

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 Only

Type of action: ☐ Permit ☒ Registration ☐ Modification ☐ Closure ☐ Other (explain) \_\_\_\_\_

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: **Hilcorp Energy Company** (For multiple operators attach page with information) OGRID #: **372171**  
Address: **1111 Travis Street, Houston, Texas 77002**  
Facility or well name (include API# if associated with a well): **Reese Mesa 2 (API No.30-045-21260)**  
OCD Permit Number: **3RF-61** (For new facilities the permit number will be assigned by the district office)  
U/L or Qtr/Qtr **L** Section **12** Township **032N** Range **08W** County: **San Juan**  
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.  
☒ **Recycling Facility:**  
Location of recycling facility (if applicable): Latitude **36.99725** Longitude **-107.63252** 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 ☐ Activity permitted under 19.15.17 NMAC explain type \_\_\_\_\_  
☐ Activity permitted under 19.15.36 NMAC explain type: \_\_\_\_\_ ☐ Other explain \_\_\_\_\_  
☐ **Closure Report (required within 60 days of closure completion):** ☐ Recycling Facility Closure Completion Date: \_\_\_\_\_

3.  
**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.**

4.  
**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): **Mitch Killough** Title: **Environmental Specialist**  
Signature: **Mitch Killough** Date: **8/9/2023**  
e-mail address: **(2141) mkillough@hilcorp.com** Telephone: **713-757-5247**  
Digitally signed by Mitch Killough (2141)  
DN: cn=Mitch Killough (2141)  
Date: 2023.08.09 14:05:44 -05'00'

5.  
OCD Representative Signature: **Victoria Venegas** Approval/Registration Date: **08/18/2023**  
Title: **Environmental Specialist** OCD Permit Number: **3RF-61**  
☒ OCD Conditions \_\_\_\_\_  
☐ Additional OCD Conditions on Attachment

**Venegas, Victoria, EMNRD**

---

**From:** Venegas, Victoria, EMNRD  
**Sent:** Friday, August 18, 2023 1:38 PM  
**To:** Mitch Killough  
**Subject:** 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206]  
**Attachments:** C-147 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206].pdf

Good morning Mr. Killough,  
NMOCDD has reviewed the facility registration submitted by [372171] HILCORP ENERGY COMPANY on 08/09/2023, for 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] in L-12-32N-08W, San Juan County, NM. The registration is approved with the following conditions of approval:

- 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] registration expires on 08/09/2028.
- The recycling facility consists of 7 x 400-bbl (vertical, welded steel) storage tanks for re-use of produce water during drilling and completions.
- Water reuse and recycling from 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] is limited to wells owned and operated by [372171] HILCORP ENERGY COMPANY.
- [372171] HILCORP ENERGY COMPANY will continue to operate, maintain and close the 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] in accordance with 19.15.34 NMAC, to include, but is not limited to, detailed inspection records, garbage disposal/containment oil and monthly C-148 report (even if there is no activity).

Regards,

**Victoria Venegas** • Environmental Specialist  
Environmental Bureau  
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)  
<https://www.emnrd.nm.gov/ocd/>



**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**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

COMMENTS

Action 250168

COMMENTS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 250168
	Action Type: [C-147] Water Recycle Short (C-147S)

COMMENTS

Created By	Comment	Comment Date
vvenegas	• 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] registration expires on 08/09/2028. • The recycling facility consists of 7 x 400-bbl (vertical, welded steel) storage tanks for re-use of produce water during drilling and completions. • Water reuse and recycling from 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] is limited to wells owned and operated by [372171] HILCORP ENERGY COMPANY. • [372171] HILCORP ENERGY COMPANY will continue to operate, maintain and close the 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] in accordance with 19.15.34 NMAC, to include, but is not limited to, detailed inspection records, garbage disposal/containment oil and monthly C-148 report (even if there is no activity).	8/18/2023

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**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 250168

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 250168
	Action Type: [C-147] Water Recycle Short (C-147S)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] registration expires on 08/09/2028. • The recycling facility consists of 7 x 400-bbl (vertical, welded steel) storage tanks for re-use of produce water during drilling and completions. • Water reuse and recycling from 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] is limited to wells owned and operated by [372171] HILCORP ENERGY COMPANY. • [372171] HILCORP ENERGY COMPANY will continue to operate, maintain and close the 3RF-61 - REESE MESA 2 (API No. 30-045-21260) FACILITY ID [fVV2323035206] in accordance with 19.15.34 NMAC, to include, but is not limited to, detailed inspection records, garbage disposal/containment oil and monthly C-148 report (even if there is no activity).	8/18/2023