BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

APPLICATION OF ERNEST A. HANSON FOR AN EXCEPTION TO THE PROVISIONS OF ORDER NO. R-3221, AS AMENDED, LEA COUNTY, NEW MEXICO

Can 4022

APPLICATION

Comes now ERNEST A. HANSON and applies to the Oil Conservation Commission of New Mexico for an exception to the provisions of Oil Conservation Commission Order No. R-3221, as amended, to permit the continued use of unlined surface pits for the disposal of produced water in the West Teas-Yates-Seven Rivers Pool, Lea County, New Mexico, and in support thereof would show the Commission:

- 1. Applicant is the operator of a well producing from the West Teas-Yates-Seven Rivers Pool, designated as the Ernest A. Hanson No. 1 Atlantic State Well, located 990 feet from the North line, and 1980 feet from the West line of Section 16, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico.
- 2. At the present time water produced in association with oil production is being disposed of in an unlined surface pit located adjacent to said well.
- 3. Volume of water produced totals approximately 100 barrels per day.
- 4. Said surface pit is located in the vicinity of a large surface lake, and within the drainage area of said lake, designated as Laguna Gatuna, which lake contains concentrations of chlorides far in excess of the chloride content of water produced from the West Teas-Yates-Seven Rivers Pool.
 - 5. Continued use of said surface pit will not result

in damage to any underground or surface fresh water supply, nor create any possibility of water pollution not already present under natural conditions, and a requirement that said water be disposed of underground or by means other than in a surface pit will cause waste and is not necessary for the protection of any water supply.

THEREFORE, Applicant prays that this application be set for hearing before the Commission or its duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order granting an exception to the provisions of Order No. R-3221, as amended, to permit continued use of a surface pit for water disposal, as prayed for.

Respectfully submitted, ERNEST A. HANSON

BY: Coson W. Kellahi KELDAHIN & FOX

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ATTORNEYS FOR APPLICANT