

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. 3997
Order No. R-3635

APPLICATION OF READING & BATES OFFSHORE
DRILLING COMPANY FOR AN EXCEPTION TO ORDER
NO. R-3221, AS AMENDED, CHAVES COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 18, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of December, 1968, 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, Reading & Bates Offshore Drilling Company, is the owner and operator of the White Ranch Well No. 1, located in Unit A of Section 1, Township 12 South, Range 28 East, NMPM, West White Ranch-Devonian Pool, Chaves 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. 3997

Order No. R-3635

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 the aforesaid White Ranch Well No. 1 in an unlined surface pit located in Unit A of said Section 1.

(7) That the applicant is presently disposing of approximately 350 barrels of produced water per day in the subject pit.

(8) That said produced water has a chloride content of approximately 30,000 parts per million and a total dissolved solids content of approximately 50,730 parts per million.

(9) That there are water wells located within a radius of two miles of the subject pit.

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

(11) That the applicant has failed to establish that continued disposal of the water produced in conjunction with the production of oil or gas, or both, by its White Ranch Well No. 1, in the subject unlined surface pit would not constitute an additional threat of contamination of fresh water supplies designated by the State Engineer existing in the vicinity of said pit.

(12) That the subject application should be denied.

-3-

CASE No. 3997

Order No. R-3635

IT IS THEREFORE ORDERED:

- (1) That the subject application is hereby denied.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

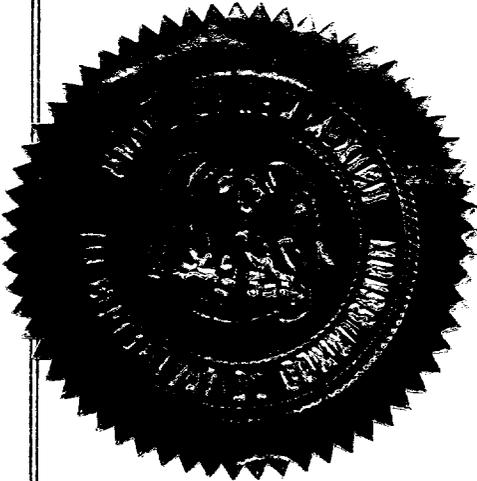
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

[Signature]
DAVID F. CARGO, Chairman

[Signature]
GUYTON B. HAYS, Member

[Signature]
A. L. PORTER, Jr., Member & Secretary



esr/