## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 13479 ORDER NO. R-12393

# APPLICATION OF DOMINION EXPLORATION & PRODUCTION, INC., FOR AN EXEMPTION TO THE PROVISIONS OF DIVISION RULE 310.A, CHAVES, EDDY, AND LEA COUNTIES, NEW MEXICO.

#### **ORDER OF THE DIVISION**

### **BY THE DIVISION;**

This case came on for hearing at 8:15 a.m. on May 19, 2005, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 22<sup>nd</sup> day of July, 2005, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

#### FINDS THAT:

(1) Due public notice has been given, and the Oil Conservation Division ("Division") has jurisdiction of this case and its subject matter.

(2) Dominion Exploration & Production, Inc. ("Dominion" or "Applicant") seeks an exception to the following fire wall capacity requirements of the Division specified in NMAC 19.15.5.310A.:

"Where fire walls are required, fire walls shall form a reservoir having a capacity one-third larger than the capacity of the enclosed tank or tanks."

(3) In addition to the Division's rules, the US Environmental Protection Agency ("USEPA") in 40 C.F.R. 112.7-112.10 lists requirements for Spill Prevention, Control, and Countermeasure Plans ("SPCC"). In part these federal regulations require the owner or operator of an onshore production facility to:

"Provide all tank battery, separation, and treating facility installations with a secondary means of containment of the entire capacity of the largest single container and sufficient freeboard to contain precipitation."

(4) Dominion seeks permission to construct the smaller, USEPA sized firewalls around the following 45 facilities:

No.         Facility Name         County         Section         Township         Range         Latitude         Latitude <thlatitude< th=""> <thlatitude< th=""> <thlat< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th>ano</th><th></th></thlat<></thlatitude<></thlatitude<>								ano	
Instruction         R & S Federal #1 Tank Battery         Chaves         17         15S         28 E         33 00-51.2 N         104-09-35.2 W           2         R & S State #1 Tank Battery         Chaves         NW/W         17         15S         28 E         33 01-13.4 N         104-09-34.5 W           3         Abby Federal #5         Eddy         28         26 S         30 E         32-00-32.0 N         103-52-44.0 W           4         Aoudad Federal Central Tank Bat         Eddy         33         22 S         26 E         32-21-01.7 N         104-17-34.1 W           5         Artesia 21 State #1         Eddy         11         32         22 S         26 E         32-21-01.7 N         104-10-32.0 W           6         Barbados State #1         Eddy         1         32         22 S         28 E         32-21-30.8 N         104-05-20.6 W           9         Darago 10 Fed #1         Eddy         33         22 S         26 E         32-21-30.8 N         104-05-20.6 W           10         EV State #1 Tank Battery         Eddy         A         32         22 S         26 E         32-21-30.8 N         104-03-27.9 W           10         Evstare #1 Tank Battery         Eddy         A         32         22 S </th <th></th> <th></th> <th>Country</th> <th>Unit</th> <th>Section</th> <th>Township</th> <th>Pange</th> <th>to to the second s</th> <th></th>			Country	Unit	Section	Township	Pange	to to the second s	
Interview         Number         Nume				Unit					
2         10         21         10         21         10         21         103         22         103         104         103         104         103         104         103         104         103         104         103         104         103         104         104         104         103         104				NIW					
A         A         Could and Federal Central Tank Bat         Eddy         33         22.8         26.E         32-21-01.7N         104-17-34.1W           4         Aoudad Federal Central Tank Bat         Eddy         21         18.8         28.E         32-44-9.5N         104-10-32.0W           6         Barbados State #1         Eddy         1         32         22.S         26.E         32-20-47.8N         104-18-31.9W           7         Big Eddy #117 SWD         Eddy         25         22.S         28.E         32-21-30.8N         104-02-52.6W           8         Dall Federal #1 Tank Battery         Eddy         33         22.S         26.E         32-20-47.9N         104-18-01.6W           9         Durango 10 Fed #1         Eddy         A         32         22.S         26.E         32-21-09.7N         104-18-29.1W           10         Ev State #1 Tank Battery         Eddy         A         32         22.S         26.E         32-21-09.7N         104-18-29.1W           11         Geronimo 34 - 1Y         Eddy         A         32         22.S         26.E         32-21-05.3N         104-09.0W           12         Geronimo 36 State Com 1         Eddy         C         36         17S	_								j
Artesia 21 State #2 Tank Battery         Eddy         21         18S         28E         32-44-9.5N         104-10-32.0 W           6         Barbados State #1         Eddy         1         32         22S         26E         32-20-47.8N         104-18-31.9 W           7         Big Eddy #117 SWD         Eddy         1         32         22S         28E         32-21-30.8N         104-02-52.6 W           8         Dall Federal #1 Tank Battery         Eddy         10         17S         29E         32-50-38.3N         104-03-27.9 W           10         EV State #1 Tank Battery         Eddy         A         32         22S         26E         32-21-09.7N         104-18-29.1 W           11         Geronimo 34 - 1 Y         Eddy         Eddy         A         32         22S         26E         32-47-37.4N         104-09.0 W           12         Geronimo 34 - 2         Eddy         H         34         17S         28E         32-47-3.0N         104-09.0 W           13         Geronimo 36 State Com 1         Eddy         C         36         17S         28E         32-47-47.0N         104-09.0 W           14         Happy Valley Fed Com #1 Tank Bat         Eddy         C         36         12S	3		-						
Bit Name Product Product         P	4	Aoudad Federal Central Tank Bat							
O         Discrete         Discrete <thdiscrete< th="">         Discrete         Dis</thdiscrete<>	5	Artesia 21 State #2 Tank Battery	Eddy		21		28 E		
Image Step (m1)         Image Step	6	Barbados State #1	Eddy	I	32	22 S	26 E	32-20-47.8N	
9         Durango 10 Fed #1         Eddy         10         17S         29 E         32-50-38.3 N         104-03-27.9 W           10         EV State #1 Tank Battery         Eddy         A         32         22 S         26 E         32-21-09.7 N         104-18-29.1 W           11         Geronimo 34 - 1 Y         Eddy         E         34         17S         28 E         32-47-37.4 N         104-09-0.0 W           12         Geronimo 34 - 2         Eddy         H         34         17S         28 E         32-47-37.4 N         104-09-33.4 W           13         Geronimo 36 State Com 1         Eddy         C         36         17S         28 E         32-47-47.0 N         104-04-57.0 W           14         Happy Valley Fed Com #1 Tank Bat         Eddy         28         22 S         26 E         32-21-56.3 N         104-174.3 W           15         J.A. Tamanio Fed Com 1         Eddy         27         22 S         26 E         32-21-41.1 N         104-04-57.0 W           18         Bancoci Hills 4 Fed Com 1         Eddy         4         18 S         29 E         32-46-44.8 N         104-04-28.0 W           17         Loco Hills 4 Fed Com 4         Eddy         L         36         22 S         28 E </td <td>7</td> <td>Big Eddy #117 SWD</td> <td>Eddy</td> <td></td> <td>25</td> <td>22 S</td> <td>28 E</td> <td>32-21-30.8N</td> <td>104-02-52.6 W</td>	7	Big Eddy #117 SWD	Eddy		25	22 S	28 E	32-21-30.8N	104-02-52.6 W
Image: Product of the second	8	Dall Federal #1 Tank Battery	Eddy		33	22 S	26 E	32-20 <b>-4</b> 7.9N	104-18-01.6 W
Inition       Endoy       E       34       17S       28 E       32.47.37.4N       104-10-09.0 W         12       Geronimo 34 - 2       Eddy       H       34       17S       28 E       32.47.37.4N       104-09.33.4 W         13       Geronimo 36 State Com 1       Eddy       C       36       17S       28 E       32.47.37.4N       104-09.33.4 W         13       Geronimo 36 State Com 1       Eddy       C       36       17S       28 E       32.47.47.0N       104-04-57.0 W         14       Happy Valley Fed Com #1 Tank       Eddy       C       36       17S       28 E       32.47.47.0N       104-04-57.0 W         14       Happy Valley Fed Com #1 Tank Bat       Eddy       27       22 S       26 E       32.21-56.3N       104-174.3.7 W         15       J.A. Tamanio Fed Com 1       Eddy       4       18 S       29 E       32.46-43.8N       104-04-35.8 W         17       Loco Hills 4 Fed Com 4       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-02-28.0 W         18       Pinnacle State #1 Tank Battery       Eddy       D       26       17S       28 E       32-48-33.9 N       104-03-12.1 W         20       Rio Cinco State	9	Durango 10 Fed #1	Eddy		10	17S	29 E	32-50-38.3 N	104-03-27.9 W
12       Geronimo 34 - 2       Eddy       H       34       17S       28 E       32-47-39.3 N       104-09-33.4 W         13       Geronimo 36 State Com 1       Eddy       C       36       17S       28 E       32-47-47.0 N       104-04-57.0 W         14       Happy Valley Fed Com #1 Tank       Eddy       28       22 S       26 E       32-21-56.3 N       104-1743.7 W         15       J.A. Tamanio Fed Com #1 Tank Bat       Eddy       27       22 S       26 E       32-21-41.1 N       104-17-16.3 W         16       Loco Hills 4 Fed Com 1       Eddy       4       18S       29 E       32-46-44.8 N       104-04-35.8 W         17       Loco Hills 4 Fed Com 4       Eddy       4       18S       29 E       32-46-510 N       104-04-28.0 W         18       Pinnacle State #1 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-02-53.9 W         20       Rio Cinco State 1       Eddy       D       26       17S       28 E       32-48-33.9 N       104-03-12.1 W         21       Saragosa 16 State Com #1       Eddy       D       26       17S       28 E       32-18-34.6 N       104-18-01.9 W         22       Saragosa 16 State	10	EV State #1 Tank Battery	Eddy	A	32	22 S	26 E	32-21-09.7 N	104-18-29.1 W
13       Geronimo 36 State Com 1       Eddy       C       36       17S       28 E       32-47-47.0N       104-04-57.0W         14       Happy Valley Fed Com #1 Tank       Eddy       28       22 S       26 E       32-21-56.3N       104-1743.7W         15       J.A. Tamanio Fed Com #1 Tank Bat       Eddy       27       22 S       26 E       32-21-41.1N       104-17-16.3W         16       Loco Hills 4 Fed Com 1       Eddy       4       18S       29 E       32-46-44.8N       104-04-35.8W         17       Loco Hills 4 Fed Com 4       Eddy       4       18S       29 E       32-46-510 N       104-04-28.0W         18       Pinnacle State #1 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-02-53.9 W         19       Ram EWE Federal #4 Tank Battery       Eddy       D       26       17S       28 E       32-48-33.9 N       104-03-12.1 W         20       Rio Cinco State 1       Eddy       D       26       17S       28 E       32-48-33.9 N       104-17-34.0 W         22       Saragosa 16 State Com #1       Eddy       L       17       23 S       26 E       32-18-31.4 N       104-19-20.4 W         23       Saragosa	11	Geronimo 34 - 1 Y	Eddy	E	34	17S	28 E	32 <b>-</b> 47-37.4N	104-10-09.0 W
14       Happy Valley Fed Com #1 Tank       Eddy       28       22 S       26 E       32-21-56.3 N       104-1743.7 W         15       J.A. Tamanio Fed Com #1 Tank Bat       Eddy       27       22 S       26 E       32-21-41.1 N       104-17-16.3 W         16       Loco Hills 4 Fed Com 1       Eddy       4       18 S       29 E       32-46-44.8 N       104-04-35.8 W         17       Loco Hills 4 Fed Com 4       Eddy       4       18 S       29 E       32-46-510 N       104-04-28.0 W         18       Pinnacle State #1 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-04-28.0 W         19       Ram EWE Federal #4 Tank Battery       Eddy       J       33       22 S       26 E       32-20-50.3 N       104-07-747.9 W         20       Rio Cinco State 1       Eddy       D       26       17 S       28 E       32-48-33.9 N       104-03-12.1 W         21       Saragosa 16 State Com #1       Eddy       D       26       17 S       28 E       32-18-34.6 N       104-17-34.0 W         23       Saragosa 17 State Com #1       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-19-19.7 W         24	12	Geronimo 34 – 2	Eddy	Н	34	17S	28 E	32-47-39.3 N	104-09-33.4 W
Bat         Bat         Bat         Bat         Eddy         27         22 S         26 E         32-21-41.1 N         104-17-16.3 W           15         J.A. Tamanio Fed Com #1 Tank Bat         Eddy         4         18 S         29 E         32-46-44.8 N         104-04-35.8 W           16         Loco Hills 4 Fed Com 1         Eddy         4         18 S         29 E         32-46-510 N         104-04-28.0 W           17         Loco Hills 4 Fed Com 4         Eddy         L         36         22 S         28 E         32-20-50.3 N         104-02-53.9 W           19         Ram EWE Federal #4 Tank Battery         Eddy         L         36         22 S         28 E         32-20-50.1 N         104-07-53.9 W           20         Rio Cinco State 1         Eddy         D         26         17 S         28 E         32-48-33.9 N         104-03-12.1 W           21         Saragosa 16 State Com #1         Eddy         D         26         17 S         28 E         32-18-34.6 N         104-17-34.0 W           23         Saragosa 17 State Com #1         Eddy         L         17         23 S         26 E         32-18-31.4 N         104-19-20.4 W           25         Sheep Draw Federal 28-1 Tank Bat         Eddy	13	Geronimo 36 State Com 1	Eddy	С	36	17S	28 E	32-47-47.0N	104-0 <b>4-5</b> 7.0 W
16       Loco Hills 4 Fed Com 1       Eddy       4       18 S       29 E       32-46-44.8N       104-04-35.8W         17       Loco Hills 4 Fed Com 4       Eddy       4       18 S       29 E       32-46-510 N       104-04-35.8W         18       Pinnacle State #1 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-04-28.0 W         19       Ram EWE Federal #4 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.1 N       104-01-747.9 W         20       Rio Cinco State 1       Eddy       D       26       17 S       28 E       32-48-33.9 N       104-03-12.1 W         21       Saragosa 16 State Com #1       Eddy       D       26       17 S       28 E       32-18-34.6 N       104-17-34.0 W         22       Saragosa 16 State Com #1       Eddy       C       16       23 S       26 E       32-18-31.4 N       104-19-20.4 W         23       Saragosa 17 State Com #1       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-17-49.2 W         24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-21-14.5 N       104-17-57.3 W	{	Bat	Eddy		28	22 S	26 E	32-21-56.3 N	104-1743.7 W
17Loco Hills 4 Fed Com 4Eddy418S29 E32-46-510 N104-04-28.0 W18Pinnacle State #1 Tank BatteryEddyL3622 S28 E32-20-50.3 N104-02-53.9 W19Ram EWE Federal #4 Tank BatteryEddy3322 S26 E32-20-50.1 N104-07-747.9 W20Rio Cinco State 1EddyD2617S28 E32-48-33.9 N104-03-12.1 W21Saragosa 16 State Com #1EddyD2617S28 E32-18-34.6 N104-03-12.1 W22Saragosa 16 State Com #1EddyC1623 S26 E32-18-34.6 N104-17-34.0 W23Saragosa 17 State Com #1EddyL1723 S26 E32-18-31.4 N104-19-20.4 W24Saragosa 17 State Com #3EddyL1723 S26 E32-18-07.8 N104-19-19.7 W25Sheep Draw #2 Tank BatteryEddy3322 S26 E32-21-14.5 N104-17-49.2 W26Sheep Draw Federal 28-1 Tank BatEddy2822 S26 E32-21-39.4 N104-17-57.3 W27Sheep Draw Federal 28-13 Tank BatEddy2117S35 E32-40-51.8 N104-09-03.3 W29Electrolux 21 State Com 1Lea716S35 E32-23-40.1 N103-10-02.5 W31Gulf State Tank BatteryLea1622 S37 E32-56-31.8 N103-29-31.3 W	15	J.A. Tamanio Fed Com #1 Tank Bat	Eddy		27	22 S	26 E	32-21-41.1 N	104-17-16.3 W
18       Pinnacle State #1 Tank Battery       Eddy       L       36       22 S       28 E       32-20-50.3 N       104-02-53.9 W         19       Ram EWE Federal #4 Tank Battery       Eddy       33       22 S       26 E       32-20-50.1 N       104-07-73.9 W         20       Rio Cinco State 1       Eddy       D       26       17S       28 E       32-48-33.9 N       104-03-12.1 W         21       Saragosa 16 State Com #1       Eddy       D       26       17S       28 E       32-18-34.6 N       104-17-47.9 W         22       Saragosa 16 State Com #1       Eddy       C       16       23 S       26 E       32-18-34.6 N       104-17-34.0 W         23       Saragosa 17 State Com #1       Eddy       L       17       23 S       26 E       32-18-31.4 N       104-17-20.4 W         24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-17-49.2 W         25       Sheep Draw #2 Tank Battery       Eddy       Z8       22 S       26 E       32-21-14.5 N       104-17-57.3 W         26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W	16	Loco Hills 4 Fed Com 1	Eddy		4	18 S	29 E	32-46-44.8N	104-04-35.8 W
19Ram EWE Federal #4 Tank BatteryEddy3322 S26 E32-20-50.1 N104-17-47.9W20Rio Cinco State 1EddyD2617S28 E32-48-33.9 N104-03-12.1 W21Saragosa 16 State Com #1Eddy1623 S26 E32-18-34.6 N104-18-01.9 W22Saragosa 16 State Com #2EddyC1623 S26 E32-18-34.6 N104-18-01.9 W23Saragosa 17 State Com #1EddyC1623 S26 E32-18-31.4 N104-19-20.4 W24Saragosa 17 State Com #3EddyL1723 S26 E32-18-07.8 N104-19-20.4 W25Sheep Draw #2 Tank BatteryEddyL1723 S26 E32-21-14.5 N104-17-47.9 W25Sheep Draw Federal 28-1 Tank BatEddy2822 S26 E32-21-25.5 N104-17-57.3 W27Sheep Draw Federal 28-13 Tank BatEddy2822 S26 E32-21-25.5 N104-17-57.3 W28Turkey Track 11-4 Tank BatteryEddy1119S28 E32-40-51.8 N104-09-03.3 W29Electrolux 21 State Com 1Lea716S35 E32-23-40.1 N103-2746.8 W30Harrod 7 State Com 1Lea716S35 E32-23-40.1 N103-29-31.3 W	17	Loco Hills 4 Fed Com 4	Eddy		4	18S	29 E	32-46-510 N	104-04-28.0 W
20       Rio Cinco State 1       Eddy       D       26       17S       28 E       32-48-33.9N       104-03-12.1 W         21       Saragosa 16 State Com #1       Eddy       16       23 S       26 E       32-18-34.6N       104-18-01.9 W         22       Saragosa 16 State Com #2       Eddy       C       16       23 S       26 E       32-18-34.5N       104-17-34.0 W         23       Saragosa 17 State Com #1       Eddy       C       16       23 S       26 E       32-18-34.5N       104-17-34.0 W         24       Saragosa 17 State Com #1       Eddy       L       17       23 S       26 E       32-18-31.4 N       104-19-20.4 W         24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-19-19.7 W         25       Sheep Draw #2 Tank Battery       Eddy       J       33       22 S       26 E       32-21-14.5 N       104-17-57.3 W         26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W         27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-17-67.3 W <t< td=""><td>18</td><td>Pinnacle State #1 Tank Battery</td><td>Eddy</td><td>L</td><td>36</td><td>22 S</td><td>28 E</td><td>32-20-50.3 N</td><td>104-02-53.9 W</td></t<>	18	Pinnacle State #1 Tank Battery	Eddy	L	36	22 S	28 E	32-20-50.3 N	104-02-53.9 W
21Saragosa 16 State Com #1Eddy1623 S26 E32-18-34.6N104-18-01.9 W22Saragosa 16 State Com #2EddyC1623 S26 E32-18-34.5N104-17-34.0 W23Saragosa 17 State Com #1Eddy1723 S26 E32-18-31.4 N104-19-20.4 W24Saragosa 17 State Com #3EddyL1723 S26 E32-18-07.8 N104-19-19.7 W25Sheep Draw #2 Tank BatteryEddyJ3322 S26 E32-21-14.5 N104-17-49.2 W26Sheep Draw Federal 28-1 Tank BatEddy2822 S26 E32-21-25.5 N104-17-57.3 W27Sheep Draw Federal 28-13 Tank BatEddy2822 S26 E32-21-39.4 N104-18-20.1 W28Turkey Track I 1-4 Tank BatteryEddy1119S28 E32-40-51.8 N104-09-03.3 W29Electrolux 21 State Com 1Lea716S35 E32-49-27.0 N103-2746.8 W30Harrod 7 State Com 1Lea716S35 E32-23-40.1 N103-29-31.3 W	19	Ram EWE Federal #4 Tank Battery	Eddy		33	22 S	26 E	32-20-50.1 N	104-17-47.9W
22       Saragosa 16 State Com #2       Eddy       C       16       23 S       26 E       32-18-34.5N       104-17-34.0 W         23       Saragosa 17 State Com #1       Eddy       17       23 S       26 E       32-18-31.4 N       104-19-20.4 W         24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-18-31.4 N       104-19-20.4 W         24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-19-19.7 W         25       Sheep Draw #2 Tank Battery       Eddy       33       22 S       26 E       32-21-14.5 N       104-17-49.2 W         26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W         27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-18-20.1 W         28       Turkey Track 11-4Tank Battery       Eddy       11       19S       28 E       32-40-51.8 N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       7       16S       35 E       32-49-27.0 N       103-2746.8 W         30       Harrod 7 State Com	20	Rio Cinco State 1	Eddy	D	26	17S	28 E	32-48-33.9N	104-03-12.1 W
23Saragosa 17 State Com #1Eddy1723 S26 E32-18-31.4 N104-19-20.4 W24Saragosa 17 State Com #3EddyL1723 S26 E32-18-07.8 N104-19-19.7 W25Sheep Draw #2 Tank BatteryEddy3322 S26 E32-21-14.5 N104-19-19.7 W26Sheep Draw Federal 28-1 Tank BatEddy2822 S26 E32-21-25.5 N104-17-49.2 W26Sheep Draw Federal 28-1 Tank BatEddy2822 S26 E32-21-25.5 N104-17-57.3 W27Sheep Draw Federal 28-13 Tank BatEddy2822 S26 E32-21-39.4 N104-18-20.1 W28Turkey Track 11-4 Tank BatteryEddy1119S28 E32-40-51.8 N104-09-03.3 W29Electrolux 21 State Com 1Lea2117S35 E32-49-27.0 N103-2746.8 W30Harrod 7 State Com 1Lea716S35 E32-23-40.1 N103-29-31.3 W31Gulf State Tank BatteryLea1622 S37 E32-56-31.8 N103-29-31.3 W	21	Saragosa 16 State Com #1	Eddy		16	23 S	26 E	32-18-34.6N	104-18-01.9 W
24       Saragosa 17 State Com #3       Eddy       L       17       23 S       26 E       32-18-07.8 N       104-19-19.7 W         25       Sheep Draw #2 Tank Battery       Eddy       33       22 S       26 E       32-21-14.5 N       104-17-49.2 W         26       Sheep Draw #2 Tank Battery       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-49.2 W         26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W         27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-18-20.1 W         28       Turkey Track 11-4Tank Battery       Eddy       11       19S       28 E       32-40-51.8 N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0 N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	22	Saragosa 16 State Com #2	Eddy	С	16	23 S	26 E	32-18-34.5N	104-17-34.0 W
25       Sheep Draw #2 Tank Battery       Eddy       33       22 S       26 E       32-21-14.5 N       104-17-49.2 W         26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W         27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-18-20.1 W         28       Turkey Track 11-4Tank Battery       Eddy       11       19S       28 E       32-40-51.8 N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0 N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	23	Saragosa 17 State Com #1	Eddy		17	23 S	26 E	32-18-31.4 N	104-19-20.4W
26       Sheep Draw Federal 28-1 Tank Bat       Eddy       28       22 S       26 E       32-21-25.5 N       104-17-57.3 W         27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-18-20.1 W         28       Turkey Track 11-4 Tank Battery       Eddy       11       19S       28 E       32-40-51.8 N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0 N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	24	Saragosa 17 State Com #3	Eddy	L	17	23 S	26 E	32-18-07.8 N	104-19-19.7 W
27       Sheep Draw Federal 28-13 Tank Bat       Eddy       28       22 S       26 E       32-21-39.4 N       104-18-20.1 W         28       Turkey Track 11-4 Tank Battery       Eddy       11       19S       28 E       32-40-51.8 N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0 N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	25	Sheep Draw #2 Tank Battery	Eddy		33	22 S	26 E	32-21-14.5 N	104-17-49.2W
28       Turkey Track 11-4Tank Battery       Eddy       11       19S       28 E       32-40-51.8N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	26	Sheep Draw Federal 28-1 Tank Bat	Eddy	<u> </u>	28	22 S	26 E	32-21-25.5 N	104-17-57.3 W
28       Turkey Track 11-4Tank Battery       Eddy       11       19S       28 E       32-40-51.8N       104-09-03.3 W         29       Electrolux 21 State Com 1       Lea       21       17S       35 E       32-49-27.0N       103-2746.8 W         30       Harrod 7 State Com 1       Lea       7       16S       35 E       32-23-40.1 N       103-10-02.5 W         31       Gulf State Tank Battery       Lea       16       22 S       37 E       32-56-31.8 N       103-29-31.3 W	27	Sheep Draw Federal 28-13 Tank Bat	Eddy	<u> </u>	28	22 S	26 E	32-21-39.4 N	104-18-20.1 W
30         Harrod 7 State Com 1         Lea         7         16S         35 E         32-23-40.1 N         103-10-02.5 W           31         Gulf State Tank Battery         Lea         16         22 S         37 E         32-56-31.8 N         103-29-31.3 W	28	Turkey Track 11-4 Tank Battery	Eddy		11	19S	28 E	32-40-51.8N	
31         Gulf State Tank Battery         Lea         16         22 S         37 E <b>32-56-31.8</b> N         103-29-31.3 W	29	Electrolux 21 State Com 1	Lea		21	17S	35 E	32-49-27.0N	103-2746.8W
	30	Harrod 7 State Com 1	Lea		7	16S	35 E	32-23-40.1N	103-10-02.5 W
32         Sharp Nose Federal #1 Tank Battery         Lea         13         20 S         33 E         32-34-21.5N         103-36-54.5 W	31	Gulf State Tank Battery	Lea		16	22 S	37 E	32-56-31.8N	103-29-31.3 W
	32	Sharp Nose Federal #1 Tank Battery	Lea		13	20 S	33 E	32-34-21.5N	103-36-54.5 W

## *CaseNo.* 13479 *Order No.* **R-12393** *Page 3 of 6*

						1 25 5	100 55 10 037	1.00.00.00.00
33	State ETA #3 Tank Battery	Lea	Н	8	16S	35 E	32-56-18.0N	103-28-25.6 W
34	State ETA #4 Tank Battery	Lea	С	8	16S	35 E	32-56-32.2 N	103-28-58.9 W
35	Toro State 16-1	Lea	M	16	19 S	35 E	32-39-20.4 N	103-28-06.0 W
36	Toro 21 Com 1 - Y Tank Battery	Lea	Н	21	19S	35 E	32-3848.6 N	103-27-20.7 W
37	Toro 22 State Com #2	Lea	N	22	19S	35 E	32-38-23.2 N	103-26-48.9 W
38	Toro 22 State Com #3	Lea	К	22	19S	35 E	32-3840.5 N	103-26-54.6 W
39	Toro 22 State Com #4	Lea	F	22	19S	35 E	32-38-55.2 N	103-26-50.1 W
40	Toro 27 State Com #1	Lea		27	19S	35 E	32-3743.2N	103-26-53.2 W
41	Toro 27 State Com #2	Lea	Е	27	19S	35 E	32-38-02.8 N	103-27-04.8 W
42	Toro 27 State Com #5	Lea		27	19S	35 E	32-37-57.0 N	103-26-36.0 W
43	Toro 27 State Com #6	Lea	D	27	19S	35 E	32-38-13.8 N	103-27-01.8 W
44	Toro State 33-1 Tank Battery	Lea	G	33	19S	35 E	32-37-10.4 N	103-27-32.5 W
45	Vivian Tank Battery	Lea	F	30	22 S	38 E	32-21-53.8 N	103-06-08.9 W

(5) Dominion presented testimony from a District Operations Manager as follows:

(a) Dominion has constructed firewalls around a total of 84 facilities within the State of New Mexico.

(b) Dominion originally built firewall sizes in New Mexico to USEPA standards. During an internal audit in 2002, Dominion became aware that the New Mexico rule required a 30% excess capacity. Dominion has since reported the discrepancy to the Division.

(c) Dominion has upgraded all firewalls to the New Mexico standard except for the 45 firewalls in this application which are much less likely to pose a danger to ground water and are not in close proximity to washes or stream beds.

(d) All firewalls around facilities in Rio Arriba County have been upgraded primarily because of their proximity to Largo Canyon Wash.

(e) Increasing the size of firewalls is costly and causes additional surface disturbance. All facilities are monitored for leaking fluids on a daily basis.

(f) The majority of liquid spills into firewalls have been caused by lightning hitting the fiberglass water tanks. Dominion has not had a spill exceed a firewall.

(g) Dominion's tanks are generally newer and are replaced when holes are discovered.

(h) Notice has been provided to all surface owners including the US Bureau of Land Management. Notice was also placed in the newspapers of Lea, Eddy, and Chaves Counties. No objections were received.

(6) Granting Dominion an exception as requested will protect the environment and prevent waste.

(7) This application should be approved.

## **IT IS THEREFORE ORDERED THAT:**

(1) Dominion Exploration & Production, Inc. ("Dominion" or "Applicant") is hereby granted an exception to the firewall capacity requirement of the Division as specified in NMAC 19.15.5.310A. for the following 45 facilities in Lea, Eddy, and Chaves Counties. For these 45 facilities, Dominion shall comply with the United States Environmental Protection Agency's ("USEPA") Spill Prevention, Control, and Countermeasure ("SPCC") plans pertaining to oil field facilities such that all tank battery, separation, and treating facility installations shall be provided with a secondary means of containment consisting of at least the entire capacity of the largest single container in addition to sufficient capacity to contain precipitation.

							GPS	(*). 1913 - 1913
No.	Facility Name	County	Unit	Section	Township	Range	Latitude	Longitude
1	R & S Federal #1 Tank Battery	Chaves		17	15S	28 E	33-00-51.2N	104-09-35.2 W
2	R & S State #1 Tank Battery	Chaves	NW/NW	17	15S	28 E	33-01-13.4N	104-09-34.5 W
3	Abby Federal #5	Eddy		28	26 S	30 E	32-00-32.0 N	103-52-44.0 W
4	Aoudad Federal Central Tank Bat	Eddy		33	22 S	26 E	32-21-01.7 N	104-17-34.1W
5	Artesia 21 State #2 Tank Battery	Eddy		21	18S	28 E	3244-9.5 N	104-10-32.0 W
6	Barbados State #1	Eddy	I	32	22 S	26 E	32-2047.8 N	104-18-31.9 W
7	Big Eddy #117 SWD	Eddy		25	22 S	28 E	32-21-30.8N	104-02-52.6 W
8	Dall Federal #1 Tank Battery	Eddy		33	22 S	26 E	32-2047.9 N	104-18-01.6W
9	Durango 10 Fed #1	Eddy		10	175	29 E	32-50-38.3 N	104-03-27.9 W
10	EV State #1 Tank Battery	Eddy	A	32	22 S	26 E	32-21-09.7N	104-18-29.1W
11	Geronimo 34 - 1 Y	Eddy	Е	34	17 S	28 E	3247-37.4 N	104-10-09.0 W

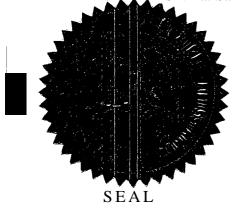
# Case No. 13479 Order No. **R-12393** Page 5 of 6

12	Geronimo 34 – 2	Eddy	Н	34	17 <u>S</u>	28 E	3247-39.3N	104-09-33.4 W
13	Geronimo 36 State Com 1	Eddy	С	36	17S	28 E	324747.0N	104-04-57.0 W
	Happy Valley Fed Com #1 Tank Bat	Eddy		28	22 S	26 E	32-21-56.3 N	104-1743.7 W
15	J.A. Tamanio Fed Com #1 Tank Bat	Eddy		27	22 S	26 E	32-2141.1 N	104-17-16.3 W
16	Loco Hills 4 Fed Com 1	Eddy		4	18S	29 E	324644.8N	104-04-35.8 W
17	Loco Hills 4 Fed Com 4	Eddy		4	18 S	29 E	32-46-510 N	104-04-28.0 W
18	Pinnacle State #1 Tank Battery	Eddy	L	36	22 S	28 E	32-20-50.3 N	104-02-53.9 W
19	Ram EWE Federal #4 Tank Battery	Eddy		33	22 S	26 E	32-20-50.1N	104-1747.9W
20	Rio Cinco State 1	Eddy	D	26	17S	28 E	3248-33.9 N	104-03-12.1 W
21	Saragosa 16 State Com #1	Eddy		16	23 S	26 E	32-18-34.6N	104-18-01.9 W
22	Saragosa 16 State Com #2	Eddy	C	16	23 S	26 E	32-18-34.5N	104-17-34.0 W
23	Saragosa 17 State Com #1	Eddy		17	23 S	26 E	32-18-31.4N	104-19-20.4W
24	Saragosa 17 State Com #3	Eddy	L	17	23 S	26 E	32-18-07.8N	104-19-19.7 W
25	Sheep Draw #2 Tank Battery	Eddy		33	225	26 E	32-21-14.5N	104-1749.2 W
26	Sheep Draw Federal 28-1 Tank Bat	Eddy		28	22 S	26 E	32-21-25.5 N	104-17-57.3 W
27	Sheep Draw Federal 28-13 Tank Bat	Eddy		28	22 S	26 E	32-21-39.4N	104-18-20.1W
28	Turkey Track 11-4 Tank Battery	Eddy		11	19S	28 E	32-40-51.8N	104-09-03.3 W
29	Electrolux 21 State Com 1	Lea		21	17S	35 E	3249-27.0N	103-2746.8 W
30	Harrod 7 State Com 1	Lea		7	16S	35 E	32-2340.1 N	103-10-02.5 W
31	Gulf State Tank Battery	Lea		16	22 S	37 E	32-56-31.8N	103-29-31.3 W
32	Sharp Nose Federal #1 Tank Battery	Lea		13	20 S	33 E	32-34-21.5N	103-36-54.5 W
33	State ETA #3 Tank Battery	Lea	Н	8	16S	35 E	32-56-18.0 N	103-28-25.6 W
34	State ETA #4 Tank Battery	Lea	С	8	16S	35 E	32-56-32.2 N	103-28-58.9 W
35	Toro State 16-1	Lea	М	16	19 S	35 E	32-39-20.4 N	103-28-06.0W
36	Toro 21 Com 1-Y Tank Battery	Lea	Н	21	19S	35 È	32-3848.6N	103-27-20.7 W
37	Toro 22 State Com #2	Lea	Ň	22	19S	35 E	32-38-23.2 N	103-26-48.9 W
38	Toro 22 State Com #3	Lea	K	22	19S	35 E	32-3840.5 N	103-26-54.6 W
39	Toro 22 State Com #4	Lea	F	22	19S	35 E	32-38-55.2 N	103-26-50.1 W
40	Toro 27 State Com #1	Lea		27	19S	35 E	32-3743.2N	103-26-53.2 W
41	Toro 27 State Com #2	Lea	Е	27	195	35 E	32-38-02.8 N	103-27-04.8W
42	Toro 27 State Com #5	Lea		27	19S	35 E	32-37-57.0 N	103-26-36.0 W
43	Toro 27 State Com #6	Lea	D	27	19S	35 E	32-38-13.8 N	103-27-01.8 W
44	Toro State 33-1 Tank Battery	Lea	G	33	19 S	35 E	32-37-10.4 N	103-27-32.5 W
45	Vivian Tank Battery	Lea	F	30	22 S	38 E	32-21-53.8 N	103-06-08.9 W

Case No. 13479 Order No. **R-12393** Page 6 of 6

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

<a

MARK E. FESMIRE, P.E. Director