

## Venegas, Victoria, EMNRD

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**From:** Venegas, Victoria, EMNRD  
**Sent:** Thursday, December 17, 2020 4:03 PM  
**To:** 'Kem Ramnath <KRamnath@advanceenergypartners.com>'; 'David Harwell'; Bratcher, Mike, EMNRD  
**Cc:** Billings, Bradford, EMNRD; 'r@rthicksconsult.com'; 'laura@rthicksconsult.com'  
**Subject:** 1RF-459 Dagger Containment and Recycling Facility - Conditions of Approval. ADVANCE ENERGY PARTNERS HAT MESA, LLC.

### 1RF-459 Dagger Containment and Recycling Facility

Mr. Harwell,

The New Mexico Oil Conservation Division has reviewed the recycling containment permit application and related documents, submitted by ADVANCE ENERGY PARTNERS HAT MESA, LLC [372417] on June 11, 2020, for the proposed Dagger Containment and Recycling Facility in Unit Letter H, Section 30, T-21S, R-33E, in Lea County, New Mexico. The application has been assigned the OCD Administrative Order number **1RF-459**.

ADVANCE ENERGY PARTNERS HAT MESA, LLC requested variances from 19.15.34 NMAC for the proposed Dagger Containment and Recycling Facility 1RF-459 related to 19.15.34. NMAC

The following variances have been approved.

- The variance to 19.15.34.14 NMAC Table I for the use of alternate analytical method 8015/8015M for total petroleum hydrocarbons (TPH) is approved.
- The variance to 19.15.34.14 NMAC Table I for the use of alternate analytical method EPA 300.0 or SM4500 for the analysis of chloride is approved.
- The variance to 19.15.34.12 A (4) NMAC for the installation on the earthen containment of a 40-mil HDPE as a secondary liner is approved.
- The variance from 19.15.34.13.D NMAC, which requires the installation of a game fence, eight (8) feet in height is approved.
- The variance from 19.15.34.13.E NMAC for the installation of an audible bird deterrence system, a Bird-X Mega-Blaster, is approved.

The form C-147 and related documents for the proposed Dagger Containment and Recycling Facility 1RF-459 is approved with the following conditions of approval:

- ADVANCE ENERGY PARTNERS HAT MESA, LLC, shall construct, operate, maintain, close, and reclaim the Dagger Containment and Recycling Facility in compliance with 19.15.34 NMAC.
- The Dagger Containment and Recycling Facility 1RF-459 is approved for five (5) years of operation from the date of permit application. OCD received the permit application on June 11, 2020. The Dagger Containment and Recycling Facility 1RF-459 permit expires on June 11, 2025. If ADVANCE ENERGY PARTNERS HAT MESA, LLC wishes to extend operations past five (5) years, an annual permit extension request must be submitted using an OCD form C-147 through the [OCD Online](#) system by April 11, 2025.
- ADVANCE ENERGY PARTNERS HAT MESA, LLC shall notify OCD when recycling operations commence and cease at the Dagger Containment and Recycling Facility 1RF-459.
- A minimum of 3-feet freeboard must be maintained in the recycling containment, at all times during operations.
- If less than 20% of the total fluid capacity is utilized every six months, beginning from the first withdrawal, operation of the facility is considered ceased and notification of cessation of operations should be sent electronically to [OCD.Enviro@state.nm.us](mailto:OCD.Enviro@state.nm.us). An extension to extend the cessation of operation, not to exceed six months, may be submitted using a C-147 form to through the [OCD Online](#) system.

- ADVANCE ENERGY PARTNERS HAT MESA, LLC shall submit monthly reports of recycling and reuse of produced water, drilling fluids, and liquid oil field waste on via OCD form C-148 through the [OCD Online](#) system.
- ADVANCE ENERGY PARTNERS HAT MESA, LLC shall comply with 19.15.29 NMAC Releases in the event of any release of produced water or other oil field wastes at Dagger Containment and Recycling Facility

Please reference number **1RF-459** in all future communications related to Dagger Containment and Recycling Facility.

Please keep a copy of this electronic communication for your files, as no paper copy of the approval will be delivered. A copy of this electronic communication will be saved in 1RF-459 electronic file on OCD Imaging at:  
<https://ocdimage.emnrd.state.nm.us/imaging/AEOrderFileView.aspx?appNo=pVV2035250870>

Finally, please note that as of December 9<sup>th</sup>, 2020, the Oil Conservation Division announced the first phase of an ongoing paperless initiative project, with the launch of new online submission forms in the OCD Online system. All non-fee type applications, including Form C-147 and all related documents and Form C-148, must be submitted via OCD's [OCD Online](#) system. For any questions regarding the updated system, contact [OCD.Fees@state.nm.us](mailto:OCD.Fees@state.nm.us).

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

Regards,

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