

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 Cessation of Operations Extension Notice  
 Closure  Other (explain) 02/01/2023-08/01/2023

\* 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: Oxy USA, Inc. (For multiple operators attach page with information) OGRID #: 16696  
Address: 1600 Gehrig Dr., Midland, TX 79706  
Facility or well name (include API# if associated with a well): Turkey Track Recycling Facility and Containments  
OCD Permit Number: 2RF-111 (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr C Section 8 Township 19S Range 29E County: Eddy  
Surface Owner:  Federal  State  Private  Tribal Trust or Indian Allotment

2.  
 **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude 32.680043 Longitude -104.097398 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:** Turkey Track South Containment (2RF-111)  
 Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)  
Center of Recycling Containment (if applicable): Latitude 32.677815 Longitude -104.097039 NAD83  
 For multiple or additional recycling containments, attach design and location information of each containment  
 Lined  Liner type: Thickness 60 mil  LLDPE  HDPE  PVC  Other \_\_\_\_\_  
 String-Reinforced  
Liner Seams:  Welded  Factory  Other \_\_\_\_\_ Volume: 250,000 bbl Dimensions: L 350' x W 416' x D 16'  
 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 ft chain-link fence with barbed wire top strand

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.*

<b>General siting</b>	
<b>Ground water is less than 50 feet below the bottom of the Recycling Containment.</b> NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; topographic map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within a 100-year floodplain. FEMA map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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): Justin Steinmann Title: Environmental Advisor  
 Signature:  Date: 05/10/2023  
 e-mail address: Justin\_Steinmann@oxy.com Telephone: (713) 350-4633

11.

OCD Representative Signature: Victoria Venegas Approval Date: 05/16/2023

Title: Environmental Specialist OCD Permit Number: 2RF-111

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

**Venegas, Victoria, EMNRD**

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Tuesday, May 16, 2023 11:39 AM  
**To:** Prentice, Adrienne (L&C Safety Inc); Steinmann, Justin (Arcadis US Inc)  
**Subject:** 2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553]  
**Attachments:** C-147 - 2RF-111 - Turkey Track Recycling Facility ID [fMLB1723341553] 05.16.2023.pdf

2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553]

Good morning,

NMOCD has reviewed the extension of the cessation of operations request for 2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553] received from OXY USA INC [16696] on 05/08/2023, Application ID 214634. The cessation for operations extension request is approved with the following conditions of approval:

- 2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553] permit expires on May 9, 2023.
- Per NMAC 19.15.34.13.C extensions are considered for a maximum length of six months. 2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553] extension of cessation of operations is approved from February 1, 2023, to August 1, 2023. **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.**
- OXY USA INC [16696] will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. OXY USA INC [16696] may maintain a higher liquid level if they choose.
- OXY USA INC [16696] will provide written notice to OCD, 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, OXY USA INC [16696] is required to perform an incremental fluid level test for containment liquid levels above the minimum liquid level.
  - OXY USA INC [16696] will fill the containment. OXY USA INC [16696] will pause filling operations at every 10% of total fluid capacity above the minimum level.
  - OXY USA INC [16696] will maintain the liquid level for each 10% volume increase for 24 hours and inspect the leak detection system at the end of the 24-hour period.
  - If there are no liquids present in the leak detection system, OXY USA INC [16696] LLC 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, OXY USA INC [16696] should immediately cease the incremental fill test and perform a liner inspection. OXY USA INC [16696] should provide written notice of the fluid detection and liner inspection findings using a C-147 (long form) 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, OXY USA INC [16696] must comply with 19.15.34.13 NMAC. OXY USA INC [16696] must provide written notification to NMOCD on the actions taken to comply with 19.15.34.13 NMAC.
  - OXY USA INC [16696] 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. "Recommencement 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.

- OXY USA INC [16696] will continue to operate, maintain, and close 2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553] 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.
- OXY USA INC [16696] shall inspect the recycling containment and associated leak detection systems weekly while it contains fluids. OXY USA INC [16696] shall maintain a current log of such inspections and make the log available for review by the division upon request as per 19.15.34.13.A.
- NMOCD policy is to approve an extension to the cessation of operations for only a 6-month period. No additional extensions would be granted if during the approved extension period the containment was not utilized at a minimum of 20% total fluid capacity.

Regards,

**Victoria Venegas** • Environmental Specialist

Environmental Bureau

EMNRD - Oil Conservation Division

(575) 909-0269 | [Victoria.Venegas@emnrd.nm.gov](mailto:Victoria.Venegas@emnrd.nm.gov)

<https://www.emnrd.nm.gov/ocd/>



**Recycled Water Pond Leak Test**

Location	Date	Testing Person	Test Method	pond level	Proposed ALR (gpd)	water volume detected (gallons)	days in between (day)	leak rate (gpd)	Action Required?	Chloride PPM Between	Chloride PPM of Fluid in Containment	Comments
Turkey Track South Pond	8/4/2022	jessica franklin	Electricians Fishing Cable	7	160	0	8	0.0	NO			
Turkey Track South Pond	8/10/2022	jessica franklin	Electricians Fishing Cable	5	112	0	6	0.0	NO			
Turkey Track South Pond	8/17/2022	jessica franklin	Electricians Fishing Cable	4	90	0	7	0.0	NO			
Turkey Track South Pond	8/25/2022	jessica franklin	Electricians Fishing Cable	3	67	0	8	0.0	NO			
Turkey Track South Pond	8/31/2022	jessica franklin	Electricians Fishing Cable	3	67	0	6	0.0	NO			
Turkey Track South Pond	9/8/2022	Bubba Briones	Electricians Fishing Cable	3	67	0	8	0.0	NO			
Turkey Track South Pond	9/14/2022	jessica franklin	Electricians Fishing Cable	3	67	0	6	0.0	NO			
Turkey Track South Pond	9/21/2022	Bubba Briones	Electricians Fishing Cable	3	67	0	7	0.0	NO			
Turkey Track South Pond	9/28/2022	jessica franklin	Electricians Fishing Cable	2	45	0	7	0.0	NO			
Turkey Track South Pond	10/5/2022	Bubba Briones	Electricians Fishing Cable	2	45	0	7	0.0	NO			
Turkey Track South Pond	10/13/2022	jessica franklin	Electricians Fishing Cable	2	45	0	8	0.0	NO			
Turkey Track South Pond	10/19/2022	Bubba Briones	Electricians Fishing Cable	2	45	0	6	0.0	NO			
Turkey Track South Pond	10/26/2022	jessica franklin	Electricians Fishing Cable	2	45	0	7	0.0	NO			
Turkey Track South Pond	11/2/2022	Bubba Briones	Electricians Fishing Cable	2	45	0	7	0.0	NO			
Turkey Track South Pond	11/9/2022	jessica franklin	Electricians Fishing Cable	2	45	0	7	0.0	NO			
Turkey Track South Pond	11/16/2022	Bubba Briones	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	11/23/2022	jessica franklin	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	11/30/2022	Bubba Briones	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	12/7/2022	jessica franklin	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	12/15/2022	Bubba Briones	Electricians Fishing Cable	1	22	0	8	0.0	NO			
Turkey Track South Pond	12/21/2022	jessica franklin	Electricians Fishing Cable	1	22	0	6	0.0	NO			
Turkey Track South Pond	12/28/2022	Bubba Briones	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	1/5/2023	jessica franklin	Electricians Fishing Cable	1	22	0	8	0.0	NO			
Turkey Track South Pond	1/11/2023	Bubba Briones	Electricians Fishing Cable	1	22	0	6	0.0	NO			
Turkey Track South Pond	1/18/2023	jessica franklin	Electricians Fishing Cable	1	22	0	7	0.0	NO			
Turkey Track South Pond	1/25/2023	Bubba Briones	Electricians Fishing Cable	1	22	0	7	0.0	NO			



Oxy USA Inc.  
1600 Gehrig Drive  
Midland, TX 79706

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

May 10, 2023

**Re: Turkey Track Recycling Facility and Containment (2RF-111) Cessation of Operations Extension Request**

To Whom It May Concern,

Oxy USA Inc. ("Oxy") submits the enclosed C-147L and requests an extension of cessation of operations for the Turkey Track Recycling Facility and south containment (2RF-111) (the "Facility"), from February 1, 2023, to August 1, 2023.

Oxy is currently in the final stages of negotiations to transfer ownership of the Facility and associated containments to V-F Petroleum Inc. ("V-F"). In connection with the contemplated transfer of ownership, Oxy and V-F will coordinate the transfer of registration in accordance with NMAC 19.15.34 and the guidance from the NMOCD in an email from Ms. Victoria Venegas received on January 23, 2023, outlining the following submissions via the NMOCD website:

- Completion of the 'Transfer of Permit or Registration Form'; and
- Submission of the C-147 by V-F and an acknowledgement by V-F stating that it will abide by the terms and conditions of the registration/permit.

If the above conditions are met and the transfer of the permit is approved by the NMOCD, V-F will not be required to complete closure of the Facility, so long as they resume operation of the Facility in accordance with NMAC 19.15.34. V-F shall be responsible for providing any evidence to the NMOCD of a closure cost and bond should it desire to operate the Facility commercially.

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

Sincerely,

**Justin Steinmann**  
ENVIRONMENTAL ADVISOR  
OXY USA INC.

✉ justin\_steinmann@oxy.com

☎ (713) 350-4633

**CC:**

**John E. Lodge**

V-F PETROLEUM, INC.

500 W TEXAS AVE, MIDLAND, TX 79701

✉ john@vfpetroleum.com

☎ (432) 889-4311

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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 214634

**CONDITIONS**

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 214634
	Action Type: [C-147] Water Recycle Long (C-147L)

**CONDITIONS**

Created By	Condition	Condition Date
vvenegas	2RF-111 - Turkey Track Recycling Facility and Containment South, Facility ID [fMLB1723341553] extension of cessation of operations is approved from February 1, 2023, to August 1, 2023. 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.	5/16/2023