

Entered September 10, 1979
JLR

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. 6616
Order No. R-6095

APPLICATION OF WATSON TREATING
PLANT FOR AN OIL TREATING PLANT
PERMIT, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 8, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1979, 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, Watson Treating Plant, seeks
authority to construct and operate a chemical and heat-treatment
type oil treating plant in the SE/4 NW/4 of Section 34, Township
8 South, Range 35 East, NMPM, Roosevelt County, New Mexico, for
the reclamation of up to approximately 200 barrels of sediment
oil per day to be obtained from tank bottoms, disposal water, and
waste pits.

(3) That dikes, dams and/or emergency pits should be con-
structed around the plant capable of holding the entire capacity
of all tanks and vessels at the plant location in order that
sediment oil, reclaimed oil, or waste oil cannot escape from the
immediate vicinity of such plant.

(4) That the proposed plant and method of processing will
efficiently process, treat, and reclaim the aforementioned waste
oil, thereby salvaging oil which would otherwise be wasted.

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(5) That the subject application should be approved as being in the best interests of conservation.

IT IS THEREFORE ORDERED:

(1) That the applicant, Watson Treating Plant, is hereby authorized to install and operate a chemical and heat-treatment type oil treating plant in the SE/4 NW/4 of Section 34, Township 8 South, Range 35 East, NMPM, Roosevelt County, New Mexico, for the purpose of treating and reclaiming sediment oil to be obtained from tank bottoms and waste pits;

PROVIDED HOWEVER, that the continuation of the authorization granted by this order shall be conditioned upon compliance with the laws of the State of New Mexico and the rules and regulations of the New Mexico Oil Conservation Division;

PROVIDED FURTHER, that prior to commencing operation of said plant, the applicant shall file with the Division a performance bond in the amount of \$10,000.00 conditioned upon substantial compliance with applicable statutes of the State of New Mexico and all rules, regulations and orders of the Oil Conservation Division.

(2) That the operator of the above-described oil treating plant shall clear and maintain in a condition clear of all debris and vegetation a fireline at least 15 feet in width and encircling the site upon which the plant is located.

(3) That dikes, dams and/or emergency pits shall be constructed around the plant capable of holding the entire capacity of all tanks and vessels at the plant location and capable of preventing the escape of any sediment oil, reclaimed oil, or waste oil from the immediate vicinity of said plant.

(4) That the disposal of waste water accumulated in conjunction with the operation of the above-described plant 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 is hereby prohibited.

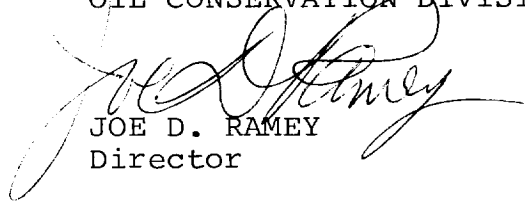
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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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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