

*Entered May 22, 1973  
C.F.D.*

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 ON ITS OWN MOTION TO CONSIDER  
THE AMENDMENT OF RULE 116 OF THE COMMISSION  
RULES AND REGULATIONS TO STRENGTHEN THE  
REQUIREMENTS FOR NOTIFICATION TO THE  
COMMISSION OF FIRE, BREAKS, LEAKS, SPILLS,  
AND BLOWOUTS OF CRUDE OIL, CONDENSATE, OR  
NATURAL OR CASINGHEAD GAS.

CASE NO. 4945  
Order No. R-4524

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 18, 1973, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 22nd day of May, 1973, 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 there is need for the amendment of Rule 116 of the Commission Rules and Regulations to more clearly define the process of notification to the Commission in the event of fire, spills, leaks, breaks, or blowouts at oil and gas drilling, producing, transporting, and processing installations in New Mexico.
- (3) That said amendment should make provision for immediate notification to the Commission of "major" incidents in which large volumes are involved, or in which watercourses, streams, or lakes are involved, or in which there is danger to human health or there is reasonable probability of substantial damage to property.
- (4) That said amendment should further make provision for later or subsequent notification to the Commission of incidents of more minor nature not involving large volumes and in which no danger to watercourses, streams, or lakes exists, and there is no threat of endangering human health nor of substantial damage to property.

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(5) That adoption of such amendment to Rule 116 is in the public interest, will prevent waste, and will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That Rule 116 of the Commission Rules and Regulations is hereby amended to read in its entirety as follows:

**RULE 116. NOTIFICATION OF FIRE, BREAKS, LEAKS, SPILLS, AND BLOWOUTS.**

The Commission shall be notified of any fire, break, leak, spill, or blowout occurring at any oil or gas drilling, producing, transporting, or processing facility in the State of New Mexico by the person operating or controlling such facility.

"Facility," for the purpose of this rule, shall include any oil or gas well, or drilling well; any pipe line through which crude oil, condensate, or casinghead or natural gas is gathered, piped, or transported (including field flow-lines and lead-lines but not including natural gas distribution systems); any receiving tank, holding tank, or storage tank, or receiving and storage receptacle into which crude oil, condensate, or casinghead or natural gas is produced, received, or stored; any processing or refining plant in which crude oil, condensate, or casinghead or natural gas is processed or refined; and any drilling pit or slush pit associated with oil or gas well drilling operations or any storage pit or pond associated with oil or gas production or processing operations and containing hydrocarbons or hydrocarbon waste or residue, salt water, strong caustics or strong acids, or other deleterious chemicals or harmful contaminants.

Notification of such fire, break, leak, spill, or blowout shall be in accordance with the provisions set forth below:

1. Well Blowouts. Notification of well blowouts and/or fires shall be "immediate notification" described below.

2. "Major" Breaks, Spills, or Leaks. Notification of breaks, spills, or leaks of 25 or more barrels of crude oil or condensate, none of which reaches a watercourse or enters a stream or lake; breaks, spills, or leaks in which one or more barrels of crude oil or condensate does reach a watercourse or enters a stream or lake; and breaks, spills, or leaks of any magnitude which may with reasonable probability endanger human health or result in substantial damage to property, shall be "immediate notification" described below.

3. "Minor" Breaks, Spills or Leaks. Notification of breaks, spills, or leaks, of 5 barrels or more but less than 25 barrels of crude oil or condensate, none of which reaches

a watercourse or enters a stream or lake, shall be "subsequent notification" described below.

4. Gas Line Breaks and Gas Leaks. Notification of gas pipe line breaks or gas leaks in which natural or casinghead gas of any quantity has escaped or is escaping which may with reasonable probability endanger human health or result in substantial damage to property shall be "immediate notification" described below. Notification of gas pipe line breaks or leaks in which the loss is estimated to be 1000 or more MCF of natural or casinghead gas but in which there is no danger to human health nor of substantial damage to property shall be "subsequent notice" described below.

5. Tank Fires. Notification of fires in tanks or other receptacles caused by lightning or any other cause, if the loss is, or it appears that the loss will be, 25 or more barrels of crude oil or condensate, or fires which may with reasonable probability endanger human health or result in substantial damage to property, shall be "immediate notification" as described below. If the loss is, or it appears that the loss will be at least 5 barrels but less than 25 barrels, notification shall be "subsequent notification" described below.

6. Drilling Pits, Slush Pits, and Storage Pits and Ponds. Notification of breaks and spills from any drilling pit, slush pit, or storage pit or pond in which any hydrocarbon or hydrocarbon waste or residue, salt water, strong caustic or strong acid, or other deleterious chemical or harmful contaminant endangers human health or does substantial surface damage, or reaches a watercourse or enters a stream or lake in such quantity as may with reasonable probability endanger human health or result in substantial damage to such watercourse, stream, or lake, or the contents thereof, shall be "immediate notification" as described below. Notification of breaks or spills of such magnitude as to not endanger human health, cause substantial surface damage, or result in substantial damage to any watercourse, stream, or lake, or the contents thereof, shall be "subsequent notice" described below, provided however, no notification shall be required where there is no threat of any damage resulting from the break or spill.

IMMEDIATE NOTIFICATION. "Immediate Notification" shall be as soon as possible after discovery and shall be either in person or by telephone to the district office of the Commission district in which the incident occurs, or if the incident occurs after normal business hours, to the District Supervisor, the Oil and Gas Inspector, or the Deputy Oil and Gas Inspector. A complete written report of the incident shall be submitted in duplicate to the appropriate district office of the Commission within ten days after discovery of the incident.

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SUBSEQUENT NOTIFICATION. "Subsequent Notification" shall be a complete written report of the incident and shall be submitted in duplicate to the district office of the Commission district in which the incident occurred within ten days after discovery of the incident.

CONTENT OF NOTIFICATION. All reports of fires, breaks, leaks spills, or blowouts, whether verbal or written, shall identify the location of the incident by quarter-quarter, section, township, and range, and by distance and direction from the nearest town or prominent landmark so that the exact site of the incident can be readily located on the ground. The report shall specify the nature and quantity of the loss and also the general conditions prevailing in the area, including precipitation, temperature, and soil conditions. The report shall also detail the measures that have been taken and are being taken to remedy the situation reported.

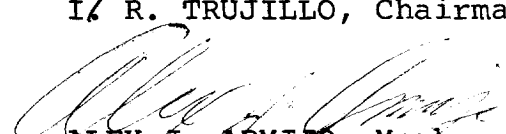
WATERCOURSE, for the purpose of this rule, is defined as any lake-bed or gully, draw, stream bed, wash, arroyo, or natural or man-made channel through which water flows or has flowed.

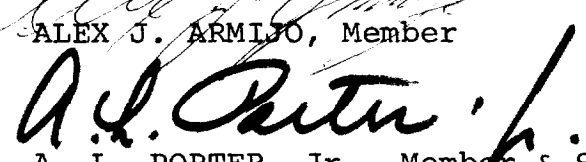
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
I. R. TRUJILLO, Chairman

  
ALEX J. ARMILJO, Member

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

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