

2RF-147 -
Potato Basin Water
Treatment Recycling
Facility & Containment
Facility ID
[fSL2012636214]C-147/
Recommencement of
Operations.

[6137] DEVON ENERGY
PRODUCTION COMPANY LP.

05/02/2023

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

Recycling Facility and/or Recycling Containment

Type of Facility: ☒ Recycling Facility ☒ Recycling Containment*

Type of action: ☒ Permit ☐ Registration
☐ Modification ☐ Extension
☐ Closure ☒ Other (explain) Recommencement of Operations - Incremental Fluid Level Test

* 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: Devon Energy Corp. (For multiple operators attach page with information) OGRID #: 6137
Address: 333 West Sheridan, Oklahoma City, Oklahoma 737102-8260
Facility or well name (include API# if associated with a well): Potato Basin Containment and Recycling Facility
OCD Permit Number: 2RF-147 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr Section 2 Township 24 South Range 29 East County: Eddy
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Recycling Facility:**
Location of recycling facility (if applicable): Latitude 32.245851 Longitude -103.952913 NAD83
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 32.247295 Longitude -103.951895 NAD83
☐ For multiple or additional recycling containments, attach design and location information of each containment
☒ Lined ☒ Liner type: Thickness _____ mil ☒ LLDPE ☒ HDPE ☐ PVC ☐ Other 30-mil LLDPE Secondary
☐ String-Reinforced 60-mil HDPE Primary
Liner Seams: ☒ Welded ☒ Factory ☒ Other Field Welds Volume: 708,200 bbl Dimensions: L 600 x W 350 x D 14
☐ 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 Chain Link Game Fence

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.

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

☐ Yes ☒ No
☐ NA

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 Society; topographic map

☐ Yes ☒ No

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).

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

☐ Yes ☒ No

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

- 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 initial application.

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

☐ Yes ☒ No

Within 500 feet of a wetland.

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

☐ Yes ☒ No

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): Josh Bruening Title: Supervisor

Signature:  Date: 4/24/2023

e-mail address: josh.bruening@dvn.com Telephone: (405)-552-7882

11.

OCD Representative Signature: Victoria Venegas Approval Date: 05/02/2023

Title: Environmental Specialist OCD Permit Number: 2RF-147

☒ OCD Conditions

☒ Additional OCD Conditions on Attachment

DATE	West Fluid Level	East Fluid Level	SCADA ISSUES	BIRD DETERRENT ISSUES	FLUID IN LEAN DETECTION	FENCE ISSUES	BERM OR LINER ISSUES	SITE VISIT NOTES
10/7/2022	3.0	3.0						
10/14/2022	3.0	3.0						
10/21/2022	3.0	3.0						
10/28/2022	3.0	3.0						
11/4/2022	3.0	3.0						
11/11/2022	3.0	3.0						
11/18/2022	3.0	3.0						
11/25/2022	3.0	3.0						
12/2/2022	3.0	3.0						
12/9/2022	3.0	3.0						
12/16/2022	3.0	3.0						
12/23/2022	3.0	3.0						
12/30/2022	3.0	3.0						
1/6/2023	3.0	3.0						
1/13/2023	3.0	3.0						
1/20/2023	3.0	3.0						
1/28/2023	3.0	3.0						
2/3/2023	3.0	3.0						
2/10/2023	3.0	3.0						
2/17/2023	3.0	3.0						
2/24/2023	3.0	3.0						
3/3/2023	3.0	3.0						
3/10/2023	3.0	3.0						
3/17/2023	3.0	3.0						
3/24/2023	6.0	3.0						
3/31/2023	8.5	3.0						
4/7/2023	8.5	3.0						
4/14/2023	10.5	5.5						
4/21/2023	10.5	10.5						

East Volume 329,800

Date	Level	Volume	Leak Detect Fluid (Y/N)
4/8/2023	3	107,483	N
4/13/2023	4.5	140,463	N
4/16/2023	5.5	173,443	N
4/17/2023	6.5	206,423	N
4/18/2023	7.5	239,403	N
4/19/2023	8.5	272,383	N
4/20/2023	9.5	305,363	N
4/21/2023	10.5	329,800	N

West Volume 378,400

Date	Level	Volume	Leak Detect Fluid (Y/N)
4/8/2023	8.5	304,376	N
4/11/2023	9.5	342,216	N
4/15/2023	10.5	378,400	N

We checked leak detection at starting levels and then filled each cell back and forth until the 10% markes were reached and verified for 24 hours.

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Tuesday, May 2, 2023 10:54 AM
To: Bruening, Josh
Subject: 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214]
Attachments: C-147 2RF-147 - Potato Basin Facility ID [fSL2012636214].pdf

2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214]

Good afternoon Mr. Bruening,
NMOCD has reviewed the determination of the recommencement of operations for 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214] received from [6137] DEVON ENERGY PRODUCTION COMPANY, LP on April 24, 2023. The recommencement of operations is approved with the following conditions of approval:

- [6137] DEVON ENERGY PRODUCTION COMPANY, LP must recycle at least 20% of the recycling containment total fluid capacity of produced water within six months to be considered in operations. If less than 20% of the total fluid capacity is utilized every six months, operations of the 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214] is considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the cessation of operation, not to exceed six months, may be submitted using a C-147 form through OCD Permitting. If after that 6-month extension period, the 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214] is not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP will continue to operate, maintain, and close the 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214] in compliance with 19.15.34 NMAC, to include but not limited to: detailed inspection records, removal of trash/oil from containment, and monthly C-148 reporting (even if there is zero activity).
- Water reuse and recycling from 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [fSL2012636214] is limited to wells owned or operated by [6137] DEVON ENERGY PRODUCTION COMPANY, LP.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times during operations
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP shall submit monthly reports of recycling and reuse of produced water, drilling fluids, and liquid oil field waste on OCD form C-148 via OCD Permitting even if there is zero activity.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP should notify the surface owner of the recommencement of operations.

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

Regards,

Victoria Venegas • Environmental Specialist
Environmental Bureau
EMNRD - Oil Conservation Division
(575) 909-0269 | Victoria.Venegas@emnrd.nm.gov
<https://www.emnrd.nm.gov/oed/>



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 210151

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 210151
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	The recommencement of operations is approved with the following conditions of approval: • [6137] DEVON ENERGY PRODUCTION COMPANY, LP must recycle at least 20% of the recycling containment total fluid capacity of produced water within six months to be considered in operations. If less than 20% of the total fluid capacity is utilized every six months, operations of the 2RF-147 - Potato Basin is considered ceased and a notification of cessation of operations should be sent electronically to OCD Permitting. A request to extend the cessation of operation, not to exceed six months, may be submitted using a C-147 form through OCD Permitting. If after that 6-month extension period, the 2RF-147 - Potato Basin Water Treatment Recycling Facility & Containment Facility ID [FSL2012636214] is not utilized at a minimum of 20% fluid capacity, no additional extensions would be granted, and the operator would be directed to remove all fluids and proceed with the closure requirements.	5/2/2023