

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. 3892
Order No. R-3554

APPLICATION OF WILLIAM A. AND
EDWARD R. HUDSON FOR AN EXCEPTION
TO ORDER NO. R-3221, AS AMENDED,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of November, 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 applicants, William A. and Edward R. Hudson, are the operators of certain oil wells producing from the West Tonto Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the West Tonto Yates-Seven Rivers Pool as presently designated comprises the following-described acreage:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 13: E/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 18: N/2 and SW/4

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(4) 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, stream-bed, or arroyo, or in any watercourse, or in any other place or in any manner which will constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(5) 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.

(6) 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.

(7) That the applicants seek an exception to the provisions of the aforesaid Order (3) to permit the continued disposal of salt water, produced by all of the wells in the West Tonto Yates-Seven Rivers Pool in unlined surface pits located within the horizontal limits of said pool.

(8) That there is an abandoned shallow water well, the water from which has been reported as impotable, approximately 4 1/2 miles from the subject pits.

(9) That the evidence presented indicates that the nearest existing shallow water well is more than five miles from the subject pits.

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

(11) That approval of the subject application will not cause waste nor violate correlative rights.

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IT IS THEREFORE ORDERED:

(1) That the operators of oil and/or gas wells, both existing and prospective, producing from the West Tonto Yates-Seven Rivers Pool and located in the E/2 of Section 13, Township 19 South, Range 32 East, and the N/2 and SW/4 of Section 18, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, are hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to continue to dispose of water produced in conjunction with the production of oil or gas, or both, by said wells in unlined surface pits located within the boundaries of the West Tonto Yates-Seven Rivers Pool as presently designated.

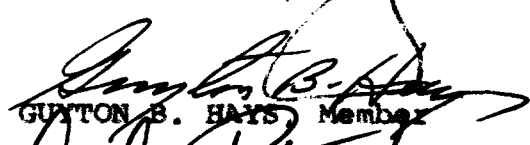
(2) That the Commission may by administrative order rescind such authority whenever it reasonably appears to the Commission that such rescission would serve to protect fresh water supplies from contamination.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

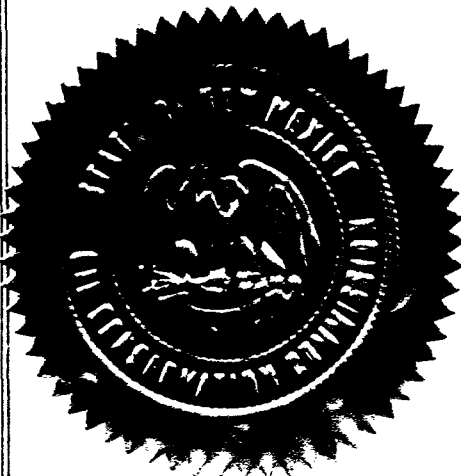
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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



esr/