

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) **REQUEST FOR THE CESSATION OF OPERATION EXTENSION JUNE 1, 2021 TO JUNE 30, 2021**

* 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: **3 BARR FIELD SERVICES LLC** (For multiple operators attach page with information) OGRID #: **37-2603**
Address: **1512 LARIMER ST. SUITE 540**
Facility or well name (include API# if associated with a well): **COTTON WOOD RECYCLING FACILITY**
OCD Permit Number: **2RF-128** (For new facilities the permit number will be assigned by the district office) **FAB1810837464**
U/L or Qtr/Qtr **SW/4** Section **20** Township **26S** Range **26E** County: **EDDY**
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Recycling Facility:** *** SEE APPROVED ORIGINAL C-147 ATTACHED AND REQUEST FOR THE CESSATION OF OPERATION EXTENSION LETTER**
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 _____

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.

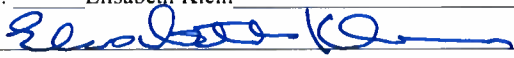
- ☐ Design Plan - based upon the appropriate requirements.
☐ Operating and Maintenance Plan - based upon the appropriate requirements.
☐ Closure Plan - based upon the appropriate requirements.
☐ Site Specific Groundwater Data -
☐ Siting Criteria Compliance Demonstrations -
☒ Certify that notice of the C-147 (only) has been sent to the surface owner(s)

3BEAR IS SURFACE OWNER

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): Elisabeth Klein Title: Director, EHS
 Signature:  Date: 4/8/2022
 e-mail address: lklein@3bearllc.com Telephone: 303-882-4404

11.

OCD Representative Signature: Victoria Venegas Approval Date: 05/03/2022

Title: Environmental Specialist OCD Permit Number: 2RF-128

- ☒ OCD Conditions
☒ Additional OCD Conditions on Attachment

Liz Klein

From: Liz Klein
Sent: Wednesday, January 26, 2022 9:35 AM
To: Venegas, Victoria, EMNRD
Cc: Mike Solomon
Subject: 3 Bear Cottonwood Water Recycling Facility Request for Extension of 2RF-128 for Good Cause

Follow Up Flag: Follow up
Flag Status: Completed

This letter is in response to your email, dated 1/13/2022 below, outlining that the 3Bear Cottonwood Water Recycling Facility (2RF-128) to be noncompliant with NMAC 19.15.34.13 (C). **NMAC 19.15.34.13(C) outlines that a "A recycling containment shall be deemed to have ceased operations if less than twenty percent of the total fluid capacity is used every six months following the first withdrawal of produced water for use. The operator must report cessation of operations to the division. The division may grant an extension to this determination of cessation of operations not to exceed six months."**

3Bear has not ceased operating this facility and has shown good cause and intention to continue to operate the Cottonwood Recycling Facility – Eddy County, NM in compliance with NMAC 19.34.15; however, the oil and market conditions in Eddy County in 2021 were severely impacted by oil and gas economics driven primarily due to COVID-19 implications. The demand for recycled produced water was nonextant in 2021 due to the limited drilling of wells in Eddy County. This facility is critical for water recycling operations in the area. Without this facility the demand for fresh water will increase when production starts.

3 Bear specifically requests the following as allowed under NMAC 19.15.31.13:

- An extension of the time required to recycle water from the containment for a period of an additional year. Based on future projections; there are no wells planned for 2022.
- 3Bear will keep OCD updated as to the activity in the area and status of the Cottonwood facility.
- In the future, 3Bear will provide timely notifications to NMOCD if there are market demand changes for recycled water so that an extension request is provided in a timely manner.

In support of this request, 3 Bear has completed the following items:

3Bear has shown good cause and intention to operate and continue operating the Cottonwood Water Recycling Facility by having: 1) already invested over 2 million dollars on equipment, engineering services and geologic analysis for the facility 2) construction and operation of the facility since 2019 and 3) continued marketing of the recycling services to our customers.

Should you have any questions or require any additional information to issue approval of this extension please contact myself email or by phone at the number below. I will be forwarding another email regarding a response and extension request for the Dark Canyon Water Recycling Facility.

Sincerely

Liz Klein
Director, EHS Regulatory Compliance
3Bear Energy, LLC
303-882-4404 (C)

lklein@3bearllc.com
1512 Larimer Street, Suite 540
Denver, CO 80202



From: Venegas, Victoria, EMNRD <Victoria.Venegas@state.nm.us>
Sent: Thursday, January 13, 2022 3:26 PM
To: Liz Klein <lklein@3bearllc.com>; msoloman@3bearllc.com
Subject: 3BEAR FIELD SERVICES, LLC [372603]. Recycling Facilities Update

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

3BEAR FIELD SERVICES, LLC [372603]

Good afternoon,
NMOCD is reviewing the recycling facility permits and registrations currently in our system. Regarding 3BEAR's permitted facilities, could you please clarify the status of the following:

- 2RF-128** Cottonwood Water Recycling Facility [fAB1810837464](#)
3BEAR FIELD SERVICES, LLC [372603]
Noncompliant facility.
2RF-128 has received produced water each of the last 6 months while maintaining a running total of zero percent recycled.
- 2RF-139** Carlsbad 960Dark Canyon Produced Water Impound Facility ID [fBGB1911347430](#)
3BEAR FIELD SERVICES, LLC [372603]
Noncompliant facility.
2RF-139 has received 1,127,511 bbls over the last 6 months and have running totals of zero percent recycled each month. Over the last year they received 2,113,121 bbls and have recycled none.

Please note that any violation of 19.15.34 NMAC is subject to enforcement under 19.15.5 NMAC – Enforcement and Compliance.

Thanks you for your cooperation.

Regards,

Victoria Venegas • Environmental Specialist
Environmental Bureau
EMNRD - Oil Conservation Division
811S. First St. | Artesia, NM 88210
(575) 909-0269 | Victoria.Venegas@state.nm.us
<http://www.emnrd.state.nm.us/OCD/>



3 Bear Energy - Cottonwood Water Recycling and Containment Facility							Location	Cottonwood SWD				
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Month/Year: Dec-21												Comments
		Dike Integrity	Containment Tank (Oil Skim)	Tank Liner Integrity	Impoundment Tank 451 Water Level Gauge	Impoundment Tank 452 Water Level Gauge	Impoundment Tank 453 Water Level Gauge	Impoundment Tank 454 Water Level Gauge	Impoundment Tank 455 Water Level Gauge	Leak Detection Flow Meeter Reading	Inspect Containment Dead Wild Life Birds/animals	
Operators								Out Of Service		Flow Volume		
Initials	Date	Visual/Weekly	Visual/Weekly	Inspect Monthly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Visual/Daily	
RJ	12/1/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/2/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/3/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/4/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/5/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/6/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/7/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/8/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/9/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/10/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/11/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/12/2021	Good	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/13/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/14/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/15/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/16/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/17/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/18/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/19/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/20/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/21/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/22/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/23/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/24/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/25/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/26/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/27/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/28/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/29/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/30/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	12/31/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	

Month/Year:Feb-22Comments											
		Dike Integrity	Containment Tank (Oil Skim)	Tank Liner Integrity	Impoundment Tank 451 Water Level Gauge	Impoundment Tank 452 Water Level Gauge	Impoundment Tank 453 Water Level Gauge	Impoundment Tank 454 Water Level Gauge	Impoundment Tank 455 Water Level Gauge	Leak Detection Flow Meeter Reading	Inspect Containment Dead Wild Life Birds/animals
Operators								Out Of Service		Flow Volume	
Initials	Date	Visual/Weekly	Visual/Weekly	Inspect Monthly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Visual/Daily
RJ	2/1/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/2/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/3/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/4/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/5/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/6/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/7/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/8/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/9/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/10/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/11/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/12/2021	Good	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/13/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/14/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/15/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/16/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/17/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/18/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/19/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/20/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/21/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/22/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/23/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/24/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/25/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/26/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/27/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE
RJ	2/28/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE

3 Bear Energy - Cottonwood Water Recycling and Containment Facility							Location	Cottonwood SWD				
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Month/Year: Jan-22												Comments
		Dike	Containment	Tank	Impoundment	Impoundment	Impoundment	Impoundment	Impoundment	Leak Detection	Inspect	
		Integrity	Tank	Liner	Tank 451	Tank 452	Tank 453	Tank 454	Tank 455	Flow Meeter	Containment	
			(Oil Skim)	Integrity	Water Level Gauge	Water Level Gauge	Water Level Gauge	Water Level Gauge	Water Level Gauge	Reading	Dead Wild Life	
Operators								Out Of Service		Flow Volume	Birds/animals	
Initials	Date	Visual/Weekly	Visual/Weekly	Inspect Monthly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Visual/Daily	
RJ	1/1/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/2/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/3/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/4/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/5/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/6/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/7/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/8/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/9/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/10/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/11/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/12/2021	Good	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/13/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/14/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/15/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/16/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/17/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/18/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/19/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/20/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/21/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/22/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/23/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/24/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/25/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/26/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/27/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/28/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/29/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/30/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	
RJ	1/31/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE	

3 Bear Energy - Cottonwood Water Recycling and Containment Facility								Location	Cottonwood SWD				
Month/Year: Mar-22													Comments
		Dike	Containment	Tank	Impoundment	Impoundment	Impoundment	Impoundment	Impoundment	Leak Detection	Inspect		
		Integrity	Tank	Liner	Tank 451	Tank 452	Tank 453	Tank 454	Tank 455	Flow Meeter	Containment		
			(Oil Skim)	Integrity	Water Level Gauge	Water Level Gauge	Water Level Gauge	Water Level Gauge	Water Level Gauge	Reading	Dead Wild Life		
Operators								Out Of Service		Flow Volume	Birds/animals		
Initials	Date	Visual/Weekly	Visual/Weekly	Inspect Monthly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Record Weekly	Visual/Daily		
RJ	3/1/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/2/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/3/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/4/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/5/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/6/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/7/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/8/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/9/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/10/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/11/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/12/2021	Good	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/13/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/14/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/15/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/16/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/17/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/18/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/19/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/20/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/21/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/22/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/23/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/24/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/25/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/26/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/27/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/28/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/29/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/30/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		
RJ	3/31/2021	GOOD	GOOD	GOOD	1.5	2.5	1	0	0	0.34	NONE		

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Tuesday, May 3, 2022 11:43 AM
To: Liz Klein; Mike Solomon
Subject: 2RF-128 - Cottonwood Water Recycling Facility
Attachments: C-147 2RF-128 - Cottonwood Water Recycling Facility.pdf

2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430]

Ms. Klein,

NMOCD has reviewed the cessation of operations extension request for 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430], received from 3BEAR FIELD SERVICES, LLC [372603] on April 13, 2022. The extension of the cessation of operations is approved with the following conditions of approval:

- 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430] registration/permit expires on March 16, 2023.
- 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430] extension of cessation of operations is approved from August 13/2021 to January 13/2022.
- 3BEAR FIELD SERVICES, LLC [372603] will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. 3BEAR FIELD SERVICES, LLC [372603] may maintain a higher liquid level if they choose.
- 3BEAR FIELD SERVICES, LLC [372603] will provide written notice to [OCD Online](#) 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, 3BEAR FIELD SERVICES, LLC [372603] is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
 - 3BEAR FIELD SERVICES, LLC [372603] will fill the containment. 3BEAR FIELD SERVICES, LLC [372603] will pause filling operations at every 10% of total fluid capacity above the minimum level.
 - 3BEAR FIELD SERVICES, LLC [372603] will maintain the liquid level for each 10% volume increase for 24 hours and inspect and operation the leak detection system at the end of the 24-hour period.
 - If there are no liquids present in the leak detection system, 3BEAR FIELD SERVICES, LLC [372603] may proceed to fill the next 10% volume and repeat the process until the containment full design capacity minus the 3-feet of freeboard is reached.
 - If liquids are present, 3BEAR FIELD SERVICES, LLC [372603] should immediately cease the incremental fill test and perform a liner inspection. 3BEAR FIELD SERVICES, LLC [372603] should provide written notice of the fluid detection and liner inspection findings to OCD via [OCD Online](#) using a C-147 (long form) with the "Other" box checked and "Notice of fluid detection" written as the explanation of "Other."
 - Upon notification of fluid detection in the leak detection system, the OCD will verify the source of water (condensation versus produced water).
 - If the detected fluid is confirmed to be condensation, the OCD will issue a written approval to proceed with the incremental fluid level test.
 - If the detected fluid is confirmed to be produced water, 3BEAR FIELD SERVICES, LLC [372603] must comply with 19.15.34.13 NMAC. 3BEAR FIELD SERVICES, LLC [372603] must provide written notification to [OCD Online](#) 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.
- 3BEAR FIELD SERVICES, LLC [372603] 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 the [OCD Online](#) system 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 recommencement of operations will affect 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.
- 3BEAR FIELD SERVICES, LLC [372603] will continue to operate, maintain, and close 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430] 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.
- 3BEAR FIELD SERVICES, LLC [372603] may request a variance for an additional extension to the determination of cessation of operations, which will be reviewed on a case-by-case basis and evaluated on their merit. Extensions are considered for a maximum length of six months.
- **An extension of the cessation of operations request for 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430], from January 13/2022 to July 13/2022 must be submitted through [OCD Online](#) on a Form C-147 (long form) and should include the detailed inspection records for the prior three (3) months. The extension request should be submitted as soon as possible.**
- 3BEAR FIELD SERVICES, LLC [372603] must recycle at 20% of the total fluid capacity of produced water from 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430] no later than through July 13/2022 to be considered in operations.

For your next submissions, please use the editable pdf C-147 Long, here: <https://www.emnrd.nm.gov/wp-content/uploads/sites/6/C-147LongFINAL4-3-17.pdf>.

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

Regards,

Victoria Venegas • Environmental Specialist

Environmental Bureau

EMNRD - Oil Conservation Division

(575) 909-0269 | Victoria.Venegas@state.nm.us

<http://www.emnrd.state.nm.us/OCD/>



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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 98454

CONDITIONS

Operator: 3BEAR FIELD SERVICES, LLC 1200 17th Street, Suite 750 Denver, CO 80202	OGRID: 372603
	Action Number: 98454
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	NMOCD has reviewed and approved the cessation of operations extension request for 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430], received from 3BEAR FIELD SERVICES, LLC [372603] on April 13, 2022. • 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430] extension of cessation of operations is approved from August 13/2021 to January 13/2022. • An extension of the cessation of operations request for 2RF-128 - COTTONWOOD WATER RECYCLING FACILITY ID [fBGB1911347430], from January 13/2022 to July 13/2022 must be submitted through OCD Online on a Form C-147 (long form) and should include the detailed inspection records for the prior three (3) months. The extension request should be submitted as soon as possible	5/3/2022