



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1445 ROSS AVENUE, SUITE 1200

DALLAS, TX 75202-2733

JUN 27 1997

Mr. William J. LeMay, Director
Oil Conservation Division
New Mexico Energy, Minerals, and
Natural Resources Department
2040 South Pacheco
Santa Fe, New Mexico 87505

Dear Mr. LeMay:

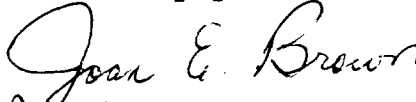
I am pleased to inform you that EPA Region 6 has approved Pride Energy Company's application to exempt a portion of the Menefee member of the Mesaverde Formation located in Sandoval County, New Mexico. The exemption is specific to that portion of the Menefee that underlies the W1/2 of the E1/2 and W1/2 of Section 7, the N1/2 of the NW1/4 of Section 18, Township 20 North, Range 2 West, and the E1/2 of the E1/2 of Section 12, Township 20 North, Range 3 West. A detailed description of the exempted portion of the aquifer is contained in the application.

This approval is based upon the criteria stipulated in Title 40 of the Code of Federal Regulations §146.4, wherein an aquifer may be exempted if: (a) it does not currently serve as a source of drinking water; and (c) the total dissolved solids content of the groundwater is more than 3,000 and less than 10,000 mg/l and it is not reasonably expected to supply a public water system.

This exemption allows only for injection of Class II fluids into the Menefee member of the Mesaverde Formation as proposed in the application. Injection of non-Class II fluids (e.g. hazardous wastes) or injection of fluids into other formations that qualify as underground sources of drinking water would require additional EPA approval.

If you have any questions concerning this approval, please contact me or Larry Wright at (214) 665-7150.

Sincerely yours,


William B. Hathaway

Director
Water Quality Protection Division

cc: Lou Gallegos, Chief of Staff
Office of the Governor of New Mexico

David Catanach, Director, UIC Program
New Mexico Energy, Minerals, & Natural Resources Department

John W. Pride, President
Pride Energy Company

Bill Turner, President
Turner Environmental Consultants