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. 5720 DE NOVO
Order No. R-5246-A

APPLICATION OF HARVEY E. YATES
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 January 17, 1977, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 25th day of January, 1977, 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, Harvey E. Yates, is the owner and operator of the State Wells Nos. 1, 2, 3, 4, and 6, located in Units G, B, A, J, and H, respectively, of Section 32, Township 18 South, Range 30 East, NMPM, North Benson Queen-Grayburg Pool, 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, 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.

(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) permission to dispose of salt water produced by applicant's above-described wells into an unlined surface pit located in Unit B of said Section 32.

(7) That said State Wells Nos. 1, 2, 3, 4, and 6 produce approximately 18 barrels of water per day.

(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 this matter came on for hearing before Examiner Richard L. Stamets on July 21, 1976, and pursuant to this hearing, Order No. R-5246 was issued in Case No. 5720 on August 24, 1976, which order denied the application of Harvey E. Yates for an exception to Order (3) of Commission Order No. R-3221.

(10) That such denial was predicated on said existence of fresh water in the vicinity of said pit, the lack of evidence as to the direction of subsurface drainage or percolation of water from the proposed unlined pit, and the potential threat to said fresh water posed by such drainage or percolation.

(11) That on September 13, 1976, the applicant, Harvey E. Yates, filed application for hearing De Novo of Case No. 5720 and the matter was set for hearing before a quorum of the Commission.

(12) That this matter came on for hearing De Novo on January 17, 1977.

(13) That the evidence presented demonstrates that surface drainage from the area of the proposed unlined pit would not be toward nor affect fresh water.

(14) That the evidence presented demonstrates that subsurface drainage from the area of the proposed unlined pit would not be toward nor affect fresh water.

(15) That there appears to be no shallow fresh water in the vicinity of the subject pit for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pit.

(15) That the applicant should be permitted to dispose of water produced by wells on the above-described lease in an unlined surface pit located on said lease.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harvey E. Yates, 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, from his State Wells Nos. 1, 2, 3, 4, and 6, located in Units G, B, A, J, and H, respectively, of Section 32, Township 18 South, Range 30 East, NMPM, North Benson Queen-Grayburg Pool, Eddy County, New Mexico, in an unlined surface pit located in Unit B of said Section 32.

(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) 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, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

fd/

OIL CONSERVATION COMMISSION

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

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

January 26, 1977

Re: CASE NO. 5720
ORDER NO. R-5246-A

Mr. A. J. Losee
Losee & Carson
Attorneys at Law
P. O. Drawer 239
Artesia, New Mexico 88210

Applicant:

Harvey E. Yates

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

Other