



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



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1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

September 12, 1994

Torreon Oil Company
Attn Noel Reynolds
POB 356
Flora Vista, NM 87415

RE: Produced Water Discharges San Luis Federal #11, J-21-18N-03W, Sandoval County,
New Mexico

Dear Mr. Reynolds:

Produced water at the San Luis Federal #11 well is being discharged to earthen pits for beneficial use. Such produced water must not be allowed to enter a waterway of the United States which includes dry arroyos and intermittent streams. Produced water from the separator to the initial skimmer pond is to be isolated from livestock and wildlife by netting, fencing or other means. An overflow pipe with a siphon breaker is to be installed from the skimmer pond to the initial stock tank to catch any oil from a separator upset. The initial stock tank needs to be enlarged and the secondary stock tank located down slope from the initial pond needs to have its capacity increased significantly to prevent accidental discharge of produced water to a waterway of the United States. No produced water is to overflow the stock ponds and reach a waterway of the United States. If these requirements are met there should be no problems continuing to put this produced water to beneficial use.

Any other wells with produced water discharges for beneficial use must utilize the same safeguards.

If you have questions please call Denny Foust or Frank Chavez at 334-6178.

Yours truly,

Denny G. Foust
Environmental Geologist

XC: ~~Well~~ File Environmental File
DGF File Pat Hester - BLM