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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF THE
NEW MEXICO OIL CONSERVATION DIVISION FOR
ADOPTION OF AMENDMENTS TO RULE 19.15.17
(THE "PIT RULE"), STATEWIDE.

CASE NO. 14292

PROPOSED FINDINGS AND CONCLUSIONS OF NEW MEXICO
CITIZENS FOR CLEAN AIR AND WATER

New Mexico Citizens for Clean Air and Water (NMCCA&W) hereby submits the following proposed findings and conclusions. These findings and conclusions will address only the proposed increase of the chloride burial standard from 250 mg/l to 3000 mg/l. They do not address the proposed changes to regulations concerning tanks.

FINDINGS OF FACT

1. During the hearing in this case, no evidence was presented to establish the economic benefit of the rule change, either for the State of New Mexico or for the oil and gas industry.
2. During the hearing in this case, no evidence was presented to establish that the proposed increase in chloride burial standards would be harmless to the environment. The single calculation presented by the Oil Conservation Division (OCD) in support of the rule change predicted that excessive chloride would contaminate an aquifer after approximately 2,000 years. However, other undisputed testimony stated that the spectrum of possible consequences cannot be established by a single calculation using a single set of assumed parameters, when the parameters of actual soils and faults in the trench liner may vary by orders of magnitude. Furthermore, the OCD model did not accurately represent the consequences of a hole in the liner,

or even consider the physical effects of dissolved salt on the downward progress of the salt water plume beneath the trench. Modeling calculations by both the OCD and NMCCA&W agreed that, without a liner, chlorides from a burial unit would reach the aquifer in approximately 100 to 150 years, strongly suggesting that contamination of an aquifer would occur approximately 100 years after liner failure, not after 2000 years.

3. In proposing the rule change, OCD ignored the possibility of chloride transport upward transport of salt toward the ground surface.

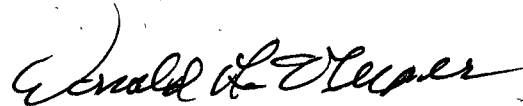
CONCLUSIONS OF LAW

1. The evidence presented in this case is inadequate to justify any asserted benefit of the proposed rule change.

2. The evidence presented in this case supports the conclusion that the increased burial of chlorides allowed by the rule change would harm the environment, particularly by contaminating an underlying aquifer.

Dated: April 25, 2009

Respectfully submitted,



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Authorized Representative of NMCCA&W

CERTIFICATE OF SERVICE

I hereby certify that on this 25th of April, 2009, I have caused a copy of NMCCA&W's Proposed Findings and Conclusions in Case 14292 to be delivered to the following persons, by U.S. Mail, by hand delivery, or by electronic means.

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