



Ameredev II, LLC

2901 Via Fortuna Suite 600 • Austin, Texas 78746 • Phone (737) 300-4700

July 15, 2024

NM Oil Conservation Division  
Environmental Bureau  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RE: DeSoto Springs #3 Recycling Containment and Recycling Facility  
1 RF-498  
Facility ID# fVV2234954815  
Section 5 T26S R36E, Lea County

Ameredev operating respectfully submits this request for extension of permit and registration for the above referenced recycling facility and associated produced water containments.

Included in this report:

- C 147 long extension form
- Inspection logs for
  - Inground containment
  - O60 K AST
  - M60 K AST
  - 40 K AST
- Extension approval through August 24, 2024

The facility has been maintained and operated in accordance with the approved Operations and Maintenance plans for the inground and AST containments, in accordance with 19.15.34 NMAC.

Please let me know if you require any additional information.

Sincerely,

A handwritten signature in black ink that reads "Shane McNeely".

Shane McNeely  
Production Manager  
Direct: (737) 300-4729  
Email: smcneely@ameredev.com

State of New Mexico  
Energy Minerals and Natural Resources  
Department Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
<https://www.emnrd.nm.gov/ocd/ocd-e-permitting/>

Form C-147  
Revised October 11, 2022

## Recycling Facility and/or Recycling Containment

**Type of Facility:** ☒ Recycling Facility ☒ Recycling Containment\*  
**Type of action:** ☐ Permit ☐ Registration  
☐ Modification ☒ Extension  
☐ 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 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: Ameredev II, LLC (For multiple operators attach page with information) OGRID #: 37224  
Address: 2901 Via Fortuna #600, Austin, TX 78746  
Facility or well name (include API# if associated with a well): DeSoto Springs #3 Recycling Facility  
OCD Permit Number: 1 RF-498 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr A, B, G, H Section 5 Township 26S Range 36 E County: Lea  
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.  
☒ **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ 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 \_\_\_\_\_ Longitude \_\_\_\_\_ NAD83  
☒ For multiple or additional recycling containments, attach design and location information of each containment  
☐ Lined ☐ Liner type: Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_ Volume: \_\_\_\_\_ bbl Dimensions: L \_\_\_\_\_ x W \_\_\_\_\_ x D \_\_\_\_\_  
☐ 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 8-foot game fence topped with a single strand of barbed wire.

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.**

Included in approved permit and registration applications

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): Shane McNeely Title: Engineer  
Signature: Shane McNeely Date: 7/15/2024  
e-mail address: smcneely@ameredev.com Telephone: 737-300-4729

11.

OCD Representative Signature: Victoria Venegas Approval Date: 07/18/2024

Title: Environmental Specialist OCD Permit Number: 1RF-498

- ☒ OCD Conditions \_\_\_\_\_  
☒ Additional OCD Conditions on Attachment



## Recycle Facility/Containments:

1. In Ground Containment
  - a. Location: 32.07473, -103.28225
  - b. Lined: 40 Mil HDPE Secondary and 60 Mil HDPE Primary Liner
  - c. Seams: Welded
  - d. Volume (Below Free board): 984,770 bbls
2. O60K AST
  - a. Location: 32.0760575, -103.2829402
  - b. Lined: 40 Mil dual LLDPE Primary Liner and 60 Mil HDPE Secondary Liner
  - c. Seams: Welded
  - d. Volume: 60,000 bbls
  - e. Dimensions: 12'3.5" Height X 191' Diameter
3. M60 AST
  - a. Location: 32.0758329, -103.2839162
  - b. Lined: 40 Mil LLDPE Secondary and Primary Liner
  - c. Seams: Welded
  - d. Volume: 60,000 bbls
  - e. Dimensions: 12'3.5" Height X 191' Diameter
4. 40K AST
  - a. Location: 32.0758458, -103.2846368
  - b. Lined: 40 Mil LLDPE Secondary and Primary Liner
  - c. Seams: Welded
  - d. Volume: 40,000 bbls
  - e. Dimensions: 12'3.5" Height X 159'2" Diameter

July 12, 2024

Inground Containment  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

Date	Desoto Pond						Inspector	
	Leak Detection	Liner	Oil Visibility	Containment	Wild Life	Fencing	Inspector	Comments
7/7/2023	Ran - Dry	Good	None	Good	None	Good		
7/14/2023	Ran - Dry	Good	None	Good	None	Good	AB	
7/21/2023	Ran - Dry	Good	None	Good	None	Good	AB	
7/28/2023	Ran - Dry	Good	None	Good	None	Good	AB	
8/4/2023	Dry	Good	None	Good	None	Good	AB	
8/11/2023	Dry	Good	None	Good	None	Good	AB	
8/18/2023	Dry	Good	None	Good	None	Good	AB	
8/25/2023	Ran - Got Water Back	Good	None	Good	None	Good	AB	
9/1/2023	Dry	Good	None	Good	None	Good	AB	
9/8/2023	Dry	Good	None	Good	None	Good	AB	
9/15/2023	Dry	Good	None	Good	None	Good	AB	
9/22/2023	Dry	Good	None	Good	None	Good	AB	
9/29/2023	Dry	Good	None	Good	None	Good	AB	
10/6/2023	Ran - Dry	Good	None	Good	None	Good	AB	
10/13/2023	Dry	Good	None	Good	None	Good	AB	
10/20/2023	Dry	Good	None	Good	None	Good	AB	
10/27/2023	Dry	Good	None	Good	None	Good	AB	
11/3/2023	Dry	Good	None	Good	None	Good	AB	
11/10/2023	Dry	Good	None	Good	None	Good	AB	
11/17/2023	Dry	Good	None	Good	None	Good	AB	
11/24/2023	Dry	Good	None	Good	None	Good	AB	
12/1/2023	Dry	Good	None	Good	None	Good	AB	
12/8/2023	Dry	Good	None	Good	None	Good	AB	
12/15/2023	Dry	Good	None	Good	None	Good	AB	
12/17/2023	Dry	Good	None	Good	None	Good	AB	
12/22/2023	Dry	Good	None	Good	None	Good	AB	
12/29/2023	Dry	Good	None	Good	None	Good	AB	
1/5/2024	Dry	Good	None	Good	None	Good	AB	
1/12/2024	Dry	Good	None	Good	None	Good	AB	
1/19/2024	Dry	Good	None	Good	None	Good	AB	
1/26/24	Dry	Good	None	Good	None	Good	AB	
2/2/2024	Dry	Good	None	Good	None	Good	AB	
2/9/2024	Dry	Good	None	Good	None	Good	AB	
2/16/2024	Dry	Good	None	Good	None	Good	AB	
2/23/2024	Dry	Good	None	Good	None	Good	AB	
3/1/2024	Dry	Good	None	Good	None	Good	AB	

Ameredev II, LLC

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July 12, 2024

Inground Containment  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

Date	Desoto Pond						Inspector	
	Leak Detection	Liner	Oil Visibility	Containment	Wild Life	Fencing	Inspector	Comments
3/8/2024	Dry	Good	None	Good	None	Good	AB	
3/15/2024	Dry	Good	None	Good	None	Good	AB	
3/22/2024	Dry	Good	None	Good	None	Good	AB	
3/29/2024	Dry	Good	None	Good	None	Good	AB	
4/5/2024	Dry	Good	None	Good	None	Good	AB	
4/12/2024	Dry	Good	None	Good	None	Good	AB	
4/19/2024	Dry	Good	None	Good	None	Good	AB	
4/26/2024	Dry	Good	None	Good	None	Good	AB	
5/3/2024	Dry	Good	None	Good	None	Good	AB	
5/10/2024	Dry	Good	None	Good	None	Good	AB	
5/17/2024	Dry	Good	None	Good	None	Good	AB	
5/24/2024	Dry	Good	None	Good	None	Good	AB	
6/4/2024	Dry	Good	None	Good	None	Good	AB	
6/7/2024	Dry	Good	None	Good	None	Good	AB	
6/14/2024	Dry	Good	None	Good	None	Good	AB	
6/21/2024	Dry	Good	None	Good	None	Good	AB	
6/28/2024	Dry	Good	None	Good	None	Good	AB	

July 12, 2024

O60K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

	O60K										Inspector	
Date	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
7/7/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM		
7/14/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
7/21/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
7/28/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
8/4/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	500 ppm	AB	
8/11/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	2000 ppm	AB	
8/18/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	2000 ppm	AB	
8/25/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	1000 ppm	AB	
9/1/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	1500 ppm	AB	
9/8/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	2000 ppm	AB	
9/15/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	1700 ppm	AB	
9/22/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	2000 ppm	AB	
9/29/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5000 ppm	AB	
10/6/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	11k ppm	AB	
10/13/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	13k ppm	AB	
10/20/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	18k ppm	AB	
10/27/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	15k ppm	AB	
11/3/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	9k ppm	AB	
11/10/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	12k ppm	AB	
11/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	19k ppm	AB	
11/24/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	3k ppm	AB	
12/1/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	
12/8/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	7k ppm	AB	
12/15/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	
12/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	6k ppm	AB	
12/22/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	11k ppm	AB	
12/29/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	9k ppm	AB	
1/5/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	15k ppm	AB	
1/12/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	9k ppm	AB	
1/19/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	13 k ppm	AB	
1/26/24	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	6k ppm	AB	
2/2/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	4k ppm	AB	
2/9/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	9k ppm	AB	
2/16/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	11k ppm	AB	
2/23/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	7k ppm	AB	
3/1/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	
3/8/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	9k ppm	AB	
3/15/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	12k ppm	AB	
3/22/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	4k ppm	AB	
3/29/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	8k ppm	AB	
4/5/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	10k ppm	AB	
4/12/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	
4/19/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	18k ppm	AB	



July 12, 2024

O60K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

	O60K										Inspector	
Date	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
4/26/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	20k ppm	AB	
5/3/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	
5/10/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	13k ppm	AB	
5/17/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	4k ppm	AB	
5/24/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	15k ppm	AB	
6/4/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	15k ppm	AB	
6/7/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	19k ppm	AB	
6/14/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	20+k ppm	AB	
6/21/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	11k ppm	AB	
6/28/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	5k ppm	AB	

July 12, 2024

M60K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

Date	M60K										Inspector	
	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
7/7/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM		
7/14/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
7/21/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
7/28/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
8/4/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
8/11/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
8/18/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
8/25/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0ppm	AB	
9/1/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
9/8/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
9/15/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
9/22/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
9/29/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
10/6/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
10/13/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
10/20/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
10/27/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
11/3/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
11/10/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
11/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
11/24/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
12/1/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
12/8/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
12/15/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
12/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
12/22/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
12/29/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/5/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/12/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/19/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
1/26/24	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/2/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/9/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/16/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
2/23/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 ppm	AB	
2/27/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
3/1/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
3/8/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
3/16/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
3/22/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
3/29/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
4/5/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	

	M60K										Inspector	
Date	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
4/12/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
4/19/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
4/26/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
5/3/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
5/10/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
5/17/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
5/24/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
6/4/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
6/7/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
6/14/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
6/21/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
6/28/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	

July 12, 2024

40K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

Date	40K										Inspector	
	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
7/7/2023	Wet	Leak	Yes	Minimal	Good	Good	None	Good	Good	0 PPM		
7/14/2023	Wet	Leak	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	Leak Found... Drained AST
7/21/2023	Wet	Leak	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	AST Drained
7/28/2023	Wet	Leak	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	AST Drained
8/4/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
8/11/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
8/18/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
8/25/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
9/1/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
9/8/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
9/15/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
9/22/2023	Wet	Leak	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
9/29/2023	Dry	Good	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k drained repairing liner
10/6/2023	Dry	Good	Yes	Minimal	Good	Removed	None	Good	Good	0 PPM	AB	40k online testing phase with Fresh Water. AST was observed for 12 hours after filling 20%. Process was repeated untill AST was 90% filled. After no issues were observedf in the last cycle, AST was put back into service.
10/13/2023	Dry	Good	Yes	Minimal	Good	Removed	None	Good	Good	0 ppm	AB	40k online testing phase - Netting 20% complete
10/20/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k in service. Bird netting complete.
10/27/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k in Service running good
11/3/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
11/10/2023	Wet	Leak	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner leaking around 6' repairing . Ast being drained for repair
11/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner repaired not in service waiting 3rd party to come inspect AST
11/24/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner repaired not in service waiting 3rd party to come inspect AST
12/1/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner repaired not in service waiting 3rd party to come inspect AST
12/8/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner repaired not in service waiting 3rd party to come inspect AST

July 12, 2024

40K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility

1 RF-498

Facility ID# fVV2234954815

Date	40K										Inspector	
	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
12/15/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k liner repaired . 3rd Party company inspected and linear approved to put back into service. AST began testing phase by filling to 20 % and observing for leaks on 12.13.23
12/17/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	40k tested by filling at 20% capacity and observing for abnormalities over 24 hrs , then repeating process untill 80% of capacity. No leaks were identified visually or by leak detection. AST back into service.
12/22/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
12/29/2023	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/5/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/12/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/19/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
1/26/24	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/2/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/9/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/16/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/23/2024	Dry	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	
2/27/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	Leak detection was pulling very little water dropped levels down to inspect liner
3/1/2024	Wet	Good	Yes	Minimal	Good	Good	None	Good	Good	0 PPM	AB	Leak detection was pulling very little water dropped levels down to inspect liner
3/8/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k drained repairing liner
3/16/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k drained repairing liner
3/22/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k drained repairing liner
3/29/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k drained repairing liner
4/5/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k drained repairing liner
4/12/2024	Wet	Leak	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	Found leak during incremental filling process, AST drained completely
4/19/2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	AB	40k drained replacing liner
4/26/2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	AB	40k drained replacing liner
5/3/2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	AB	40k liner replacement complete
5/10/2024	Wet	Leak	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k testing filling resumed 5/10/2024. Additional leak detected, water level dropped below leak.
5/17/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	40k liner repair in progress.

July 12, 2024

40K AST  
Inspection Logs

DeSoto Springs #3 Recycling Facility  
1 RF-498  
Facility ID# fVV2234954815

	40K										Inspector	
Date	Leak Detection	Liner	Clips	Oil Visibility	Containment	Netting	Wild Life	Fencing	Tank Panels	H2S Present	Inspector	Comments
5/24/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	Liner repair and inspection done. 40k testing filling in commenced: 20 % fill per 24 hours to 80% capacity.
6/4/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	1 PPM	AB	Leak detection at "0", 40k back in service fully.
6/7/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	
6/14/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	
6/21/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	
6/28/2024	Dry	Good	Yes	None	Good	Good	None	Good	Good	0 PPM	AB	

**From:** [Venegas, Victoria, EMNRD](#)  
**To:** [Laura Parker](#); [Shane McNeely](#)  
**Subject:** [EXTERNAL] 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815]  
**Date:** Friday, July 21, 2023 12:28:08 PM  
**Attachments:** [C-147 1RF-498 - DESOTO SPRINGS #3 FACILITY ID \[fVV2234954815\] 2023-2024.pdf](#)

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### 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815]

Good morning Ms. Parker,

NMOD has reviewed the determination of registration/permit annual extension request for 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815] received from [372224] AMEREDEV OPERATING, LLC on 07/15/2023. The registration/permit extension request is approved with the following conditions of approval:

- 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of August 24, 2023. The new registration/permit expiration date is August 24, 2024.
- [372224] AMEREDEV OPERATING, LLC, will continue to operate, maintain, and close the 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815] in compliance with 19.15.34 NMAC, to include but not limited to the performance of weekly inspections regardless of fluid levels in the containment; recording of detailed inspection reports; removal of debris, foreign objects and oil from the containment; and monthly reporting of recycling and reuse of produced water, drilling fluids, and liquid oil field waste via from C-148.
- The recycling containment is bonded pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC. Water reuse and recycling from 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815] is limited to wells owned or operated by [372224] AMEREDEV OPERATING, LLC.
- [372224] AMEREDEV OPERATING, LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [372224] AMEREDEV OPERATING, LLC may maintain a higher liquid level if they choose.
- If less than 20% of the total fluid capacity is utilized every consecutive six months, 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 operations, not to exceed six months, may be submitted using a C-147 Long form through the [OCD Online](#) system. However, if after that 6-month period, the containment was 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.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [372224] AMEREDEV OPERATING, LLC will comply with 19.15.29 NMAC Releases in the event of any release of produced water or produced water or other oil field wastes at 1RF-498 - DESOTO SPRINGS FACILITY ID #3 [fVV2234954815]. [372224] AMEREDEV OPERATING, LLC will comply with all other OCD rules.
- [372224] AMEREDEV OPERATING, LLC must perform weekly inspections of the containment and leak detection system.
- If [372224] AMEREDEV OPERATING, LLC wishes to extend the registration/permit past the August 24, 2024, a registration/permit extension request must be submitted to OCD. Extension requests are reviewed on a case-by-case basis and evaluated on their merit. Extensions are considered for a maximum length of one year. Additional requests must be submitted to OCD through [OCD Online](#) on a Form C-147 (long form) as an Extension request and should include a formal extension request letter, a summary of the prior registration/permit period inspection reports, and the copies of the detailed inspection records for the prior permit period. The extension request should be submitted no later than July 24, 2024.

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

**Victoria Venegas** • Environmental Specialist  
Environmental Bureau

EMNRD - Oil Conservation Division  
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**Venegas, Victoria, EMNRD**

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Friday, July 19, 2024 11:08 AM  
**To:** Andrew Parker  
**Subject:** 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815]  
**Attachments:** C-147 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] 07.19.2024.pdf

**1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815]**

Good morning Mr. Parker.

NMOD has reviewed the determination of registration/permit annual extension request for 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] received from [372224] AMEREDEV OPERATING, LLC on 07/17/2024, Application ID 364737. The registration/permit extension request is approved with the following conditions of approval:

- 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of August 24, 2024. The new registration/permit expiration date is August 24, 2025.
- [372224] AMEREDEV OPERATING, LLC, will continue to operate, maintain, and close the 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] in compliance with 19.15.34 NMAC, to include but not limited to the performance of weekly inspections regardless of fluid levels in the containment; recording of detailed inspection reports; removal of debris, foreign objects and oil from the containment; and monthly reporting of recycling and reuse of produced water, drilling fluids, and liquid oil field waste via from C-148.
- The recycling containment is bonded pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC. Water reuse and recycling from 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] is limited to wells owned or operated by [372224] AMEREDEV OPERATING, LLC.
- [372224] AMEREDEV OPERATING, LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [372224] AMEREDEV OPERATING, LLC may maintain a higher liquid level if they choose.
- If less than 20% of the total fluid capacity is utilized every consecutive six months, operation of the facility is considered ceased and notification of cessation of operations should be sent electronically to OCD Permitting. An extension to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 Long form through OCD Permitting. However, if after that 6-month period, the containment was 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.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [372224] AMEREDEV OPERATING, LLC will comply with 19.15.29 NMAC Releases in the event of any release of produced water or produced water or other oil field wastes at 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815]. [372224] AMEREDEV OPERATING, LLC will comply with all other OCD rules.
- [372224] AMEREDEV OPERATING, LLC must perform weekly inspections of the containment and leak detection system.
- If [372224] AMEREDEV OPERATING, LLC wishes to extend the registration/permit past the August 24, 2025, a registration/permit extension request must be submitted to OCD. Extension requests are reviewed on a case-by-case basis and evaluated on their merit. Extensions are considered for a maximum length of one year. Additional requests must be submitted to OCD through OCD Permitting on a Form C-147 (long form) as an Extension request and should include a formal extension request letter, a summary of the prior registration/permit period inspection reports, and the copies of the detailed inspection records for the prior permit period. The extension request should be submitted no later than July 24, 2025.

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

**Victoria Venegas** • Environmental Specialist  
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EMNRD - Oil Conservation Division  
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**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 364737

CONDITIONS

Operator: AMEREDEV OPERATING, LLC 2901 Via Fortuna Austin, TX 78746	OGRID: 372224
	Action Number: 364737
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 1RF-498 - DESOTO SPRINGS #3 FACILITY ID [fVV2234954815] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of August 24, 2024. The new registration/permit expiration date is August 24, 2025. • If [372224] AMEREDEV OPERATING, LLC wishes to extend the registration/permit past the August 24, 2025, a registration/permit extension request must be submitted to OCD no later than July 24, 2025.	7/19/2024