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**Mark Fesmire**  
Division Director  
Oil Conservation Division



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**NEWS RELEASE**

**Contact:** Jodi McGinnis Porter,  
Public Information Officer 505.476.3226

## **Oil Conservation Division Investigating Brine Well that Collapses Into Sinkhole Over 400 Feet**

SANTA FE, NM – The Environmental Bureau of the Oil Conservation Division (OCD) is on location investigating a brine well that has collapsed forming a sinkhole that is several hundred feet across and an unknown depth. The well, located on state trust land is approximately 17.3 miles southeast of Artesia, NM and situated about 1000 feet north of Hagerman Road and 2.4 miles southwest of State Highway 260. It is owned by Jim's Water Service and operating under OCD permit BW-005, API No. 30-015-0236. Wayne Price, Environmental Bureau Chief arrived on site this afternoon and is the designated incident commander.

"State, federal, local government and company officials are working to together to stabilize the situation and determine the cause," stated Wayne Price, Environmental Bureau Chief for the Oil Conservation Division.

State Police are in the process of setting up a Mobil Command Center and have shut down a three mile stretch of Hagerman Road as a safety precaution. The State Engineer's Office reports that there is little shallow ground water in the area that could be threatened by the collapse.

As of 4:00 p.m. today, the sinkhole was still growing in size, but has not yet reached Hagerman Road to the South. The cause of the collapse is unknown at this time, but the well is in an area characterized by solution weathering and erosion in the subsurface, also known as karst topography, which includes caves, sinkholes, disappearing streams and subsurface drainage.

The operator, Jim's Water Service reported the disappearance of its brine supply to the Oil Conservation Division Wednesday morning, July 16, 2008. OCD inspectors photographed and measured the site, reporting that it has more than doubled in less than a 24-hour period and still growing.

Jim's Water Service produces brine for oil and gas operations by injecting water into the salt formation at the site, circulating the water until it is brine saturated. It then sells it as drilling fluid to the oil and gas industry.

Images provided by the Oil Conservation Division:



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***The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.***

Oil Conservation Division  
1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3440 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/OCD](http://www.emnrd.state.nm.us/OCD)

