

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 October 11, 2022

https://www.emnrd.nm.gov/ocd/ocd-e-permitting/

Recycling Facility and/or Recycling Containment

Type of Facility: Recycling Facility Recycling Containment*

Type of action: Permit Registration
 Modification Extension
 Closure Other (explain) Annual Extension

Annual Extension from 6/14/2026 to 6/14/2027

* 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: Hydrosource Logistics Waste Management, LLC (For multiple operators attach page with information) OGRID #: 332820

Address: 600 N. Marienfeld St., Ste. 800 Midland, TX 79701

Facility or well name (include API# if associated with a well): McCloy West Recycling Facility

OCD Permit Number: IRF-443 (For new facilities the permit number will be assigned by the district office)

U/L or Qtr/Qtr _____ Section 15 Township 24S Range 32E County: Lea

Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.

Recycling Facility:

Location of recycling facility (if applicable): Latitude: No 32.213014 So. 32.211464 Longitude: No -103.661814 So. -103.66142 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.

X 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

X Lined Liner type: Thickness 60 mil LLDPE HDPE PVC Other _____

String-Reinforced

Liner Seams: Welded Factory Other _____

Volume: North 326,176 South 621,336 bbl Dimensions: L North 600'L x 230'W x 25'D South 480'L x 480'W x 25'D 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 \$ 329,200.00 (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 _____

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 checked="" type="checkbox"/> Yes <input 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): Tim Jurco Title: Manager
 Signature:  Date: 5/14/2026
 e-mail address: tim.jurco@hydrosourcelogistics.com Telephone: 303-968-0887

11. **OCD Representative Signature:** Victoria Venegas **Approval Date:** 06/10/2026
Title: Senior Environmental Scientist **OCD Permit Number:** 1RF-443
 OCD Conditions fBGB1924149220
 Additional OCD Conditions on Attachment

McCloy West Recycling Facility (1RF - 443) Summary of Inspect

DATE	BIRD DETERRENT	FLUID IN LEAK DETECTION	FENCE	BERM OR LINER
May-25	None	None	None	None
June-25	None	None	None	None
July-25	None	None	None	None
August-25	None	None	None	None
September-25	None	None	None	None
October-25	None	None	None	None
November-25	None	None	None	None
December-25	None	None	None	None
January-26	None	None	None	None
February-26	None	None	None	None
March-26	None	None	None	None
April-26	None	None	None	None

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NOTES
<i>recevied fluids in North pond</i>
<i>recevied fluids in North pond</i>
<i>No fluid activity</i>
<i>No fluid activity</i>
<i>No fluid activity</i>
<i>No fluid activity</i>
<i>recevied fluids in North pond</i>
<i>recevied fluids in North and South ponds</i>
<i>recevied fluids in North and South ponds</i>
<i>No fluid activity</i>
<i>No fluid activity</i>
<i>No fluid activity</i>

McCloy West Recycling Facility (1RF - 443) Summary of Inspections

DATE	BIRD DETERRENT ISSUES	FLUID IN LEAK DETECTION	FENCE ISSUES	BERM OR LINER ISSUES	NOTES
5/14/2025	None	None	None	None	received fluids in North pond
5/21/2025	None	None	None	None	received fluids in North pond
5/28/2025	None	None	None	None	received fluids in North pond
6/4/2025	None	None	None	None	received fluids in North pond
6/11/2025	None	None	None	None	received fluids in North pond
6/18/2025	None	None	None	None	received fluids in North pond
6/25/2025	None	None	None	None	received fluids in North pond
7/2/2025	None	None	None	None	no fluid activity
7/9/2025	None	None	None	None	no fluid activity
7/16/2025	None	None	None	None	no fluid activity
7/23/2025	None	None	None	None	no fluid activity
7/30/2025	None	None	None	None	no fluid activity
8/6/2025	None	None	None	None	received fluids in North pond
8/13/2025	None	None	None	None	received fluids in North pond
8/20/2025	None	None	None	None	received fluids in North pond
8/27/2025	None	None	None	None	received fluids in North pond
9/3/2025	None	None	None	None	received fluids in North pond
9/10/2025	None	None	None	None	received fluids in North pond
9/17/2025	None	None	None	None	received fluids in North pond
9/24/2025	None	None	None	None	received fluids in North pond
10/1/2025	None	None	None	None	received fluids in North pond
10/8/2025	None	None	None	None	received fluids in North pond
10/15/2025	None	None	None	None	received fluids in North pond
10/22/2025	None	None	None	None	received fluids in North pond
10/29/2025	None	None	None	None	received fluids in North pond
11/5/2025	None	None	None	None	received fluids in North pond
11/12/2025	None	None	None	None	received fluids in North pond
11/19/2025	None	None	None	None	received fluids in North pond
11/26/2025	None	None	None	None	received fluids in North pond
12/3/2025	None	None	None	None	received fluids in North pond
12/10/2025	None	None	None	None	received fluids in North pond
12/17/2025	None	None	None	None	received fluids in North pond
12/24/2025	None	None	None	None	received fluids in North pond
12/31/2025	None	None	None	None	received fluids in North pond
1/7/2026	None	None	None	None	received fluids in North and South ponds
1/14/2026	None	None	None	None	received fluids in North and South ponds
1/21/2026	None	None	None	None	received fluids in North and South ponds
1/28/2026	None	None	None	None	received fluids in North and South ponds
2/4/2026	None	None	None	None	no fluid activity
2/11/2026	None	None	None	None	no fluid activity
2/18/2026	None	None	None	None	no fluid activity
2/25/2026	None	None	None	None	no fluid activity
3/4/2026	None	None	None	None	received fluids in North pond
3/11/2026	None	None	None	None	received fluids in North pond
3/18/2026	None	None	None	None	received fluids in North pond
3/25/2026	None	None	None	None	received fluids in North pond
4/1/2026	None	None	None	None	no fluid activity
4/8/2026	None	None	None	None	no fluid activity
4/15/2026	None	None	None	None	no fluid activity
4/22/2026	None	None	None	None	no fluid activity
4/29/2026	None	None	None	None	no fluid activity
5/6/2026	None	None	None	None	received fluids in North pond
5/13/2026	None	None	None	None	received fluids in North pond

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, June 10, 2026 8:38 AM
To: tim.jurco@hydrosourcelogistics.com
Subject: 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220]
Attachments: C-147 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220]
06.10.2026.pdf

1RF-443 - MCCLOY WEST RECYCLING FACILITY [FBGB1924149220].

Good morning Mr. Jurco.

NMOCD has reviewed the registration/permit extension request for 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220] received from [332820] Hydrosource Logistics Waste Management, LLC on 06/05/2026, Application ID **592338**. The registration/permit extension request is approved with the following conditions of approval:

- The 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of June 14, 2026. The new registration/permit expiration date is June 14, 2027.
- [332820] Hydrosource Logistics Waste Management, LLC will continue to operate, maintain, and close the 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220] 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 from C-148.
- [332820] Hydrosource Logistics Waste Management, LLC will maintain a liquid level in the containment that is at least equal to the weight of the liner plus 20%. [332820] Hydrosource Logistics Waste Management, 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. An extension to extend the cessation of operations, not to exceed six months, may be submitted using a C-147 form through the OCD Online system. 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.
- A minimum of 3-feet freeboard must be maintained in the recycling containment at all times.
- [332820] Hydrosource Logistics Waste Management, 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 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220]. [332820] Hydrosource Logistics Waste Management, LLC will comply with all other OCD rules.
- [332820] Hydrosource Logistics Waste Management, LLC must perform weekly inspections of the containment and leak detection system.
- If [332820] Hydrosource Logistics Waste Management, LLC wishes to extend the registration/permit past June 14, 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 through OCD Online 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 May 14, 2027.

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@emnrn.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 592338

CONDITIONS

Operator: Hydrosorce Logistics Waste Management, LLC 600 N. Marienfeld Midland, TX 79701	OGRID: 332820
	Action Number: 592338
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	The 1RF-443 - MCCLOY WEST RECYCLING FACILITY [fBGB1924149220] is approved for one (1) year of operation from the date of the previous registration/permit expiration date of June 14, 2026. The new registration/permit expiration date is June 14, 2027. If [332820] Hydrosorce Logistics Waste Management, LLC wishes to extend the registration/permit past June 14, 2027, a registration/permit extension request must be submitted to OCD no later than May 14, 2027.	6/10/2026