

Entered May 29, 1967
CLP

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. 3570
Order No. R-3238

APPLICATION OF STOLTZ AND COMPANY
FOR SALT WATER DISPOSAL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 17, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 29th day of May, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 effective on certain dates, Order No. R-3221 forbids the disposal of water produced in various areas in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any water course, or in any other place or in any manner which will constitute a hazard to any fresh water supplies in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.

(3) That the applicant, Stoltz and Company, seeks, as an exception to said Order No. R-3221, authority to dispose of water produced in conjunction with the production of oil or gas, or both, into a playa lake located in Sections 12 and 13, Township 10 South, Range 32 East, and in Sections 6 and 7, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico.

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(4) That the evidence indicates that fresh water exists in both the Ogallala and Triassic formations in the vicinity of said playa lake.

(5) That the water in the lake is not fresh water.

(6) That that portion of the Triassic red beds underlying the lake is virtually impermeable and therefore will prevent seepage from said lake into the Triassic sands which underlie said red beds and contain fresh water.

(7) That in that portion of the Ogallala formation east and southeast of the subject lake and in communication with said lake basin, the water table dips to the northwest thereby reversing the direction of the normal flow of Ogallala water and causing said water to flow into the subject lake.

(8) That the water level in the lake is normally lower in elevation than the water table in the Ogallala formation that is in communication with the lake basin.

(9) That water will not flow or seep from the subject lake into the Ogallala formation so long as the water level in the subject lake remains at a lower elevation than the water table in that portion of the Ogallala formation in communication with the lake.

(10) That the apparent high water level in the subject lake is at an elevation of 4141 feet referenced to the elevation of the Sun Oil Company State "F" Well No. 1, located near the north-east bank of said lake at a point 657.4 feet from the South line and 511.7 feet from the East line of Section 6, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico, the ground elevation of said well being 4177 feet above sea level.

(11) That the applicant should be authorized to dispose of a maximum of 30,000 barrels per day of produced salt water into the subject lake provided the water level of the lake does not exceed an elevation of 4142 feet as determined by suitably placed markers.

IT IS THEREFORE ORDERED:

(1) That the applicant, Stoltz and Company, is hereby authorized, as an exception to Order No. R-3221, to utilize a playa lake known as Lane Salt Lake and located in Sections 12 and

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13, Township 10 South, Range 32 East, and Sections 6 and 7, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico, for the disposal of water produced in conjunction with the production of oil or gas, or both.

(2) That the water hereby authorized for disposal into said Lane Salt Lake shall be limited to a maximum of 30,000 barrels per day as determined by continuous measurement with a corrosive-resistant meter equipped with a non-reset counter.

(3) That in no event shall disposal of water into said Lane Salt Lake be permitted when the water level of said lake is 4142 feet or more above sea level as referenced to the elevation of the Sun Oil Company State "F" Well No. 1, located near the north-east bank of said lake at a point 657.4 feet from the South line and 511.7 feet from the East line of Section 6, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico, the ground elevation of said well being 4177 feet above sea level.

(4) That the applicant shall drill three observation wells to the top of the red beds for the purpose of monitoring the quality of the water in the vicinity of said lake.

Said wells shall be located as follows:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
LEA COUNTY, NEW MEXICO

One well to be located approximately 400 feet from the North line and 400 feet from the West line of Section 17;

One well to be located approximately 2640 feet from the North line and 1320 feet from the East line of Section 18; and

One well to be located approximately 800 feet from the North line and 660 feet from the West line of Section 18.

That the surface elevation and depth to the top of the red beds of each observation well shall be reported to the Commission prior to use of the lake for water disposal purposes.

That water samples shall be taken from each observation well, analyses made thereof, and water levels measured by an

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independent laboratory or governmental agency and filed with the Commission prior to disposal of produced water into the lake and quarterly thereafter.

(5) That the applicant shall erect permanent water level markers, graduated in feet and tenths of feet, at the following locations:

LEA COUNTY, NEW MEXICO

One marker to be located approximately in the center of the SW/4 SE/4 of Section 6, Township 10 South, Range 33 East;

One marker to be located approximately in the center of the SE/4 NW/4 of Section 7, Township 10 South, Range 33 East; and

One marker to be located in the SE/4 SE/4 of Section 12, Township 10 South, Range 32 East, and not closer than 300 feet to the high water mark in said quarter-quarter section.

(6) That Form C-120-A, Monthly Water Disposal Report, shall be filed each month in accordance with the provisions of Rule 1120 of the Commission Rules and Regulations, and such report shall also state the water level of said lake on the last day of the month.

(7) 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

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