

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54½ EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315  
AREA CODE 505

January 6, 1969

JAN 7 AM 8 11

*Case 4047*

New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico

Re: Application of Larry C. Squires

Gentlemen:

Enclosed please find original and two copies of an application by the above-named, for an exception to provisions of Order R-3221, as amended, Lea County, New Mexico, which please set for the February 19th hearing.

Yours very truly,

*Jason W. Kellahin*

JASON W. KELLAHIN

jwk;peg  
Enc. as stated

DOCKET MAILED

Date 2/7/69

DOCKET MAILED

Date 2-10-69



MAIL OFFICE  
15 AM '68

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
DIVISION OF LANDS & MINERALS  
PROGRAM MANAGEMENT & LAND OFFICE  
P. O. Box 1449  
Santa Fe, New Mexico 87501

IN REPLY REFER TO:

NM 8146 (4.20c)  
SLUP Application

November 14, 1968

Mr. Larry C. Squires  
Post Office Box 774  
Hobbs, New Mexico 88240

*Case 4047*

Dear Mr. Squires:

This is in reference to your application New Mexico 8146 for a special land-use permit to utilize, for salt water disposal purposes, the three lakes known as Laguna Plata, Laguna Gatuna and Laguna Tonto, located in T. 20 S., Ra. 32 and 33 E.; and T. 19 S., R. 33 E., N. Mex. Prin. Mer., New Mexico.

Before further consideration can be given your application, it will be necessary that you furnish a copy of the approval from the Oil Conservation Commission of New Mexico, authorizing your disposal operations. Your prompt compliance is requested.

Sincerely yours,

*/s/ Harold A. Berends*

Chief, Branch of Lands

cc: Oil Conservation Commission  
of New Mexico  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Daniel S. Nutter

DOCKET MARKED

Date 3/7/69

BEFORE THE OIL CONSERVATION COMMISSION

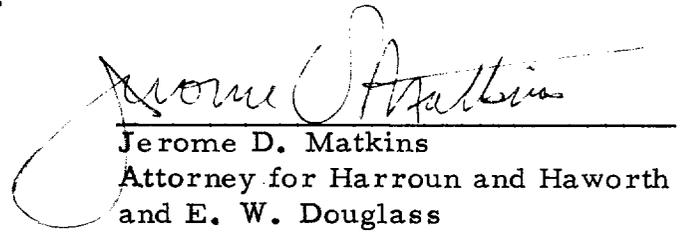
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF LARRY G. SQUIRES FOR AN EXCEP-  
TION TO ORDER NO. R-3221, AS AMENDED,  
LEA COUNTY, NEW MEXICO

CASE NO. 4047

ENTRY OF APPEARANCE

Comes now, Jerome D. Matkins, attorney at law, and herewith enters his appearance for and on behalf of Harroun and Haworth, a partnership composed of D. S. Harroun and Russell Haworth and E. W. Douglass, protestants to the above application.

  
Jerome D. Matkins  
Attorney for Harroun and Haworth  
and E. W. Douglass  
P. O. Drawer N  
Carlsbad, New Mexico

MAIL OFFICE

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OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 20, 1969

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Y

Mr. Robert S. Fulton  
Regional Mining Supervisor  
U. S. Geological Survey  
Carlsbad, New Mexico 88220

DOCKET MARKED

Date ~~2/27/69~~

Dear Mr. Fulton:

Case 4047: Application of Larry C. Squires  
for an exception to Order No. R-3221, as amended, Lea  
County, New Mexico, has been continued to March 19, 1969,  
by the Commission.

Very truly yours,

GEORGE M. HATCH  
ATTORNEY

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BEFORE THE OIL CONSERVATION COMMISSION

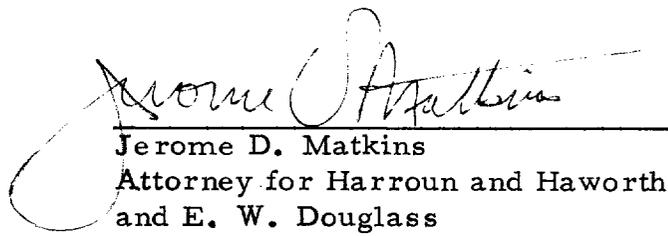
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF LARRY G. SQUIRES FOR AN EXCEP-  
TION TO ORDER NO. R-3221, AS AMENDED,  
LEA COUNTY, NEW MEXICO

CASE NO. 4047

ENTRY OF APPEARANCE

Comes now, Jerome D. Matkins, attorney at law, and herewith enters his appearance for and on behalf of Harroun and Haworth, a partnership composed of D. S. Harroun and Russell Haworth and E. W. Douglass, protestants to the above application.

  
Jerome D. Matkins  
Attorney for Harroun and Haworth  
and E. W. Douglass  
P. O. Drawer N  
Carlsbad, New Mexico

MAIL OFFICE

'69 FEB 17 AM 8 32

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 20, 1969

Mr. Jerome D. Matkins  
Attorney at Law  
Post Office Drawer N  
Carlsbad, New Mexico 88220

DOCKET MAILED

Date 3/7/69

Dear Mr. Matkins:

Case 4047: Application of Larry C. Squires  
for an exception to Order No. R-3221, as amended, Lea  
County, New Mexico, has been continued to March 19, 1969,  
by the Commission.

Very truly yours,

GEORGE M. HATCH  
ATTORNEY

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OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 20, 1969

Mr. Earl H. Miller, Executive Vice President  
U. S. Potash & Chemical Company  
Post Office Box 101  
Carlsbad, New Mexico 88220

DOCKET MAILED

Date 3/7/69

Dear Mr. Miller:

Case 4047: Application of Larry C. Squires  
for an exception to Order No. R-3221, as amended, Lea  
County, New Mexico, has been continued to March 19, 1969,  
by the Commission.

Very truly yours,

GEORGE M. HATCH  
Attorney

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U. S. POTASH & CHEMICAL CO.

SUBSIDIARY OF CONTINENTAL AMERICAN ROYALTY COMPANY

P. O. BOX 101

CARLSBAD, NEW MEXICO 88220

CHICAGO  
CARLSBAD  
DALLAS



1969 FEB 18 10 44 AM

REFINERY PHONE

505-745-3541

MINE PHONE

505-887-5591

February 14, 1969

New Mexico Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico

*Object and  
value for mineral  
resources*

Attention: Mr. A. L. Porter

Dear Sirs:

It has been called to our attention that Case No. 4047 will be brought before the New Mexico Oil Conservation Commission on February 19, 1969 to consider the disposal of salt brines into the Lea County areas known as Laguna Plata, Laguna Gatuna and Laguna Tonto, all located in western Lea County, New Mexico.

Continental American Royalty Company owns substantial potash leases, with U. S. Potash & Chemical Co. designated the operator, on a portion of Laguna Gatuna and in the vicinity of Laguna Tonto. In these areas there is a very definite possibility that economic minerals in the form of Sodium Sulphate ( $\text{Na}_2\text{SO}_4$ ) and possibly other minerals exist in economic quantities that must be carefully evaluated for the proper conservation of mineral resources. It is strongly felt that the discharge of salt brines into these Lagoon areas could very materially adversely contaminate the potential economic value of commercial minerals that may be in place in the Lagoon areas.

Therefore, U. S. Potash & Chemical Co. strongly objects to any approval consideration for Case No. 4047 due to the fact it is imperative in our opinion that additional facts, information and technical data must be secured concerning the presence of commercial minerals in the Lagoon areas prior to any decision.

The additional time of at least one (1) year is respectfully recommended and needed for procurement of facts and data so as this information can be capably evaluated in keeping with proper conservation of potential commercial mineral resources.

Very truly yours,

Earl H. Miller,  
Executive Vice President

EHM:jj

JEROME D. MATKINS  
LAWYER  
601 NORTH CANAL STREET  
P. O. DRAWER N  
CARLSBAD, NEW MEXICO 88220  
February 17, 1969

69 FEB 18 AM 8 44

AREA CODE 505  
885-2445  
885-2312

*Sub*

New Mexico Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter

Re: Case No. 4047

Dear Mr. Porter:

Enclosed is the letter of U. S. Potash & Chemical Company, which was furnished my client, who is portesting the referenced Case. I was requested to forward the letter to you.

My clients are protesting the Case on substantially the same grounds as U. S. Potash & Chemical Company.

Yours very truly,

*Jerome D. Matkins*  
Jerome D. Matkins

JDM:hj

Enc.

69 APR 8 AM 8 21

- NM 9348 3-28-69 O&G Appl.  
Stanley Szepanski  
T. 24 S. - R. 20 W.  
Sec. 23 - SE $\frac{1}{4}$   
Sec. 26 - NW $\frac{1}{4}$ , SE $\frac{1}{4}$   
Sec. 35 - N $\frac{1}{2}$   
T. 25 S. - R. 20 W.  
Sec. 11 - E $\frac{1}{2}$ , SW $\frac{1}{4}$  1230 Acres
  
- NM 9349 Public Sale Application
- NM 9350 Request for Indian Fee Patent
  
- NM 9351 4-1-69 Potassium Application  
Daniel S. Harroun, 601 Riverside Dr., Carlsbad, NM 88220  
T. 20 S. - R. 33 E.  
Sec. 22 - S $\frac{1}{2}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$   
Sec. 23 - SW $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$   
Sec. 24 - W $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$   
Sec. 25 - W $\frac{1}{2}$ , W $\frac{1}{2}$ E $\frac{1}{2}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$   
Sec. 26 - All  
Sec. 27 - NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$   
Sec. 28 - SW $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$  2560 Acres
  
- NM 9352 4-1-69 Sulphur Application  
W. G. McCoy, P. O. Box 1352, Roswell, NM 88201  
T. 21 S. - R. 26 E.  
Sec. 20 - SW $\frac{1}{4}$   
Sec. 26 - NE $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$   
Sec. 32 - SW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$   
Sec. 33 - SE $\frac{1}{4}$ NW $\frac{1}{4}$   
T. 22 S. - R. 26 E.  
Sec. 9 - SW $\frac{1}{4}$ SW $\frac{1}{4}$  480 Acres
  
- NM 9353 4-1-69 Sulphur Application  
W. G. McCoy  
T. 22 S. - R. 26 E.  
Sec. 20 - N $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$   
Sec. 23 - W $\frac{1}{2}$   
Sec. 26 - SE $\frac{1}{4}$ SW $\frac{1}{4}$  640 Acres
  
- NM 9354 4-1-69 O&G Appl.  
Texaco, Inc., Box 3109, Midland, Tex. 79701  
T. 15 S. - R. 10 E.  
Sec. 27 - NW $\frac{1}{4}$ NW $\frac{1}{4}$   
Sec. 34 - SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$   
T. 16 S. - R. 10 E.  
Sec. 6 - Lots 2,3 355.32 Acres
  
- NM 9355 Right of Way
- NM 9356 Right of Way
  
- NM 9357 4-2-69 O&G Appl.  
Henry W. Busch, P. O. Box 4197, El Paso, Tex. 79914  
T. 25 S. - R. 17 W.  
Sec. 1 - All 640 Acres
  
- NM 9358 4-2-69 O&G Appl.  
Henry W. Busch, P. O. Box 4197, El Paso, Tex. 79914  
T. 25 S. - R. 17 W.  
Sec. 3 - All 640 Acres
  
- NM 9359 Right of Way
  
- NM 9360 4-2-69 Sulphur Application  
R. W. Leonard, 200 Houston St., Ft. Worth, Tex. 76102  
T. 26 S. - R. 29 E.  
Sec. 31 - Lots 6,7  
Sec. 33 - Lots 5 thru 12  
Sec. 34 - Lots 5 thru 12 593.66 Acres

\*\*\*\*\*

NM 9339 3-27-69 O&G Appl.  
Chevron Oil Co.  
T. 28 S. - R. 2 E.  
Sec. 30 - Lots 2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$   
Sec. 33 - All  
T. 29 S. - R. 2 E.  
Sec. 9 - All  
T. 29 S. - R. 1 E.  
Sec. 10 - All 2521.02 Acres

NM 9340 3-27-69 O&G Appl.  
Chevron Oil Co.  
T. 29 S. - R. 3 E.  
Sec. 5 - All  
Sec. 7 - All  
Sec. 10 - All  
T. 29 S. - R. 2 E.  
Sec. 11 - All 2560 Acres

NM 9341 3-27-69 O&G Appl.  
Stanley Szepanski, 3625 Central Ave. NE, Albuquerque, NM 87106  
T. 26 S. - R. 22 W.  
Sec. 24 - Lots 1,2,3,4, W $\frac{1}{2}$ NE $\frac{1}{2}$ , SE $\frac{1}{2}$   
Sec. 25 - Lots 1,2,3,4, SE $\frac{1}{2}$   
T. 27 S. - R. 22 W.  
Sec. 12 - All  
Sec. 13 - All 1733.46 Acres

NM 9342 Public Sale Auction  
NM 9343 Right of Way

NM 9344 3-28-69 O&G Appl.  
Richard B. Addis, Suite 1016, Bank of New Mexico Bldg.,  
P. O. Box 1457, Albuquerque, NM 87103  
T. 11 N. - R. 3 W.  
Sec. 5 - Lot 6, W $\frac{1}{2}$   
T. 12 N. - R. 3 W.  
Sec. 28 - Lots 1,2,4,7,8,11,13,16,18, N $\frac{1}{2}$ NW $\frac{1}{2}$ , NE $\frac{1}{2}$ NE $\frac{1}{2}$   
Sec. 29 - S $\frac{1}{2}$ , W $\frac{1}{2}$ NW $\frac{1}{2}$ , NE $\frac{1}{2}$ NW $\frac{1}{2}$ , NW $\frac{1}{2}$ NE $\frac{1}{2}$   
Sec. 30 - All 1797 Acres

NM 9345 3-28-69 O&G Appl.  
Richard B. Addis  
T. 11 N. - R. 3 W.  
Sec. 7 - All  
Sec. 18 - All  
T. 11 N. - R. 4 W.  
Sec. 12 - All, except that part within Cebolleta  
Land Grant 1712.76 Acres

NM 9346 3-28-69 O&G Appl.  
Shell Oil Co., P. O. Box 1509, Midland, Tex. 79701  
T. 10 N. - R. 32 E.  
Sec. 4 - E $\frac{1}{2}$ SW $\frac{1}{2}$   
Sec. 10 - S $\frac{1}{2}$ SE $\frac{1}{2}$   
Sec. 15 - E $\frac{1}{2}$ NE $\frac{1}{2}$   
Sec. 17 - SW $\frac{1}{2}$ SE $\frac{1}{2}$   
Sec. 28 - SW $\frac{1}{2}$ NE $\frac{1}{2}$   
Sec. 29 - NW $\frac{1}{2}$ NE $\frac{1}{2}$ , SW $\frac{1}{2}$ NW $\frac{1}{2}$   
Sec. 33 - NW $\frac{1}{2}$ SE $\frac{1}{2}$   
Sec. 34 - NW $\frac{1}{2}$ NE $\frac{1}{2}$   
Sec. 35 - N $\frac{1}{2}$  800 Acres

NM 9347 3-28-69 O&G Appl.  
Shell Oil Co.  
T. 1 N. - R. 31 E.  
Sec. 24 - NW $\frac{1}{2}$ NE $\frac{1}{2}$  40 Acres

**SOUTHWESTERN LABORATORIES**

FORT WORTH DALLAS HOUSTON MIDLAND BEAUMONT TEXARKANA

**CONSULTING, ANALYTICAL CHEMISTS  
AND TESTING ENGINEERS**

Midland, Texas      2-13-69      File No. C-1902-R1

Report of tests on      **Water**

To      **Mr. Ed L. Reed**

**Date Rec'd. 2-12-69**

Received from      **Mr. Ed L. Reed**

Identification Marks      **Lea County, New Mexico, Larry Squires, sampled by Joe Reed, Halfway Bar, from tap, 2 wells, WL. - 42.5'.**

Mg/L

Chloride ----- 362

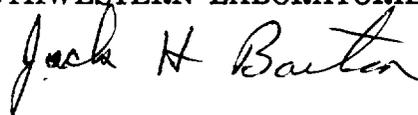
Sulfate ----- 309

Conductivity ----- 1861 Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

Lab. No. C-5121

**SOUTHWESTERN LABORATORIES**



Our letters and reports are for the exclusive use of the clients to whom they are addressed. The use of our names must receive our prior written approval. Our letters and reports apply only to the samples tested and are not necessarily indicative of the qualities of identical or similar products.

**SOUTHWESTERN LABORATORIES**

FORT WORTH DALLAS HOUSTON MIDLAND BEAUMONT TEXARKANA

**CONSULTING, ANALYTICAL CHEMISTS  
AND TESTING ENGINEERS**

Midland, Texas      2-13-69      File No. C-1902-R1

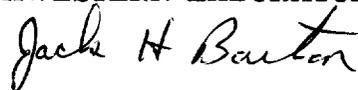
Report of tests on      **Water**  
To                      **Mr. Ed L. Reed**                      **Date Rec'd. 2-12-69**  
Received from        **Mr. Ed L. Reed**  
Identification Marks    **Lea County, New Mexico, Larry Squires, sampled by Joe Reed, #16, Sec. 25-T20G, R32E, from waste trough, WL. - 39.58'.**

Mg/L

Chloride ----- 85  
Sulfate ----- 82  
Conductivity ----- 837 Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

**SOUTHWESTERN LABORATORIES**



Lab. No. C-5120

Our letters and reports are for the exclusive use of the clients to whom they are addressed. The use of our names must receive our prior written approval. Our letters and reports apply only to the samples tested and are not necessarily indicative of the qualities of identical or similar products.

# SOUTHWESTERN LABORATORIES

FORT WORTH DALLAS HOUSTON MIDLAND BEAUMONT TEXARKANA

CONSULTING, ANALYTICAL CHEMISTS  
AND TESTING ENGINEERS

Midland, Texas 2-13-69 File No. C-1902-R1

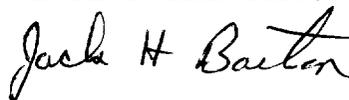
Report of tests on Water  
To Mr. Ed L. Reed Date Rec'd. 2-12-69  
Received from Mr. Ed L. Reed  
Identification Marks Lea County, New Mexico, Larry Squires, sampled by Joe Reed, Spring #1, SE end of Laguna Plata at head water.

	<u>Mg/L</u>
Chloride -----	8864
Sulfate -----	11930
Conductivity -----	10,000 / Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

SOUTHWESTERN LABORATORIES

Lab. No. C-5122



Our letters and reports are for the exclusive use of the clients to whom they are addressed. The use of our names must receive our prior written approval. Our letters and reports apply only to the samples tested and are not necessarily indicative of the qualities of identical or similar products.

**SOUTHWESTERN LABORATORIES**

FORT WORTH DALLAS HOUSTON MIDLAND BEAUMONT TEXARKANA

**CONSULTING, ANALYTICAL CHEMISTS  
AND TESTING ENGINEERS**

Midland, Texas      2-13-69      File No. C-1902-R1

Report of tests on      **Water**  
To                      **Mr. Ed L. Reed**                      **Date Rec'd. 2-12-69**  
Received from        **Mr. Ed L. Reed**  
Identification Marks    **Lea County, New Mexico, Larry Squires, sampled by Joe Reed, Spring #2, due East of Laguna Plata at head water.**

Mg/L

Chloride ----- 7446  
Sulfate ----- 12743  
Conductivity ----- 10,000  $\mu$  Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

**SOUTHWESTERN LABORATORIES**

*Jack H. Barten*

Lab. No. C-5123

Our letters and reports are for the exclusive use of the clients to whom they are addressed. The use of our names must receive our prior written approval. Our letters and reports apply only to the samples tested and are not necessarily indicative of the qualities of identical or similar products.

**SOUTHWESTERN LABORATORIES**  
FORT WORTH DALLAS HOUSTON MIDLAND BEAUMONT TEXARKANA  
**CONSULTING, ANALYTICAL CHEMISTS  
AND TESTING ENGINEERS**

Midland, Texas 2-13-69 File No. C-1902-R1

Report of tests on Water  
To Mr. Ed L. Reed Date Rec'd. 2-12-69  
Received from Mr. Ed L. Reed  
Identification Marks Lea County, New Mexico, Larry Squires, by Joe Reed,  
Spring #3, just North of #2, 200 ft., at head water.

Mg/L

Chloride ----- 7446  
Sulfate -----11755  
Conductivity -----10,000  $\mu$  Micromhos/cm @ 25° C.

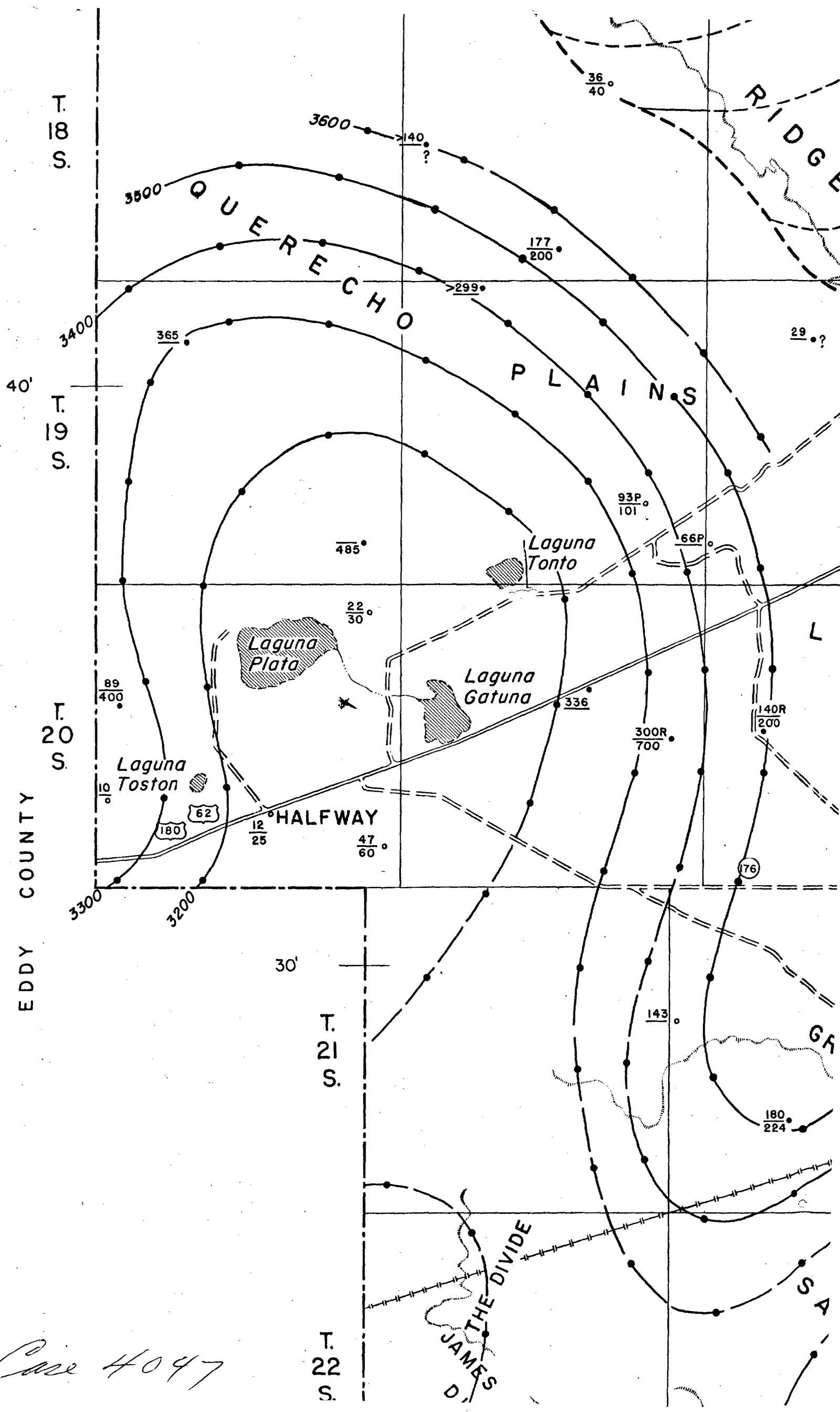
Copies: 3cc Mr. Ed L. Reed

SOUTHWESTERN LABORATORIES

Lab. No. C-5124

*Jack H. Barton*

Our letters and reports are for the exclusive use of the clients to whom they are addressed. The use of our names must receive our prior written approval. Our letters and reports apply only to the samples tested and are not necessarily indicative of the qualities of identical or similar products.



Case 4097



**UNITED CHEMICAL CORPORATION**  
OF NEW MEXICO

601 NORTH LEECH

P. O. BOX 1499

HOBBS, NEW MEXICO 88240

*Water Well # 33  
See 12-20-32*

Company \_\_\_\_\_

Field \_\_\_\_\_

Lease \_\_\_\_\_ Sampling Date \_\_\_\_\_

Type of Sample \_\_\_\_\_

WATER ANALYSIS

IONIC FORM	me/l *	mg/l *
Calcium (Ca <sup>++</sup> )	66.87	1340
Magnesium (Mg <sup>++</sup> )	18.67	227
Sodium (Na <sup>+</sup> ) (calculated)	229.14	5268
<b>Iron</b>		<b>13</b>
Bicarbonate (HCO <sub>3</sub> <sup>-</sup> )		<b>Not Found</b>
Carbonate (CO <sub>3</sub> <sup>-</sup> )	0.60	18
Hydroxide (OH <sup>-</sup> )	0.20	3
Sulphate (SO <sub>4</sub> <sup>-</sup> )	39.10	1878
Chloride (Cl <sup>-</sup> )	274.78	9744
<b>9.2h c 68 °F</b>		
Dissolved Solids on Evap. at 103° - 105° C		
Hardness as Ca CO <sub>3</sub>	85.53	4277
Carbonate Hardness as CaCO <sub>3</sub> (temporary)	0.60	40
Non-Carbonate Hardness as CaCO <sub>3</sub> (permanent)	84.74	4237
Alkalinity as CaCO <sub>3</sub>	0.60	40
Specific Gravity c 68° F	1.015	

MOORE BUSINESS FORMS INC. 14

\* mg/l = milligrams per Liter  
\* me/l = milliequivalents per Liter

*Makes Water Work*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Office of the Secretary  
Washington 25, D. C.

A-28614

E. W. Douglass : New Mexico 042594,  
: New Mexico 042595.  
Cleo Douglass : Applications for sodium  
: permits rejected.  
: Affirmed.

APPEAL FROM THE BUREAU OF LAND MANAGEMENT

E. W. Douglass and his wife Cleo Douglass have filed separate appeals to the Secretary from a decision dated August 1, 1960, whereby the Acting Director, Bureau of Land Management, affirmed two decisions of the manager, Santa Fe land office, dated March 31, 1958, and March 28, 1958, respectively, which rejected their applications for sodium prospecting permits.

Concerning application NM 042594, the manager determined that on the date of filing, some of the lands described therein was embraced in potash lease NM 013298-A, issued February 24, 1953, and the remaining land was in the Potash Mines Area (Eddy and Lea Counties). See Secretary's order of October 16, 1951, 16 F. R. 10669.

Relative to application NM 042595 (as amended), the manager determined that on the date of filing, all of the lands described therein were embraced in one of three potash leases, NM 011776, issued May 6, 1953 (modified October 4, 1954), Las Cruces 068397, issued May 6, 1953, and NM 013298-B, dated February 24, 1953.

He concluded, as to both applications, that in view of the provisions of section 4 of the act of February 7, 1927 (30 U. S. C., 1958 ed., sec. 284), and section 24 of the act of February 25, 1920, as amended (30 U. S. C., 1958 ed., sec. 262), "concurrent permits and leases to mine for potassium and sodium upon the same lands are not granted."

Acting under and pursuant to the provisions of the act of June 25, 1910, as amended (43 U. S. C., 1958 ed., sec. 141), the President, on March 11, 1926, executed an "Order of Withdrawal, Potash Reserve No. 6, New Mexico No. 1", covering 7,418,437 acres

of land, which was amended June 8, 1929, by Presidential "Order of Withdrawal, Potash Reserve No. 7, New Mexico No. 2" to include an additional 1,874,423 acres, withdrawing the lands it covered from settlement, location, sale or entry, and reserving them for classification and in aid of legislation. All of the lands described in the appellants' two applications were contained within the areas described in the orders.

Section 23 of the act of February 25, 1920, as amended (30 U. S. C., 1958 ed., sec. 261), authorizes the Secretary, at his discretion, to grant prospecting permits for (among other minerals) nitrates of sodium, and section 24 of that act (30 U. S. C., 1958 ed., sec. 262) provides:

"That upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of one of the substances enumerated in section 23 hereof have been discovered by the permittee within the area covered by his permit and that such land is chiefly valuable therefor, the permittee shall be entitled to a lease \* \* \*." (Emphasis added.)

The act of February 7, 1927, as amended (30 U. S. C., 1958 ed., sec. 281 et seq.), authorizes the Secretary of the Interior, in his discretion, to issue permits or leases to prospect for or mine potassium deposits in the public lands.

Section 4 of that act, as amended (30 U. S. C., 1958 ed., sec. 284), provides in part as follows:

"That if the interests of the Government and of the lessee will be subserved thereby, potassium leases may include covenants providing for the development by the lessee of \* \* \* nitrates of sodium, \* \* \* associated with the potassium deposits leased, \* \* \*."

It is the Department's policy, in view of the provisions of section 4 of the act of February 7, 1927, and section 24 of the act of February 25, 1920, supra, not to grant concurrent permits and leases to mine for potassium and sodium upon the same lands. Where lands are more valuable for potassium than for sodium, it is also the Department's policy to authorize the taking of potassium only under a potassium lease. Dorothy P. Soeth, A-24408 (November 12, 1946); Frank M. Darrow, A-25185 (June 9, 1948).

All the lands applied for by the appellants are either in leases issued or applications filed prior to the date of their applications and are in an area long held to be valuable for potassium. Thus in view of the Department's policy to avoid conflicts between the rights of sodium and potassium lessees it was proper to reject appellants' applications.

In the absence of any overriding public interest, the possibility that the deposits may occur separately, as the appellants allege, does not warrant a departure from this policy because it would be difficult to assure that there would be no interference of the one with the other.

Therefore, the decision of the Director, Bureau of Land Management, is affirmed.

(Sgd) John M. Kelly  
Assistant Secretary of the Interior

CLASS OF SERVICE

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# WESTERN UNION TELEGRAM

W. P. MARSHALL  
CHAIRMAN OF THE BOARD

R. W. MCFALL  
PRESIDENT

SYMBOLS  
DL=Day Letter  
NL=Night Letter  
LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

LA206 55N222

L HBA038 LONG PD=LOVINGTON NMEX 18 256P MST  
NEW MEXICO OIL CONSERVATION COMMISSION

1969 MAR 18 PM 3 38  
*[Handwritten signature]*

CARE A L PORTER, JR, SECRETARY-DIRECTOR

CAPITOL BLDG SANTA FE NMEX

WE PROTEST THE GRANTING OF THE APPLICATION OF LARRY C. SQUIRES IN CASE NO. 4047 TO DISPOSE OF SALT WATER INTO THE THREE NATURAL LAKES IN QUESTION, NOTWITHSTANDING WHAT THE PYDROLOGIST, WHO WILL TESTIFY FOR THE APPLICANT, MAY SAY, IT IS OUR BELIEF THAT DISPOSAL OF SALT WATER INTO THE LAKES WILL BE NO DIFFERENT THAN DISPOSAL INTO OPEN SURFACE PITS, JUST MORE CONCENTRATED IN ONE AREA.

WU1201(R2-65)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

WU1201(R2-66)

**CLASS OF SERVICE**

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# WESTERN UNION TELEGRAM

W. P. MARSHALL  
CHAIRMAN OF THE BOARD

R. W. McFARLAND  
PRESIDENT

**SYMBOLS**

DL=Day Letter

NL=Night Letter

T=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

WE SUGGEST THAT A SAFER APPROACH, EVEN THOUGH MORE EXPENSIVE, IT IS USE SALT WATER DISPOSAL WELLS IN ACCORDANCE WITH ORDER NO R-3221. MARK SMITH HAS LAND ADJOINING ONE LAKE AND ALL THREE OF THE UNDERSIGNED ARE RANCHERS IN THE AREA AND FEAR CONTAMINATION OF THEIR FRESH WATER SUPPLIES=

MARK SMITH & H BINGHAM TOM LINEBERRY==

MAIN OFFICE

'69 MAR 18 PH 4 02

4047 R-3221=

CLASS OF SERVICE

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# WESTERN UNION TELEGRAM

W. P. MARSHALL  
CHAIRMAN OF THE BOARD

R. W. PR 1337 J.

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LA229 88N247

1969 MAR 18 PM 3 54

L HBA040 PD=LOVINGTON NMEX 18 308P MST=

NEW MEXICO OIL CONSERVATION COMM=

CARE A L PORTER JR SECRETARY-DIRECTOR

CAPITOL BLDG SANTA FE NMEX=

REGARDING CASE NO. 4047, THE LEA COUNTY FARM AND LIVESTOCK BUREAU STRONGLY OBJECTS TO THE SURFACE DISPOSAL OF PRODUCED SALT WATER INTO SO-CALLED SALT LAKES IN LEA COUNTY. WE URGE THAT YOUR ORDER NO. R-3221, AS AMENDED, PROHIBITING SURFACE DISPOSAL BE ENFORCED WITHOUT GRANTING EXCEPTIONS=

J W SPEARS PRESIDENT==

4047 R-3221=

*RNO*

*JW*

MAIN OFFICE OF U.S.G.

'69 MAR 18 PM 4 02

WU1201(R2-65)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

April 17, 1969

Mr. Jason Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: Case No. 4047  
Order No. R-3725  
Applicant:  
LARRY C. SQUIRES

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC     X    

Artesia OCC     X    

Aztec OCC           

Other Mr. Jerome D. Matkins and Mr. Earl H. Miller, State Engineer Office  
and Mr. Harold Berends