

Case Number.

4169

Application

Transcripts.

Small Exhibits

ETC.

JAMES T. JENNINGS
ROGER L. COPPLE
BRIAN W. COPPLE

LAW OFFICES OF
JENNINGS & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

June 16, 1969

MAIN OFFICE
JUN 17 1969
TELEPHONE 822-8432
AREA CODE 505

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 4169

RE: APPLICATION FOR EXCEPTION TO
ORDER R-3221 - MASK, ET AL

Gentlemen:

Enclosed herewith you will find an Application which we are filing on behalf of Mask, Jennings, Keohane & Westall for an exception to Order R-3221 in the Shugart Pool. We assume that this will be placed upon the docket for the July 9 Commission Hearing.

There have been a number of exceptions in the immediate vicinity of this property and any additional testimony would seem to be unnecessary, and I am wondering if it would be possible to submit the matter on the application based upon the testimony in Cases Nos. 4024, 4146 and 4132.

*W. J. -
Note* →

Yours very truly,

JENNINGS & COPPLE

James T. Jennings
James T. Jennings

JTJ/mb

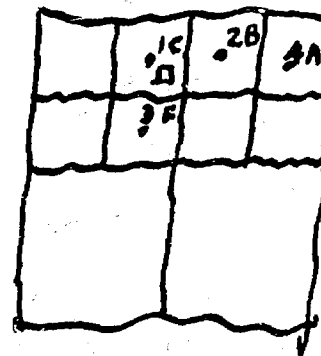
Encl.

DOCKET MAILED
Date *6-25-69*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 4169

IN THE MATTER OF THE APPLICATION
OF MASK, JENNINGS, KEOHANE & WESTALL
FOR AN EXCEPTION TO ORDER NO. R-3221
TO PERMIT THE DISPOSAL OF PRODUCED
SALT WATER INTO AN UNLINED OPEN SURFACE
PIT IN EDDY COUNTY, NEW MEXICO.



APPLICATION

COME NOW Mask, Jennings, Keohane & Westall, by their attorneys, Jennings & Copple, and seek an exception to Order R-3221, as amended, to permit the disposal of produced salt water into an unlined open surface pit located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support of their application state:

1. Applicants are the Operators of a lease covering the E $\frac{1}{2}$ NW $\frac{1}{4}$ and NE $\frac{1}{4}$ Section 2, Township 19 South, Range 31 East, N.M.P.M., upon which the following described wells have been completed and are producing from the Shugart Pool:

No. 1-C	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2-19S-31E
No. 2-B	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 2-19S-31E
No. 3-F	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2-19S-31E
No. 4-A	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 2-19S-31E

2. That said wells produced 606 barrels of oil during May, 1969, 533 barrels of oil during April, 1969, and 569 barrels of oil during March, 1969.

3. In connection with the production of the oil from these four wells, there is produced a small amount of salt water from between 23 and 25 barrels per day, which water is being

disposed of in an unlined open pit located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 19 South, Range 31 East, N.M.P.M.

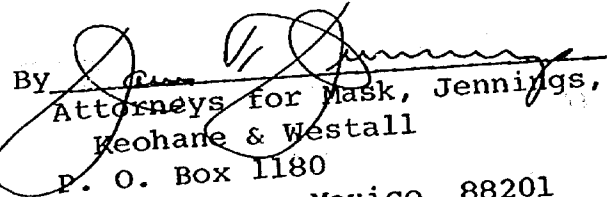
4. Applicants seek permission to dispose of the produced salt water produced from the above mentioned wells and other wells that applicants may drill upon their lease into open unlined pits located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 19 South, Range 31 East, N.M.P.M., or other portions of the lands embraced in said lease, as an exception to Order R-3221, as amended.

5. That there is no fresh or potable water in the vicinity and the only water available in the vicinity for any purpose is from the pipeline serving the potash mines in the area. That there are no salt water disposal facilities available in the area and it is not economical to truck the produced salt water to a disposal facility.

6. Approval of this application for an exception to Order R-3221, as amended, will prevent waste, protect correlative rights and will not injure any fresh water or present any threat of such injury.

WHEREFORE, Applicants request that this application be set for hearing before the Commission or one of its examiners and that the Commission enter its Order granting Applicants an exception to Order R-3221, as amended, in accordance with this application.

JENNINGS & COPPLE

By 
Attorneys for Mask, Jennings,
Keohane & Westall
P. O. Box 1180
Roswell, New Mexico 88201

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. 4169
Order No. R-3800

APPLICATION OF MASK, JENNINGS, KEOHANE,
AND WESTALL 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 July 9, 1969,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of July, 1969, 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 the applicants, Mask, Jennings, Keohane, and
Westall, are the owners and operators of certain wells located
on their lease comprising the E/2 NW/4 and the NE/4 of Section 2,
Township 19 South, Range 31 East, NMPM, Shugart Pool, Eddy County,
New Mexico.

(3) That Order (3) of Commission Order No. R-3221, as amended,
prohibits in that area encompassed by Lea, Eddy, Chaves, and Roose-
velt 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 other place or in any manner which would constitute a hazard

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CASE No. 4169

Order No. R-3800

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 applicants seek an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water, produced by applicants' wells located on their lease comprising E/2 NW/4 and the NE/4 of the aforesaid Section 2, in an unlined surface pit located in Unit C of said Section 2.

(7) That the subject wells presently produce approximately 75 barrels of water per day.

(8) That there appears to be no shallow fresh water in the vicinity of the subject lease for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pit.

(9) That the applicants should be permitted to dispose of salt water produced by wells located on the applicants' lease comprising the E/2 NW/4 and the NE/4 of said Section 2 in the subject unlined surface pit.

IT IS THEREFORE ORDERED:

(1) That the applicants, Mask, Jennings, Keohane, and Westall, are hereby granted an exception to Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by their wells located in the E/2 NW/4 and the NE/4 of Section 2, Township 19 South, Range 31

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CASE No. 4169

Order No. R-3800

East, NMPM, Shugart Pool, Eddy County, New Mexico, in an unlined surface pit located in Unit C of said Section 2.

(2) That the Commission may by administrative order rescind such authority whenever it reasonably appears to the Commission that such rescission would serve to protect fresh water supplies from contamination.


(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


DAVID F. CARGO, Chairman


ALEX J. ARMIGO, Member


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



esr/



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

July 16, 1959

Mr. James T. Jennings
Jennings & Copple
Post Office Box 1180
Roswell, New Mexico 88201

Re: Case No. 4169
Order No. R-3800
Applicant:
Mask, Jennings, Keohane &
Westall

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

Other State Engineer Office

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 9, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Mask, Jennings,
Keohane and Westall for an exception
to Order No. R-3221, as amended,
Eddy County, New Mexico.

Case No. 4169

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Call Case Number 4169.

MR. HATCH: Case 4169, application of Mask, Jennings, Keohane and Westall for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

MR. JENNINGS: I am James T. Jennings of Jennings and Copple, Roswell, appearing on behalf of the applicant, Mask, Jennings, Keohane, et al. I have one witness, Mr. Gerald Westall.

(Witness sworn.)

(Whereupon, Applicant's Exhibit Number One was marked for identification.)

GERALD WESTALL

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. JENNINGS:

Q Would you state your name and occupation, please, sir?

A Gerald Westall, oil operator.

Q Mr. Westall, do you generally operate in the Shugart Pool, and are you one of the operators

of the Mask, Jennings, Keohane and Westall group?

1 A Yes, sir.

Q And as such, you are the -- one of the operators of the wells located in the northeast quarter and east half, northwest quarter, Section 2, Township 19 South, Range 31 East?

A Yes, sir.

Q You actually have the direct supervision of these wells, is that true?

A That's right.

Q And how long have you had such supervision?

A Since the wells were drilled.

Q Have you generally been engaged in the supervision of wells in the general area?

A Yes sir, since 1938.

Q Not only these, but the Keohane --

A Keohane as well.

Q Mr. Westall, are you familiar with the application that has been filed here in -- for an exception to the Commission order, which is Order R-3221?

A Yes, sir.

Q And this is generally an application of -- for an exception of that order?

A Right.

Q Mr. Westall, I believe that there are four wells now producing on this lease, is that correct?

A That's right.

Q And these are the Numbers 1-C, 2-B, 3-F and 4-A?

A That is right.

Q What is the -- the oil production from these four wells?

A The oil production for May was five hundred fifty-one barrels for the four wells, and in June it was five hundred thirty-four barrels.

Q Has it generally been running about the same for sometime?

A Yes, just along those same lines.

Q For some months?

A I would say so, yes sir.

Q In connection with the production from the -- these wells, are you producing some small

water, Mr. Westall?

A Yes. The application says between twenty-three and twenty-five barrels. That's before the application was made. I did test them on two separate days. One day I got twenty-three, the other twenty-five.

Q Did you have any figures for the month of May, actual production of water?

A Well, this is, of course, an estimate on tests, one-day tests per month, May, 744, and June 720. Of course, May being a 31-day month and June a 30-day month makes a part of the difference.

Q Mr. Westall, are there -- what are you currently doing with the water?

A Disposing of it in an unlined pit.

Q Where is the pit located?

A Adjacent to our Number One.

Q Is it feasible to transport the water to a disposal pit anywhere?

A No, not that I know of. There's not any -- there's some floods locally, but otherwise there isn't any disposal well.

Q Was the Atlantic Shenandoah Flood somewhere in the vicinity of this property?

A Yes, the Atlantic Hinkle flood is adjacent to the property.

Q What is the general terrain in the area, Mr. Westall?

A Well, it's -- the drainage, of course, is all to the southwest towards the potash exception area, and other than that, why the surface water, there's just -- there isn't even any surface pits within two miles of us. What I mean by that is ranch water.

Q You mean ranch tanks?

A Ranch tanks.

Q Isn't there a ranch tank in the area generally where they water --

A The potash mine lines in the --

Q I hand you what has been marked as Applicant's Exhibit Number One, and ask you to identify that and tell what it is, if you will, please?

A This is a map of the Shugart area, and of course the surroundings. That is this part of the Lusk area to the south.

Q Mr. Westall, does that map indicate

certain areas where exceptions to the no pit have been granted?

A Yes sir, to the north or the northwest V. S. Welch has no exceptions.

Q That is the area that is marked in green?

A Green and blue, I believe.

Q And there is an area which is the east half of Section 27 marked in blue. What is that?

A That is V. S. Welch, or I think probably now it's Keohane, Sanders, Welch, Iverson and Hinkle area.

Q Where is the -- is there a Pan American -- are they disposing of water in a pit any place? That's the one that's in the blue, I guess --

A Yes, and Welch is in the green.

Q Again referring to the same plat, there's an area to the south and east that is marked in brown. Would you tell what that is?

A That's down in the Lusk and deeper production.

Q Is Tenneco disposing of its water, salt water in the pit at that area?

A That's what I understand.

Q Referring to this same plat, there are marked there some water wells or windmills. I believe one is in the south half of Section 7, Township 18 South, Range 32 East. What is the nature of that water, Mr. Westall?

A It's very jippy. They did use it before the lines, potash lines came up there. They did use the water for stock, but that is, let's see, two, two, five, six miles away from ours up terrain from our Mask Jennings property.

Q Referring to the west half of Section 35, Mr. Westall, Township 18 South, Range 31 East, there's marked a smaller windmill?

A Yes, sir.

Q Are you familiar with that well?

A Yes sir, I was -- it was drilled under my supervision, and I used to live right beside it, used the water for years.

Q What is the nature and the extent of the production from that well?

A Well, I used to try to raise a little yard there, and it won't make -- pumping twenty-four

hours, it wouldn't make twenty-four barrels, but it's -- if you get used to it, it's good water.

Q What's the depth of that well?

A Three hundred feet. It's down to the redbed all the way.

Q Is there anyone living at the camp there now?

A No. You can go by and get a drink of water or a can of water, because the tank is still there. Once in a while, I do fill it back up.

Q Are there any other sources of water or wells that you know of in the immediate vicinity, Mr. Westall?

A No, sir. The only other one that I know of is five to six miles east. That's on the old Lusk ranch. I believe it belongs to the Snyder estate now.

Q Mr. Westall, do you feel that the disposal of salt water into unlined pits on your lease will in any way jeopardize or injure or

present any threat of injury to any of the fresh water in the area?

A No, sir.

Q Mr. Westall, was Exhibit Number One prepared under your supervision?

A Well, yes. I had some help, but I -- I agree with it.

MR. JENNINGS: I believe that's all we have to offer from this witness at this time.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Westall, where is that well that you said was five to six miles to the east?

A It's an Old Plains production well that John Lusk completed.

Q Do you know what section it might be in?

A No sir, I sure don't, but it's actually out past the boundaries of the Lusk field.

Q It would be to the east of the Lusk --

A Yes, sure would. This map doesn't show it.

Q And then so far as other wells are

concerned, the one in 35 and the one up there in Section 7 are the only two that you would recall being out there?

A Yes, sir.

Q Now, you mentioned that the oil production had been rather stable at five hundred and some barrels a month from the four wells?

A Yes, sir.

Q How about the water production, is it changing?

A No, it -- if anything, why it's pretty constant, but of course as the oil goes down, why I think the water goes down, too.

Q How old are these wells?

A How old are they, Jim? Maybe you can tell me, I don't know. Well, we took the original well, the Number One was the Pastell Drilling Company. We drilled it in '38, I believe, but we didn't complete it until I think the early sixties.

Q And then the others were drilled after that?

A Yes.

Q So the wells are maybe less than ten years

old?

A Yes sir, they are less than ten years old.

MR. NUTTER: I see; are there any further questions of Mr. Westall?

You may be excused.

(Witness excused.)

MR. JENNINGS: We would like to offer the Exhibit One, and we would also like to adopt and offer the testimony that was offered in Cases Number 4024, 4126 on behalf of Mr. V. S. Welch, and in Case Number 4132 in behalf of Pan American Petroleum Corporation, and would also call the Examiner's attention to the fact that in Case Number 4155 an exception was granted to Pan American Petroleum Corporation on July 7th after the filing of our application for wells located on Sections 23, 28 and 33, Township 19 South, Range 32 East.

We have nothing further, your honor, to offer.

MR. NUTTER: Cases 4024, 4126 and 4132 will be adopted in the record of this case.

Did you also wish to offer this exhibit?

MR. JENNINGS: Yes, we do.

MR. NUTTER: Applicant's Exhibit Number One will be admitted in evidence in this case.

(Whereupon, Applicant's Exhibit Number One was offered and received in evidence.)

MR. NUTTER: Does anyone have anything further they wish to offer in Case Number 4169? We'll take the case under advisement, and recess the hearing 'til one forty-five.

I N D E XWITNESSPAGE

GERALD WESTALL

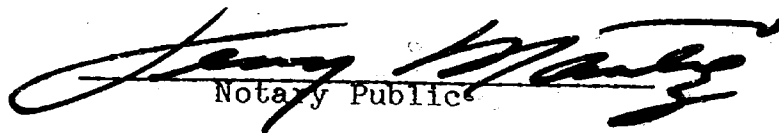
Direct Examination by Mr. Jennings
Cross Examination by Mr. Nutter2
10EXHIBITMARKEDOFFERED AND
ADMITTEDApplicant's Exhibit
Number One

2

13

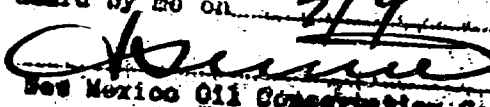
STATE OF NEW MEXICO }
 COUNTY OF BERNALILLO }

I, JERRY MARTINEZ, Notary Public in and for the
 County of McKinley, State of New Mexico, do hereby
 certify that the foregoing and attached Transcript
 of Hearing before the New Mexico Oil Conservation
 Commission was reported by me and that the same is a
 true and correct record of the said proceedings, to
 the best of my knowledge, skill and ability.


 Notary Public

My Commission Expires:

January 24, 1970.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 4167
 heard by me on 2/9 1969

 New Mexico Oil Conservation Commission

DOCKET NO. 19-69

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 9, 1969

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, Alternate Examiner:

CASE 4160: Application of Roger C. Hanks for pool redelineation, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of certain pool boundaries to include the deletion of the NE/4 of Section 29 from the South Prairie-Cisco Pool and the extension of the Middle Allison-Pennsylvanian Pool to include all of Section 29, the SE/4 of Section 30, and the N/2 of Section 32, all in Township 8 South, Range 36 East, Roosevelt County, New Mexico.

CASE 4161: Application of Roger C. Hanks for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Mescalero-Cisco Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units and the assignment of 80-acre allowables.

CASE 3786: (Reopened)

In the matter of Case No. 3786 being reopened pursuant to the provisions of Order No. R-3437, which order established special rules and regulations for the North Paduca-Delaware Pool, Lea County, New Mexico, including provisions for the classification of and spacing for oil and gas wells and a special gas-liquid ratio limitation. All interested parties may appear and show cause why the special rules and regulations should not be discontinued.

CASE 4162: Application of Western States Producing Company for a dual completion and salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State 30 Well No. 2 located in Unit M of Section 30, Township 7 South, Range 33 East, Roosevelt County, New Mexico, in such a manner as to permit the production of oil from the Chaveroo-San Andres Pool and the disposal of produced salt water through 8 5/8 X 4 1/2 inch casing-casing annulus into the Yates, Seven Rivers, and Queen formations in the open-hole interval from approximately 1825 feet to 3785 feet.

CASE 4163:

Application of Pan American Petroleum Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 181-acre non-standard gas proration unit for its Pike Federal Well No. 1 located in Unit A of Section 6, Township 23 South, Range 38 East, Tubb Gas Pool, Lea County, New Mexico, said unit to comprise the N/2 N/2 of said Section 6.

CASE 4164:

Application of Mobil Oil Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Fristoe Well No. 8 at an unorthodox location 2470 feet from the North line and 430 feet from the East line of Section 3, Township 25 South, Range 37 East, Langlie Mattix Pool, Lea County, New Mexico.

CASE 4165:

Application of Sam Boren for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Bagley-Pennsylvanian Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units and the assignment of 80-acre allowables.

CASE 4166:

Application of Sam Boren for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Barbera State "A" Well No. 1 located in Unit P of Section 6, Township 12 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the East Bagley-Pennsylvanian Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres and Glorieta formations in the open-hole interval from approximately 4060 feet to 6562 feet.

CASE 4167:

Application of Charles B. Read for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Hobbs "Y" Well No. 1 located in Unit J of Section 29, Township 12 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the East Hightower-Pennsylvanian Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres, Glorieta, Yeso, and Abo formations in the open-hole interval from approximately 4195 feet to 7720 feet.

CASE 4168: Application of Charles B. Read for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers Reef formation in the open-hole interval between 3783 feet and 3797 feet in his Sinclair State Well No. 1 located 2310 feet from the South and West lines of Section 2, Township 21 South, Range 33 East, Lynch Pool, Lea County, New Mexico.

CASE 4169: Application of Mask, Jennings, Keohane and Westall for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for applicants' wells in the E/2 NW/4 and the NE/4 of Section 2, Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico. Applicants seek authority to dispose of salt water produced by said wells in an unlined surface pit located in Unit C of said Section 2.

CASE 4170: Application of H. C. Hood for pool redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of the High Plains-Pennsylvanian Pool by the deletion of the SW/4 of Section 14 and the SE/4 of Section 15, Township 14 South, Range 34 East, Lea County, New Mexico.

DRAFT

GMH/esr

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. 4169

Order No. R-3800

APPLICATION OF MASK, JENNINGS, KEOHANE
AND WESTALL 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 July 9, 1969,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of July, 1969, 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 the applicants, Mask, Jennings, Keohane, and
Westall, are the owners and operators of certain wells located
on their lease ^{comprising} covering the E/2 NW/4 and the NE/4 of Section 2,
Township 19 South, Range 31 East, NMPM, Shugart 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

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 applicants seek an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water, produced by applicants' wells located on their lease covering the E/2 NW/4 and the NE/4 of the aforesaid Section 2, in an unlined surface pit located in Unit C of said Section 2.

(7) That the subject wells presently produce approximately 75 barrels of water per day.

(8) That there appears to be no shallow fresh water in the vicinity of the subject lease for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pits.

(9) That the applicants should be permitted to dispose of salt water produced by wells located on the applicants' lease comprising the E/2 NW/4 and the NE/4 of ^{said} Section 2 in the subject unlined surface pit. Township 19 South, Range 1 East.

IT IS THEREFORE ORDERED:

(1) That the applicants, Mask, Jennings, Keohane, and Westall, are hereby granted an exception to Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by their wells located in the E/2 NW/4 and the NE/4 of Section 2, Township 19 South, Range 31 East, NMPM, Shugart Pool, Eddy County, New Mexico, in an unlined surface pit located in Unit C of said Section 2.

(2) That the Commission may by administrative order rescind such authority whenever it reasonably appears to the Commission that such rescission would serve to protect fresh water supplies from contamination.

(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.

CASE 4170: Application of H. C.
HOOD FOR POOL REDELINEATION,
LEA COUNTY, NEW MEXICO.