



Spur Energy Partners
Operator: 328947
Cover Letter for C-147L Extension Request
Permit 2RF-177 -WELCH RECYCLING CONTAINMENT FACILITY [fVV2218238489]

Ms. Venegas:

The facility mentioned above was never constructed, and for that reason Spur Energy Partners is requesting a one-year extension for this permit. C-148s have been submitted reporting 0 volumes. Spur does not have weekly inspection logs for the liner or leak detection system because this facility still has not been constructed. When the time comes, all reports will be submitted in a timely manner.

Regards,
Sarah Chapman

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: [X] Recycling Facility [X] Recycling Containment*
Type of action: [] Permit [] Registration
[] Modification [X] Extension
[] Closure [X] Other (explain) 02/28/2024 through 02/28/2025

* 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: SPUR ENERGY PARTNERS LLC (For multiple operators attach page with information) OGRID #: 328947
Address: 9655 KATY FREEWAY, SUITE 500, HOUSTON, TX 77024
Facility or well name (include API# if associated with a well): WELCH RECYCLING CONTAINMENT A (settling)
OCD Permit Number: 2RF-177 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr L Section 27 Township 17S Range 28E County: EDDY
Surface Owner: [] Federal [X] State [] Private [] Tribal Trust or Indian Allotment

2. [X] Recycling Facility:
Location of recycling facility (if applicable): Latitude 32.804126 Longitude -104.168845 NAD83
Proposed Use: [X] Drilling* [X] Completion* [X] Production* [X] 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.
[X] Fluid Storage
[] Above ground tanks [X] 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. [X] 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 32.803874 Longitude -104.168230 NAD83
[] For multiple or additional recycling containments, attach design and location information of each containment
[X] Lined [X] Liner type: Thickness 40-MIL (SECONDARY) 60-MIL (PRIMARY) mil [X] LLDPE [X] HDPE [] PVC [] Other
[] String-Reinforced
Liner Seams: [X] Welded [X] Factory [X] Other FIELD WELDS Volume: 50,000 bbl Dimensions: L 200 x W 200 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 CHAIN LINK FENCE WITH BARBED WIRE

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	<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): SARAH CHAPMAN Title: REGULATORY DIRECTOR

Signature: *Sarah Chapman* Date: 01/18/2024

e-mail address: SCHAPMAN@SPURENERGY.COM Telephone: 832-930-8613

11.

OCD Representative Signature: *Victoria Venegas* Approval Date: 02/16/2024

Title: Environmental Specialist OCD Permit Number: 2RF-177

OCD Conditions _____

Additional OCD Conditions on Attachment

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Friday, February 16, 2024 9:55 AM
To: Sarah Chapman
Subject: 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489]
Attachments: C-147 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489]
02.16.2024.pdf

2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489]

Good morning Ms. Chapman,

NMOCD has reviewed the determination of registration/permit annual extension request for 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489], received from [328947] SPUR ENERGY PARTNERS LLC on 02/06/2024. The registration/permit extension request is approved with the following conditions of approval:

- 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of February 28, 2024. The new registration/permit expiration date is February 28, 2025.
- [328947] SPUR ENERGY PARTNERS LLC will continue to operate, maintain, and close the 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489] 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 (NMAC 19.15.34.13); 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.
- [328947] SPUR ENERGY PARTNERS LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [328947] SPUR ENERGY PARTNERS LLC 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 Online](#). A request to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 long form through [OCD Online](#).
- OCD will grant an additional 6 months to operate the containment if all the requirements of 19.15.34 are met. However, if after that 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 per 19.15.34.14.
- The recycling containment is bonded pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC. Water reuse and recycling from 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489] is limited to wells owned or operated by [328947] SPUR ENERGY PARTNERS LLC.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [328947] SPUR ENERGY PARTNERS LLC 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-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489].
- [328947] SPUR ENERGY PARTNERS LLC will comply with all other OCD rules.
- [328947] SPUR ENERGY PARTNERS LLC must perform weekly inspections of the containment and leak detection system.
- If [328947] SPUR ENERGY PARTNERS LLC wishes to extend the registration/permit past February 28, 2025, 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 the [OCD Online](#) system 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 January 28, 2025.

NOTE: 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489] was never constructed, and for that reason Spur Energy Partners is requesting a one-year extension for this permit. C-148s have been submitted reporting 0 volumes. [328947] SPUR ENERGY PARTNERS LLC does not have weekly inspection logs for the liner or leak detection system because this facility still has not been constructed.

Please let me know if you have any additional questions.
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
<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

CONDITIONS
 Action 311746

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 311746
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	• 2RF-177 - WELCH RECYCLING CONTAINMENT A FACILITY ID [fVV2218238489] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of February 28, 2024. The new registration/permit expiration date is February 28, 2025. • If [328947] SPUR ENERGY PARTNERS LLC wishes to extend the registration/permit past February 28, 2025, a registration/permit extension request must be submitted to OCD no later than January 28, 2025.	2/16/2024