

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. 3860
Order No. R-3518

APPLICATION OF T. J. SIVLEY 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 September 18, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 4th day of October, 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, T. J. Sivley, is the owner and operator of the T. J. Sivley Silver Federal Lease comprising the S/2 of Section 28, Township 20 South, Range 34 East, NMPM, Lynch Yates Seven-Rivers Pool, Lea County, New Mexico.

(3) That effective January 1, 1969, Order (3) of Commission Order No. R-3221, dated May 1, 1967, 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 will constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

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(4) That the applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the continued disposal of produced water in an unlined surface pit located in the NW/4 SE/4 of said Section 28. In the alternative, applicant seeks an extension of time in which to comply with the provisions of said order.

(5) That said Order No. R-3221 found that the disposal 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, constitutes a hazard to existing fresh water supplies, as designated by the state engineer, in the vicinity of such disposal.

(6) 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.

(7) That the applicant is presently disposing of approximately 50 barrels per day of water produced in conjunction with the production of oil or gas, or both, in the subject pit.

(8) That it is anticipated that the volume of said water to be disposed of will increase.

(9) That there is some evidence that the drainage, both surface and subsurface, from the applicant's lease is in a northerly and a northwesterly direction.

(10) That fresh water supplies as designated by the state engineer exist in nearby areas to the north, northeast, and northwest of the applicant's lease.

(11) That there are no large surface ponds or lakes containing high concentrations of chlorides existing in the area between the applicant's lease and fresh water supplies in the nearby areas to the north, northeast, and northwest of said lease.

(12) That continued disposal of water produced in conjunction with the production of oil or gas, or both, in the subject unlined surface pit would constitute an additional threat of contamination of fresh water supplies designated by the state engineer existing in the vicinity of said pit.

(13) That the subject application should be denied.

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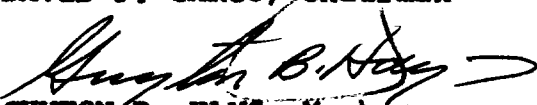
IT IS THEREFORE ORDERED:

- (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.

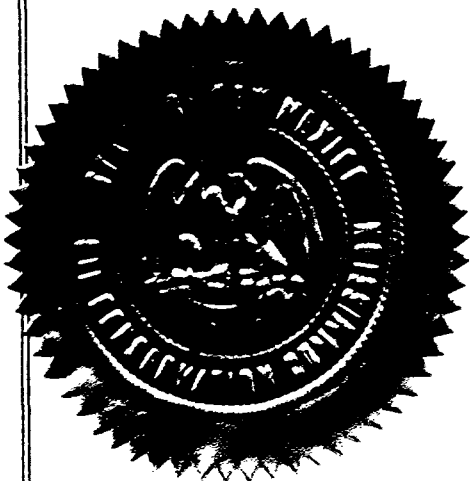
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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



ear/