Entered Ceteber 24, 1964 QL.P.

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. 3120 Order No. R-2788

APPLICATION OF DR. SAM G. DUNN FOR A REVIEW OF THE COMMISSION'S DIRECTIVE OF AUGUST 27, 1964, CONCERNING SALT WATER DISPOSAL, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 13, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of October, 1964, 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 the applicant, Dr. Sam G. Dunn, seeks review of the Commission's Directive dated August 27, 1964, which prohibited the disposal of produced salt water in unlined pits after November 1, 1964, in the Linda-San Andres Oil Pool and adjacent area in Townships 6 and 7 South, Range 26 East, NMPM, Chaves County, New Mexico.

That the applicant and other operators are disposing of (3) produced salt water in unlined pits in the subject area; that all of said disposal pits are within two miles of the Pecos River except those in Section 26, Township 7 South, Range 26 East, NMPM, Chaves County, New Mexico.

That the disposal of salt water in unlined pits within (4)two miles of the Pecos River in the subject area constitutes a

-2-CASE No. 3120 Order No. R-2788

hazard to the Pecos River and other fresh water supplies designated by the State Engineer and should be prohibited.

(5) That although disposal of salt water in unlined pits more than two miles from the Pecos River in the subject area constitutes some hazard to fresh water supplies designated by the State Engineer, the hazard is not great at this time and should be prohibited in each section when the average salt water production per well in the section exceeds three barrels per day or the total salt water production for the section exceeds fifteen barrels per day; provided, however, that effective May 1, 1965, the disposal of produced salt water in unlined pits in said area should be prohibited in each section when total salt water production for the section exceeds five barrels per day.

IT IS THEREFORE ORDERED:

(1) That, effective November 1, 1964, the disposal of produced salt water in unlined pits within two miles of the Pecos River in Townships 6 and 7 South, Range 26 East, NMPM, Chaves County, New Mexico, is hereby prohibited.

(2) That the disposal of produced salt water in unlined pits more than two miles from the Pecos River in Townships 6 and 7 South, Range 26 East, NMPM, Chaves County, New Mexico, is hereby prohibited in each section when the average salt water production per well in the section exceeds three barrels per day or total salt water production for the section exceeds fifteen barrels per day; provided, however, that effective May 1, 1965, the disposal of produced salt water in unlined pits in said area is hereby prohibited in each section when total salt water production for the section exceeds five barrels per day.

(3) That each operator desiring to line salt water disposal pits in Townships 6 and 7 South, Range 26 East, NMPM, Chaves County, New Mexico, shall notify the State Engineer's Office, P. O. Box 1717, Roswell, New Mexico, in writing of the date and time such operations are to commence in order that the same may be witnessed.

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

-3-CASE No. 3120 Order No. R-2788

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

> STATE OF NEW MEXICO VIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

VACK M. CAMPBELL, Challing

E. S. WALKER, Member

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

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