

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: OWL SWD Operating, LLC (For multiple operators attach page with information) OGRID #: 308339
Address: 8214 Westchester Dr., Suite 850, Dallas, Texas
Facility or well name (include API# if associated with a well): Fulfer Produced Water Impoundment
OCD Permit Number: _____ (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr _____ Section 25 Township 25 S Range 36 E County: Lea
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.
 Recycling Facility:
Location of recycling facility (if applicable): Latitude 32.097730 Longitude -103.219018 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:
 Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 32.097730 Longitude -103.219018 NAD83
 For multiple or additional recycling containments, attach design and location information of each containment
 Lined Liner type: Thickness 40-mil (secondary), 60-mil (primary) LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other field welds Volume: 500,000 bbl Dimensions: L 625 x W 400 x D 18
 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 Chain Link Game Fence

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 type="checkbox"/> Yes <input checked="" 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:

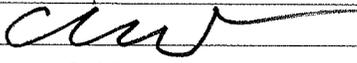
Instructions: Each of the following items must be attached to the application. Indicate, by a check mark in the box, that the documents are attached.

- 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): T. Chris Cooper Title: CEO
 Signature:  Date: _____
 e-mail address: cocooper@oilfieldwaterlogistics.com Telephone: (214 292-2011)

11.

OCD Representative Signature:  Approval Date: October 10, 2017
 Title: Environmental Specialist OCD Permit Number: 1RF-23
 OCD Conditions _____
 Additional OCD Conditions on Attachment _____

fOY1728349023

pOY1728349225

June 14, 2017

Tomas Oberding, PhD
New Mexico EMNRD
Oil conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Rule 34 Variance Request – Fulfer Produced Water Impoundment

Dr. Oberding:

Oilfield Water Logistics, LLC (OWL) is requesting a variance to rule 34 part 12(A)(4) requiring secondary liners to be 30-mil string reinforced LLDPE. OWL is requesting approval to use 40-mil LLDPE in place of the specified material. Based on advice from our liner companies and internal experience, we feel that the requested material will allow us to provide greater environmental protection in our impoundments.

Due to the construction of the 30-mil reinforced LLDPE material, nondestructive QA/QC testing cannot be performed. The proposed 40-mil LLDPE will be seamed in a manner that will allow nondestructive pressure testing of the seams to ensure proper sealing.

The proposed LLDPE is appropriate material for the proposed use in the impoundment, and is compatible with the material that will be stored. This material will provide equal or better environmental protection as the specified 30-mil reinforced LLDPE. Attached with this request is a sample specification sheet for the LLDPE with the proposed material highlighted.

The proposed new liner system cross-section is as follows: prepare subgrade, 10 oz. geotextile, 40-mil LLDPE, 200-mil geonet, 60-mil HDPE (smooth on bottom, textured on slopes). This will replace the cross-section required by the current rule and submitted with the original permit application.

If you have any questions, please contact me by phone at 580-234-8780 or by email at jstallings@envirotechconsulting.com.

Sincerely,



Jimmy Stallings, PE

Enclosure