

**NM**

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**ORDER**

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

VENO

Rescind Order

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION ON  
ITS OWN MOTION TO PERMIT VENO ENERGY  
AND OTHER INTERESTED PARTIES TO APPEAR  
AND SHOW CAUSE WHY THEIR AUTHORITY  
UNDER ORDER NO. R-7596 TO OPERATE AN  
OIL TREATING PLANT LOCATED IN THE NW/4 NE/4  
OF SECTION 23, TOWNSHIP 16 SOUTH, RANGE 35  
EAST, LEA COUNTY, NEW MEXICO, SHOULD NOT BE  
CANCELLED AND WHY THE SITE OF SUCH PLANT  
SHOULD NOT BE RECLAIMED.

OCD says its been  
reclaimed

CASE NO. 8871  
Order No. R-7596-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 16, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 19th day of May, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) By Division Order No. R-7596 dated July 20, 1984, Veno Energy was given authority to operate an oil treating plant located in the NW/4 NE/4 of Section 23, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) Prior to the hearing on April 16, 1986, Veno Energy was no longer operating and had apparently abandoned said oil treating facility.

(4) No representative from Veno Energy appeared at the hearing to show cause why their authority under Division Order No. R-7596 should not be rescinded.

(5) Subsequent to the hearing on April 16, 1986, the site of the Veno Energy Treating Plant was cleared of all

tanks and equipment and reclaimed to the satisfaction of the Division.

(6) Because the plant site was reclaimed to the satisfaction of the Division, the performance bond originally filed with the Division by Veno Energy has been released as of May 15, 1986.

(7) The portion of the Division's application concerning the cleanup and reclamation of the treating plant site should be dismissed.

(8) Inasmuch as Veno Energy apparently no longer wishes to operate said treating plant and in fact no longer has a performance bond covering the operation of said treating plant, their authority under Division Order No. R-7596 should be cancelled.

IT IS THEREFORE ORDERED THAT:

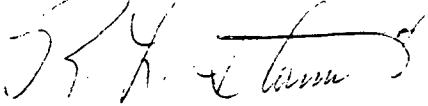
(1) The portion of the Division application concerning the cleanup and reclamation of the site of the Veno Energy Treating Plant is hereby dismissed.

(2) Division Order No. R-7596 dated July 20, 1984, which authorized Veno Energy to operate an oil treating plant located in the NW/4 NE/4 of Section 23, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, is hereby rescinded.

(3) 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

  
R. L. STAMETS  
Director

S E A L  
fd/



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

April 11, 1986

MEMORANDUM

TO: R. L. STAMETS, DIRECTOR, OCD

FROM: ROGER C. ANDERSON, ENVIRONMENTAL ENGINEER, OCD *RCA*

SUBJECT: VENO ENERGY TREATING PLANT INSPECTION R-7596 -- NW/4 NE/4,  
SECTION 23, TOWNSHIP 16 SOUTH, RANGE 35 EAST, APRIL 3, 1986

On April 3, 1986, an inspection of the above facility was performed by Dave Boyer and myself. All accesses were locked, consequently, we entered on foot over the north fence. Attempts to locate the principals of Veno Energy were unsuccessful. A message was left on Mr. Kerry Evans' answering machine notifying him of the approximate time of our arrival on site.

The facility shows no signs of recent activity. All tanks are empty. The inner pit northwest of the tank complex appears to have been used as a drilling mud settlement pit, with the outer pit used as a water evaporation pit. The inner pit has drilling mud solids and the outer pit is dry.

Numerous drums were found south of the tanks. All but two were empty. The contents of these two are unknown.

Conclusion

The tanks and scrap on the location are unsightly but not environmentally detrimental. The drums containing substances should be removed and disposed of properly. If the pits are associated with the treating plant they should be closed and mounded according to accepted procedures. If they are associated with the well on the property, the owner/operator of the well should reclaim the pits.

RCA:dp

cc: Dave Boyer

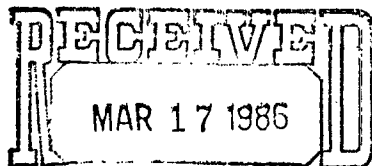


ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

March 14, 1986

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88240  
(505) 393-6161



Oil Conservation Division  
Box 2088  
Santa Fe, NM 87504-2088

Re: Veno Energy Treating Plant  
R-7596 -- NW/4 NE/4 Sec. 23, T16S, R35E

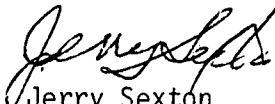
Dear Mr. Stamets:

We were requested by Diane Richardson to check the above-referenced treating plant to determine if the treating plant bond should be released. This plant was checked by our field inspector March 10, 1986. A photo was taken from a distance on this date because the gate was locked and we were unable to get to the facility. The photo indicates the same equipment is still on the location that was there when it was checked August 1985.

Our records indicate the last monthly operating report filed by Veno was for March 1985, and we show no activity at this facility since that date.

Very truly yours,

OIL CONSERVATION DIVISION

  
Jerry Sexton  
Supervisor, District I

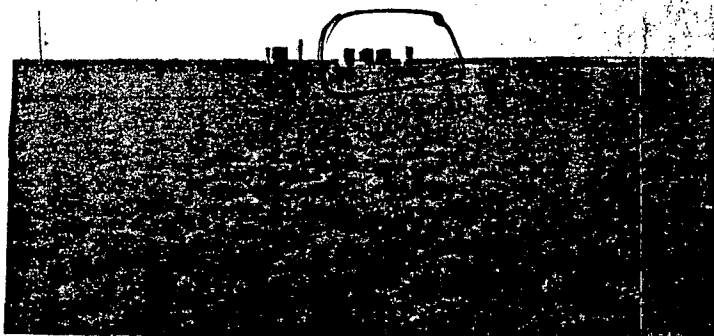
ed

cc: Diane Richardson - OCD Santa Fe  
Veno Energy, Box 2202, Hobbs, NM

*Lets set this for  
a show cause hearing  
to rescind the  
authority and  
require reclamation  
of the site*

*B.L.H.*

*April 3*





VENO ENERGY TREATING PLANT

4/3/86





VENO ENERGY TREATING PLANT 4/3/86



VENO ENERGY TREATING PLANT

4/3/86

NO. 100 - 100



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VENO ENERGY TREATING PLANT

4/1/86

4/3/86



VENO ENERGY TREATING PLANT

4/3/86





VENO ENERGY TREATING PLANT 4/3/86



VENO ENERGY TREATING PLANT 4/3/86



VENO ENERGY TREATING PLANT 4/3/86

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