



January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division  
811 S. First St.  
Artesia, New Mexico 88210

**Re: Request for Permit Modification to change an Approved C-147 Containment and Recycle Facility (2RF-114) from a Non-commercial to a Commercial Recycle Facility and add an AST in Eddy County, New Mexico**

Ms. Venegas,

Devon Energy (OGRID #6137) would like to request permission to modify the permit issued for their Todd 2 Containment and Recycle Facility (2RF-114). This is a request for a permit to change the non-commercial Todd 2 facility to a commercial facility and add an Above-Ground Storage Tank (AST).

Devon Energy Services will comply with all conditions previously approved for the Todd 2 permit. No changes to the operations procedures, maintenance procedures, or closing procedures will be made aside from the requested modification to add one (1) 35,000-BBL Above Ground Storage Tank. However, the total operational volume of 2RF-114 will be 563,081-BBL, 35,000-BBL new, requested Above Ground Storage Tank, and 563,081-BBL previously approved, earthen containments.

Enclosed in this submission is a new C-147 form permit modification of the earthen containment, a C-147 for the AST, variance requests, leak detection plan, and a closure cost estimate that includes the AST. These documents are all stamped by an engineer licensed in the State of New Mexico. A bond in the amount estimated will be filed accordingly.

Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

Thank you for your consideration.  
Best regards,

ENVIROTECH ENGINEERING & CONSULTING, INC.

  
Doug Schrantz, P.E.  
Principal Engineer



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) \_\_\_\_\_

\* 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): Todd 2 Recycle Facility  
OCD Permit Number: 2RF-114 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr \_\_\_\_\_ Section 2 Township 23S Range 31E County: Eddy County  
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.  
☒ **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude 32.329275 Longitude -103.742921 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 32.329275 Longitude -103.742921 NAD83  
☐ For multiple or additional recycling containments, attach design and location information of each containment  
☒ Lined ☒ Liner type: Thickness \_\_\_\_\_ mil ☒ LLDPE ☒ HDPE ☐ PVC ☐ Other 40-mil (Secondary)  
☐ String-Reinforced 60-mil (Primary)  
Liner Seams: ☒ Welded ☒ Factory ☒ Other Field Welds Volume: 563,081 bbl Dimensions: L 750 x W 530 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 \$ \$1,099,927.20 (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: 4-8-2024

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

11.

OCD Representative Signature: Victoria Venegas Approval Date: 04/18/2024

Title: Environmental Specialist OCD Permit Number: 2RF-114

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

District I  
1625 N. French Dr., Hobbs, NM 88240  
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☒ Modification ☐ Extension  
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☒ **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 32.328429 Longitude -103.741403 NAD83  
☐ For multiple or additional recycling containments, attach design and location information of each containment  
☒ Lined ☒ Liner type: Thickness 40/40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☒ Welded ☒ Factory ☒ Other Field Welds Volume: 35,000 bbl Dimensions: L \_\_\_\_\_ x W 144 x D 12  
☐ Recycling Containment Closure Completion Date: \_\_\_\_\_

4.

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Signature:  Date: 4-8-2024

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

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OCD Representative Signature: Victoria Venegas Approval Date: 04/18/2024

Title: Environmental Specialist OCD Permit Number: 2RF-114

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





January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division

RE: Rule 34 Variance Request –Produced Water Recycling Containment Primary Liner

Ms. Venegas:

Devon Energy (Devon) is requesting a variance to Rule 34 Part 12(A)(4) requiring primary liners to be 45-mil string reinforced LLDPE. Devon is requesting approval to use 40-mil LLDPE in place of the specified material in an above ground storage tank (AST). Based on our experience, we feel that the requested material will allow us to provide equal environmental protection in our impoundments.

Due to the construction of the 45-mil reinforced LLDPE material, nondestructive QA/QC testing cannot be performed. The proposed 40-mil LLDPE will be seamed in a manner that will allow nondestructive pressure testing of the seams to ensure proper sealing.

The proposed LLDPE is appropriate material for the proposed use in the impoundment and is compatible with the material that will be stored. This material will provide equal or better environmental protection as the specified 45-mil reinforced LLDPE for the AST.

The proposed new liner system cross-section for AST is as follows: prepare subgrade, 10 oz. geotextile, 40-mil LLDPE, 200 mil geonet, 40-mil LLDPE. This will replace the cross-section required by the current rule. It should also be noted that this variance has been granted on past sites.

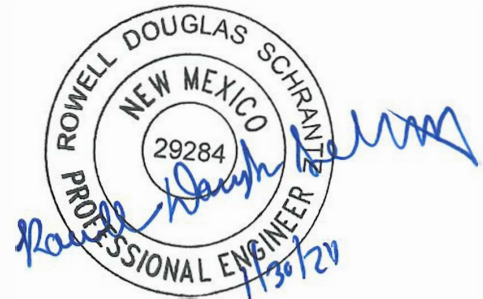
Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

Thank you for your consideration.  
Best regards,

ENVIROTECH ENGINEERING & CONSULTING, INC.

A handwritten signature in blue ink, appearing to read "Doug Schrantz", is written over the company name.

Doug Schrantz, P.E.  
Principal Engineer







January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division

RE: Rule 34 Variance Request –Produced Water Recycling Containment Liner

Ms. Venegas:

Devon Energy (Devon) is requesting a variance to Rule 34 Part 12(A)(4) requiring secondary liners to be 30-mil string reinforced LLDPE. Devon is requesting approval to use 40-mil LLDPE for an above ground storage tank (AST). Based on our experience, we feel that the requested material will allow us to provide greater environmental protection in our impoundments.

Due to the construction of the 30-mil reinforced LLDPE material, nondestructive QA/QC testing cannot be performed. The proposed 40-mil LLDPE will be seamed in a manner that will allow nondestructive pressure testing of the seams to ensure proper sealing.

The proposed LLDPE is appropriate material for the proposed use in the impoundment and is compatible with the material that will be stored. This material will provide equal or better environmental protection as the specified 30-mil reinforced LLDPE.

The proposed new liner system cross-section for the AST is as follows: prepare subgrade, 10 oz. geotextile, 40-mil LLDPE, 200-mil geonet, 40-mil LLDPE. This will replace the cross-section required by the current rule. It should also be noted that this variance has been granted on past sites.

Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

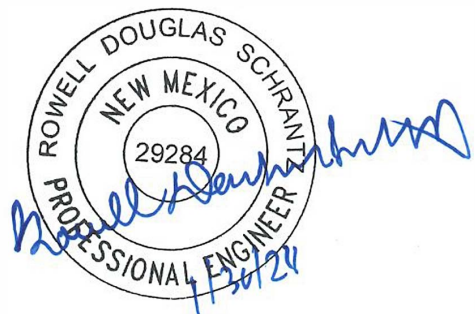
Thank you for your consideration.

Best regards,

ENVIROTECH ENGINEERING & CONSULTING, INC.

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Doug Schrantz, P.E.  
Principal Engineer





January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division

RE: Rule 34 Variance Request –Produced Water Recycling Containment

Ms. Venegas:

Devon Energy (Devon) is requesting a variance to Rule 34 Part 12(A)(2) requiring "...The levee shall have an outside grade no steeper than three horizontal feet to one vertical foot (3H:1V)."

Devon is requesting approval to use an Above Ground Storage Tank (AST) as a containment structure at the Devon Todd 2 Recycle Facility. Based on our experience AST's work well for this purpose, they are structurally sound and easy to maintain. This AST will have vertical walls on both interior and exterior sides and thus requires a variance for use. The AST will, however be double lined like other containments to limit the risk of leakage. It should also be noted that this variance has been granted on past sites.

Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

Thank you for your consideration.  
Best regards,

ENVIROTECH ENGINEERING & CONSULTING, INC.

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Doug Schrantz, P.E.  
Principal Engineer





January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division

RE: Rule 34 Variance Request –Produced Water Recycling Containment

Ms. Venegas:

Devon Energy (Devon) is requesting a variance to Rule 34 Part 12(A)(2) requiring "... The operator shall construct the containment in a levee with an inside grade no steeper than two horizontal feet to one vertical foot (2H:1V)."

Devon is requesting approval to use an Above Ground Storage Tank (AST) as a containment structure at the Devon Todd 2 Recycle Facility. Based on our experience AST's work well for this purpose, they are structurally sound and easy to maintain. This AST will have vertical walls on both interior and exterior sides and thus requires a variance for use. The AST will, however be double lined like other containments to limit the risk of leakage. It should also be noted that this variance has been granted on past sites.

Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

Thank you for your consideration.  
Best regards,

ENVIROTECH ENGINEERING & CONSULTING, INC.

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Doug Schrantz, P.E.  
Principal Engineer





January 30, 2024

Ms. Victoria Venegas  
New Mexico EMNRD  
Oil Conservation Division

RE: Rule 34 Variance Request –Produced Water Recycling Containment

Ms. Venegas:

Devon Energy (Devon) is requesting a variance to Rule 34 Part 12(A)(3) requiring *"The edges of all liners shall be anchored in the bottom of a compacted earth-filled trench."*

Devon is requesting approval to use an Above Ground Storage Tank (AST) as a containment structure at the Todd 2 Recycle Facility. Based on our experience AST's work well for this purpose, they are structurally sound and easy to maintain. Clips will be used at the top of the steel walls to secure the liner. These clips are specifically designed to hold the AST liner in place and provide the same type of liner security as an anchor trench. It should also be noted that this variance has been granted on past sites.

Should you have any questions or require additional information, please contact me by phone at 580-234-8780 or by email at [dschrantz@envirotechconsulting.com](mailto:dschrantz@envirotechconsulting.com) at your convenience.

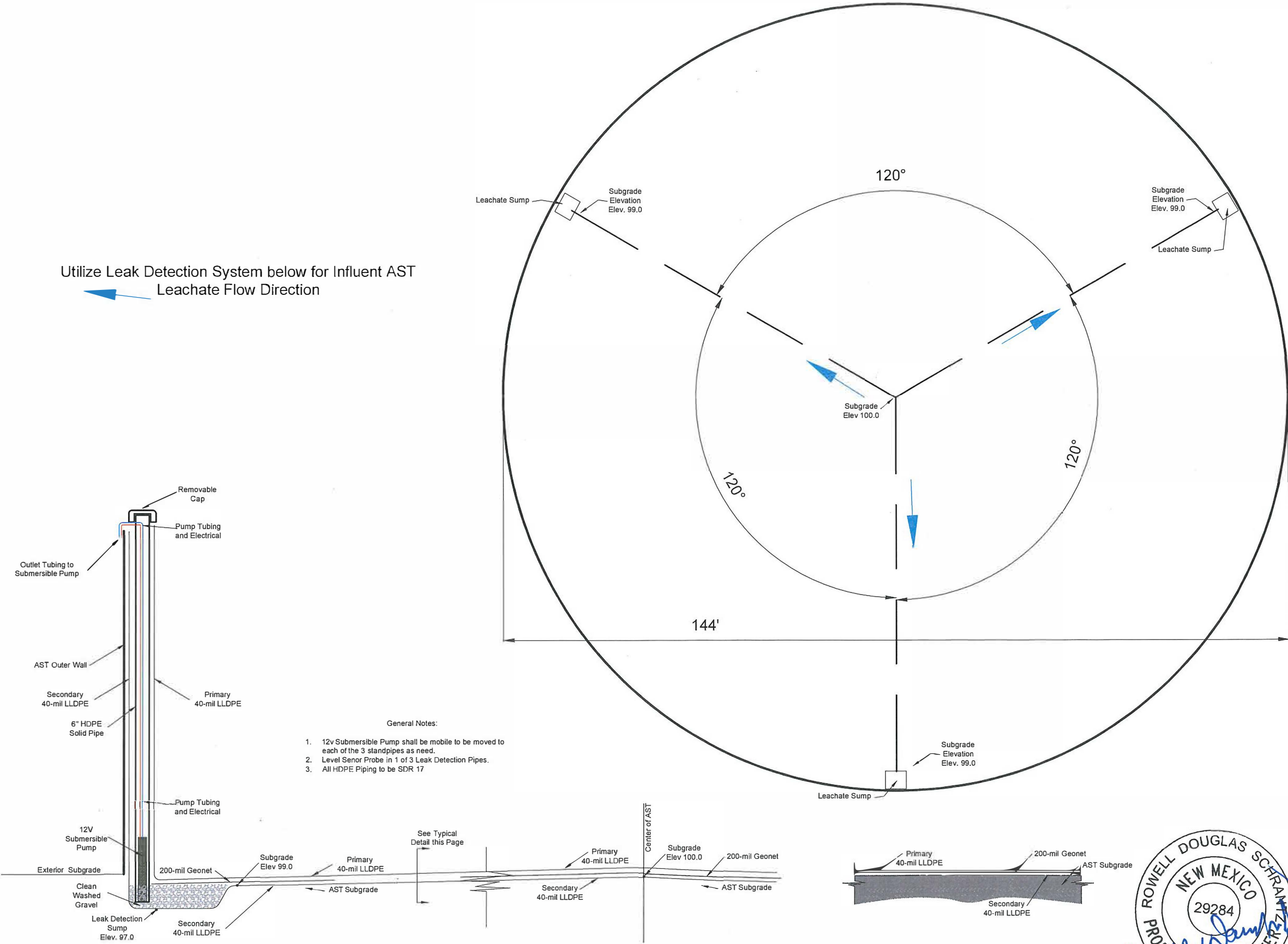
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Doug Schrantz, P.E.  
Principal Engineer





ENVIROTECH  
ENGINEERING

2500 North Eleventh Street  
Enid, Oklahoma 73701  
505-334-8780  
envirotechengineering.com  
License # 26432 - Expiration: 12-31-2024

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NO.	DATE	DESCRIPTION
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AST LEAK DETECTION PLAN

TODD 2 RECYCLE  
DEVON ENERGY  
SECTION 2, TOWNSHIP 23 SOUTH, RANGE 31 EAST LEA COUNTY, NM

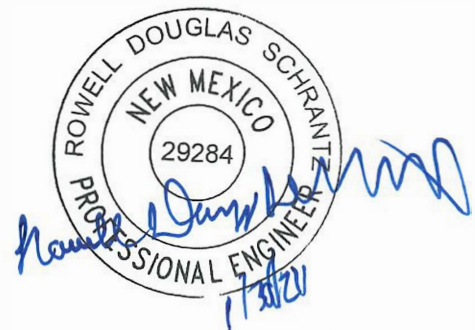
DATE:	JANUARY 2024
SCALE:	NOT TO SCALE
DESIGNED BY:	M. RATKE
DRAWN BY:	M. RATKE
CHECKED BY:	D. SCHRANTZ
PROJECT NO.	024038-00
SHEET NO.	FIGURE 1





**Devon Energy  
Todd 2 Recycle Facility  
Closure Cost Estimate**

Item	Units	Quantity	\$/Unit	Estimate Cost
1 Fluid removal				
Produced Water Impoundment	bbls	563,081	\$ 1.20	\$ 675,697.20
Freshwater Impoundment	bbls	10,000	\$ 1.20	\$ 12,000.00
Above Ground Storage Tank	bbls	35,000	\$ 1.20	\$ 42,000.00
2 Liner Wash Down (Steam trailer and crew)	hrs	10	\$ 200.00	\$ 2,000.00
3 Vac truck (final fluid removal)	hrs	8	\$ 105.00	\$ 840.00
4 Liner removal (fold-in-place)				
( Rostabout crews - 20 hrs)	hrs	5	\$ 150.00	\$ 750.00
(Track hoe - 20 hrs)	hrs	5	\$ 250.00	\$ 1,250.00
5 Equipment removal				
Tank clean-out and residue haul-off	LS	1	\$ 10,000.00	\$ 10,000.00
Equipment removal (tanks, gun barrel, FWKO)	LS	1	\$ 5,000.00	\$ 5,000.00
Electrical decommissioning (pumps and panels)	LS	1	\$ 5,000.00	\$ 5,000.00
Misc equipment clean-up and removal	hr	10	\$ 125.00	\$ 1,250.00
Remove AST	ea	1	\$ 75,000.00	\$ 75,000.00
6 Site Restoration				
Dozer - push in berms (bid)	CY	66,035	\$ 4.00	\$ 264,140.00
and final grading of the site				
Re-vegetation	ea	1	\$ 5,000.00	\$ 5,000.00
<b>Estimated Total</b>				<b>\$ 1,099,927.20</b>



This Closure Cost Estimate was produced by Envirotech, an independent third-party.

**Venegas, Victoria, EMNRD**

---

**From:** Venegas, Victoria, EMNRD  
**Sent:** Thursday, April 18, 2024 1:34 PM  
**To:** Bruening, Josh  
**Subject:** 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163]  
**Attachments:** C-147 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] 04.18.2024.pdf

**2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163]**

Good afternoon Mr. Bruening.

NMOCD has reviewed the modification requests for 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163], received from DEVON ENERGY PRODUCTION COMPANY, LP [6137] on 04/08/2024, Application ID 330792. DEVON ENERGY PRODUCTION COMPANY, LP [6137] requested the following modifications to permit 2RF-114:

1. DEVON ENERGY PRODUCTION COMPANY, LP [6137] requested a modification of permit 2RF-114 to change the noncommercial 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] to a commercial facility. This modification has been approved with the following conditions of approval:
  - Water reuse and recycling from 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] is not limited to wells owned or operated by DEVON ENERGY PRODUCTION COMPANY, LP [6137].
  - The total closure cost estimated of 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] in the amount of \$1,099,927.20 meets the requirements of NMAC 19.15.34.15.A. The financial assurance should be mailed to Oil Conservation Division; Administration and Compliance Bureau; 1220 South St Frances Drive; Santa Fe, NM 87505.
2. DEVON ENERGY PRODUCTION COMPANY, LP [6137] requested a modification to add one (1) 35,000.00 bbl above ground storage tank (AST) to 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163]. This modification has been approved with the following conditions of approval:
  - The total operational volume of 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] will be 598,081.00 bbl.
  - The following variances specific to the AST have been approved:
    - The variance to 19.15.34.12.A.(2) NMAC for the no side-slope requirement for the AST containment with vertical walls is approved.
    - The variance to 19.15.34.12.A.(3) NMAC for the liners to be anchored to the top of the AST steel walls and no anchor trenches is approved.
    - The variance to 19.15.34.12.A.(4) NMAC for the installation on the AST containment of a 40-mil non-reinforced LLDPE secondary liner is approved.
    - The variance to 19.15.34.12.A.(4) NMAC for the installation on the AST containment of a 40-mil non-reinforced LLDPE primary liner is approved.
    - The proposed new liner system cross-section for AST is as follows: prepare subgrade, 10 oz. geotextile, 40-mil LLDPE, 200 mil geonet, 40-mil LLDPE.

DEVON ENERGY PRODUCTION COMPANY, LP [6137] will comply with all conditions previously approved for the 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] permit. No changes to the operations procedures,



maintenance, and monitoring procedures, or closure procedures will be made aside from the approved modifications. 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] will operate as originally permitted.

Please let me know if you have any additional questions.

Regards,

**Victoria Venegas** • Environmental Specialist  
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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 330792

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 330792
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	1. DEVON ENERGY PRODUCTION COMPANY, LP [6137] requested a modification of permit 2RF-114 to change the non-commercial 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] to a commercial facility. This modification has been approved. 2. DEVON ENERGY PRODUCTION COMPANY, LP [6137] requested a modification to add one (1) 35,000.00 bbl above ground storage tank (AST) to 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163]. This modification has been approved. DEVON ENERGY PRODUCTION COMPANY, LP [6137] will comply with all conditions previously approved for the 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] permit. No changes to the operations procedures, maintenance, and monitoring procedures, or closure procedures will be made aside from the approved modifications. 2RF-114 - Todd 2 Water Treatment Facility ID [fAB1727553163] will operate as originally permitted.	4/18/2024