Adriane Kenney

Sr. Environmental Specialist, Permian Permitting

November 6, 2025

Salado Draw Section 23 Recycling Facility and Containment: Annual Renewal

State of New Mexico Energy, Minerals, and Natural Resources Department Oil Conservation Division, District II 811 S. First St. Artesia, NM 88210

Via Electronic Submittal

RE: C-147 – Annual Extension Request (December 16, 2025 – December 16, 2026)

Salado Draw Recycling Facility & Containments T26S R32E Section 23, Lea County, New Mexico OCD Registration: 1RF-11

OCD Registration: 1RF-11 Facility ID: fTO1706148730

Dear NMOCD Representative:

Chevron U.S.A. Inc. submits the enclosed C-147 form and summary of monthly containment and leak detection inspections for Salado Draw Section 23 Recycling Facility and Containment [fTO1706148730] (1RF-11). In accordance with NMAC 19.15.34.10 RECYCLING CONTAINMENTS, Chevron U.S.A. Inc. requests a one-year permit for the above-mentioned facility, valid from December 16, 2025, through December 16, 2026.

Included with the submittal is a summary of the monthly inspections, including the monitoring of the leak detection system, showing the containment's integrity has not been compromised from the previous registration renewal to the present. For original site plans and submittals, please refer to the facility's original registration application, OCD registration number 1RF-11.

Should you have any questions or require additional information, please contact me at your convenience.

Respectfully,

Enclosure

Chevron U.S.A. Inc.
1400 Smith Street, 39 Floor, Houston, TX 77002
Tel (832) 854-5620
akenney@chevron.com

Form C-147 Revised October 11, 2022

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/

Recycling Facility and/or Recycling Containment
Type of Facility: ⊠ Recycling Facility ⊠ Recycling Containment*
Type of action: ☐ Permit ☐ Registration ☐ Modification ☐ Extension Annual Renewal: December 16, 2025 - December 16, 2026 ☐ 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.
Operator: Chevron U.S.A. Inc. (For multiple operators attach page with information) OGRID #: 4323
Address: 1400 Smith Street, Houston, TX 77002
Facility or well name (include API# if associated with a well): Salado Draw Section 23 Recycling Facility and Containment
OCD Permit Number: 1RF-11 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr A Section 23 Township 26S Range 32E County: Lea
Surface Owner: ☑ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment
☑ 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

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.) Note that the containment is accordance with 10.15.24.15(A)(1). Amount of hard \$\(\text{1.090.587} \), (work on these facilities connet commons until harding								
⊠ Bonding in accordance with 19.15.34.15(A)(1). Amount of bond \$1,090,587 (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 Eight-foot-tall chain link fence with three strands of barbed wire on top								
6.								
Signs:								
☐ Signed in compliance with 19.15.16.8 NMAC								
7.								
<u>Variances</u> :								
Justifications and/or demonstrations that the proposed variance will afford reasonable protection against contamination of fresh water, hur environment.	nan health, and the							
Check the below box only if a variance is requested:								
☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. If a Variance is requested	ed, include the							
variance information on a separate page and attach it to the C-147 as part of the application. If a Variance is requested, it must be approved prior to implementation.								
8. Siting Criteria for Recycling Containment								
Instructions: The applicant must provide attachments that demonstrate compliance for each siting criteria below as part of the application examples of the siting attachment source material are provided below under each criteria.	ttion. Potential							
General siting								
Crowned western is less than 50 feet below the bettern of the Decycling Containment								
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	☐ Yes ☑ No							
adopted pursuant to NMSA 1978, Section 3-27-3, as amended.								
- 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	163 🔼 110							
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	☐ Yes ☒ No							
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	☐ Yes 🛛 No							
lake (measured from the ordinary high-water mark). - Topographic map; visual inspection (certification) of the proposed site								
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.								
- Visual inspection (certification) of the proposed site; aerial photo; satellite image	☐ Yes ☑ No							
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of	☐ Yes ☒ No							
initial application. - NM Office of the State Engineer - iWATERS database search; visual inspection (certification) of the proposed site								
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site	☐ Yes 🏻 No							

Pecycling Facility and/or Containment Checklist: Instructions: Each of the following items must be attached to the application 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 of	nents.
Operator Application Certification: I hereby certify that the information and attachments submitted with this application (Print): Adriane Kenney Signature: e-mail address: akenney@chevron.com	lication are true, accurate and complete to the best of my knowledge and belief. Title: Environmental Specialist Date: 11/3/2025 Telephone: 832-854-5620
OCD Representative Signature: Victoria Venegas Title:Environmental Specialist X OCD Conditions X Additional OCD Conditions on Attachment	Approval Date:11/10/2025 OCD Permit Number: 1RF-11

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	Salado Draw S	ection 23	Recycling F	acility and	Containmer	nt - Facili	ty ID [fTO170	6148730] ⁻	IRF-11	
Pond	Operator	Frequency	Completed Date	Facility Status	Berm Condition	Berm Liner	Leak Detection	Bird Deterrent	Fence Condition	Operator Note
Salado - Pond 23 North	Eric Elizondo	Weekly	11/2/2024		Yes	Yes	Yes	Yes	Yes	Орегатог поте
Salado - Pond 23 South	Eric Elizondo	Weekly	11/2/2024		Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	11/8/2024		Yes	Yes	Yes	No	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	11/8/2024		Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	11/15/2024	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	11/15/2024	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	11/22/2024	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	11/22/2024	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	11/29/2024		Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	11/29/2024		Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	12/7/2024		Yes	Yes	Yes	No	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	12/7/2024		Yes	Yes	Yes	Yes	Yes	ļ
Salado - Pond 23 North	Eric Elizondo	Weekly	12/14/2024		Yes	Yes	Yes	Yes	Yes	ļ
Salado - Pond 23 South	Eric Elizondo	Weekly	12/14/2024		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	12/21/2024		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	12/21/2024		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	12/28/2024		Yes	Yes	Yes	Yes	Yes	<u> </u>
alado - Pond 23 South	Eric Elizondo	Weekly	12/28/2024		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	1/13/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	1/13/2025 2/14/2025		Yes Yes	Yes Yes	Yes Yes	Yes No	Yes	
alado - Pond 23 North alado - Pond 23 South	Joseph Thomasson	Weekly				t			Yes	<u> </u>
alado - Pond 23 South alado - Pond 23 North	Joseph Thomasson	Weekly Weekly	2/14/2025	Out of Service	Yes	Yes	Yes	Yes	Yes	1
alado - Pond 23 North alado - Pond 23 South	Joseph Thomasson Joseph Thomasson	+ -		Out of Service					 	
alado - Pond 23 South alado - Pond 23 North	Eric Elizondo	Weekly	2/19/2025		Yes	Yes	Yes	Yes	Yes	
		Weekly				Yes			+	
alado - Pond 23 South alado - Pond 23 North	Eric Elizondo Eric Elizondo	Weekly Weekly	2/26/2025 3/12/2025		Yes Yes	Yes	Yes Yes	Yes Yes	Yes	1
alado - Pond 23 North	Eric Elizondo Eric Elizondo	Weekly	3/12/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	3/26/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	3/26/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	4/23/2025		Yes	Yes	Yes	Yes	Yes	
						 	Yes		Yes	-
alado - Pond 23 South	Eric Elizondo	Weekly	4/23/2025		Yes	Yes		Yes	+	
alado - Pond 23 North	Paul Frier	Weekly	4/26/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly	4/26/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	5/10/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly	5/10/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	5/21/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	5/21/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	5/24/2025		Yes Yes	Yes	Yes	Yes	Yes Yes	
alado - Pond 23 South	Paul Frier	Weekly	5/24/2025			Yes	Yes	Yes	+	
alado - Pond 23 North	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	6/11/2025		Yes Yes	Yes Yes	Yes	Yes	Yes	
alado - Pond 23 South alado - Pond 23 North	Paul Frier Eric Elizondo	Weekly	6/11/2025 6/18/2025		Yes	Yes	Yes Yes	Yes Yes	Yes	-
alado - Pond 23 North	Eric Elizondo	Weekly Weekly	6/18/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	6/21/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier		6/21/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	7/16/2025			Yes		Yes	Yes	+
alado - Pond 23 South	Eric Elizondo	Weekly	7/16/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	7/23/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly	7/23/2025		Yes	Yes	Yes	Yes	Yes	1
alado - Pond 23 North	Eric Elizondo	Weekly	7/30/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	7/30/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly		In Service		Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	8/13/2025			Yes	Yes	Yes	Yes	1
alado - Pond 23 South	Eric Elizondo	Weekly	8/13/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	8/20/2025		Yes	Yes	Yes	Yes	Yes	<u> </u>
alado - Pond 23 South	Paul Frier	Weekly	8/20/2025		Yes	Yes	Yes	Yes	Yes	1
alado - Pond 23 North	Paul Frier	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	9/10/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Eric Elizondo	Weekly	9/10/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Paul Frier	Weekly	9/17/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	Paul Frier	Weekly	9/17/2025		Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 North	Eric Elizondo	Weekly	9/24/2025		Yes	Yes	Yes	Yes	Yes	
2 =0 110101	Eric Elizondo	Weekly		In Service	Yes	Yes	Yes	Yes	Yes	
alado - Pond 23 South	ETIC EUZUTIUU	AACCIVIA	0,2-,,				_			-
alado - Pond 23 South alado - Pond 23 North	Paul Frier	Weekly	10/1/2025			Yes	Yes	Yes	Yes	

Received by OCD: 11/6/2025 12:09:09 PM

Salado - Pond 23 North	Eric Elizondo	Weekly	10/8/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	10/8/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Paul Frier	Weekly	10/15/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Paul Frier	Weekly	10/15/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Paul Frier	Weekly	10/29/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Paul Frier	Weekly	10/29/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 North	Eric Elizondo	Weekly	11/5/2025	In Service	Yes	Yes	Yes	Yes	Yes	
Salado - Pond 23 South	Eric Elizondo	Weekly	11/5/2025	In Service	Yes	Yes	Yes	Yes	Yes	

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD

Sent: Monday, November 10, 2025 3:15 PM

To: AKenney@chevron.com

Subject: 1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID

[fTO1706148730]

Attachments: C-147 RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID

[fTO1706148730] 11.10.2025.pdf

1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730]

Good afternoon Ms. Kenney.

NMOCD has reviewed the permit annual extension request for 1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730], received from [4323] CHEVRON USA INC on 11/06/2025 Application ID **523923**. The registration/permit extension request is approved with the following conditions of approval:

- The 1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of December 16, 2025. The new registration/permit expiration date is December 16, 2026.
- [4323] CHEVRON USA INC will continue to operate, maintain, and close the 1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730] 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.
- [4323] CHEVRON USA INC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [4323] CHEVRON USA INC 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 form through OCD Permitting.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [4323] CHEVRON USA INC 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-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730]. [4323] CHEVRON USA INC will comply with all other OCD rules.
- [4323] CHEVRON USA INC must perform weekly inspections of the containment and leak detection system.
- If [4323] CHEVRON USA INC wishes to extend the registration/permit past December 16, 2026, 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 November 16, 2026.

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

Victoria Venegas • Senior Environmental Scientist EMNRD - Oil Conservation Division 506 W. Texas Ave. Artesia, NM 88210 575.909.0269 | 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 523923

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd Midland, TX 79706	Action Number: 523923
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• The 1RF-11 Salado Draw Section 23 Recycling Facility and Containment-Facility ID [fTO1706148730] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of December 16, 2025. The new registration/permit expiration date is December 16, 2026. • If [4323] CHEVRON USA INC wishes to extend the registration/permit past December 16, 2026, a registration/permit extension request must be submitted to OCD no later than November 16, 2026.	11/10/2025