

OCD received
on
3/16/2018

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

FAB1810837464

Type of Facility: ☒ Recycling Facility ☒ Recycling Containment*
Type of action: ☒ Permit ☒ Registration
☐ Modification ☐ Extension
☐ Closure ☐ Other (explain) _____

* 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: 3Bear Field Services, LLC (For multiple operators attach page with information) OGRID #: 372603
Address: 1512 Larimer Street, Suite 540, Denver CO. 80202
Facility or well name (include API# if associated with a well): Cottonwood Recycling Facility
OCD Permit Number: 2RF-128 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr SW/4 Section 20 Township 26 South Range 26 East County: Eddy
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Recycling Facility:** (Section 26, T20S, R34E)
Location of recycling facility (if applicable): Latitude 32.021682 °N Longitude -104.318203 °W WGS84
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:** (Section 20, T26S, R26E; "TANK 3")
☐ Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 32.021682 °N Longitude -104.318203 °W WGS84
☒ For multiple or additional recycling containments, attach design and location information of each containment
☒ Lined ☐ Liner type: Thickness 40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 44,448 bbl Dimensions: L 190' x W N/A x D 12' (height)
☐ Recycling Containment Closure Completion Date: _____

3.

☑ Recycling Containment: (Section 20, T26S, R26E; "TANK 1") **NOTE: ADDITIONAL 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 32.021338 °N Longitude -104.318868 °W WGS84☒ For multiple or additional recycling containments, attach design and location information of each containment☒ Lined ☐ Liner type: Thickness 40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____☐ String-ReinforcedLiner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 44,448 bbl Dimensions: L 190' x W N/A x D 12' (height)☐ Recycling Containment Closure Completion Date: _____

3.

☑ Recycling Containment: (Section 20, T26S, R26E; "TANK 2") **NOTE: ADDITIONAL 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 32.021993 °N Longitude -104.318881 °W WGS84☒ For multiple or additional recycling containments, attach design and location information of each containment☒ Lined ☐ Liner type: Thickness 40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____☐ String-ReinforcedLiner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 44,448 bbl Dimensions: L 190' x W N/A x D 12' (height)☐ Recycling Containment Closure Completion Date: _____

3.

☑ Recycling Containment: (Section 20, T26S, R26E; "TANK 4") **NOTE: ADDITIONAL 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 32.021989 °N Longitude -104.317677 °W WGS84☒ For multiple or additional recycling containments, attach design and location information of each containment☒ Lined ☐ Liner type: Thickness 40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____☐ String-ReinforcedLiner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 44,448 bbl Dimensions: L 190' x W N/A x D 12' (height)☐ Recycling Containment Closure Completion Date: _____

3.

☑ Recycling Containment: (Section 20, T26S, R26E; "TANK 5") **NOTE: ADDITIONAL 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 32.021334 °N Longitude -104.317703 °W WGS84☒ For multiple or additional recycling containments, attach design and location information of each containment☒ Lined ☐ Liner type: Thickness 40 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____☐ String-ReinforcedLiner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 44,448 bbl Dimensions: L 190' x W N/A x D 12' (height)☐ 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 \$ 2,811,302 (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 Six-foot high, chain-link fencing, with 3-strand barb-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

☒ 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 (FEMA MAP DATA NOT AVAILABLE FOR PROPERTY)

☐ 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)

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): Scott SpicherTitle: Vice PresidentSignature: Date: 3-16-18e-mail address: scott@3bearllc.comTelephone: 303-862-3960

11.

OCD Representative Signature: per review of Bradford Billings - CNApproval Date: 4/17/18Title: Environmental specialistOCD Permit Number: 2RF-128☐ OCD Conditions☒ Additional OCD Conditions on Attachment