Entered Alecember 26, 1967

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 3693 Order No. R-3360

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR AN EXCEPTION TO ORDER NO. R-3221, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 29, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 26th day of December, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That Order (6) of Order No. R-3221, dated May 1, 1967, requires that each unlined pit used for the disposal of water produced in conjunction with the production of oil or gas, or both, and not otherwise exempt, be filled, leveled, and compacted within six months after its use for the disposal of produced water is prohibited or by November 1, 1967, whichever date is later.
- (3) That Order No. R-1224-A, dated October 25, 1958, prohibited the surface disposal of oil field brines in unlined pits in the Denton Field, effective December 1, 1958, in order to eliminate a hazard to the fresh waters in the Lea County Underground Water Basin.

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- (4) That the applicant, Atlantic Richfield Company, on its own behalf and as operator of the Denton Salt Water Disposal System, Denton Field, Lea County, New Mexico, seeks an exception to the aforesaid Order (6) to permit unlined pits used for disposal of produced water to be left open and to permit the use of said pits, and other unlined pits that are to be constructed, for temporary storage of produced water, said pits being operated in connection with individual tank batteries connected to the aforesaid Denton Salt Water Disposal System.
- (5) That the applicant further seeks an administrative procedure whereby the aforesaid unlined pits could be enlarged.
- (6) That at numerous times since the inception of the Denton Salt Water Disposal System, the applicant has allowed salt water to be diverted into unlined pits, said unlined pits being operated in connection with individual tank batteries that are connected to the aforesaid system.
- (7) That such diversion has been due to such conditions as plugged lines, broken lines, and undersized lines.
- (8) That the applicant anticipates that it will be necessary, due to anticipated increased water production and continued occurrence of the aforesaid conditions, to divert even larger volumes of salt water into said unlined pits for as long as 72 hours at a time.
- (9) That the contunued use, as requested by the applicant, of unlined pits operated in connection with individual tank batteries connected to the Denton Salt Water Disposal System is not necessary to efficiently operate said system and has not and will not afford reasonable protection against contamination of fresh water supplies.
 - (10) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby denied.

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(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L