

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. 4689
Order No. R-4295

APPLICATION OF PETROLEUM CORPORATION
OF TEXAS 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 May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 11th day of May, 1972, 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 applicant, Petroleum Corporation of Texas,
is the owner and operator of certain leases in the Grayburg-
Jackson Pool comprising the NW/4 SW/4 of Section 15, and the
NW/4 of Section 20, Township 17 South, Range 30 East, NMPM,
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 Roosevelt Counties, New Mexico, the disposal, sub-
ject 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.

-2-

CASE NO. 4689
Order No. R-4295

(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 applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's Dexter Federal 15 Well No. 1, located in Unit J of said Section 15 and its Jenkins Wells Nos. 1, 2, 3, and 4, located in the NW/4 of said Section 20 in unlined surface pits on said leases.

(7) That the applicant has recently completed the Dexter Federal 15 Well No. 1, located 1650 feet from the South line and 1650 feet from the East line of said Section 15 as a producing well in the Grayburg-Jackson Pool.

(8) That the Dexter Federal Well produces approximately ten barrels of water per day and the four Jenkins wells produce approximately nine barrels of water per day combined.

(9) That there appears to be no shallow fresh water in the vicinity of any of the above-described wells for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located in the vicinity of said wells.

(10) That the applicant should be permitted to utilize unlined surface pits for the disposal of salt water produced by the above-described five wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Petroleum Corporation of Texas, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its Dexter Federal 15 Well No. 1, located in Unit J of Section 15 and its Jenkins Wells Nos. 1, 2, 3, and 4, located in the NW/4 of Section 20, Township 17 South, Range 30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico, in unlined surface pits located in the vicinity of said wells.

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

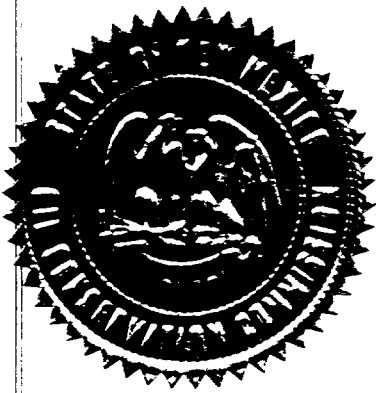
-3-

CASE NO. 4689
Order No. R-4295

(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



Bruce King
BRUCE KING, Chairman

Alex J. Armiijo
ALEX J. ARMIJO, Member

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

S E A L

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