



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 \$ See Estimate (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 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.

☐ 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): Chad Gallagher Title: Permitting Agent  
Signature: Chad Gallagher Date: 6-24-25  
e-mail address: chad.gallagher@ariswater.com Telephone: (575) 444-9786

11.

OCD Representative Signature: Victoria Venegas Approval Date: 06/30/2025

Title: Environmental Specialist OCD Permit Number: 1RF-511

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

				Berm - Are there any breaks in the	Bird Net - Is the bird net	Freeboard Level - List the	Leak Detection - Is the	Liner - Is there a tear in the	Oil - Is there any oil on	Storm Water - Is there any	Tank Level - List the Tank level	Wildlife - Is there any dead wildlife?
Asset Name	User Full Name	Work Order Description	Date	'	'	'	'	'	'	'	'	'
Cotton Draw AST	Salvador Ornelas	Weekly AST Inspection	6/18/2025	Pass	Pass	3, 6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	6/11/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	5/21/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	6/4/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	5/28/2025	Pass	Pass	3'	Pass	Pass	Fail	Pass	7'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	5/14/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	5/7/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	4/23/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	4/30/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	4/16/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	CMMS Administrator	Weekly AST Inspection	3/12/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	CMMS Administrator	Weekly AST Inspection	3/19/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	CMMS Administrator	Weekly AST Inspection	3/26/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	CMMS Administrator	Weekly AST Inspection	4/2/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	CMMS Administrator	Weekly AST Inspection	4/9/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	3/5/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	2/26/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	2/19/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	2/12/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	1/8/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	2/5/2025	Pass	Pass	5'	Pass	Pass	Fail	Pass	5'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	1/29/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	1/22/2025	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	1/15/2025	Pass	Pass	4	Pass	Pass	Pass	Pass	8	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	1/1/2025	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	12/18/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	12/11/2024	Pass	Pass	2'	Pass	Pass	Fail	Pass	8'	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	12/25/2024	Pass	Pass	2'	Pass	Pass	Fail	Pass	8'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	12/4/2024	Pass	Pass	5	Pass	Pass	Pass	Pass	7	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	11/27/2024	Pass	Pass	4'	Pass	Pass	Fail	Pass	6'	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	11/13/2024	Pass	Pass	5	Pass	Pass	Pass	Pass	7	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	11/20/2024	Pass	Pass	5	Pass	Pass	Pass	Pass	7	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	10/23/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	10/30/2024	Pass	Pass	7	Pass	Pass	Pass	Pass	5	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	11/6/2024	Pass	Pass	5	Pass	Pass	Pass	Pass	7	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	10/16/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	10/9/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	10/2/2024	Pass	Pass	10'	Pass	Pass	Fail	Pass	6'4"	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	9/25/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass

Cotton Draw AST	Javier Garcia	Weekly AST Inspection	9/18/2024	Pass	Pass	10'	Pass	Pass	Fail	Pass	6'4"	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	9/11/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	9/4/2024	Pass	Pass	10'	Pass	Pass	Pass	Pass	6'4"	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	8/28/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	8/21/2024	Pass	Pass	10'	Pass	Pass	Fail	Pass	6'4"	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	8/14/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	8/7/2024	Pass	Pass	10'	Pass	Pass	Fail	Pass	6'4"	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	7/17/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Jesus Tambunga	Weekly AST Inspection	7/31/2024	Pass	Pass	6	Pass	Pass	Pass	Pass	6	Pass
Cotton Draw AST	Javier Garcia	Weekly AST Inspection	7/24/2024	Pass	Pass	10'	Pass	Pass	Fail	Pass	6'4"	Pass
Cotton Draw AST	Jesus Chavez	Weekly AST Inspection	7/3/2024	N/A	Pass	10 ft	Pass	Pass	Fail	Pass	6.4 ft	Pass
Cotton Draw AST	Jesus Chavez	Weekly AST Inspection	7/10/2024	N/A	Pass	10 ft	Pass	Pass	Fail	Pass	6.4 ft	Pass

**Venegas, Victoria, EMNRD**

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Monday, June 30, 2025 3:19 PM  
**To:** 'Chad Gallagher'  
**Subject:** 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139]  
**Attachments:** C-147 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139]  
06.30.2025.pdf

**1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139]**

Good afternoon Mr. Gallagher.

The NMOCD has reviewed the cessation of operations extension request and related documents, submitted by [371643] SOLARIS WATER MIDSTREAM, LLC on 6/10/2025, Application ID **472853**, for 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139] in A-09-25S-32E, Lea County, New Mexico. The extension of the cessation of operations is approved with the following conditions of approval:

- 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139] extension of the cessation of operations is approved from July 1, 2025, to January 1, 2026. **However, if after this 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.**
- [371643] SOLARIS WATER MIDSTREAM, LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [371643] SOLARIS WATER MIDSTREAM, LLC may maintain a higher liquid level if they choose.
- [371643] SOLARIS WATER MIDSTREAM, LLC will provide written notice to OCD Permitting 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, [371643] SOLARIS WATER MIDSTREAM, LLC is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
  - [371643] SOLARIS WATER MIDSTREAM, LLC will fill in the containment. [371643] SOLARIS WATER MIDSTREAM, LLC will pause filling operations at every 10% of total fluid capacity above the minimum level.
  - [371643] SOLARIS WATER MIDSTREAM, LLC will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operate the leak detection system at the end of the 24-hour period.
  - If there are no liquids present in the leak detection system, [371643] SOLARIS WATER MIDSTREAM, LLC may proceed to fill the next 10% volume and repeat the process until the full design capacity minus the 3-feet of freeboard is reached.
  - If liquids are present, [371643] SOLARIS WATER MIDSTREAM, LLC should immediately cease the incremental fill test and perform a liner inspection. [371643] SOLARIS WATER MIDSTREAM, LLC should provide written notice of the fluid detection and liner inspection findings to OCD via OCD Permitting using a C-147 Long with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
  - If the detected fluid is confirmed to be produced water, [371643] SOLARIS WATER MIDSTREAM, LLC must comply with 19.15.34.13 [371643] SOLARIS WATER MIDSTREAM, LLC must provide written notification to OCD Permitting 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.

- [371643] SOLARIS WATER MIDSTREAM, LLC 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 OCD Permitting 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.” 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 recommendation of operations affects 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.
- [371643] SOLARIS WATER MIDSTREAM, LLC will continue to operate, maintain, and close 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [fVV2333239139] 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).
- A minimum of 3-feet freeboard must always be maintained in the recycling containment during operations.

Please let me know if you have any additional questions.

Regards,

**Victoria Venegas** ● Environmental Specialist Advanced  
EMNRD - Oil Conservation Division  
506 W. Texas Ave. Artesia, NM 88210  
575.909.0269 | [Victoria.Venegas@emnrd.nm.gov](mailto:Victoria.Venegas@emnrd.nm.gov)

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 478546

CONDITIONS

Operator: SOLARIS WATER MIDSTREAM, LLC 9651 Katy Fwy Houston, TX 77024	OGRID: 371643
	Action Number: 478546
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 1RF-511 - COTTON DRAW RF AND CONTAINMENT FACILITY ID [rVV2333239139] extension of the cessation of operations is approved from July 1, 2025, to January 1, 2026. However, if after this 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.	6/30/2025