

1RF-13
Salado Draw Section 13
Facility ID
[fTO1716430540]

C-147/Extension
Approved

[4323] CHEVRON USA INC
July 23, 20212

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Friday, July 23, 2021 11:10 AM
To: Visairo, Omar; Enviro, OCD, EMNRD
Cc: Vallejo, Tony; Zemen, Jessica; Jones, Cullen M
Subject: RE: 1RF-13 Salado Draw Section 13 RWCS Primary Liner Leak

1RF-13 Salado Draw Section 13 Recycling Containments Structure. Extension Approved. Performance of incremental fluid level test

NMOCD has approved an extension until August 10th 2021, to repair the primary liner at 1RF-13 Salado Draw Section 13 Recycling Containments Structure Facility ID [FTO1716430540] with the following conditions of approval:

[4323] CHEVRON USA INC should submit a short daily email to OCD.Enviro@state.nm.us to keep OCD informed of Chevron's progress and steps taken to drain the pond and repair the liner, until the pond is completely drained. The notification should include:

1. Volume pumped out in last 24-hr period.
2. Estimated amount left in the cell.
3. Calculated ETA for completion based on current rate and volume left.
4. General comments, if any (for example, rate issues).

Before the recommencement and resumption of recycling operations at 1RF-13 Salado Draw Section 13 Recycling Containments Structure Facility ID [FTO1716430540], [4323] CHEVRON USA INC is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level. The steps for the incremental fluid level test are listed below.

[4323] CHEVRON USA INC will fill the containment. [4323] CHEVRON USA INC will pause filling operations every 10% of total fluid capacity above the minimum level.

1. [4323] CHEVRON USA INC will maintain the liquid level for each 10% volume increase for 24 hours and will inspect and operate the leak detection system at the end of the 24-hour period.
 - A. If there are no liquids present in the leak detection system, [4323] CHEVRON USA INC may proceed to fill the next 10% volume and repeat the process until the containment full design capacity minus the 3-feet of freeboard is reached.
 - B. If liquids are present, [4323] CHEVRON USA INC should immediately cease the incremental fill test and perform a liner inspection. [4323] CHEVRON USA INC should provide written notice of the fluid detection and liner inspection findings through [OCD Online](https://ocdonline.state.nm.us) using a C-147 (long form) with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
 - i. Upon notification of fluid detection in the leak detection system, the OCD will verify the source of water (condensation vs. produced water).
 - ii. If the detected fluid is confirmed to be condensation, the OCD will issue a written approval to proceed with the incremental fluid level test.
 - iii. If the detected fluid is confirmed to be produced water [4323] CHEVRON USA INC must comply with 19.15.34.13 NMAC. [4323] CHEVRON USA INC must provide written notification to OCD.Enviro@state.nm.us on the actions taken to comply with 19.15.34.13 NMAC.
 - iv. After fluid is detected in the leak detection system, the incremental fill test cannot continue until after a written approval to proceed is issued by the OCD.

2. [4323] CHEVRON USA INC must submit a report detailing the incremental fluid level test process and results through [OCD Online](#), using a C-147 (long form) with the "Other" box checked. "Recommendation of Operations - Incremental Fluid Level Test" should be written as the explanation of "Other." [4323] CHEVRON USA INC should verify that the resumption of operations notification does not result in any changes to the recycling containment operating and maintenance plan or the closure plan. If the recommendation of operations will affect the operating and maintenance plan or closure plan, operators should check those boxes in section 9 and provide updated plans or plan addendums as attachments to the C-147.

Please let me know if you have any questions or concerns.

Regards,

Victoria Venegas • Environmental Specialist

Environmental Bureau

EMNRD - Oil Conservation Division

811S. First St. | Artesia, NM 88210

(575) 909-0269 | Victoria.Venegas@state.nm.us

<http://www.emnrd.state.nm.us/OCD/>



From: Visairo, Omar <Omar.Visairo@chevron.com>

Sent: Wednesday, July 21, 2021 7:36 PM

To: Enviro, OCD, EMNRD <OCD.Enviro@state.nm.us>

Cc: Venegas, Victoria, EMNRD <Victoria.Venegas@state.nm.us>; Vallejo, Tony <JVallejo@chevron.com>; Zemen, Jessica <jessicazemen@chevron.com>; Jones, Cullen M <CullenJones@chevron.com>

Subject: 1RF-13 Salado Draw Section 13 RWCS Primary Liner Leak

Good Evening Victoria or NMOCD Team,

This is to inform you that we discovered a liner issue yesterday afternoon and are working to dewater our Salado 13W pond. We had one of our vendors set ESPs today and they should be pumping within the next few hours if they haven't started already. We'll provide more details in the morning once we get a better idea of how well these ESPs pump on this particular pond, but assuming 20,000 bbls and that we're able to pull out an average rate of 5 bpm, that puts us at 2.8 days before we're dewatered (1.4 days if we assume 10 bpm). In either case, we'll exceed 48 hours from the time of discovery to dewatering below the liner issue (completely dewatering in our case as the issue depth is unknown). If possible, we'd like to request an extension until 8/10 so we have ample time to adequately clean out any solids on the bottom of the pond, inspect the liner, and make repairs.

[OCD Online: Imaging \(state.nm.us\)](#)

Facility Id: FTO1716430540

Facility Name: CHEVRON SALADO DRAW 13 RECYCLED WATER CONTAINMENT

Operator: CHEVRON U S A INC

Admin Order(s): 1RF-13

Thanks,

Omar Visairo
Water Operations Supervisor
575-263-1246



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-147
Revised March 31, 2015

Recycling Facility and/or Recycling Containment

Type of Facility: ☐ Recycling Facility ☒ Recycling Containment*
Type of action: ☐ Permit ☐ Registration
☐ Modification ☐ Extension
☐ Closure ☒ Other (explain) Per 19.15.34. 13.B.(4), as we're
unable to dewater and initiate repairs within 48 hours, we're requesting an extension until 8/10/2021 for Salado
Draw 13 West Recycling Containment

* At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner.

Be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Chevron U.S.A. Inc. (For multiple operators attach page with information) OGRID #: 4323
Address: 1400 Smith Street, Houston TX 77002
Facility or well name (include API# if associated with a well): Salado Draw T26S R32E Sections 13 and 23 Recycling Facility & Containment
OCD Permit Number: 1RF-13 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr M Section 13 Township 26 South Range 32 East County: Lea
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Recycling Facility:**
Location of recycling facility (if applicable): Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983
Proposed Use: ☐ Drilling* ☐ Completion* ☐ Production* ☐ Plugging*
**The re-use of produced water may NOT be used until fresh water zones are cased and cemented*
☐ Other, *requires permit for other uses. Describe use, process, testing, volume of produced water and ensure there will be no adverse impact on groundwater or surface water.*
☐ Fluid Storage
☐ Above ground tanks ☐ Recycling containment ☐ Activity permitted under 19.15.17 NMAC explain type _____
☐ Activity permitted under 19.15.36 NMAC explain type: _____ ☐ Other explain _____
☐ For multiple or additional recycling containments, attach design and location information of each containment
☐ **Closure Report (required within 60 days of closure completion):** ☐ Recycling Facility Closure Completion Date: _____

3.
☒ **Recycling Containment:**
☐ Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 32.038060 Longitude -103.636220 NAD: ☐ 1927 ☒ 1983
☒ For multiple or additional recycling containments, attach design and location information of each containment
☒ Lined ☒ Liner type: Thickness 60 mil ☐ LLDPE ☒ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☒ Welded ☐ Factory ☒ Other Field Volume: 644,161 bbl Dimensions: L 925' x W 700' x D 23'
☐ Recycling Containment Closure Completion Date: _____

4.

Bonding:

- ☒ Covered under bonding pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC (These containments are limited to only the wells owned or operated by the owners of the containment.)
- ☐ Bonding in accordance with 19.15.34.15(A)(1). Amount of bond \$ _____ (work on these facilities cannot commence until bonding amounts are approved)
- ☐ Attach closure cost estimate and documentation on how the closure cost was calculated.

5.

Fencing:

- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

6.

Signs:

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☐ Signed in compliance with 19.15.16.8 NMAC

7.

Variances:

Justifications and/or demonstrations that the proposed variance will afford reasonable protection against contamination of fresh water, human health, and the environment.

Check the below box only if a variance is requested:

- ☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. If a Variance is requested, include the variance information on a separate page and attach it to the C-147 as part of the application.

If a Variance is requested, it must be approved prior to implementation.

8.

Siting Criteria for Recycling Containment

Instructions: The applicant must provide attachments that demonstrate compliance for each siting criteria below as part of the application. Potential examples of the siting attachment source material are provided below under each criteria.

General siting**Ground water is less than 50 feet below the bottom of the Recycling Containment.**

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

☐ Yes ☐ No
☐ NA

- Written confirmation or verification from the municipality; written approval obtained from the municipality

Within the area overlying a subsurface mine.

☐ Yes ☐ No

- Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division

Within an unstable area.

☐ Yes ☐ No

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; topographic map

Within a 100-year floodplain. FEMA map

☐ Yes ☐ No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

☐ Yes ☐ No

- Topographic map; visual inspection (certification) of the proposed site

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

☐ Yes ☐ No

- Visual inspection (certification) of the proposed site; aerial photo; satellite image

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

☐ Yes ☐ No

- NM Office of the State Engineer - iWATERS database search; visual inspection (certification) of the proposed site

Within 500 feet of a wetland.

☐ Yes ☐ No

- US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site

9.

Recycling Facility and/or Containment Checklist:**Instructions:** Each of the following items must be attached to the application. Indicate, by a check mark in the box, that the documents are attached.

- ☐ Design Plan - based upon the appropriate requirements.
☐ Operating and Maintenance Plan - based upon the appropriate requirements.
☐ Closure Plan - based upon the appropriate requirements.
☐ Site Specific Groundwater Data -
☐ Siting Criteria Compliance Demonstrations -
☐ **Certify that notice of the C-147 (only) has been sent to the surface owner(s)**

10.

Operator Application Certification:

I hereby certify that the information and attachments submitted with this application are true, accurate and complete to the best of my knowledge and belief.

Name (Print): Jessica Zemen Title: Lead Environmental Specialist – Field Support
 Signature: Jessica K Zemen Date: July 23, 2021
 e-mail address: jessicazemen@chevron.com Telephone: 432-530-9187

11.

OCD Representative Signature: Victoria Venegas Approval Date: 07/23/2021Title: Environmental Specialist OCD Permit Number: 1RF-13

- ☒ OCD Conditions _____
☒ Additional OCD Conditions on Attachment

District I
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
District IV
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 37740

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 37740
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	7/23/2021