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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 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 applicants seek an exception to the provisions of the aforesaid Order (3) to permit the continued disposal of salt water, produced by applicants' wells located in said Section 36 and in said Section 1, in several unlined surface pits located in said Section 36 and in said Section 1.

(7) That the applicants are presently disposing of approximately 60 barrels of produced water per day in the subject pits.

(8) That the evidence presented indicates that there are no water wells within five miles of the subject pits.

(9) That 40 to 50 unsuccessful attempts to develop water wells have been made in the subject area.

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

(11) That approval of the subject application will not cause waste nor violate correlative rights.

## IT IS THEREFORE ORDERED:

(1) That the applicants, H. N. Sweeney and Paul Slayton, are hereby granted an exception to Order (3) of Commission Order

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No. R-3221, as amended, to continue to dispose of water produced in conjunction with the production of oil or gas, or both, by their wells located in Section 36, Township 8 South, Range 28 East and in Section 1, Township 9 South, Range 28 East, NMPM, Twin Lakes-Devonian and Twin Lakes-San Andres Pools, Chaves County, New Mexico, in the unlined surface pits located in said Sections 36 and 1 until further order of the Commission.

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

(3) That 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 OTL CONSERVATION COMMISSION 2 CARGO Chairman DAVID ri (5 GUXTON HAYS Member L. PORTER, Jr., Member & Secretary

SEAL

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