

Entered September 11, 1967
C.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. 3635
Order No. R-3312

APPLICATION OF CITIES SERVICE
OIL COMPANY FOR AN EXCEPTION TO
ORDER NO. R-3221, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 16, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 11th day of September, 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 the applicant, Cities Service Oil Company, is the operator of the Drickey Queen Sand Unit Waterflood Project in the Caprock-Queen Pool, Chaves County, New Mexico.

(3) That the applicant seeks an exception to the provisions of Order No. R-3221 to permit the continued use, for emergency purposes, of four unlined surface pits located in Unit E of Section 2, Unit F of Section 3, Unit I of Section 3, and Unit A of Section 16, all in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, for salt water disposal in its Drickey Queen Sand Unit.

(4) That the aforementioned Order No. R-3221 prohibits the disposal of water produced in conjunction with the production of

oil from any waterflood project or water pressure maintenance project on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, 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, effective January 1, 1968.

(5) That Order (8) of said Order No. R-3221 provides that the District Supervisor of the appropriate District Office of the Commission is empowered to authorize temporary disposal in surface pits for a period not to exceed 30 days for such contingencies as injection system failures.

(6) That all salt water stored in said pits during such an emergency should be removed immediately upon cessation of the emergency.

(7) That Order (6) of said Order No. R-3221 provides that each unlined pit used for the disposal of water produced in conjunction with the production of oil or gas, or both, and not servicing a well exempt under the provisions of Order (4) of said Order No. R-3221 shall be filled, leveled, and compacted within six months after its use for the disposal of produced water is prohibited or by November 1, 1967, whichever date is later.

(8) That the intent of Order (6) of Order No. R-3221 is to eliminate possible hazards to fresh water supplies that unlined pits formerly used for the disposal of salt water might constitute, provided said pits are not necessary for use during emergencies arising from failures in injection systems.

(9) That it was not the intent of said Order (6) to prohibit the maintenance of pits of a reasonable size for temporary storage of salt water in an emergency arising as the result of a failure in the injection system of a waterflood project or water pressure maintenance project.

(10) That the aforesaid two pits located in Unit I of Section 3 and Unit A of Section 16 would be used for temporary storage only, and only as the result of an emergency arising from a failure in the injection system.

(11) That the evidence indicates that the pit located in Unit I of the aforesaid Section 3 and the pit located in Unit A of the aforesaid Section 16 are of a reasonable size for maintenance for temporary storage of produced salt water in an emergency arising

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as the result of a failure in the injection system and the maintenance of such pits will not constitute an undue hazard to the fresh water supplies existing in the area of said pits provided said pits are used in accordance with the provisions of Order (8) of Order No. R-3221.

(12) That the aforesaid two pits located in Unit E of Section 2 and Unit F of Section 3 would be used for temporary storage only, and only as the result of an emergency arising from a failure in the free-water knockout system.

(13) That the pit located in Unit E of the aforesaid Section 2 and the pit located in Unit F of the aforesaid Section 3 do not constitute elements in the injection system and the applicant does not contemplate use of said pits during emergencies arising from a failure in the injection system.

(14) That the continued maintenance of the two pits located in Units E and F is not necessary for emergency storage of produced water during emergencies arising from failures in the injection system and continued maintenance of said pits will not afford the protection to fresh water supplies in the area of said pits required by Order (6) of Order No. R-3221.

IT IS THEREFORE ORDERED:

(1) That pursuant to the intent of Order (8) of Order No. R-3221, the applicant, Cities Service Oil Company, is hereby authorized to maintain the pit located in Unit I of Section 3 and the pit located in Unit A of Section 16, both in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, for temporary storage of salt water during emergency situations arising as the result of failures in the injection system of the Drickey Queen Sand Unit Waterflood Project;

PROVIDED HOWEVER, that said pits shall be utilized in accordance with the provisions of Order (8) of Order No. R-3221, dated May 1, 1967, and any water stored therein during such emergency shall be removed immediately upon cessation of the emergency.

(2) That the application of Cities Service Oil Company for the continued use of the pit located in Unit E of Section 2 and the pit located in Unit F of Section 3, both in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, for emergency purposes in exception to Order (2) and Order (6) of Order No. R-3221, is hereby denied.

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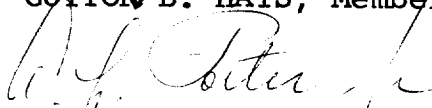
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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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