STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO AMEND RULE 0.1 TO DEFINE FRESH WATER IN A MANNER CONSISTENT WITH THE DESIGNATION OF THE STATE ENGINEER.

CASE NO. 9009 Order No. R-8335

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1986, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 4th day of November, 1986, 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) Section 70-2-12 B.(15), NMSA 1978, of the Oil and Gas Act requires the Oil Conservation Division, hereinafter referred to as the Division, to make rules, regulations and orders:
 - "to regulate the disposition of water produced or used in connection with the drilling for or producing of oil or gas, or both, and to direct surface or subsurface disposal of such water in a manner that will afford reasonable protection against contamination of fresh water supplies designated by the State Engineer."
- (3) While the current definition of fresh water (to be protected) does not conflict with the designation of the State Engineer, it does not include lakes and playas, or specify that the surface waters of all streams regardless of the quality of the water within any given reach shall be protected.

- (4) To carry out the intent of said Section 70-2-12 B. (15), Division Rule 0.1 should be amended to include a definition of fresh water consistent with the complete designation of the State Engineer.
- (5) The proposed definition amendment as shown on Exhibit "A" attached to this order is consistent with the most recent designation by the State Engineer and should be adopted.
- (6) The effective date of this order should be November 10, 1986.

IT IS THEREFORE ORDERED THAT:

- (1) Division Rule 0.1 is hereby amended by the definition amendment of fresh water as shown on Exhibit "A" attached to and made a part of this order.
- (2) The effective date of this order and of the definition promulgated hereby shall be November 10, 1986.
- (3) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JIM BACA, Member

R. L. STAMETS,

Chairman and Secretary

KELLEY,/Member

S E A L

RULE 0.1 DEFINITIONS (Amended Fresh Water Definition)

Fresh water (to be protected) includes the water in lakes and playas, the surface waters of all streams regardless of the quality of the water within any given reach, and all underground waters containing 10,000 milligrams per liter (mg/l) or less of total dissolved solids (TDS) except for which, after notice and hearing, it is found there is no present or reasonably foreseeable beneficial use which would be impaired by contamination of such waters. The water in lakes and playas shall be protected from contamination even though it may contain more than 10,000 mg/l of TDS unless it can be shown that hydrologically connected fresh ground water will not be adversely affected.

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EXHIBIT "A"