

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. 5709
Order No. R-5278

APPLICATION OF TAHOE OIL AND CATTLE
COMPANY FOR AN EXCEPTION TO THE
PROVISIONS OF ORDER NO. R-3221,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 18, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 18th day of September, 1976, 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, Tahoe Oil and Cattle Company, has
acquired a conditional surface lease consisting of the E/2 SW/4
and W/2 SE/4 of Section 2, Township 20 South, Range 30 East, NMPM,
Eddy County, New Mexico, for the purposes of salt water disposal.

(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, 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.

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(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 as an exception to the provisions of the aforesaid Order (3) to permit the disposal of produced salt water into an unlined surface pit located in the NE/4 SW/4 of said Section 2.

(7) That applicant proposes to dispose of from 1000 to 3000 barrels of water per day in said pit.

(8) That there is fresh water in the vicinity of the above-described unlined pit for which a present or reasonably foreseeable beneficial use is or will be made.

(9) That there is a probability that the beneficial use of said fresh water would be impaired by contamination from the disposal of salt water into the unlined surface pit as requested by the applicant.

(10) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Tahoe Oil and Cattle Company for 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 into an unlined surface pit located in the NE/4 SW/4 of Section 2, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, 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

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L
jr/



OIL CONSERVATION COMMISSION

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



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
September 17, 1976

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Jack Campbell
Campbell & Bingaman
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 5709
ORDER NO. R-5278


Applicant:

Tahoe Oil and Cattle Co.

Dear Sir:

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

Yours very truly,

Yours very truly,

JOE D. RAMEY
Director

JDR/ fd

Copy of order also sent to:

Hobbs OCC	x
Artesia OCC	x
Aztec OCC	

Other J. W. Neal, Jim Maddox