

Entered October 19, 1982  
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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. 7680  
Order No. R-7113

APPLICATION OF UNICHEM INTERNATIONAL,  
INC. FOR AN EXCEPTION TO ORDER NO.  
R-3221, AS AMENDED, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 29, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 19th day of October, 1982, 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 Order (3) of Division 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.

(3) 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.

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(4) 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.

(5) That the applicant, Unichem International, Inc., seeks as an exception to the provisions to the aforesaid Order (3) to permit the commercial disposal of produced brine into several unlined surface pits (natural salt lakes) located in Section 2, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

(6) That the applicant proposes to dispose of up to 2000 barrels of salt water daily at company facilities located in the NW/4 of said Section 2, such salt water being hauled by Unichem or Unichem subsidiary trucks only.

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

(8) That the area of the salt lakes is sufficient to provide for evaporation in excess of the volume of salt water proposed for disposal (up to 2000 barrels of water per day).

(9) That the disposal facility should consist of skim tanks, surge tanks, aeration tanks, skim oil storage tanks and a header pit all being of sufficient size and capacity to prevent the movement of any oil or solids onto or into any of the salt lakes affected by such disposal.

(10) That if the applicant fails to prevent the movement of such oils or solids onto or into any of said salt lakes, the Director of the Division should be empowered to administratively suspend or rescind the authority for use of such lake for salt water disposal.

(11) That this application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Unichem International, Inc., is hereby granted an exception to Order (3) of Division Order No. R-3221, as amended, to dispose of up to 2000 barrels of salt water per day collected by its or its subsidiaries' trucks

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in a commercial salt water disposal facility located in the NW/4 of Section 2, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That prior to disposal of any water at said facility, the applicant shall install skim tanks, surge tanks, aeration tanks, and skim oil storage tanks and shall construct a header pit all of combined size and capacity sufficient to prevent the movement of any oil or solids from the facility onto or into any natural salt lake or ground surface which may be affected by the disposal operation.

(3) That upon completion of such installation and construction the applicant shall notify the supervisor of the Division's district office at Artesia in order that the Division may inspect said facility.

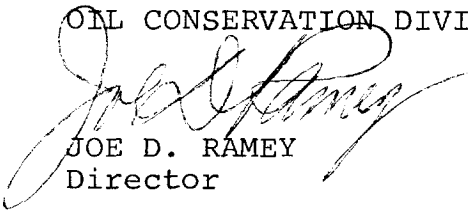
(4) That the Director of the Division may by administrative order suspend or rescind such authority whenever it reasonably appears to the Director that such suspension or rescission would serve to protect fresh water supplies from contamination or if the applicant should permit the movement of oil or solids onto the ground surface or any natural salt lake as prohibited by Order No. (2) above.

(5) The applicant shall file a monthly report of disposal volumes on Form C-120-A in accordance with Division Rule 1120.

(6) 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 hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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