

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PENNZOIL COMPANY FOR AN EXCEPTION TO ORDER NO. R-3221, LEA COUNTY, NEW MEXICO

APPLICATION

Comes now Pennzoil Company and applies to the Oil Conservation Commission of New Mexico for an exception to the provisions of Commission Order No. R-3221, as amended, to permit the surface disposal of produced water in an unlined surface pit in the Quail Ridge Morrow field, and in support thereof would show the Commission:

- 1. Applicant proposes to dispose of water produced from its Mescalero Ridge Unit No. 1 well, located in Unit M, Section 20, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico, in an unlined surface pit.
- 2. The Mescalero Ridge Unit No. 1 well is a gas well, and produces approximately 100 to 120 barrels of water per day, together with approximately one and one half million cubic feet of gas, and 80 barrels of condensate.
- 3. There is no supply of fresh water in the vicinity of the subject well, and proposed pit location, the nearest water supply being a well approximately two and one half miles west, which well produces water containing 4,000 ppm chlorides.
- 4. Applicant has made an extensive survey, and finds no other water wells in the area, nor is fresh water encountered in any formation in the vicinity of the well.

- Surface drainage pattern is such that produced water cannot migrate to contaminate any supply of fresh water, whether surface water or underground water, and no stock tanks or other temporary or permanent water facilities exist in the area or would be affected by the surface disposal.
- Water from the well is presently being trucked to a disposal site at considerable expense to applicant.
- Approval of this application will prolong the economic life of the well, permit the recovery of gas and condensate over a longer period of time, and will prevent waste. damage will occur to the surface or underground, and the correlative rights of no owner will be affected.

WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order approving the surface disposal as applied for.

> Respectfully submitted, PENNZOIL COMPANY

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ATTORNEYS FOR APPLICANT