STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO AMEND RULE 313 BY THE ADDITION OF FRESH WATERS TO SAID RULE.

CASE NO. 8704 Order No. R-8044

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 18, 1985, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of October, 1985, 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 THAT:

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) The Oil Conservation Division, hereinafter referred to as the "Division," proposes the amendment of its general Rule 313, as shown on Exhibit "A" attached to this order, to provide for protection of both surface water and ground water rather than streams only as currently called for in the rule.
- (3) This change is consistent with the provisions of Section 70-2-12 B (7) and (15) NMSA (1978) of the Oil and Gas Act, which authorizes the regulation of wells to prevent injury to property and the disposition of produced water to protect fresh water and should be adopted.

IT IS THEREFORE ORDERED THAT:

- (1) Division Rule 313 is hereby amended to read in its entirety as shown on Exhibit "A" attached to and made a part of this order.
- (2) The effective date of this order and of the rule amendment contained herein shall be October 21, 1985.

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(3) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

 ${\tt DONE}$ at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JIM BACA, Member

ED KELLEY, Member

R. L. STAMETS, Chairman and Secretary

S E A L

RULE 313. EMULSION, BASIC SEDIMENTS, AND TANK BOTTOMS

Wells producing oil shall be operated in such a manner as will reduce as much as practicable the formation of emulsion and basic sediments. These substances and tank bottoms shall not be allowed to pollute fresh waters or cause surface damage. If tank bottoms are removed to surface pits, the pits shall be fenced and the fence shall be kept in good repair.

EXHIBIT "A"
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