shall publish literature disclosing the Consortium Invention to the public in accordance with Article VI. Such publication shall not include information that the Consortium Members have identified for confidentiality pursuant to VI.B.1.b.

D. Non-Assertion

Each Party must not assert enforcement of any patent or other intellectual property rights with respect to any Consortium Invention against the University or other Consortium Members.

E. Equipment

Unless the Consortium Members specify in writing otherwise, University retains title to any equipment purchased for Consortium use with funds provided wholly or in part by Consortium Members under this Agreement.

VI. PUBLICATIONS; PUBLICITY

A. Definitions

1. "*Disseminator*" means – for this Article VI's purposes only – Member, Director, or another Consortium participant.
2. "*Document*" means any record, writing or electronic transmission that describes a Consortium Investigation Result.
3. "*Graduate Paper*" means a student's thesis or dissertation.
4. "*Investigation Result*" includes, but is not limited to, any laboratory or research analytical test data or sampling data and analysis results, test and evaluation data, technology operational cost and performance data and results, engineering modeling data and analysis results, and technical evaluations and analysis results.
5. "*Member Information*" means Member's nonpublic proprietary information.
6. "*Publication*" or "*Publish*" means the occurrence or existence of:
 - a. a spoken or written communication provided, issued or made to the public on behalf of the Consortium; or
 - b. a public disclosure of an Investigation Result, in whole or in part, or summary – including, but not limited to a public use of an invention based on that result – that could:
 - i. bar availability of patent protection in any foreign jurisdiction; or
 - ii. trigger a one-year grace period in the U.S. within which a U.S. patent application must be filed.
7. "*Review Period*" means four weeks before the time of presentation or submission to any journal or other publication.
8. "*Trade Identity*" means Member's trademark, logo, trade name or another source-identifying item.
9. "*Working Group*" means any Consortium group or sub-group composed of Consortium Members.

B. Preliminary Review

1. *Procedure*. With respect to any Publication comprising a presentation or manuscript that University intends to disclose or Publish (whether by teaching or otherwise), University must:
 - a. provide to each Member a confidential draft copy no later than the beginning of the Review Period; and
 - b. before presenting or submitting a Publication, comply with any request by Member made during that period to redact any reference to or data regarding Member or Member Information in that Publication.
2. *Redaction Sufficiency*. Member is considered to have affirmed a redaction's sufficiency if University has not received any further written redaction request from Member as of ten business days after university has sent that redaction to Member.

C. Public Disclosures

1. *Prior Approval*. Before releasing any Publication on behalf of the Consortium, a Disseminator – to the extent practicable no later than 30 days in advance – must send in writing to the Members involved in the effort, a preapproval request describing that Publication. The Program Director has discretion:
 - a. to grant or deny that request, based upon a determination of whether the Publication is consistent with the Purpose and this Agreement; and
 - b. upon determining that Disseminator has violated that notice requirement: promptly to issue a statement to clarify that

Disseminator is not speaking on behalf of or representing the Consortium or its other Members.

2. *Disclaimer.* Disseminator must cause any Consortium-related statement made, document shared, or other Publication that each Member has not reviewed and approved to include the following disclaimer:

"The contents of this statement or document have not been reviewed, approved, or endorsed by the full membership of the NM Produced Water Research Consortium."

D. Release; Review; Identification

Despite any contrary provision in Exhibit A, but subject to applicable law including the New Mexico Inspection of Public Records Act:

- i. University must provide to each Consortium Member during a three-week period a so-called "first look" opportunity to review any draft Document before University releases that Document to the public;
- ii. Member has a right to opt out of being named in connection with any Document, Publication, or other related information, spreadsheet or data base that is:
 1. generated by any Working Group; and
 2. made available for review and comment outside that Working Group;
- iii. Member must include in any Publication that includes any Consortium Investigation Result a statement that indicates substantially as follows:

"This document includes findings generated from the NM Produced Water Research Consortium."

E. Internal University Disclosure

Subject to the foregoing and Article V – and University's duty not to take any action that could bar the availability of patent protection in respect of Member's joint or sole invention – University retains discretion to use:

1. any Investigation Result, for its own teaching and educational purposes without payment of royalties or other fees; and
2. internally by itself any Investigation Result, if the Member has provided prior written consent after having reviewed the full text proposed to be so used.

F. Student Thesis or Dissertation

Under no circumstance is publication of any Graduate Paper for which funds are derived from the Consortium subject to delay for longer than ninety days after conferral of the student's degree. But to the extent that the Graduate Paper contains any reference to or data regarding Member, Member's invention or Member Information:

1. University must disclose to Member within 60 days of a Consortium funded research project's start date of any student's intent to include a Graduate Paper as a product of any Investigation; and
2. Member has a right to request to (and University must) redact that reference, data and Member identity and Member Information before Publication.

G. Trade Identity

Each Party must obtain written consent from any other Consortium Member before using that other Consortium Member's Trade Identity in any advertising or Publication relating to this Agreement's subject matter unless this paragraph specifies otherwise.

1. *Concerning Member.* So long as Member is a party to this Agreement and with prior written permission, University has a right reasonably to use Member's Trade Identity for the sole and express purpose of identifying Member as a Consortium Member in any Consortium communication.
2. *Concerning University.* Member has discretion to use University's name without prior University approval when and as necessary for Member to supply any information that Member may be required to disclose in order to comply with applicable law. But Member has no right to state or imply that University endorses or supports a particular investment, stock purchase, product, or treatment.

H. Copyright

To the extent permissible by 17 U.S.C. § 105 and applicable law, University owns the copyright in any Publication, except to the extent that University in writing has committed otherwise or has waived ownership of copyright in favor of authors under University's policy.

VII. CONFIDENTIALITY

In the normal and routine operation of the Consortium as detailed in this Agreement, a need may exist for the University or a Consortium Member to disclose Acquired Information. In that event, disclosure is subject to Article VII.

A. Definitions

- i. "*Acquired Information*" means Proprietary Information of any Consortium Member.
- ii. "*Proprietary Information*" means a Consortium Member's proprietary or confidential technology, information, and data, and includes such information that has been aggregated and anonymized under this Agreement.

B. Hub and spoke

Only University – and no other Consortium Member - has access to proprietary or confidential technology, information, and data, which includes such information that has been aggregated and anonymized under this Agreement unless the contributing Consortium Member in writing authorizes otherwise.

- i. *Isolation.* The Parties intend University to the extent practicable to have a so-called "hub-and-spoke" confidentiality relationship to Proprietary Information in which University can engage and designate a third-party clearing house to aggregate and anonymize Proprietary Information and other Consortium information to limit its applicability to public information disclosure mandates.
- ii. *Limited Duty upon Member.* For clarity, and subject to Article VII.D. Restriction, this Agreement does not impose upon Member any confidentiality obligation with respect to information and material that any other Consortium Member discloses to Member.

- iii. *No Duty Imposed upon Other Consortium Members.* Likewise, other Consortium Members have no expectation of confidentiality under this Agreement as to information and material that they disclose to other Consortium Members.

C. Notation

- i. *Written Disclosure.* For any written disclosure, the disclosing Party must designate the information as Proprietary Information.
- ii. *Unwritten Disclosure.* For any disclosure other than in writing, the disclosing Party must:
 - 1. identify the information as Proprietary Information at the time of disclosure; and
 - 2. no longer than 30 days after disclosure, confirm in writing to each receiving Consortium Member that the information is Proprietary Information.

D. Restriction

Unless this Agreement specifies otherwise, for a five-year period after the date of that disclosure, the receiving Consortium Member must:

- i. use a reasonable degree of care to prevent its employees from any inadvertent, accidental, unauthorized or mistaken disclosure or use of Proprietary Information disclosed under the Agreement;
- ii. use the disclosing Party's Proprietary Information only for this Agreement's purposes; and
- iii. not publish or disclose that information otherwise.

Excluded Subject Matter

The restrictions of Article VII do not apply to Proprietary Information that is:

- a. known or becomes publicly known through no fault of the receiving Consortium Member;
- b. learned from a third party that is entitled to disclose that information;
- c. already known to or developed by the receiving Consortium Member before receipt from disclosing Party, as shown by the receiving Consortium Member's prior written records;
- d. the subject of prior written permission from the disclosing Party for the receiving Consortium Member to publish;
- e. required to be disclosed by court order or operation of law including, without limitation: the New Mexico Inspection of Public Records Act; or
- f. independently developed by the receiving Consortium Member's personnel who are not privy to the disclosing Party's confidential information.

Internal Dissemination. A receiving Consortium Member may disseminate Acquired Information to the receiving Consortium Member's employees and their Affiliate's employees requiring access for Agreement purposes, which includes exercising rights granted by this Agreement. But in making that dissemination, the receiving Consortium Member or Affiliate must apprise each such employee of that employee's duty to:

- i. maintain that information in confidence; and
- ii. not use that information for any purpose other than in accordance with this Agreement.

E. Inadvertent Disclosure

A Party is not liable for any inadvertent disclosure of Acquired Information, but each Party must use reasonable efforts not to disclose Acquired Information. If a Party realizes that it or the other Party has inadvertently disclosed any Acquired Information to a third party, the Parties promptly must confer as to what course of action is appropriate under the circumstances. The Party that made the inadvertent disclosure must:

- 1. promptly notify the third party that an inadvertent disclosure had been made of confidential materials; and
- 2. request the third party promptly to return all copies of the disclosed Acquired Information.

F. Disposal

Upon the disclosing Party's written request, the receiving Consortium Member must retrieve and return or destroy all material, including any copy, containing any of the Acquired Information. But the receiving Consortium Member has a right to keep one copy for archival purposes only. The receiving Consortium Member may retain any electronic copies of Acquired Information contained in automatic data back-up or archival computer records; provided that, the retained Acquired Information will remain subject to the provisions of this Agreement until destroyed.

VIII. LIABILITY ALLOCATION

A. Definitions

- 1. "*Economic Harm*" means any consequential or special damage or indirect loss including, without limitation: any loss of profits, loss of production, or loss of use.
- 2. "*Party*" – for this Article purposes only – includes any applicable Affiliate of that Party.
- 3. "*Warranty*" means any representation or warranty, express or implied including, without limitation: any implied warranty of merchantability or fitness for a particular purpose.

B. Warranty

- 1. *Limited Scope.* Member warrants that with respect to any Proprietary Information that it discloses under this Agreement:
 - a. it has a right and full authority to disclose its Proprietary Information to a receiving party under this Agreement, including to other Consortium Members; and
 - b. performance of any Consortium activity will not breach any other obligation of confidentiality or other obligation arising out of or

in connection with that Proprietary Information.

2. *Disclaimer.* Unless Agreement sets forth otherwise, Member
 - a. expressly disclaims any Warranty in connection with any Consortium deliverable or donated information that the Member provides under this Agreement; and
 - b. assumes no responsibility or obligation, or confers any right by implication, estoppel or otherwise, by providing that information.

3. Responsibility

Member is responsible for any harm arising from its activities relating to Consortium and any use by Member or Member's licensee of any Consortium deliverable.

- a. *Separate Commitment.* Section VIII.C. does not limit Member's liability or obligation under any other commitment to which Member is legally bound for the purpose of creating a Consortium deliverable.
- b. *Multiple Factors.* Section VIII.C. applies whether Member's negligence, fault, or strict liability is concurrent or contributory factor of an occurrence in question. Member's obligations under this Section VIII.C. are intended to protect the other Party against any consequences of Member's own joint, concurrent or contributory.

- C. Liability Disclaimer

Member is not liable to the University or to any other Consortium Member in any action or claim for Economic Harm, irrespective of any foreseeability of that harm.

DI. *Applicability.* The protection against Economic Harm is any action whether based on contract, negligence, either sole or concurrent and strict liability or other tort, statute or otherwise.

1. *Waiver.* To the extent permitted by law, any statutory remedy that is inconsistent with this Agreement is waived.

- a. Risk of Loss. Member bears all risk of damage or loss to any equipment or supplies that Member loans to University under this Agreement, unless the damage or loss results from any willful or intentional act of the University.
- b. Participant Liability. University releases Member from liability concerning any water sample that the Member provides to the Consortium, if either:
 - i. University has collected the water sample in conjunction with Member; or
 - ii. Member has collected the sample according to a sampling and chain of custody protocol that the University has provided to Member.

- DII. *Other Projects*

1. Consortium-Related

Nothing in this Agreement is considered to prevent the Consortium or a Consortium Member or any group of the Consortium Members from entering into a separate research commitment. Upon any inconsistency between that separate commitment and this Agreement, that separate commitment takes precedence insofar as that separate commitment does not adversely affect the rights to intellectual property or confidentiality granted to Member under this Agreement.

2. External

Nothing in this Agreement restricts or impairs the right of any Party to conduct its own research, either independently or in conjunction with others, even though that research may parallel or overlap an Investigation. Any Party conducting that separate research has no obligation under this Agreement, with respect to the use or disposition of the results of that independent research including, without limitation all information and data resulting from that separate research.

- DIII. *Export Control*

"Export Laws" means the Export Administration Regulations (EAR), Title 15, sections 730-774 of the Code of Federal Regulations (CFR) or the International Traffic in Arms Regulations (ITAR), 22 CFR §§ 120-130. Member does not anticipate exchanging any information, data or software that is Export Controlled under the Export Laws. In addition to the requirements of Article VII of this Agreement, Member must give University 15 days' advance written notice of Member's intention to deliver any information, data, software, technology, or material that is Export Controlled. Member must take any measure that is necessary to ensure that any Export Controlled information, data, software or materials provided to any other Consortium Member under the Agreement is not exported from the United States or re-exported to any other country without first complying with applicable Export Control laws and regulations.

- DIV. *Miscellaneous*

1. Definitions

- a. "*Disclosure Exception*" means a disclosure occurrence mandated under applicable law, to protect or pursue a legal right, or to enforce or challenge an award in any *bona fide* legal proceedings before a court or other judicial authority.
- b. "*Mark*" means any trademark, service mark, trade name, word, letter, symbol, design or logo owned by Member.
- c. "*Induce*" means to offer or make any payment or offer or give anything of value.
- d. "*Political Figure*" means any government official, any immediate family member of any government official or any political party.

2. Variation

No additional to or variation of this Agreement is of any force or effect unless it is expressly recorded in writing by signed or

electronic hand-written signatures of both Parties.

3. No License or Entity Formation

Other than as expressly stated herein, nothing in this Agreement is considered to create in Member any right with respect to information, operations, research, patents or publications owned, held, undertaken, or prepared by any other Consortium Member. The Consortium Members do not intend to create a partnership, joint venture, association, or trust of any kind between any Consortium Members. The Consortium Members' duties, obligations, benefits, and liabilities are several but not joint or collective, and Member is individually responsible for its own obligations.

4. Compliance; Verification

- a. *Ethics.* The University and Member must exercise reasonable care and diligence to prevent its personnel from making, receiving, providing or offering any substantial consideration for the purpose of improperly influencing the relationship between the Consortium Members. This obligation applies to Member's activities in its relations with any other Consortium Members or other Consortium Members' employees, representatives and their families, and any vendor, contractor or consultant that performs Consortium work. Member must promptly notify the University of any violation of this paragraph.
- b. *Audit.* If there is reasonable belief that Member has not complied or is not complying with Section XI.F.1, any representative authorized by the University may (at their cost) audit any applicable record of Member for the sole purpose of determining whether Member has complied with this paragraph. Member must provide to the University access at all reasonable times to any non-privileged Consortium-related record during the period that Member is obligated to preserve the record, for the purpose of verifying the record-holder's Agreement compliance.

5. Assignability

This Agreement is assignable by Member to an Affiliate or to the successor in title of its entire business and is subject to the acceptance by that Affiliate or successor of all of Member's obligations under the Agreement. Despite that assignment, Member remains bound by each confidentiality requirement under Article VII.

6. Severability

If a tribunal of competent jurisdiction finds any part of this Agreement to be void or unenforceable, then the remaining provisions remain in full force and effect. Furthermore, in lieu of that invalid part, a provision as similar in terms to that invalid part as may be possible, legal, valid, and enforceable is to be automatically added to this Agreement.

7. Entire Understanding

This Agreement states the entire understanding between the Parties regarding its subject matter, and supersedes, cancels and merges any prior representation, understanding, covenant, or commitment, whether oral or written, with respect to Consortium membership. No change, alteration, or modification to this Agreement has effect unless it is in writing and signed by an authorized representative of each Party.

8. Antitrust

- a. *Relevant Considerations.* Member acknowledges that antitrust considerations include, but are not limited to:
 - i. commitments among competitors to fix prices, limit output, divide or allocate markets or customers, or establish conditions governing dealings with third parties.
 - ii. certain commitments "tying" or conditioning the sale of one product or service on a buyer's purchase of another product or service or requiring the buyer to deal exclusively with the seller; and
 - iii. actions by dominant firms to unreasonably hamper competition.
- b. *Compliance Arrangement.* Despite any contrary Exhibit B provision:
 - i. Member may not terminate any discussion with any other Consortium Member if Member has a reasonable concern regarding compliance with U.S. antitrust law;
 - ii. University must send out a meeting agenda to each Working Group meeting in advance of that meeting, and recorded minutes of that meeting as soon as practicable afterward; and
 - iii. Member retains discretion where to participate in a particular Working Group

9. Conflict of Interest

No representative of the Consortium, including any Consortium Member or University representative, may engage in any of the following activities:

- a. Give to or receive from any director, employee or agent of a Consortium Member or its Affiliate in connection with this Agreement, any gift, entertainment or other benefit of significant cost or value, or any commission, fee or rebate.
- b. Enter into any business arrangement with any director, employee or agent of a Member or its Affiliate in connection with this Agreement without the Consortium's prior written consent.

10. Improper Influence

Neither Party may induce any Political Figure to influence any act or decision by any government official, government, government instrumentality, party, or public organization, or to gain any other advantage for Member or its Affiliates arising out of this Agreement. In addition, no University representative may induce any person if the representative knows or has reason to believe that any portion of the payment or thing of value will be given directly, indirectly or through a third party to any Political Figure.

11. Reporting Violations

University immediately must notify Member of any violation of Sections XI.K or XI.L, or breach of the warranty set out in Section VIII.B.

12. Records Retention and Right to Audit

University shall maintain and retain true and correct records in connection with all matters related to this Agreement until at least 24 months from the end of the calendar year in which this Agreement is terminated. Member (or its representative) may inspect all records at any time within the stated retention period to determine University's compliance with Section XI.L.

Important Information:

As a member of the New Mexico Produced Water Research Consortium, your organization is entitled to two (2) individuals to represent your organization in the bi-annual meetings and on the Working Groups noted below. Alternate individuals will only be permitted to join the Working Group meetings in place of an absent member. Additional participation of individuals from your organization in the bi-annual meetings of the Consortium will be offered at a reduced registration fee.

Please complete the information below and return this form to nmpwrc@nmsu.edu within 30 days of joining the Consortium. Upon receipt, individuals will be provided a link to join the various Working Group virtual meetings.

Working Groups:

1. Risk and Toxicology
2. Treatment to Deployment
3. Public Education and Outreach

Information on each working group can be found at <https://nmpwrc.nmsu.edu/>

COMPLETE ALL INFORMATION BELOW:

Organization Name: _____

Membership:

- ☐ Corporate Organization (\$500)
- ☐ Non-Government Organization/Non-Profit (\$450)
- ☐ Individual (\$250)
- ☐ Academic Institution (\$0)
- ☐ Government Agency (\$0)

Member #1

First Name: _____ Last Name: _____

Phone Number: _____ Email Address: _____

Member #2

First Name: _____ Last Name: _____

Phone Number: _____ Email Address: _____

Alternate

First Name: _____ Last Name: _____

Phone Number: _____ Email Address: _____

For internal use only:

Membership Fees Paid: \$ _____ Date Received: _____

To make updates to members/alternate, email a new membership form to nmpwrc@nmsu.edu with **Subject: NMPWRC Membership Update.**

Signed:

Regents of New Mexico State University

Signature

Typed Name

Title

Date

Contact Information

NM Produced Water Research Consortium (NMPWRC)
New Mexico State University
Office of Engineering Outreach
MSC 3ENG NM
P.O. Box 30001
Las Cruces, NM 88003
(575) 646-2913
nmpwrc@nmsu.edu

Member Name

Signature

Typed Name

Title

Date

Contact Information for Member

EXHIBIT A

NEW MEXICO PRODUCED WATER RESEARCH CONSORTIUM OPERATING PLAN 2026

BACKGROUND

The New Mexico Environment Department (“NMED”) and the Regents of New Mexico State University (“NMSU”) have entered into a Memorandum of Understanding to create a produced water research consortium to support NMED’s implementation of New Mexico House Bill 546.

GOALS

The New Mexico Produced Water Research Consortium (NMPWRC, “Consortium”) is organized under the MOU to develop a research framework to fill scientific and technical knowledge gaps necessary to establish regulations and policies for the treatment of produced water. NMED requires any future regulation and policy for produced water management to be protective of public health and the environment, rooted in sound science and consistent with all applicable laws. The Consortium is designed to strengthen and accelerate the development of public-private partnerships to build and grow future sustainable economic development opportunities in the State.

VALUE PROPOSITION

Through the Consortium, New Mexico intends to continue to lead the country in advancing scientific and technological solutions related to the treatment and reuse of produced water generated by the oil and gas industry. The MOU is also intended to stimulate economic investment opportunities in New Mexico under the leadership of NMSU, which will rely on public and private funding to carry out this research.

PARTICIPATION

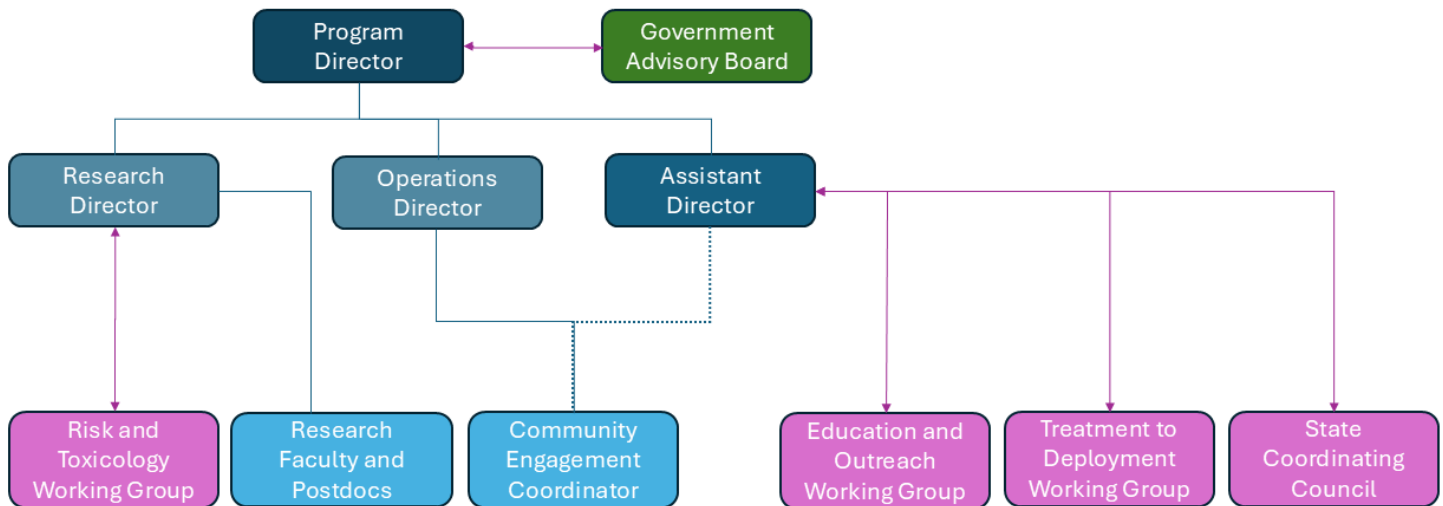
The Consortium is an association of universities, industrial companies, organizations, and government agencies, with the objective of participating in common activities and pooling of resources to achieve a common goal in research and public service. Participant categories include, without limitation, the following:

- “*Academic Institutional Member*,” comprising any public or private institution, including higher education and K-12;
- “*Corporate Member*,” comprising any legally incorporated business or industry;
- “*Member*,” as defined in Article I of the NMPWRC Membership Agreement;
- “*Non-Governmental Organization*,” comprising any nonprofit organization that operates independently of any government -- typically one whose purpose is to address a social or political issue;
- “*Sponsor*,” as defined in Article I of the NMPWRC Membership Agreement
- “*Government Agency*” comprising interested government agencies

ARTICLE I: CONSORTIUM ORGANIZATIONAL STRUCTURE

NMSU will manage the Consortium membership and process, operated under the umbrella of NMSU’s Associate Dean for Engineering Outreach in the College of Engineering. Membership status is established upon signature by both parties on the Consortium’s Membership Agreement and payment of applicable membership fee, NMSU reserves discretion whether to accept a party as a member to ensure the integrity of the Consortium mission according to established research consortium practices.

The Government Advisory Board (“GAB”), the Membership Committee (“Members”), and the Working Groups will support the Consortium. The diagram below illustrates the Consortium’s leadership and Working Group organizational structure. The Associate Dean (Program Director) and the Research Director work – alongside the GAB to ensure the Consortium’s programmatic and research objectives are being met. The Assistant Director, Operations Director, and Community Engagement Coordinator serve as direct staff to the Consortium. The Research Director will oversee working groups focused specifically on research and demonstration project objectives. The Assistant Director will oversee all other Working Groups. The Operations Director will support day-to-day operational needs of the Consortium. The Community Engagement Coordinator will focus on the transfer of Consortium research findings to the broader public via multiple modalities. The organizational structure is designed to ensure broad engagement while leveraging the technical and regulatory resources and knowledge within and external to New Mexico.



ARTICLE II: CONSORTIUM MANAGEMENT AND OPERATIONS STRUCTURE

The **New Mexico Produced Water Research Consortium** is supported by a leadership and operations team that ensures alignment with regulatory priorities, scientific rigor, transparent stakeholder engagement, and efficient program execution.

The **Program Director / Associate Dean** in the Office of Engineering Outreach provides high-level strategic oversight and institutional coordination for the Consortium. This role ensures alignment with NMSU priorities, represents the Consortium in executive-level partnerships, and supports integration with the New Mexico Environment Department (NMED) under the Memorandum of Understanding (MOU). The Program Director:

- Provides strategic vision and ensures alignment with state and federal priorities;
- Serves as liaison to university leadership, government agencies, and external advisory bodies;
- Supports cross-institutional and interagency coordination;
- Provides general oversight of Consortium operations through delegation to designated program leads.

The **Research Director** is the lead authority responsible for developing, coordinating, and executing the Consortium's research agenda. This role ensures scientific rigor, alignment with regulatory needs, and delivery of high-impact research. The Research Director:

- Develops and updates the research roadmap in consultation with NMED and stakeholders;
- Oversees all Consortium-supported research activities, ensuring scientific soundness, quality, and QA/QC compliance;
- Coordinates faculty researchers and technical teams across participating institutions;
- Ensures research outcomes address scientific and technical gaps necessary to inform regulatory frameworks for the treatment and reuse of produced water;
- Supports research dissemination, data validation, and integration into policy discussions;
- Collaborates with the Assistant Program Director to translate research for stakeholder understanding.

The **Assistant Director** provides day-to-day operational and programmatic leadership across Consortium activities, with a strong emphasis on stakeholder engagement, communications, and strategic implementation. This role ensures effective delivery and visibility of research outcomes. The Assistant Director:

- Manages stakeholder engagement, Working Group activities, and Consortium membership;
- Leads planning for mid-year and annual Consortium meetings;
- Coordinates internal communications and reporting;
- Translates technical research into accessible formats for public, regulatory, and industry stakeholders;
- Supports business development and strategic partnerships;
- Serves as acting director when needed and ensures continuity across program areas.

The **Operations Director** oversees the administrative, financial, and compliance functions of the Consortium. This role ensures infrastructure and systems are in place for efficient program execution. The Operations Director:

- Manages internal workflows, budget tracking, project tracking; procurement, and contracting;
- Oversees financial logistics including dues, sponsor contributions, and resource allocation;
- Supports compliance, data governance, and grant reporting requirements;
- Coordinates with the Assistant Program Director to manage deliverables, timelines, and logistics;
- Ensures smooth execution of Consortium-funded activities and supports risk mitigation.

The **Community Engagement Coordinator** leads all public-facing and stakeholder communications for the Consortium. This role strengthens visibility and facilitates the translation of research to non-technical audiences. Key responsibilities include:

- Managing digital platforms, website content, and public outreach materials;
- Supporting event logistics and promotional activities;
- Facilitating stakeholder education and engagement;
- Assisting the Assistant Program Director in communication strategies that align with research outputs.

The **State Coordinating Council** serves as an interagency coordination body for the **New Mexico Produced Water Research Consortium**, fostering collaboration among key state and federal partners. The Board's primary function is to ensure that Consortium research, outreach, and policy-relevant activities are aligned with the priorities, regulatory frameworks, and knowledge needs of government agencies responsible for environmental protection, water management, and public health.

While the State Coordinating Council does not exercise fiscal or programmatic oversight, it plays a critical role in:

- Strengthening interagency communication and collaboration on issues related to produced water treatment and reuse;
- Providing strategic input on research priorities, data-sharing practices, and public engagement approaches;
- Supporting the integration of Consortium findings into state and federal policy development;
- Identifying opportunities for alignment with existing programs, regulations, and agency-led initiatives;
- Facilitating access to technical expertise, data, and regulatory insight from member agencies.

The **Government Advisory Board (GAB)** will include senior-level representatives from the following entities:

- New Mexico State University;
- New Mexico Environment Department;
- New Mexico Energy, Minerals and Natural Resources Department;
- New Mexico Department of Agriculture;
- New Mexico Water Resources Research Institute;
- New Mexico Office of the State Engineer;
- New Mexico Department of Health;
- New Mexico Department of Game and Fish; and
- Other state and federal agencies involved in environmental protection, natural resource management, public health, and water policy.

GAB members will be invited to participate in Consortium planning sessions, stakeholder forums, and research briefings to ensure ongoing coordination and relevance of the Consortium's work across jurisdictions.

Sponsors are those groups who provide funding support to advance research in treatment and reuse of produced water generated by the oil and gas industry. This commitment will ensure a robust research effort required to effectively address scientific and technical knowledge gaps necessary to establish regulations and policies for the treatment of produced water. Pooled Sponsor funding will be used to support operational and research needs of the Consortium. Each Sponsor entity will be granted automatic annual membership.

Sponsorship levels are noted below and are reflective of cumulative (calculated annually) financial commitment to the Consortium as follows:

- | | |
|---------------------|-------------|
| ▪ Platinum Sponsor | \$2 million |
| ▪ Gold Sponsor | \$1 million |
| ▪ Silver Sponsor | \$500,000 |
| ▪ Bronze Sponsor | \$250,000 |
| ▪ Affiliate Sponsor | \$50,000 |

Financial commitments for Sponsorship may include cash and may also include any other resource specifically receiving approval as Sponsor support (e.g. in-kind resources such as vehicles, site equipment, and laboratory equipment).

The **Working Groups** are collaborative, task-oriented, and multidisciplinary teams that bring together Consortium members, government agency representatives, and subject matter experts from academic and research institutions to address specific scientific, technical, policy, and outreach challenges related to the Consortium's mission. These groups are central to advancing the Consortium's research, promoting regulatory alignment, and ensuring transparency and public trust.

Each Working Group operates under a defined charter that outlines its:

- Purpose and scope;
- Chair/co-chair roles and responsibilities;
- Goals and objectives;
- Governance and coordination structure; and
- Expected deliverables and milestones.

Given the evolving nature of the research and policy landscape, Working Group charters are reviewed annually and revised as needed at the discretion of Consortium leadership. The Consortium also reserves the right to establish new Working Groups, modify existing ones, or create subgroups to ensure alignment with emerging priorities and regulatory needs.

For current year, the active Working Groups include:

- Risk and Toxicology
- Treatment to Deployment
- Public Education and Outreach

Each Working Group is led by a chair and/or co-chair, who is responsible for:

- Preparing and distributing meeting agendas in advance;
- Facilitating group discussions and ensuring alignment with the group's charter;
- Documenting and disseminating meeting minutes in a timely manner;
- Coordinating with Consortium leadership on progress, deliverables, and integration with broader initiatives.

The Working Groups serve as dynamic, cross-sector platforms to harness expertise, foster collaboration, and generate actionable insights that directly inform the Consortium's research agenda and stakeholder engagement strategies.

Consortium Lead	Program Director	Research Director	Assistant Director		
Charter	Government Advisory Board Provides scientific and policy guidance to ensure integrity of Consortium decisions. Advises on admin processes, research priorities, and eval. protocols.	Risk and Toxicology Working Group Assess public health, ecological, and environmental risks from treated produced water use.	Treatment to Deployment Working Group Apply risk and toxicology findings to develop safe, feasible produced water treatment trains, supported by technoeconomic analysis and real bench-scale data.	Education and Outreach Working Group Educate the public on a wide variety of produced water topics.	State Coordinating Council Facilitates interstate collaboration (AZ, CA, CO, KS, ND, NM, OK, PA, TX, WY; DOE, EPA, GWPC) in support of the EPA WRAP initiative.
Goals and Objectives		Evaluate potential toxicity and bioaccumulation from reuse scenarios. Review industrial wastewater analogs. Guide hazard and risk-based safety thresholds. Collaborate with Applications and Treatment workinggroups.	Evaluates costs, performance, and deployment requirements for defined, fit-for-purpose reuse applications. Through risk-informed targets and sensitivity analysis, it identifies viable treatment pathways.	Disseminate information through various avenues including but not limited to social media, in-person presentations/town halls, public events, podcasts, conferences, webinars, flyers, and interviews.	Standardize analytical and risk testing protocols. Coordinate cross-state data collection and R&D. Collaborate on joint funding and publication efforts.
Chair and Co-Chair	Chair: John Rhoderick, NMED Co-Chair: Consortium Program Director	Chair: Research Director Co-Chair: Dr. Yanyan Zhang, NMSU Research Faculty	Chair: Consortium Assist. Director Co-Chair: TBD	Chair: Louis Salazar, Conoco Philips Co-Chair: Consortium Assist. Director	Chair: Consortium Assist. Director Co-Chair: Research Director
Deliverables	Two meetings per year (minimum); often every 2 months. Annual activity report to Director. Review and advise before any major Consortium decision.	Quarterly reports. Monthly or quarterly review of all R&D projects.	Provide regular updates to the scheduled Working Group meetings and an Annual Report.	Provide regular updates to the scheduled Working Group meetings and an Annual Report.	Ongoing coordination, not formally scheduled. Sharing of lessons learned, protocols, and testing frameworks.

The **Members** will serve to advise the Assistant Director and Research Director through the Working Groups, which can include, but are not limited to research roadmap priorities, including current research and technology gaps and emerging health and safety issues, opportunities for collaborative demonstration sites, environmental and regulatory considerations, workforce development, infrastructure needs, and other relevant issues that impact the work of the Consortium.

ARTICLE III: CONSORTIUM RESEARCH PROGRAM

The Consortium research program will be developed by the Research Director and updated at the beginning of each fiscal year (starting July 1), pending approval by NMED and the Program Director. The program will consist of a portfolio of research projects evaluated and approved by NMED with the intent of facilitating treatment technology research and technology development that can:

- accelerate the implementation and acceptance of policies and regulations for the use of treated produced water in New Mexico;
- support policies and regulations that protect the environment and human health; and
- be used as models nationwide.

The two types of sponsorship funding that can be used to support research projects are “Core” and “Enhancement” funds which are described in greater detail in Article IV. Core projects are funded from pooled membership dues paid by Consortium members and pooled Sponsor funds. The Research Director is responsible for selecting and/or updating Core projects each fiscal year that are based on research priorities recommended by the Working Groups and approved by the Board.

Enhancement projects are funded through additional financial means (but not membership dues or Sponsor pooled funding), specifically to enhance or accelerate a currently funded Core project but can also be directed to initiate a new research project as specified by the Sponsor. In order to be included by the Consortium, an Enhancement project must contribute to the knowledge development of the Consortium and is subject to advance approval by the Program Director, Research Director, and the Board.

The funding can come through proposals from other federal agencies or directed funds from other private organizations. Research can result from funding from any combination of membership dues, Enhancement and Core sponsorships, or as a part of externally funded research. Externally funded research leveraged by Consortium funding must be approved by the Research Director prior to acceptance of an award, if and only if, Consortium funding is included as a cost-share or in-kind requirement in the respective research grant award.

ARTICLE IV: FINANCIAL MANAGEMENT OF CONSORTIUM

Pooled membership funding is used to support operational and research needs of the Consortium. Annual membership dues are established as follows, depending on annual assessment:

- Corporate Member \$500
- Non-governmental Organization Member \$450
- Individual Member \$250
- Academic Institutional Member \$0
- Government Agency \$0

The annual period for paying membership is based on calendar (January 1 – December 31) and is the same for each Member. The Operations Director is responsible for ensuring the timely payment of membership dues, as authorization to undertake work within the Consortium is dependent on their collection. Each Member must pay its dues annually as a lump sum.

There are two types of sponsorship funding, “Core” and “Enhancement” and sponsors will specify how their funds are to be used prior to the commitment. Core funds are pooled with membership dues and will be deposited into a pooled account (termed “public service”) at NMSU. This prime account is used as a “holding” account for membership dues and sponsorship funds. Membership dues and pooled sponsorship funds are then utilized to fund research projects, the Consortium’s administrative budget, and future encumbrances (e.g., planned procurement of large-scale instrumentation for the benefit of membership projects, etc.).

In contrast to pooled sponsorship funds, directed sponsorship funds that specify a research project (or projects) are subject to a twenty percent (20%) indirect cost rate. Additionally, directed funds will only be used for supporting research activities (labor, materials, analytical services, etc.), as specified by the sponsor and will not be used for operational costs, directed research projects will be funded in an amount not to exceed \$200,000 per year, not to exceed twenty-four (24) months duration, and not be granted no-cost extension requests unless approved by the Research Director.