

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION ON
ITS OWN MOTION TO PERMIT OIL PROCESSING
INC., THE TRAVELERS, AND OTHER INTERESTED
PARTIES TO APPEAR AND SHOW CAUSE WHY
THEIR AUTHORITY UNDER ORDER NO. R-6053
TO OPERATE AN OIL TREATING PLANT LOCATED
IN THE NE/4 SE/4 OF SECTION 8, TOWNSHIP
20 SOUTH, RANGE 37 EAST, LEA COUNTY,
NEW MEXICO, SHOULD NOT BE CANCELLED AND
WHY THE SITE OF SUCH PLANT SHOULD NOT
BE RECLAIMED.

CASE NO. 8983
Order No. R-6053-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 3, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner

NOW, on this 31st day of December 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Division Order No. R-6053 dated July 10, 1979, Oil Processing, Inc. was given authority to operate an oil treating plant located in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) The Travelers is the surety on the Oil Conservation Division treating plant bond on which Oil Processing, Inc. is the principal.
- (4) The purpose of said bond is to assure the State that the subject site will be properly and satisfactorily cleared and reclaimed upon cessation of operations

(5) Prior to this hearing Oil Processing, Inc. was no longer operating and has apparently abandoned said oil treating facility.

(6) No representative from either Oil Processing, Inc. or The Travelers appeared at the hearing to show cause why their authority under Division Order No. R-6053 should not be rescinded.

(7) The current condition of said oil treating facility is such that fresh waters may be contaminated if action is not taken to properly clear and reclaim the site.

(8) Division Order No. R-6053 should therefore be rescinded.

(9) Said treating site should be cleared and reclaimed in accordance with Division General Rule 312(h).

IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-6053, dated July 10, 1979, which authorized Oil Processing, Inc. to operate an oil treating plant located in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby rescinded.

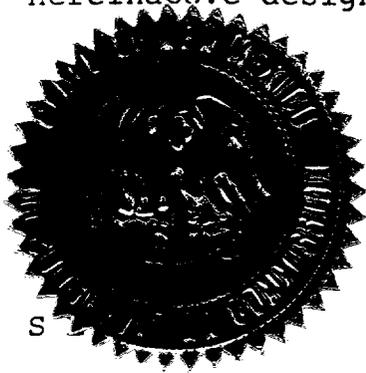
(2) Oil Processing, Inc. and The Travelers are hereby ordered to clear and reclaim the treating plant site in accordance with Division General Rule 312(h).

(3) Should Oil Processing, Inc. and/or The Travelers fail or refuse to clear and reclaim said site with the terms of this Order and Rule 312(h), the Division shall take such steps as are necessary to have the site cleared and reclaimed.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets".

R. L. STAMETS
DIRECTOR