

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 21, 1979

Mr. R. E. Richards  
119 North Dalmont  
Hobbs, New Mexico 88240

Dear Mr. Richards:

This is with reference to your letter of February 8, 1979, wherein you request two additional evaporation pits similar to the one authorized under Order No. R-5516.

This office has reviewed your letter, the attached material, and your operations of the first pit and can see no reason to not grant your request.

You are therefore authorized to construct two additional brine evaporation pits at this facility. All dikes and monitor wells are to be as outlined on your exhibits A and B and are to be constructed and monitored as per Order No. R-5516.

Yours very truly,

JOE D. RAMEY  
Director

JDR/fd

C  
O  
P  
Y

Richards & Nelson

Attorneys at Law

119 North Dalmont  
HOBBS, NEW MEXICO 88240

R. E. RICHARDS  
JAMES E. NELSON

P. O. Box 761  
(505) 393-7737

February 8, 1979

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Oil Conservation Division  
Order No. R-5516

*File in Case File  
Case 5899*

Dear Joe:

Pursuant to paragraph 14 of the captioned Order and on behalf of Parabo, Inc., the formal corporate successor to the permittees in the captioned Order, make request that you authorize the construction of additional pits as outlined in Exhibits A and B attached hereto and incorporated herein by reference, being letter from Ed L. Reed and Associates and plat. In all other respects, the operation will be, as I understand the Order, maintained, controlled and operated in accordance with the provisions of Order No. R-5516. The only deviation that I see from the balance of that Order would be that the proposed two pits, the first to be opened immediately and the second one to be opened when the minable material is removed, will be that these pits will have a three foot freeboard. The purpose for the request for the three foot freeboard as opposed to the four foot freeboard is the fact that they lay up-slope both triassically and as a surface matter to the pit presently being utilized.

We would appreciate your prompt attention to this matter and your action at the earliest practicable time.

Yours very truly,

RICHARDS & NELSON

  
R. E. Richards

RER:pm  
enclosure

Mr. Joe D. Ramey  
February 8, 1979  
Page Two

cc:  
Mr. V. Steve Reed  
Ed L. Reed and Associates, Inc.  
1109 North Big Spring  
Midland, Texas 79701 (w/o enc)

Mr. Ray Wallach  
Post Office Box 1123  
Hobbs, New Mexico 88240 (w/o enc)

Mr. Bobby Wallach  
Post Office Box 1289  
Hobbs, New Mexico 88240 (w/o enc)

# Ed L. Reed and Associates, Inc.

Consulting Hydrologists

1109 N. BIG SPRING  
MIDLAND, TEXAS 79701  
915 682-0556

ED L. REED, P.E.  
PRESIDENT  
A. JOSEPH REED  
EXECUTIVE VICE PRESIDENT  
CHESTER F. SKRABACZ  
VICE PRESIDENT FIELD OPERATIONS

V. STEVE REED  
VICE PRESIDENT GEOLOGY  
1900 SHERWOOD WAY  
SAN ANGELO, TEXAS 76901  
915 944-2120

February 2, 1979

Mr. Robert E. Richards  
Attorney at Law  
119 N. Dalmont  
P. O. Box 761  
Hobbs, New Mexico 88240

Re: Pond Expansion  
Parabo, Inc.  
Lea County, New Mexico

Dear Mr. Richards:

Additional test drilling was performed on January 18 and 19, 1979 to verify the redbed structure depicted on the Triassic map in my December 1978 report. The test holes were drilled with a Mayhew rig which is capable of drilling deeper than the shot-hole rig used in the first round of drilling. A revised Triassic map is submitted.

The December map predicted that the redbed would rise in a northerly direction to an elevation of at least 3459 or 3460. The recent drilling, however, shows that there is a low redbed saddle which lies at an elevation of approximately 3457. North of the saddle the redbed surface dips downward. Except on the east and west sides, the redbed surface does not appear to rise above an elevation of 3457.

In the December report a large U-shaped dike was proposed that would contain water in one large 10-acre pond. This design was based on the assumption that the redbed would rise to an elevation of 3459 or higher in the northern portion of the area. However, since the redbed only rises to an elevation of 3457, I have modified the proposed pond design.

The expansion facility will consist of two ponds, each approximately 5 acres in size. The ponds will be constructed by diking entirely around the ponds to an elevation of 3459. Dikes will be constructed in a manner similar to the existing dikes in the permitted area. In addition to diking, the floor of the ponds will be excavated to an elevation of 3453. Material excavated from the floor will be used to construct the dikes. It is recommended that a 3-foot freeboard be maintained. Therefore, with the design described above, the water level should not exceed 3456.

EXHIBIT A

Mr. Robert E. Richards

February 2, 1979

Page 2

The overburden has been removed from most of the area encompassed by the southernmost pond. The northern pond still contains mineable materials and will not be opened until these materials are removed. Therefore, two rings of monitor holes are proposed. Monitor holes 23 through 31 will monitor the southern pond. Once the sand and gravel have been removed and the northern pond constructed, monitor holes 25 through 28 will be abandoned and monitor holes 32 through 39 will be constructed. The monitor holes will be constructed in a manner similar to the existing holes. They will be drilled to an elevation of 3436 and cased with 3-inch PVC. The PVC will be perforated from an elevation of 3456 to the bottom of the hole.

During the test drilling, the Triassic redbed was examined in the drill cuttings. The redbed in the proposed area appears similar to that in the area already permitted and should have similar retention characteristics.

Should you have any questions, please feel free to call me.

Very truly yours,

ED L. REED & ASSOCIATES, INC.

A handwritten signature in cursive script, reading "V. Steve Reed".

V. STEVE REED

VSR;vjrr

cc: Bob Wallach  
Ray Wallach

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1978

Mr. R. E. Richards  
119 N. Dalmont  
Hobbs, New Mexico 88240

Re: Case No. 5899

Dear Mr. Richards:

Thank you for notifying us of the change of operator name to Parabo, Inc., in the application of the Wallachs. I feel this is sufficient notification to the Commission, since whoever operates the pit disposal system will be bound by the terms of the Commission's order. I appreciate your letter, and will file it in the case file.

Very truly yours,

(Ms.) LYNN TESCHENDORF  
General Counsel

LT/dr

(505) 393-7737

March 24, 1978

Law Offices  
**H. E. Richards**  
Attorney at Law  
119 North Dalmont  
HOBBS, NEW MEXICO 88240

RECEIVED  
MAR 28 1978  
U.S. DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SANTA FE, NEW MEXICO

P. O. Box 761

Mr. Joe Ramey, Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Case No: 5899  
Applicant: Robert P. Wallach, Ray A.  
Wallach & Patricia L. House

Dear Joe:

As the captioned matter was brought to an operational stage, it was determined that it would be to the best advantage of Robert P. Wallach, Ray A. Wallach and Patricia Wallach House, who were the applicants, to incorporate the operation. This was done under the name of Parabo, Inc.

We need to effect the assignment of the rights granted in your Order on the captioned docket from the partnership to the corporation. I would like to do this in a way most convenient to you and to the now stockholders. If you desire, we could file a formal application for transfer and assignment to which you may want to assign a different docket number. I could, of course, file a written memorandum assigning or transferring from the individuals to the corporation. Or, in the third alternative, this letter might suffice. Would you please give me your ideas as the most practical way to accomplish this result in line with your regulations.

Yours very truly,

LAW OFFICES OF R. E. RICHARDS

R. E. RICHARDS

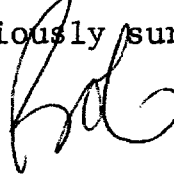
RER/da

cc:

Mr. Bobby Wallach  
Post Office Box 1298  
Hobbs, New Mexico 88240

Joe,

I graciously surrender.

A handwritten signature in cursive script, appearing to be 'Bob', written over the word 'surrender' in the preceding line.

(505) 393-7737

Law Offices  
**R. E. Richards**  
Attorney at Law

119 North Dalmont  
HOBBS, NEW MEXICO 88240

P. O. Box 761

March 30, 1978

Mr. V. Steve Reed  
Ed L. Reed and Associates  
Consulting Hydrologists  
1900 Sherwood Way  
San Angelo, Texas 76901

*Wallach  
Reed  
Case 21  
5899*

Wallach Disposal Pond

Dear Steve:

Attached hereto please find a letter from the Oil Conservation Commission under date of March 28, 1978 responding to our request for a deletion of the monitor hole between those monitor wells designated as 14 and 15.

As you will note, the Commission has given careful consideration to the matter and feels that the well should be included within the safety devices furnished under their prior Order. Would you please get this well drilled, checked and included in the monitoring system at your earliest possible convenience. Upon completion, please furnish me with the location shown on a plat so that I may report our compliance to the Commission.

Yours very truly,

LAW OFFICES OF R. E. RICHARDS

ORIGINAL SIGNED BY:

R. E. RICHARDS

R. E. RICHARDS

RER/da  
enclosure

cc:

Mr. Joe Ramey, Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501 (w/o enc)

Mr. Bobby Wallach  
Post Office Box 1298  
Hobbs, New Mexico 88240 (w/enc)

Mr. Ray Wallach  
Post Office Box 1123  
Hobbs, New Mexico 88240 (w/enc)

(505) 393-7737

Law Offices  
**R. E. Richards**  
Attorney at Law  
119 North Dalmont  
HOBBS, NEW MEXICO 88240

2-9 1978  
CONSERVATION COM.  
Santa Fe P.O. Box 761

February 8, 1978

Mr. Joe Ramey, Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Case No: 5899  
Applicant: Robert P. Wallach, Ray A.  
Wallach & Patricia L. House

Dear Joe:

This will confirm our telephone conversation of February 6, regarding the captioned matter, at which time we discussed the possibility of using 3-inch PVC monitor holes rather than the 4-inch as specified in your Order.

At that time I advised you that the 3-inch was acceptable from an engineering standpoint but that 4-inch lines would markedly increase the cost. You gave me your oral authority to proceed as the operators felt best, either at 3 or 4-inch and asked that I write this letter confirming our conversation.

Very truly yours,

LAW OFFICES OF R. E. RICHARDS

  
R. E. RICHARDS

RER/da

cc:

Mr. Bobby Wallach  
Post Office Box 1298  
Hobbs, New Mexico 88240

Mr. Ray Wallach  
Post Office Box 1123  
Hobbs, New Mexico 88240

Law Offices  
**R. E. Richards**  
Attorney at Law

119 North Dalmont  
HOBBS, NEW MEXICO 88240

NOV - 8 1977  
NEW MEXICO OIL CONSERVATION COMMISSION  
SECRET

P. O. Box 761

(505) 393-7737

November 7, 1977

Mr. Joe Ramey, Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Case No: 5899 ← *File*  
Applicant: Robert P. Wallach, Ray A  
Wallach & Patricia L. House

Dear Joe:

I enclose herewith a copy of a letter received this date from V. Steve Reed, together with a section of Figure 4, for your review. I would appreciate your granting the requested changes as authorized by paragraphs (2) and (3) of Order No. R-5516. If you have any question in this regard, please do not hesitate to call me.

Very truly yours,

LAW OFFICES OF R. E. RICHARDS

*RER*  
R. E. RICHARDS

RER/da  
enclosure  
cc:

Mr. V. Steve Reed  
Ed L. Reed and Associates  
Consulting Hydrologists  
1900 Sherwood Way  
San Angelo, Texas 76901 (w/o enc)

Mr. Bobby Wallach  
Post Office Box 1298  
Hobbs, New Mexico 88240 (w/encs)

*Called approval  
on 11/14/77  
JWR*

Mr. Ray Wallach  
Post Office Box 1123  
Hobbs, New Mexico 88240 (w/enc)

# Ed L. Reed and Associates

Consulting Hydrologists

1109 N. BIG SPRING  
MIDLAND, TEXAS 79701  
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ED L. REED, P.E.  
A. JOSEPH REED  
CHESTER F. SKRABACZ

1900 SHERWOOD WAY  
SAN ANGELO, TEXAS 76901  
915 944-2120

V. STEVE REED

November 7, 1977

Mr. R. E. Richards  
Attorney at Law  
Post Office Box 761  
Hobbs, New Mexico 88240

Re: Salt Water Evaporation Ponds, Eunice

Dear Bob:

It has been brought to my attention that the southern portion of the dike/core trench labeled "C" in my February, 1977, report (between points 40 and 19, figure 4) lies within a high spoil pile. Large volumes of material would have to be removed for the construction of the core trench. I recommend, therefore, that the dike be extended from point 40 around the eastern and southern portions of the pit and be tied into the eastern end of the core trench labeled "B".

The same situation occurs at the southern end of the structure labeled "A". I recommend that the dike be continued from the vicinity of point 3 along the western edge of the pit and tied into the Triassic where it reaches an elevation of 3,451. This change would eliminate the short segment of core trench at the southern end of structure "A".

These modifications are shown on the enclosed illustration. It is my opinion that these modifications will maintain the integrity of the pond, but will minimize construction difficulties. A new set of maps will be made which delineate these changes and forwarded to you when they are available.

Yours very truly,

*V. Steve Reed*

V. STEVE REED

enclosure

cc:

Mr. Bobby Wallach  
Post Office Box 1298  
Hobbs, New Mexico 88240

Mr. Ray Wallach  
Post Office Box 1123  
Hobbs, New Mexico 88240