



David R. Catanach  
Examiner  
State of New Mexico  
Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Ref: Case 9199

Dear Mr. Catanach:

Enclosed is the information that you requested concerning the plant layout in regard to the valves and lines. I hope this meets your requirement and is satisfactory for your consideration.

We want to comply with all requirements of the Oil Conservation Commission, therefore if additional information is needed, please let me know.

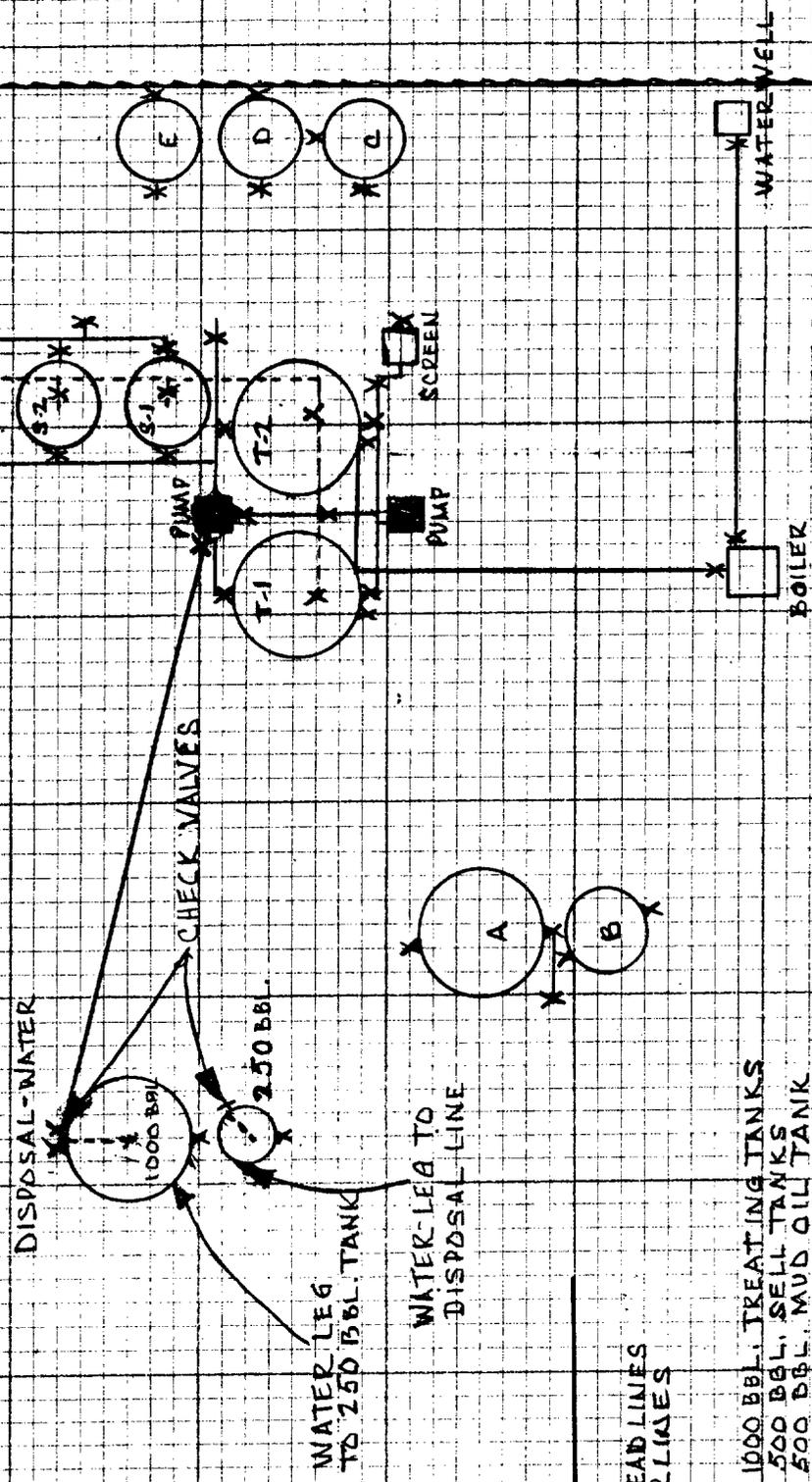
Sincerely,



Charles A. Robinson, Jr.  
Jamar  
2620 N. Albertson  
Hobbs, New Mexico 88240  
505-392-5835

NOTE - NOT TO SCALE

3-STRAND BARB-WIRE  
FENCE ENCLOSING  
PLANT SITE



**LEGEND**

- X - VALVES
- - - OVERHEAD LINES
- OTHER LINES

- (1) T-1, T-2 — 1000 BBL. TREATING TANKS
- (2) S-1 thru S-5 — 500 BBL. SELL TANKS
- (3) M-1 — 500 BBL. MUD OIL TANK
- (4) A thru J — STORAGE TANKS
- (A) — 1000 BBL.
- (B thru H, J) — 500 BBL.
- (I) — 210 BBL.

**PLANT LAYOUT**

JAMAR

CATTLE GUARD

WILLIAM A. McBEE  
ATTORNEY AT LAW

(505) 397-7678



500 NORTH DALMONT  
POST OFFICE BOX 5292  
HOBBS, NEW MEXICO 88241-5292

July 23, 1987

Mr. Michael E. Stogner  
Engineer, Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504-2088

*Case 9199*

Dear Mr. Stogner:

In accordance with our telephone conversation of this date regarding an application for an oil processing plant pursuant to Rule 312 of the Rules and Regulations of the Oil Conservation Division, please consider this Jamar, Inc.'s written request to make application for a treating plant. I would ask that the matter be set for hearing at your regularly scheduled meeting on Wednesday, August 26, 1987.

The application will involve a system previously granted authority by the Division under Case Number 6577, Order Number R-6053 which is located in the NE/4SE/4, Section 8, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Upon review of this previous case file regarding this facility, should additional information, not included in the previous application, be required, please notify me in order that I may prepare the same for the hearing on August 26, 1987.

I would also ask that you provide, if possible, the specific requirements relative to the required bond and what effective date is necessary for any bond. Again, if there is any additional documentation or information required, I would greatly appreciate your notifying me as soon as possible.

Very truly yours,

  
WILLIAM A. McBEE

WAM/cs

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6577  
Order No. R-6053

APPLICATION OF OIL PROCESSING FOR  
AN OIL TREATING PLANT PERMIT, LEA  
COUNTY, NEW MEXICO.

*See New Order No. R-6053-A  
which reinstated this Order*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 27, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 10th day of July, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Oil Processing, seeks authority to construct and operate a chemical and heat-treatment type oil treating plant in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the reclamation of up to approximately 200 barrels of sediment oil per day to be obtained from tank bottoms, disposal water, and waste pits.

(3) That dikes, dams and/or emergency pits should be constructed around the plant capable of holding the entire capacity of all tanks and vessels at the plant location in order that sediment oil, reclaimed oil, or waste oil cannot escape from the immediate vicinity of such plant.

(4) That the two water holding and settling pits proposed by applicant should be constructed in accordance with the Division's "Specifications For The Design and Construction of Lined Evaporation Pits" with the exception of Section 2(A) concerning minimum surface area.

(5) That the proposed plant and method of processing will efficiently process, treat, and reclaim the aforementioned waste oil, thereby salvaging oil which would otherwise be wasted.

(6) That the subject application should be approved as being in the best interests of conservation.

IT IS THEREFORE ORDERED:

(1) That the applicant, Oil Processing, is hereby authorized to install and operate a chemical and heat-treatment type oil treating plant in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the purpose of treating and reclaiming sediment oil to be obtained from tank bottoms and waste pits;

PROVIDED HOWEVER, that the continuation of the authorization granted by this order shall be conditioned upon compliance with the laws of the State of New Mexico and the rules and regulations of the New Mexico Oil Conservation Division;

PROVIDED FURTHER, that prior to commencing operation of said plant, the applicant shall file with the Division a performance bond in the amount of \$10,000.00 conditioned upon substantial compliance with applicable statutes of the State of New Mexico and all rules, regulations and orders of the Oil Conservation Division.

(2) That the operator of the above-described oil treating plant shall clear and maintain in a condition clear of all debris and vegetation a fireline at least 15 feet in width and encircling the site upon which the plant is located.

(3) That dikes, dams and/or emergency pits shall be constructed around the plant capable of holding the entire capacity of all tanks and vessels at the plant location and capable of preventing the escape of any sediment oil, reclaimed oil, or waste oil from the immediate vicinity of said plant.

(4) That the two water holding and settling pits proposed by the applicant for the subject installation shall be constructed in accordance with the Division's "Specifications For The Design and Construction of Lined Evaporation Pits," except that Section 2(A) of said specifications shall not be applicable.

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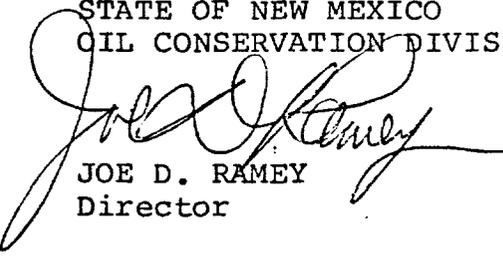
Case No. 6577  
Order No. R-6053

(5) That the disposal of waste water accumulated in conjunction with the operation of the above-described plant 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 will constitute a hazard to any fresh water supplies is hereby prohibited.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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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.

*Rescinds R-6053*

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

ORDER OF THE DIVISION *See R-6053*

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.

Case No. 8983  
Order No. R-6053-A  
-3-

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



R. L. STAMETS  
DIRECTOR

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