

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

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

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.

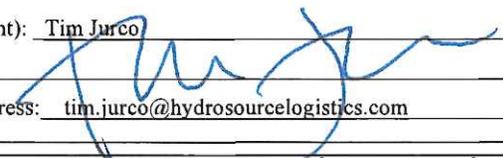
Yes No

- 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): Tim Jurco Title: Manager
 Signature:  Date: 5/12/25
 e-mail address: tim.jurco@hydrosourcelogistics.com Telephone: 303-968-0887

11. **OCD Representative Signature:** Victoria Venegas **Approval Date:** 05/21/2025
Title: Environmental Specialist **OCD Permit Number:** 1RF-443

- OCD Conditions _____
- Additional OCD Conditions on Attachment _____

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

Week of	BIRD DETERRENT	FLUID IN LEAK DETECTION	FENCE	BERM ISSUES	LINER ISSUES	NOTES
5/3/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
5/10/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
5/17/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
5/24/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
5/31/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
6/7/2024	None	None	Good	None	Good North Cell	No fluid activity
6/14/2024	None	None	Good	None	Good North Cell	No fluid activity
6/21/2024	None	None	Good	None	Good North Cell	No fluid activity
6/28/2024	None	None	Good	None	Good North Cell	No fluid activity
7/5/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
7/12/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
7/19/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
7/26/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
8/2/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
8/9/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
8/16/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
8/23/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
8/30/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
9/6/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
9/13/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
9/20/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
9/27/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
10/4/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
10/11/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
10/18/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
10/25/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
11/1/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
11/8/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
11/15/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
11/22/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
11/29/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
12/6/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
12/13/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
12/20/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
12/27/2024	None	None	Good	None	Good North Cell	Received fluids in North pond
1/3/2025	None	None	Good	None	Good North Cell	No fluid activity
1/10/2025	None	None	Good	None	Good North Cell	No fluid activity
1/17/2025	None	None	Good	None	Good North Cell	No fluid activity
1/24/2025	None	None	Good	None	Good North Cell	No fluid activity
1/31/2025	None	None	Good	None	Good North Cell	No fluid activity
2/7/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
2/14/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
2/21/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
2/28/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
3/7/2025	None	None	Good	None	Good North Cell	No fluid activity
3/14/2025	None	None	Good	None	Good North Cell	No fluid activity
3/21/2025	None	None	Good	None	Good North Cell	No fluid activity
3/28/2025	None	None	Good	None	Good North Cell	No fluid activity
4/4/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
4/11/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
4/18/2025	None	None	Good	None	Good North Cell	Received fluids in North pond
4/25/2025	To be installed June 2025	None	Good	None	Good North Cell	Received fluids in North pond

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, May 21, 2025 10:30 AM
To: tim.jurco@hydrosourcelogistics.com
Subject: 1RF-443 - MCCLOY WEST RECYCLING FACILITY [FBGB1924149220].
Attachments: C-147 1RF-443 - MCCLOY WEST RECYCLING FACILITY [FBGB1924149220]
05.21.2025.pdf

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

Good morning Mr. Jurco.

The NMOCDC has reviewed the registration/permit extension request for 1RF-443 - MCCLOY WEST RECYCLING FACILITY [FBGB1924149220] received from [332820] Hydrosourcelogistics Waste Management, LLC on May 13, 2024, Application ID 461456. 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, 2025. The new registration/permit expiration date is June 14, 2026.
- [332820] Hydrosourcelogistics 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] Hydrosourcelogistics 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] Hydrosourcelogistics 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] Hydrosourcelogistics 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] Hydrosourcelogistics Waste Management, LLC will comply with all other OCD rules.
- [332820] Hydrosourcelogistics Waste Management, LLC must perform weekly inspections of the containment and leak detection system.
- If [332820] Hydrosourcelogistics Waste Management, LLC wishes to extend the registration/permit past June 14, 2026, 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, 2026.

Please let me know if you have any further questions or concerns.
Regards,

Victoria Venegas • Environmental Specialist Advanced
EMNRD - Oil Conservation Division
506 W. Texas Ave. Artesia, NM 88210
575.909.0269 | Victoria.Venegas@emnrn.nm.gov

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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 461456

CONDITIONS

Operator: Hydrosorce Logistics Waste Management, LLC 600 N. Marienfeld Midland, TX 79701	OGRID: 332820
	Action Number: 461456
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	<ul style="list-style-type: none"> 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, 2025. The new registration/permit expiration date is June 14, 2026. • If [332820] Hydrosorce Logistics Waste Management, LLC wishes to extend the registration/permit past June 14, 2026, a registration/permit extension request must be submitted to OCD no later than May 14, 2026. 	5/21/2025