

*Entered October 29 1969
A.L.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. 4230
Order No. R-3865

APPLICATION OF DALPORT OIL CORPORATION
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 22, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of October, 1969, 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, Dalport Oil Corporation, is the owner and operator of the AMCO Federal Well No. 2, located in the SW/4 NW/4 of Section 31, Township 14 South, Range 30 East, NMPM, Double L Field, Chaves County, New Mexico.

(3) That Order (3) of Commission Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced 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 watercourse, or in any other place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

-2-

CASE No. 4230
Order No. R-3865

(4) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's AMCO Federal Well No. 2 in an unlined surface pit located in the vicinity of said well.

(7) That there appears to be no shallow fresh water in the vicinity of the subject pit for which a reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pit.

(8) That the applicant should be permitted to dispose of salt water produced by its AMCO Federal Well No. 2 in an unlined surface pit in the vicinity of said well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Dalport Oil Corporation, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its AMCO Federal Well No. 2, located in the SW/4 NW/4 of Section 31, Township 14 South, Range 30 East, NMPM, Double L Field, Chaves County, New Mexico, in an unlined surface pit in the vicinity of said well.

(2) That the Commission may by administrative order rescind such authority whenever it reasonably appears to the Commission that such rescission would serve to protect fresh water supplies from contamination.

-3-

CASE No. 4230

Order No. R-3865

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

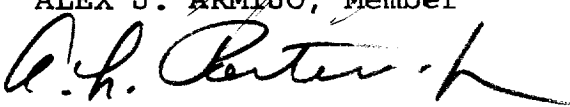
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman



ALEX J. ARMIJO, Member



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

S E A L

esr/