

Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

December 16, 2025

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

**RE: Devon Energy Cotton Draw 22 Containment and Recycling Facility C-147 Extension**

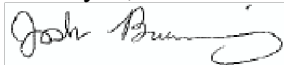
Cotton Draw 22 Containment and Recycling  
OCD Permit Number: 2RF-141  
Sec 22-T25S-R31E  
Eddy County, NM

To Whom It May Concern:

Devon Energy respectfully submits the enclosed C-147 form and summary of monthly inspections and leak detection for the Cotton Draw 22 Containment (2RF-141). For original site plans and submittals, please refer to the facility's original registration application, OCD Registration number 2RF-141, received May 31st, 2019. In accordance with NMAC 19.15.34.10 RECYCLING CONTAINMENTS, Devon Energy wishes to seek a one-year extension to the facility.

Should you have any questions or require additional information, please do not hesitate to contact me at your convenience.

Thank you,



Josh Bruening  
Devon Energy Production Company, LP  
Supervisor  
(405) 501-3236

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): Cotton Draw Recycle Facility  
OCD Permit Number: 2RF-141 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr \_\_\_\_\_ Section 22 Township 25 South Range 31 East County: Eddy  
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.  
☒ **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude 32.113744 Longitude -103.758072 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 32.114521 Longitude -103.759656 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: 500K bbl Dimensions: L 500 x W 550 x D 16.0  
☐ 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 \$ 793,760.00 (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: 12-16-2025

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

11.

OCD Representative Signature: Victoria Venegas Approval Date: 12/17/2025

Title: Environmental Specialist OCD Permit Number: 2RF-141

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

DATE	Fluid Level	SCADA ISSUES	BIRD DETERRENT ISSUES	FLUID IN LEAN DETECTION	FENCE ISSUES	BERM OR LINER ISSUES	SITE VISIT NOTES
12/13/2025	14.0						
12/20/2025	10.0						
12/27/2025	12.0						
1/3/2025	10.5						
1/10/2025	12.0						
1/17/2025	12.0						
1/24/2025	11.0						
1/31/2025	12.0						
2/7/2025	11.5						
2/14/2025	10.5						
2/21/2025	8.5						
2/28/2025	13.0						
3/7/2025	4.5						
3/14/2025	4.5						
3/21/2025	4.5						
3/28/2025	4.5						
4/4/2025	3.0						
4/11/2025	5.5						
4/18/2025	7.0						Good
4/25/2025	9.0						
5/2/2025	12.0						
5/9/2025	11.0						
5/16/2025	10.0						
5/23/2025	6.0						
5/30/2025	10.5						
6/4/2025	8.0						
6/13/2025	3.0						
6/20/2025	4.0						
6/27/2025	3.5						
7/4/2025	3.0						
7/11/2025	3.0						
7/18/2025	3.0						
7/25/2025	8.5						
8/1/2025	11.0						
8/8/2025	13.5						
8/15/2025	10.5						
8/22/2025	13.5						
8/29/2025	13.5						
9/5/2025	6.0						
9/12/2025	6.0						
9/19/2025	6.0						
9/26/2025	3.0						
10/3/2025	6.0						
10/10/2025	6.0						
10/17/2025	3.0						
10/24/2025	13.0						
10/31/2025	9.0						
11/7/2025	10.0						
11/14/2025	10.5						
11/21/2025	9.5						

11/28/2025	11.0
12/5/2025	5.0
12/12/2025	7.0

**Venegas, Victoria, EMNRD**

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Wednesday, December 17, 2025 9:58 AM  
**To:** Bruening, Josh  
**Subject:** 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574]  
**Attachments:** C-147 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [FVV2325636574]  
12.17.2025.pdf

**2RF-141 - Cotton Draw Recycling FACILITY ID [fVV2325636574]**

Good morning Mr. Bruening,

The NMOCD has reviewed the determination of registration/permit annual extension request for 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574] received from [6137] DEVON ENERGY PRODUCTION COMPANY, LP Application ID **535264** on 12/16/2025. The registration/permit extension request is approved with the following conditions of approval:

- 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of January 17, 2026. The new registration/permit expiration date is January 17, 2027.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP will continue to operate, maintain, and close the 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574] 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 OCD Permitting.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [6137] DEVON ENERGY PRODUCTION COMPANY, LP 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 to OCD Permitting.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP 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 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574]. [6137] DEVON ENERGY PRODUCTION COMPANY, LP will comply with all other OCD rules.
- [6137] DEVON ENERGY PRODUCTION COMPANY, LP must perform weekly inspections of the containment and leak detection system.
- If [6137] DEVON ENERGY PRODUCTION COMPANY, LP wishes to extend the registration/permit past January 17, 2027, 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 Permitting on Form C-147 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 December 17, 2026.

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

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](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 535264

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 535264
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 2RF-141 - COTTON DRAW RECYCLING FACILITY ID [fVV2325636574] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of January 17, 2026. The new registration/permit expiration date is January 17, 2027. • If [6137] DEVON ENERGY PRODUCTION COMPANY, LP wishes to extend the registration/permit past January 17, 2027, a registration/permit extension request must be submitted to OCD no later than December 17, 2026.	12/17/2025