Entered May 5, 1969 A.P.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 4100 Order No. R-3747

APPLICATION OF J. M. C. RITCHIE FOR AN EXCEPTION TO ORDER NO. R-3221, AS AMENDED, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 16, 1969, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>5th</u> day of May, 1969, 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:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, J. M. C. Ritchie, is the owner and operator of four wells located in Sections 16, 20, and 21 of Township 26 South, Range 27 East, NMPM, Welch-Delaware Pool, Eddy County, New Mexico.

(3) That effective January 1, 1969, Order (3) of Commission 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 -2-CASE No. 4100 Order No. R-3747

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 applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the continued disposal of salt water, produced by applicant's four wells located in said Sections 16, 20, and 21, in an unlined surface pit located in the NW/4 of said Section 21.

(7) That the applicant is presently disposing of approximately 90 barrels of water per day in the subject pit.

(8) That there is shallow fresh water in the area as evidenced by a fresh water spring approximately 1.7 miles southeast of the subject pit.

(9) That the surface and subsurface drainage appears to be from the subject pit in a southeasterly direction.

(10) That fresh water supplies as designated by the State Engineer exist within a radius of 1.7 miles from the subject pit.

(11) That the applicant has failed to establish that continued disposal of water produced in conjunction with the production of oil or gas, or both, by the subject wells in the subject unlined surface pit would not constitute an additional threat of contamination of fresh water supplies existing in the vicinity of said pit.

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(12) That the subject application should be <u>denied</u>.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(2) 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 OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman 0

A. L. PORTER, Jr., Member & Secretary

SEAL

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