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 April 3, 2017

Saina Fe, Nivi 87303
Recycling Facility and/or Recycling Containment Type of Facility: Recycling Facility Recycling Containment* Type of action: Permit Registration Closure Other (explain) * At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner. Be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the control of the surface owner. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: 3 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
Location of recycling facility: Location of recycling facility (if applicable): Latitude
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
String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D Recycling Containment Closure Completion Date: Oil Conservation Division Page 1 of 3

4. Pauling	
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 well	s awned or
operated by the owners of the containment.)	s owned of
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, hur environment.	nan health, and the
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	ed, 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 applications of the siting attachment source material are provided below under each criteria.	ution. Potential
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
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.	
- Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division	Yes No
Within an unstable area Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	Yes No
Society; topographic map	1 tes 140
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	Yes No
lake (measured from the ordinary high-water mark). - 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	Yes No
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of	Yes No
initial application.	
- NM Office of the State Engineer - iWATERS database search; visual inspection (certification) of the proposed site	
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site	☐ Yes ☐ No
	Yes No
Oil Conservation Division Page 2 of 3	Pos
	8

9. Recycling Facility and/or Containment Checklist: Instructions: Each of the following items must be attached to the application. In	dicate, 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) 3 BOAR 13 THE SURFACE OUNDER
Operator Application Certification:	
I hereby certify that the information and attachments submitted with this application	n are true, accurate and complete to the best of my knowledge and belief.
Name (Print): ENSABETM KLEID	Title: DRECTOR EHS
Signature:	Date: 4/28/22
e-mail address: Iklein & 3 bearlls. Com	Telephone: 3038824404
OCD Representative Signature: <u>Victoria Venegas</u>	Approval Date: 05/03/2022
Title:Environmental Specialist	OCD Permit Number: 2RF-139
X OCD Conditions	
Additional OCD Conditions on Attachment	

Released to Imaging: 5/3/2022 2:14:06 PM





April 28, 2022

RE: Extension of 2RF-139 from January 13, 2022 to July 13, 2022

Dear Ms. Venegas:

This letter is in response to your April 22nd approval of the Cessation of Operations Extension Request dated April 1, 2022. Per your approval conditions, 3Bear is submitting this additional cessation of operations extension request to extend from January 13, 2022 to July 13, 2022.

3Bear has not ceased operating this facility and has shown good cause and intention to continue to operate the Dark Canyon Water Recycling Facility – Eddy County, NM in compliance with NMAC 19.34.15; however, the oil and market conditions in Eddy County in 2021 were severely impacted by oil and gas economics driven primarily due to COVID-19 implications. The demand for recycled produced water was nonextant in 2021 due to the limited drilling of wells in Eddy County. This facility is critical for water recycling operations in the area. Without this facility the demand for fresh water will increase when production and drilling starts again in the area.

3 Bear specifically requests the following as allowed under NMAC 19.15.31.13:

- An extension of the time required to recycle water from the containment for a period of an additional year. Based on future projections; it is anticipated that there is a well development planned for 2nd quarter 2022 that will utilize recycled water from the Dark Canyon Recycling Facility.
- As July 2022 approaches if the projected well development project is delayed 3Bear will notify the NMOCD and request another 6 month extension of time.
- In the future, 3Bear will provide timely notifications to NMOCD if there are market demand changes for recycled water so that an extension request is provided in a timely manner.

In support of this request, 3 Bear has completed the following items:

3Bear has shown good cause and intention to operate and continue operating the Dark Canyon Water Recycling Facility by having: 1) already invested over 2 million dollars on equipment,





engineering services and geologic analysis for the facility 2) construction and operation of the facility since 2019 and 3) continued marketing of the recycling services to our customers.

Should you have any questions or require any additional information to issue approval of this extension please contact myself email or by phone at the number below.

Sincerely,

Liz Klein

Director, EHS Regulatory Compliance 3Bear Energy, LLC 303-882-4404 (C) lklein@3bearllc.com

3Bear Energy



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Sincerely,

Liz Klein

Director, EHS Regulatory Compliance 3Bear Energy, LLC 303-882-4404 (C) lklein@3bearllc.com



								LOCATION:	DARK CANYON		
		WEEKLY READI	NGS					MONTH/YEAR	Dec-21		Comments
					DAILY					DAILY	
		Dike	Containment	Liner	Containment	Containment	Sump Riser	Sump Level	Leak Detection	Inspect	
		Integrity	Pond	Integrity	Pond	Pond	Integrity	Guages	Flow Meeter	Containment	
		,	(Oil Skim)	<u> </u>	Water Level Gauge	Water Level Gauge	<u> </u>	Inspected/Tested	Reading	Dead Wild Life	
Operators			,		>3 Feet	Water Level	Leaks?	< 1 Foot	Flow Volume	Birds/animals	
<u>Initials</u>	<u>Date</u>	Visual/Weekly	Visual/Weekly	Inspect Monthly	Visual/Daily	Record Weekly	Visual/Weekly	Record Weekly	Record Weekly	Visual/Daily	
RJ	12/31/2021	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/1/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/2/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/3/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/4/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/5/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/6/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/7/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/8/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/9/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/10/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/11/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/12/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/13/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/14/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/15/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/16/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/17/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/18/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/19/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/20/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/21/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/22/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/23/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/24/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/25/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/26/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/27/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/28/2022	GOOD	NONE	GOOD	8	8	NO	NA	1314	NONE	
RJ	1/29/2022	GOOD	NONE	GOOD	8	8	NO	NA	1315	NONE	
RJ	1/30/2022	GOOD	NONE	GOOD	8	8	NO	NA	1316	NONE	

								LOCATION:	DARK CANYON		
		WEEKLY READI	INGS					MONTH/YEAR	Feb-22		Comments
					DAILY					DAILY	
		Dike	Containment	Liner	Containment	Containment	Sump Riser	Sump Level	Leak Detection	Inspect	
		Integrity	Pond	Integrity	Pond	Pond	Integrity	Guages	Flow Meeter	Containment	
		<u> </u>	(Oil Skim)	<u> </u>	Water Level Gauge	Water Level Gauge		Inspected/Tested	Reading	Dead Wild Life	
Operators			, ,		>3 Feet	Water Level	Leaks?	< 1 Foot	Flow Volume	Birds/animals	
<u>Initials</u>	<u>Date</u>	Visual/Weekly	Visual/Weekly	Inspect Monthly	Visual/Daily	Record Weekly	Visual/Weekly	Record Weekly	Record Weekly	Visual/Daily	
RJ	1/1/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/1/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/2/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/3/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/4/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/5/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/6/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/7/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/8/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/9/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/10/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/11/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/12/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/13/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/14/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/15/2022	GOOD	NONE	GOOD	7	7	NO	good	1313	NONE	
RJ	1/16/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/17/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/18/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/19/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/20/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/21/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/22/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/23/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/24/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/25/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/26/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/27/2022	GOOD	NONE	GOOD	8	8	NO	good	1313	NONE	
RJ	1/28/2022	GOOD	NONE	GOOD	8	8	NO	good	1314	NONE	

								LOCATION:	DARK CANYON		
		WEEKLY READI	NGS					MONTH/YEAR	Jan-22		Comments
					DAILY					DAILY	
		Dike	Containment	Liner	Containment	Containment	Sump Riser	Sump Level	Leak Detection	Inspect	
		Integrity	Pond	Integrity	Pond	Pond	Integrity	Guages	Flow Meeter	Containment	
			(Oil Skim)	S v	Water Level Gauge	Water Level Gauge		Inspected/Tested	Reading	Dead Wild Life	
Operators			,		>3 Feet	Water Level	Leaks?	< 1 Foot	Flow Volume	Birds/animals	
<u>Initials</u>	<u>Date</u>	Visual/Weekly	Visual/Weekly	Inspect Monthly	Visual/Daily	Record Weekly	Visual/Weekly	Record Weekly	Record Weekly	Visual/Daily	
RJ	1/1/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/1/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/2/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/3/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/4/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/5/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/6/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/7/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/8/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/9/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/10/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/11/2022	GOOD	NONE	GOOD	9	9	NO	NA	1313	NONE	
RJ	1/12/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/13/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/14/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/15/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/16/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/17/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/18/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/19/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/20/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/21/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/22/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/23/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/24/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/25/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/26/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/27/2022	GOOD	NONE	GOOD	8	8	NO	NA	1313	NONE	
RJ	1/28/2022	GOOD	NONE	GOOD	8	8	NO	NA	1314	NONE	
RJ	1/29/2022	GOOD	NONE	GOOD	8	8	NO	NA	1315	NONE	
RJ	1/30/2022	GOOD	NONE	GOOD	8	8	NO	NA	1316	NONE	

Received by OCD: 4/28/2022 1:04:47 PM

RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	Dike Integrity	Containment Pond (Oil Skim) Visual/Weekly NONE NONE NONE NONE NONE NONE NONE NON	Liner Integrity Inspect Monthly GOOD GOOD GOOD GOOD GOOD	DAILY Containment Pond Water Level Gauge >3 Feet Visual/Daily 8 8 7 7	Containment Pond Water Level Gauge Water Level Record Weekly 8 8 7	Sump Riser Integrity Leaks? Visual/Weekly NO NO	Sump Level Guages Inspected/Tested <1 Foot Record Weekly good	Mar-22 Leak Detection Flow Meeter Reading Flow Volume Record Weekly 1313	DAILY Inspect Containment Dead Wild Life Birds/animals Visual/Daily NONE	Comments
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	Integrity	Pond (Oil Skim) Visual/Weekly NONE NONE NONE NONE NONE NONE NONE NONE	Integrity Inspect Monthly GOOD GOOD GOOD GOOD GOOD GOOD	Containment Pond Water Level Gauge >3 Feet Visual/Daily 8 8 7	Pond Water Level Gauge Water Level Record Weekly 8 8	Integrity Leaks? Visual/Weekly NO	Guages Inspected/Tested <1 Foot Record Weekly good	Flow Meeter Reading Flow Volume Record Weekly 1313	Inspect Containment Dead Wild Life Birds/animals <u>Visual/Daily</u>	
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	Integrity	Pond (Oil Skim) Visual/Weekly NONE NONE NONE NONE NONE NONE NONE NONE	Integrity Inspect Monthly GOOD GOOD GOOD GOOD GOOD GOOD	Containment Pond Water Level Gauge >3 Feet Visual/Daily 8 8 7	Pond Water Level Gauge Water Level Record Weekly 8 8	Integrity Leaks? Visual/Weekly NO	Guages Inspected/Tested <1 Foot Record Weekly good	Flow Meeter Reading Flow Volume Record Weekly 1313	Inspect Containment Dead Wild Life Birds/animals <u>Visual/Daily</u>	
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	Integrity	Pond (Oil Skim) Visual/Weekly NONE NONE NONE NONE NONE NONE NONE NONE	Integrity Inspect Monthly GOOD GOOD GOOD GOOD GOOD GOOD	Pond Water Level Gauge >3 Feet Visual/Daily 8 8 7	Pond Water Level Gauge Water Level Record Weekly 8 8	Integrity Leaks? Visual/Weekly NO	Guages Inspected/Tested <1 Foot Record Weekly good	Flow Meeter Reading Flow Volume Record Weekly 1313	Containment Dead Wild Life Birds/animals <u>Visual/Daily</u>	
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	Date Visual/Weekly 11/2022 GOOD 12/2022 GOOD 13/2022 GOOD 14/2022 GOOD 15/2022 GOOD 16/2022 GOOD 17/2022 GOOD	(Oil Skim) Visual/Weekly NONE NONE NONE NONE NONE NONE NONE NONE	Inspect Monthly GOOD GOOD GOOD GOOD GOOD	Water Level Gauge >3 Feet Visual/Daily 8 8 7	Water Level Gauge Water Level Record Weekly 8 8	Leaks? Visual/Weekly NO	Inspected/Tested <1 Foot Record Weekly good	Reading Flow Volume Record Weekly 1313	Dead Wild Life Birds/animals <u>Visual/Daily</u>	
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	GOOD	Visual/Weekly NONE NONE NONE NONE NONE NONE NONE	GOOD GOOD GOOD GOOD	>3 Feet <u>Visual/Daily</u> 8 8 7	Water Level Record Weekly 8 8	<u>Visual/Weekly</u> NO	< 1 Foot Record Weekly good	Flow Volume Record Weekly 1313	Birds/animals <u>Visual/Daily</u>	
Initials D RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	GOOD	NONE NONE NONE NONE NONE NONE	GOOD GOOD GOOD GOOD	Visual/Daily 8 8 7	Record Weekly 8 8	<u>Visual/Weekly</u> NO	Record Weekly good	Record Weekly 1313	<u>Visual/Daily</u>	
RJ 3/1/ RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	GOOD	NONE NONE NONE NONE NONE NONE	GOOD GOOD GOOD GOOD	8 8 7	8 8	NO	good	1313		
RJ 3/2/ RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	2/2022 GOOD	NONE NONE NONE NONE	GOOD GOOD GOOD GOOD	8 7	8		-		NONE	
RJ 3/3/ RJ 3/4/ RJ 3/5/ RJ 3/6/	GOOD GOOD	NONE NONE NONE	GOOD GOOD GOOD	7		NO				
RJ 3/4/ RJ 3/5/ RJ 3/6/	4/2022 GOOD	NONE NONE NONE	GOOD GOOD	7	7		good	1313	NONE	
RJ 3/5/ RJ 3/6/	75/2022 GOOD 76/2022 GOOD 77/2022 GOOD	NONE NONE	GOOD	7	_	NO	good	1313	NONE	
RJ 3/6/	/6/2022 GOOD /7/2022 GOOD	NONE			7	NO	good	1313	NONE	
	7/2022 GOOD			7	7	NO	good	1313	NONE	
DI 19/7/			GOOD	7	7	NO	good	1313	NONE	
	(8/2022 (2001)	NONE	GOOD	7	7	NO	good	1313	NONE	
		NONE	GOOD	6	6	NO	good	1313	NONE	
	/9/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	10/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	11/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	12/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	13/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	14/2022 GOOD	NONE	GOOD	6	6	NO	good	1313	NONE	
	15/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	16/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	17/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	18/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	19/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	20/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	21/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	22/2022 GOOD	NONE	GOOD	5	5	NO	good	1313	NONE	
	23/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	24/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	25/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	26/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	27/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	28/2022 GOOD	NONE	GOOD	4	4	NO	good	1313	NONE	
	29/2022 GOOD	NONE	GOOD	4	4	NO	good	1314	NONE	
	30/2022 GOOD	NONE	GOOD	4	4	NO	good	1315	NONE	
RJ 3/31	31/2022 GOOD	NONE	GOOD	4	4	NO	good	1316	NONE	

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Tuesday, May 3, 2022 2:07 PM

To: Liz Klein

Subject: 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID

[fBGB1911347430] extension of cessation of operations January 13/2022 to July

13/2022.

Attachments: C-147 Extension of the Cessations of Operations Jan2022_Jul2022.pdf

2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430]

Ms. Klein,

NMOCD has reviewed the cessation of operations extension request for 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430], received from 3BEAR FIELD SERVICES, LLC [372603] on April 28, 2022. The requested extension of the cessation of operations is approved with the following conditions of approval:

- 2RF-139 Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] registration/permit expires on April 23, 2024.
- 2RF-139 Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] extension of cessation of operations is approved from January 13/2022 to July 13/2022.
- 3BEAR FIELD SERVICES, LLC [372603] will maintain a liquid level in the containment that is at least equal to the
 weight of the liner plus 20%. 3BEAR FIELD SERVICES, LLC [372603] may maintain a higher liquid level if they
 choose.
- 3BEAR FIELD SERVICES, LLC [372603] will provide written notice to OCD Online at least 72 hours, but no more
 than one week, prior to the recommencement of operations. Recommencement of recycling operations means
 that the operator plans to resume moving fluids through the containment and discharging fluids from the
 containment.
 - At the resumption of recycling operations, 3BEAR FIELD SERVICES, LLC [372603] is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
 - 3BEAR FIELD SERVICES, LLC [372603] will fill the containment. 3BEAR FIELD SERVICES, LLC [372603] will
 pause filling operations at every 10% of total fluid capacity above the minimum level.
 - 3BEAR FIELD SERVICES, LLC [372603] will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operation the leak detection system at the end of the 24-hour period.
 - If there are no liquids present in the leak detection system, 3BEAR FIELD SERVICES, LLC [372603] 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.
 - o If liquids are present, 3BEAR FIELD SERVICES, LLC [372603] should immediately cease the incremental fill test and perform a liner inspection. 3BEAR FIELD SERVICES, LLC [372603] should provide written notice of the fluid detection and liner inspection findings to OCD via OCD Online using a C-147 (long form) with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
 - Upon notification of fluid detection in the leak detection system, the OCD will verify the source of water (condensation versus produced water).
 - o If the detected fluid is confirmed to be condensation, the OCD will issue a written approval to proceed with the incremental fluid level test.

- If the detected fluid is confirmed to be produced water, 3BEAR FIELD SERVICES, LLC [372603] must comply with 19.15.34.13 NMAC. 3BEAR FIELD SERVICES, LLC [372603] must provide written notification to OCD Online on the actions taken to comply with 19.15.34.13 NMAC.
- 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.
- o 3BEAR FIELD SERVICES, LLC [372603] must submit copies of the detailed containment inspection records for the prior three months and a report detailing the incremental fluid level test process and results through the OCD Online system using a C-147 (long form) with the "Other" box checked. "Recommencement of Operations Incremental Fluid Level Test" should be written as the explanation of "Other." Form C-147 must be completed and include information in sections 1 General Information, 2 Recycling Facility, 3 Recycling Containment, 4 Bonding, and 10 Operator Application Certification. Section 9 Recycling Facility and/or Containment Checklist may also need to be partially completed. Operators 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 recommencement 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.
- 3BEAR FIELD SERVICES, LLC [372603] will continue to operate, maintain, and close 2RF-139 Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] in compliance with 19.15.34 NMAC, to include but not limited detailed inspection records, removal of trash/oil from containment, and monthly C-148 reporting (even if there is zero activity). Please note that NMOCD has updated Form C-148. The new Form C-148 is attached and can be also found at:
 https://www.emnrd.nm.gov/ocd/wp-content/uploads/sites/6/Revised-C-148-Form-January-2022.pdf
- A minimum of 3-feet freeboard must always be maintained in the recycling containment during operations.
- 3BEAR FIELD SERVICES, LLC [372603] may request a variance for an additional extension to the determination of
 cessation of operations, which will be reviewed on a case-by-case basis and evaluated on their merit. Extensions
 are considered for a maximum length of six months.
- 3BEAR FIELD SERVICES, LLC [372603] must recycle at 20% of the total fluid capacity of produced water from 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] no later than through July 13/2022 to be considered in operations.

Please let me know if you have any additional questions. Regards,

Victoria Venegas ● Environmental Specialist Environmental Bureau EMNRD - Oil Conservation Division (575) 909-0269 | Victoria.Venegas@state.nm.us http://www.emnrd.state.nm.us/OCD/



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

CONDITIONS

Action 102478

CONDITIONS

Operator:	OGRID:
3BEAR FIELD SERVICES, LLC	372603
1200 17th Street, Suite 750	Action Number:
Denver, CO 80202	102478
	Action Type:
	[C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By		Condition Date
vvenegas	NMOCD has reviewed and approved the cessation of operations extension request for 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430], received from 3BEAR FIELD SERVICES, LLC [372603] on April 28, 2022. • 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] registration/permit expires on April 23, 2024. • 2RF-139 - Carlsbad 960/Dark Canyon Produced Water Impound Facility ID [fBGB1911347430] extension of cessation of operations is approved from January 13/2022 to July 13/2022.	5/3/2022