

Entered December 16, 1983  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7986  
Order No. R-5516-B

APPLICATION OF PARABO, INC. FOR  
AN AMENDMENT TO DIVISION ORDER  
NO. R-5516, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 26, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of December, 1983, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Parabo, Inc., is the operator of a facility described and permitted in Division Order No. R-5516 entered on August 30, 1977, and amended by Division Order No. R-5516-A entered on March 18, 1981, being a multi-pit surface salt water disposal facility.

(3) That the applicant now seeks approval to dispose of drilling fluids, drill cuttings, and those materials that are normally connected with or are the results of drilling operations in New Mexico such as muds, tailings, and cement in an existing pit, known as "Pit No. 8", which is located in the eastern portion of the previously approved facility in Section 29, Township 21 South, Range 38 East, NMPM, Lea County, New Mexico.

(4) That the applicant also seeks approval to dispose of treated basic sediments and water (B.S. and W.) in a

previously approved salt water disposal pit, known as "Pit No. 4", which is located in the extreme western portion of said facility in the N/2 SW/4 of said Section 29.

(5) That said multi-pit surface salt water disposal facility has been in operation by the applicant since early 1978 and has expanded to include six active salt water disposal pits and the applicant is presently awaiting administrative approval from the Division on a seventh salt water disposal pit, known as "Pit No. 7", which will be located in the far eastern portion of said facility in said Section 29.

(6) That Pit No. 8 lies entirely within the essentially impermeable Triassic Red Bed Clay formation with its floor at an elevation of 3412 feet mean sea level.

(7) That Pit No. 8 is underlain by a layer of naturally deposited Triassic Red Clay at least 50 feet in thickness and that the highest level for the Red Clay or spill point for said pit is at an elevation of 3432.5 feet mean sea level.

(8) That Pit No. 8 was formed by the excavation of and the extraction of the Triassic Red Clay material which was used for the construction of dikes for the facility.

(9) That the applicant proposes that the maximum fill level for Pit No. 8 be limited to a plane one-half foot below the level of the spill point for said pit, said plane being at an elevation of 3432 feet mean sea level.

(10) That Pit No. 8 is located between the proposed Pit No. 7, as described in Finding No. (5) above, and all of the previously approved salt water disposal pits.

(11) That at such time as said Pit No. 7 is granted administrative approval by the Division, the entire eastern portion of the facility including Pit No. 8 will then be surrounded by monitor holes as required by Division Order Nos. R-5516 and R-5516-A.

(12) That the applicant requested that the requirements for new monitor holes around said Pit No. 8 be waived until such time as said proposed Pit No. 7 has received administrative approval from the Division.

(13) That Pit No. 4, as described in Finding No. (4) above, is completely contained by the essentially impermeable Triassic Red Bed Clay either by natural deposition or by man-made dikes

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with its floor at an elevation of 3425 feet mean sea level.

(14) That Pit No. 4 is underlain by a layer of naturally deposited Triassic Red Clay at least 50 feet in thickness and that the highest level for the Red Clay or spill point for said pit is at an elevation of 3439 feet mean sea level.

(15) That the applicant also requested that the maximum water level limit of Pit No. 4 of 3435 feet mean sea level, as mandated by Rule No. 4 of Division Order No. R-5516-A, be amended to allow the maximum fill level in said Pit No. 4 to now be limited to a plane one-half foot below the level of the spill point for said pit, said plane being at an elevation of 3438.5 feet mean sea level.

(16) That the entire perimeter of the facility is presently surrounded by monitor holes as mandated by Division Order Nos. R-5516 and R-5516-A.

(17) That the applicant requested that the existing monitor holes in the far western portion of this facility be abandoned.

(18) That the applicant presented no evidence to support their claim that horizontal migration of fluids from the disposed material will not occur in the future.

(19) That that portion of this application proposing the abandonment of any existing monitor holes in the western portion of the facility should be denied.

(20) That the applicant failed to present sufficient evidence that their proposed maximum fill level limits of 3432 feet mean sea level for Pit No. 8 and 3438.5 feet mean sea level for Pit No. 4 are adequate or sufficient to retain any natural precipitation that could cause said pits to overflow their spill points.

(21) That the applicant should provide for the placement of a pipe, or acceptable substitute, in both pits, said pipe to be marked in such a manner as to readily indicate the depth of the disposed material in both pits and the maximum elevation which the disposed material in said pits shall be permitted to attain.

(22) That to promote solidification of disposed materials in Pit Nos. 4 and 8, the applicant proposes to decant, on a regular basis, any fluids which may reside on top of the disposed solids.

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(23) That at such time as Pit No. 4 or Pit No. 8 is filled to capacity, it is proposed by the applicant that that pit then be covered in such a manner as to promote surface drainage away from that pit, and that its perimeter be resurveyed for future identification as to its location.

(24) That the amendment of Order No. R-5516 as described above and operation of the authorized disposal system in accordance with the provisions of said order amended as described above will afford reasonable protection to the underground fresh water supplies, will not cause waste nor impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Parabo, Inc., is hereby authorized to dispose of drilling fluids, drill cuttings, and those materials that are normally connected with or are the results of drilling operations in New Mexico such as muds, tailings, and cement in an existing pit, known as "Pit No. 8," which is located in the eastern portion of the previously approved multi-pit surface salt water disposal facility in Section 29, Township 21 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That the monitor hole requirements for new pits as mandated in Division Order Nos. R-5516 and R-5516-A are hereby waived, for Pit No. 8, until such time as the proposed salt water disposal Pit No. 7, as described in Finding Nos. (5) and (10) of this Order, has received administrative approval from the Division or for a period of one year from the date of this Order.

(3) That if at the end of the one year period said Pit No. 7 has not received administrative approval for salt water disposal, the applicant shall then provide for the required monitor holes around said Pit No. 8 as mandated in Division Order Nos. R-5516 and R-5516-A.

(4) That the applicant is also authorized to dispose of treated basic sediments and water (B.S. and W.) in a previously approved salt water disposal pit, known as "Pit No. 4," which is located in the far western portion of said facility in the N/2 SW/4 of said Section 29.

(5) That the applicant's request for abandonment of existing monitor holes in the far western portion of said multi-pit surface salt water disposal facility is hereby denied.

(6) That at no time shall disposal be permitted into either Pit No. 4 or Pit No. 8 if the total quantity of disposed materials or water, from both natural precipitation and previous disposal, reaches a plane one foot below the level of the spill point of the Triassic Red Bed Clay formation or the clay dike surrounding said pit; that the specific maximum fill levels in said pits shall be as follows:

Pit No. 4: 3438 feet mean sea level

Pit No. 8: 3431.5 feet mean sea level

(7) That the applicant shall provide for the placement of a pipe, or acceptable substitute, in both pits, said pipe to be marked in such a manner as to readily indicate the depth of the disposed material in the pits and the maximum elevation which the material in said pits shall be permitted to attain.

(8) That the applicant shall, on a regular basis (determined by the applicant and approved by the Supervisor of the Hobbs district office of the Division) decant any fluids which are residing on top of the disposed solids in both Pit No. 4 and Pit No. 8.

(9) That the applicant shall file a monthly report on each pit in duplicate (one copy with the Division's Santa Fe office and one copy with the Hobbs district office of the Division) and shall be postmarked not later than the 15th day of the second month.

(10) That said report shall include: the date, the source, the quantity of disposed material, type of disposed material (drilling fluid, drill cuttings, cement, B.S. and W., etc.), and the total quantity disposed of for that month.

(11) That at such time as either said Pit No. 4 or Pit No. 8 is filled to capacity, the operator shall cover that pit with a layer one foot in thickness of Triassic Red Clay followed with a layer two feet in thickness of random fill material; the perimeter of that pit shall then be resurveyed and the data reported on the facility plot plan, to the Division's Santa Fe office and to the Hobbs district office of the Division.

(12) That before the above-described covering procedures are initiated on either of said pits, the operator shall notify the Division Director so that a representative from the Division may be present to witness any or all of the said covering procedures.

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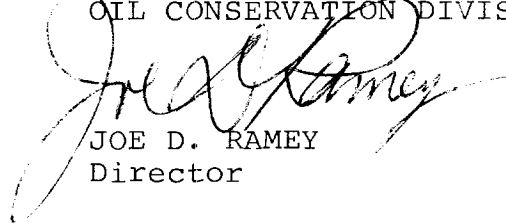
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(13) That the Director of the Division may by administrative order rescind the authorization for use of said Pit No. 4 or Pit No. 8 approved under the provisions of this Order whenever it reasonably appears to the Director that such rescission would serve to protect fresh water supplies from contamination.

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

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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