

2RF-171 -  
SAND  
DUNES SECTION 11  
RECYCLING  
CONTAINMENT  
FACILITY ID  
[fVV2208136959]  
Construction  
Notification

[4323] CHEVRON USA INC  
04/04/2022

**Venegas, Victoria, EMNRD**

---

**From:** Vallejo, Tony <JVallejo@chevron.com>  
**Sent:** Friday, April 1, 2022 5:37 PM  
**To:** Venegas, Victoria, EMNRD; Zemen, Jessica; Enviro, OCD, EMNRD  
**Subject:** [EXTERNAL] RE: 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959]  
**Attachments:** RE: SAND DUNES SECTION 11 RECYCLING CONTAINMENT

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Victoria,

Thank you for the quick turnaround approval ma'am.

- To complete this required notification from the below COA, the installation (construction) of the aeration and leak-detection systems commenced on March 21, 2022. The attached email explains the construction of the frac ponds.
  - Chevron MCBU [4323] CHEVRON USA INC shall notify NMOCD when construction of the 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] commences.

Thank you,  
**Tony Vallejo**

**Sr. Workforce Safety & Environmental Specialist - Factory  
Chevron USA Inc. (MCBU)**

6301 Deauville Blvd/N3210

Midland, Tx 79706

O: 432-687-7524

C: 325-450-1413

jvallejo@chevron.com



**Safety is as simple as ABC - Always Be Careful**

---

**From:** Venegas, Victoria, EMNRD <Victoria.Venegas@state.nm.us>  
**Sent:** Thursday, March 24, 2022 3:50 PM  
**To:** Vallejo, Tony <JVallejo@chevron.com>; Zemen, Jessica <jessicazemen@chevron.com>; Enviro, OCD, EMNRD <OCD.Enviro@state.nm.us>  
**Subject:** [\*\*EXTERNAL\*\*] 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959]

**Be aware this external email contains an attachment and/or link.**

Ensure the email and contents are expected. If there are concerns, please submit suspicious messages to the Cyber Intelligence Center using the Report Phishing button.

**2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959]. Conditions of Approval**

Good afternoon Mr. Vallejo,

NMOCD has reviewed the recycling containment permit application and related documents, submitted by [4323] CHEVRON USA INC on March 15, 2022, for 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] in Unit Letter M, Section 11, Township 24S, Range 31E, Eddy County, New Mexico.

[4323] CHEVRON USA INC requested variances from 19.15.34 NMAC for 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] related to 19.15.34. NMAC

The following variances have been approved.

- The variance to 19.15.34.12.A.(4) NMAC for the installation on the inground containment of a 60 mil HDPE secondary liner rather than the prescribed 30 mil LLDPE secondary liner, is approved per the application.
- The variance to 19.15.34.13.E NMAC for the installation of an audible bird deterrence system, a Bird Gard Super Pro AMP, is approved per the application.
- The variance to 19.15.34.13.D NMAC for the installation around the entire facility of an eight-foot-tall game fence equipped with three strands of barbed wire on top, is approved per the application.

The form C-147 and related documents for 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] is approved with the following conditions of approval:

- The purpose of this permit is for oil and gas activities regulated under the NMAC 19.15.34.3 STATUTORY AUTHORITY: 19.15.34 NMAC is adopted pursuant to the Oil and Gas Act, Paragraph (15) of Section 70-2-12(B) NMSA 1978, which authorizes the division to regulate the disposition of water produced or used in connection with the drilling for or producing of oil and gas or both and Paragraph (21) of Section 70-2-12(B) NMSA 1978 which authorizes the regulation of the disposition of nondomestic wastes from the exploration, development, production or storage of crude oil or natural gas.
- [4323] CHEVRON USA INC shall construct, operate, maintain, close, and 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] consisting of two (2) earthen impoundments of 637,940 bbl of capacity each, in compliance with 19.15.34 NMAC.
- Water reuse and recycling from 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] is limited to wells owned or operated by [4323] CHEVRON USA INC.
- 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] is approved for five years of operation from the date of permit application. 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] permit expires on March 15, 2027. If [4323] CHEVRON USA INC wishes to extend operations past five years, an annual permit extension request must be submitted using an OCD form C-147 Long through OCD Online by February 15, 2027.
- [4323] CHEVRON USA INC shall notify NMOCD when construction of the 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] commences.
- [4323] CHEVRON USA INC shall notify NMOCD when recycling operations commence and cease at the 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959].
- A minimum of 3-feet freeboard must be maintained in the recycling containment, at all times during operations.
- If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdrawal, operation of the facility is considered ceased and notification of cessation of operations should be sent electronically to [OCD Online](#). An extension to extend the cessation of operation, not to exceed six months, may be submitted using a C-147 form through [OCD Online](#).
- [4323] CHEVRON USA INC shall submit monthly reports of recycling and reuse of produced water, drilling fluids, and liquid oil field waste on NMOCD form C-148 through [OCD Online](#) even if there is zero activity.
- [4323] CHEVRON USA INC shall comply with 19.15.29 NMAC Releases in the event of any release of produced water or other oil field wastes at 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959].

Please reference number 2RF-171 - SAND DUNES SECTION 11 RECYCLING CONTAINMENT FACILITY ID [fVV2208136959] in all future communications.

Regards,

**Victoria Venegas** • Environmental Specialist  
Environmental Bureau  
EMNRD - Oil Conservation Division  
(575) 909-0269 | [Victoria.Venegas@state.nm.us](mailto:Victoria.Venegas@state.nm.us)

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



**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 95746

## CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 95746
	Action Type: [C-147] Water Recycle Long (C-147L)

## CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	4/4/2022