

Entered September 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. 7836
Order No. R-7348

APPLICATION OF WALLEN PRODUCTION
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 30, 1983,
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of September, 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, Wallen Production, is the owner
and operator of certain wells located in Sections 19 and 30,
Township 19 South, Range 33 East, NMPM, South Tonto Yates-Seven
Rivers Pool, Lea County, New Mexico.

(3) 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.

(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

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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 as an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's wells located in said Sections 19 and 30 into an unlined surface pit located in Unit N of said Section 30.

(7) That wells presently located in said Sections presently produce approximately 55 barrels of water per day.

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

(9) That to prevent waste of oil and gas in said South Tonto Yates Seven Rivers Pool, permanent authority to dispose of produced water from applicant's wells located in said Sections 19 and 30 in an unlined surface pit should be granted.

(10) That the applicant should be permitted to dispose of salt water produced by its wells located in Sections 19 and 30 in the above-described surface pit.

IT IS THEREFORE ORDERED:

(1) That the applicant, Wallen Production, is hereby granted an exception to Order (3) of Division Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its present wells located in Section 19 and 30, Township 19 South, Range 33 East, NMPM, South Tonto Yates-Seven Rivers Pool, Lea County, New Mexico, in an unlined surface pit located in Unit N of said Section 30, until further order of the Division.

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

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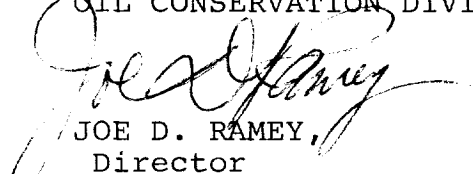
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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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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