



Tony Vallejo

Sr. Environmental Regulatory Specialist, Air & Environmental Team

September 23, 2025

Via Electronic Submittal

Dear NMOCD Representative,

Chevron USA Inc. requests closure of the C-147 registration for 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fV2129439449 due to Chevron USA Inc. will not be constructing this AST. The C-147 was submitted on October 19, 2021, and approved on October 26, 2021.

Respectfully,

Tony Vallejo

Chevron U.S.A. Inc.

6301 Deauville Blvd, Midland, TX 79706

O: 432-687-7524 Mobile 325-450-1413

jvallejo@chevron.com

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

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: Chevron U.S.A. Inc. (For multiple operators attach page with information) OGRID #: 4323
Address: 6301 Deauville Blvd, Midland, TX 79706
Facility or well name (include API# if associated with a well): Dagger Lake Sec 4 AST Containment
OCD Permit Number: 1RF-475 (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr I Section 4 Township 22 South Range 33 East County: Lea
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Recycling Facility:**
Location of recycling facility (if applicable): Latitude _____ Longitude _____ 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 ☐ 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:** Produced Water Aboveground Storage Tank (AST)
☐ Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 32.417858 Longitude -103.569555 NAD83
☐ For multiple or additional recycling containments, attach design and location information of each containment
☒ Lined ☒ Liner type: Thickness 2 x 30 mil LLDPE, 1 x 40 mil HDPE ☒ LLDPE ☒ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☒ Welded ☐ Factory ☐ Other _____ Volume: 60,000 bbl Dimensions: L (Diameter) 189' x W _____ x D 12'
☐ 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 _____

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): Tony Vallejo Title: Sr Environmental Regulatory Specialist

Signature: Tony Vallejo Date: 9/23/2025

e-mail address: jvallejo@chevron.com Telephone: O: 432-687-7524 or C: 325-450-1413

11.

OCD Representative Signature: Victoria Venegas Approval Date: 10/15/2025

Title: Environmental Specialist OCD Permit Number: 1RF-475

- ☐ OCD Conditions
- ☐ Additional OCD Conditions on Attachment

Venegas, Victoria, EMNRD

From: Venegas, Victoria, EMNRD
Sent: Wednesday, October 15, 2025 11:11 AM
To: Vallejo, Tony
Subject: 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449
Attachments: C-147 1RF-475 - DAGGER LAKE SEC 4 AST CONTAINMENT - FACILITY ID fVV2129439449 10.15.2025.pdf

1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449

Good morning, Mr. Vallejo.

NMOD has reviewed the registration/permit closure request for 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449, received from [4323] CHEVRON USA INC on 09/23/2025, Application ID **505234**. [4323] CHEVRON USA INC requested closure of permit 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449 because [4323] CHEVRON USA INC will not be constructing this AST. The closure of permit 1RF-475 has been approved.

Please let me know if you have any additional questions.

Regards,

Victoria Venegas • Senior Environmental Scientist
EMNRD - Oil Conservation Division
506 W. Texas Ave. Artesia, NM 88210
575.909.0269 | Victoria.Venegas@emnrd.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 508350

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 508350
	Action Type: [C-147] Water Recycle Long (C-147L)

CONDITIONS

Created By	Condition	Condition Date
venegas	NMOD has reviewed the registration/permit closure request for 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449, received from [4323] CHEVRON USA INC on 09/23/2025, Application ID 505234. [4323] CHEVRON USA INC requested closure of permit 1RF-475 Dagger Lake Sec 4 AST Containment - Facility ID fVV2129439449 because [4323] CHEVRON USA INC will not be constructing this AST. The closure of permit 1RF-475 has been approved.	10/15/2025