September 10, 1974 CIU Enland,

## 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. 5038 (Reopened) Order No. R-4620-A

IN THE MATTER OF CASE NO. 5038 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4620, WHICH ORDER AUTHORIZED THE TEMPORARY DISPOSAL OF PRODUCED WATER IN UNLINED SURFACE PITS IN THE TWIN LAKES FIELD, CHAVES COUNTY, NEW MEXICO, FOR A PERIOD OF ONE YEAR.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 4, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>10th</u> day of September, 1974, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-4620, dated August 23, 1973, the Commission granted the applicant in this case, Twinlakes Oil Company, as an exception to Order No. R-3221, permission to dispose of produced salt water into unlined surface pits in Section 36, Township 8 South, Range 28 East and Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, for a temporary period of one year.

(3) That said Order No. R-4620 provided that Case No. 5038 would be reopened during September, 1974, to allow the applicant to appear and show cause why said water should not be disposed of in accordance with the provisions of Order No. R-3221.

(4) That this case was reopened at an examiner hearing held on September 4, 1974.

(5) That the evidence adduced at said hearing establishes that there are still no water wells within five miles of the subject pits.

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(6) That the applicant has been unable to adequately evaluate the production of gas and water from the undesignated Cisco Gas Pool due to technical problems.

(7) That applicant should be granted a further exception to Order No. R-3221 to produce water into unlined surface pits for an additional temporary period of one year.

(8) That this case should be reopened at an examiner hearing in September, 1975, at which time the applicant should appear and show cause why the water produced from the undesignated Cisco Gas Pool should not be subject to Order (3) of Commission Order No. R-3221.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Twinlakes Oil Company, is hereby granted, as an exception to Order (3) of Commission Order No. R-3221, permission to dispose of water produced in conjunction with the production of gas from the subject undesignated Cisco Gas Pool in unlined surface pits in Section 36, Township 8 South, Range 28 East, NMPM, and Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, for a temporary period of one year.

(2) That this case shall be reopened at an examiner hearing in September, 1975, at which time the applicant may appear and show cause why water produced from said undesignated Cisco Gas Pool should not be subject to Order (3) of Commission Order No. R-3221.

(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 OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member 1 Alte L. PORTER, Jr., Member & Secretary

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