

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. 8630
Order No. R-7993

APPLICATION OF RAY WESTALL
FOR AN EXCEPTION TO ORDER
NO. R-3221, AS AMENDED, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on June 19, 1985, and on July 17, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of August, 1985, the Division Director, having considered 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) At the time of the hearing this case was consolidated with Division Case No. 8629 for the purpose of testimony.
- (3) The applicant, Ray Westall, is the owner and operator of several leases in Sections 20 and 21, Township 19 South, Range 31 East, NMPM, Hackberry Yates-Seven Rivers Pool, Eddy County, New Mexico, as follows:

Lease Name	Description	Section	No. of Wells
Parsley Federal	NE/4 NE/4	20	1
Amoco Federal	W/2 NW/4 and W/2 NE/4	21	4
Amoco Federal	E/2 NW/4	21	2
Hill Federal	E/2 NE/4	21	2
Texas Crude	N/2 SE/4	21	1

(4) In addition to the above wells, applicant proposes to drill one additional well on his Texas Crude Federal Lease.

(5) Ordering Paragraph No. (3) of Division 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 water-course, 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.

(6) 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.

(7) The State Engineer has designated, pursuant to Section 70-2-12 (15), N.M.S.A., 1978 Compilation, all underground water in the State of New Mexico containing 10,000 milligrams per liter or less of dissolved solids for which there is presently or reasonably foreseeable future beneficial use as fresh water supplies to be afforded reasonable protection against contamination.

(8) The applicant seeks as an exception to the provisions of the aforesaid Ordering Paragraph No. (3) to permit the disposal of salt water produced by applicant's wells into unlined surface pits located on applicant's leases as described in Finding Paragraph No. (3) above.

(9) Applicant's Parsley Federal Lease is currently producing 10 to 15 barrels of water per well per day; his Texas Crude Federal Lease is currently producing 10 to 15 barrels of water per well per day and it is anticipated that the proposed additional well will produce approximately the same amount; the two wells on applicant's Hill Federal Lease are together producing 20 to 25 barrels of water per day; applicant's Amoco Federal Lease in the W/2 NW/4 and W/2 NE/4 of Section 21 is currently producing 20 to 25 barrels of water per well per day, and his Amoco Federal Lease in the E/2 NW/4 of Section 21 would produce 50 to 65 barrels of water per well per day were it not currently shut in due to the high cost of trucking the water away for disposal.

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(10) There are presently three fresh water wells located within two miles to the south of the above-described unlined pits.

(11) The applicant failed to present sufficient evidence to indicate that fresh water as designated by the State Engineer does not exist within and/or immediately underlying the above-described unlined pits.

(12) The applicant also failed to present sufficient evidence to indicate that produced water from said unlined pits would not migrate into and contaminate any such fresh water supplies.

(13) To assure reasonable protection to fresh water supplies, the subject application should therefore be denied.

IT IS THEREFORE ORDERED THAT:

(1) The application of Ray Westall for an exception to Division Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, into five unlined pits located in Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico, is hereby denied.

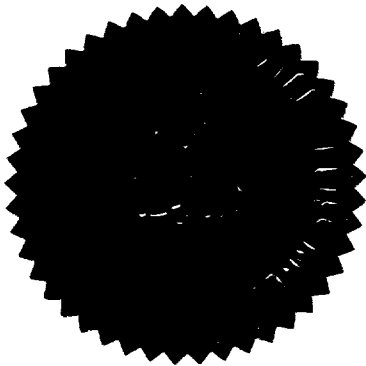
(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



R. L. STAMETS
Director



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