

**MADDOX, RENFROW & SAUNDERS**

PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW

POST OFFICE BOX 5370

HOBBS, NEW MEXICO 88241

DON MADDOX  
JAMES M. MADDOX  
JOHN M. RENFROW  
JAMES P. SAUNDERS, JR.

THIRD FLOOR  
BROADMOOR BUILDING  
(505) 393-0505

SCOTTY HOLLOMAN  
JOHN PAUL WEBER  
GARY L. CLINGMAN

November 19, 1985

R. L. Stamets  
Director, Oil Conservation Division  
P. O. Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87501

*Case 5751*

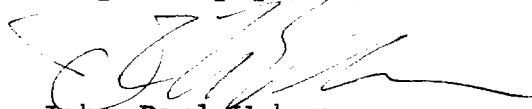
Dear Mr. Stamets:

This is to forward the Application of Petro-Thermo Corporation for a Hearing before the Oil Conservation Commission to consider its request for an exception to Order No. R-3221.

Please note that Agua, Inc. is listed in the caption of the plats of the proposed disposal sites attached to the Application as Exhibit "B". For your information, Agua, Inc. is a division of Petro-Thermo Corporation.

Please do not hesitate to telephone if you have any questions regarding the Application.

Very truly yours,



John Paul Weber

JPW:sfp

Enc: As stated

xc: Petro-Thermo Corporation  
J. T. Sexton, Hobbs District Office, Oil Conservation Division

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION  
OF PETRO-THERMO CORPORATION  
FOR A HEARING

DOCKET NO. 8781

APPLICATION FOR A HEARING

COMES NOW, Petro-Thermo Corporation, by and through its attorneys, Maddox, Renfrow & Saunders, and applies, pursuant to Rule 1203, for a hearing before the Oil Conservation Commission, to consider Petro-Thermo Corporation's Request for an Exception to Order No. R-3221 dated May 1, 1967. The following information is provided in support of this application:

1. Petro-Thermo Corporation is a common motor carrier operating under a certificate of public convenience and necessity issued by the State Corporation Commission on July 8, 1981 with endorsements dated August 27, 1981 and February 10, 1982. A copy of the Certificate and endorsements are attached hereto as Exhibit "A" and are incorporated herein by reference.

Petro-Thermo Corporation possesses authority to transport various solids and liquids between points in Lea, Chaves, Curry, DeBaca, Eddy, Guadalupe, Harding, Lincoln, Morrow, San Miguel, Quay and Union Counties, New Mexico. Petro-Thermo Corporation is the holder of a Form C-133 (Authorization to Move Produced Water) approved by the Oil Conservation Commission.

2. Petro-Thermo Corporation desires to obtain an Exception to Oil Conservation Commission Order No. R-3221 which would permit it to dispose of solids and water, obtained in conjunction with the production of oil or gas, on the surface of the ground

on tracts of land being the NE 1/4, NE 1/4 and SE 1/4, NE 1/4 of Section 16, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Plats of the proposed disposal sites are attached hereto as Exhibit "B" and are incorporated herein by reference.

3. Upon information and belief, Petro-Thermo Corporation states that potentially usable ground water will not be affected by the proposed disposal of solids and production water on the above-described tracts of land. Further, disposal would not constitute a hazard to existing fresh water supplies as designated by the State Engineer in the vicinity. Exceptions have been previously granted for proposed surface disposal sites located near the above described tracts of land in the vicinity of Laguna Plata.

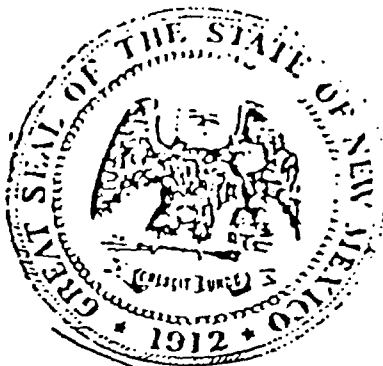
WHEREFORE, Petro-Thermo Corporation prays for a hearing to consider its request for an Exception to Order No. R-3221.

Respectfully submitted,

MADDOX, RENFROW & SAUNDERS

By: 

DON MADDOX  
Attorneys for Petro-Thermo  
Corporation  
P. O. Box 5370  
Hobbs, New Mexico 88241  
(505) 393-0505



STATE CORPORATION COMMISSION OF NEW MEXICO

# Certificate of Public Convenience and Necessity

Docket No. \_\_\_\_\_

No. 21449

A Certificate of Public Convenience and Necessity is hereby granted \_\_\_\_\_

PETRO-THERMO CORPORATION

whose office or place of business is at P.O. Box 2069, Hobbs, New Mexico

to operate a Common Motor Carrier Freight Service over the route and by the schedules heretofore approved by this Commission, or which may hereafter be approved by this Commission, said route being as follows:

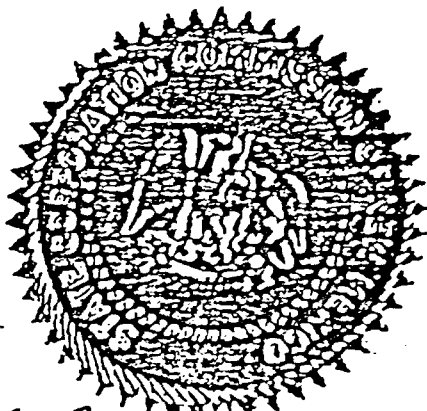
TRANSPORTATION OF WATER BETWEEN POINTS IN UNION,  
HARDING, MORA, SAN MIGUEL AND QUAY COUNTIES, NEW  
MEXICO, OVER IRREGULAR ROUTES, UNDER NON-SCHEDULED  
SERVICE.

\*\*\*\*\*

This Certificate to remain in effect from and after date hereof, subject to applicable provisions of the New Mexico Motor Carrier Act, and Rules, Regulations and Requirements prescribed thereunder, and is issued pursuant to Order dated July 8, 1981.

Witness the signature and seal of the Commission at Santa Fe, New Mexico, this 8th day of

July, 19 81.



ATTEST:

A.B. Smith

Director

State Corporation Commission  
of New Mexico

By Eric F. Lewis

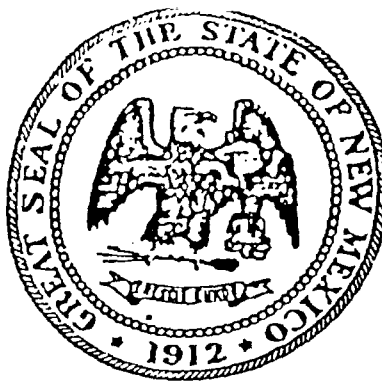
Chairman

John A. Elliott

James W. Lee

Commissioners

EXHIBIT "A"



AUGUST 27, 1981

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CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. 21449

PETRO-THERMO CORPORATION

HOBBS, NEW MEXICO

E N D O R S E M E N T

With all necessary documents on file, and with the records of this Commission as authority, Certificate of Public Convenience and Necessity No. 21449 is hereby endorsed to include intrastate-- operating rights as follows:

Transportation of oilfield equipment and supplies (as defined in Order issued by the State Corporation Commission the 17th day of September 1947), between points and places in Lea and Eddy Counties, New Mexico, over irregular routes, under non-scheduled service.

Transportation of houses, between points and places in Lea and Eddy Counties, New Mexico, over irregular routes, under non-scheduled service.

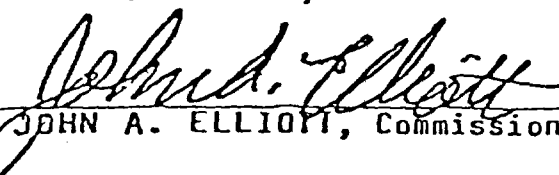
Transportation of water and crude oil to and from wildcat wells to common carrier loading points and refineries, and residue oil from tank batteries, in Chaves, Lea, Eddy, Curry and Roosevelt Counties in New Mexico; over irregular routes and under non-scheduled service.

Transportation of all liquids in bulk, in tank trucks, used in, or in connection with, the discovery, development, production, refining, manufacture, processing, and storage of natural gas, and petroleum and their products and by-products, providing that all hauls of refined petroleum products be restricted to movements to oil well locations and the resultant salvage thereof from oil well locations, with points of origin and destination in each instance being within Chaves, Lea, Eddy, Curry and Roosevelt Counties, New Mexico only, with no diversion of shipment in transit to storage, over irregular routes, under non-scheduled service.

EFFECTIVE THIS 27TH DAY OF AUGUST, 1981.

NEW MEXICO STATE CORPORATION COMMISSION

  
ERIC P. SERNA, Chairman

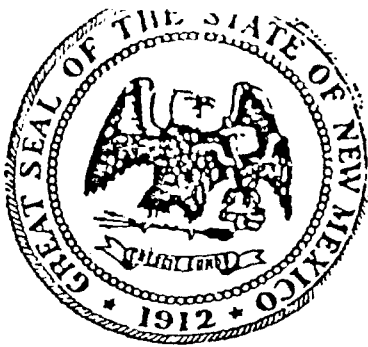
  
JOHN A. ELLIOTT, Commissioner

  
JIMMIE W. GLENN, Commissioner

ATTEST:

  
F. B. SMITH, Director

February 10, 1982



Page 3

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. 21449

PETRO-THERMO CORPORATION

E N D O R S E M E N T

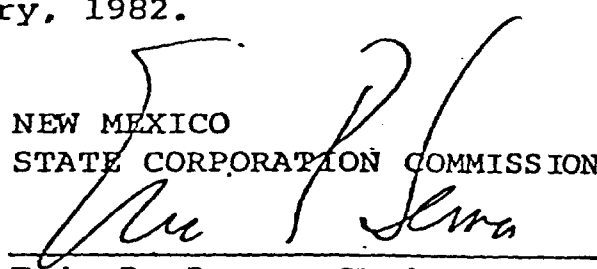
Pursuant to the Commission's Order dated January 18, 1982, Certificate of Public Convenience and Necessity No. 21449 is hereby endorsed to include operations as follows:

Transportation of fresh water, brine water (salt water) residue oil from tank batteries, oil base drilling mud and waterbase drilling mud in liquid form only, acid CO<sub>2</sub> liquid, drilling mud containing barite, hydraulic fracturing fluids, and basic sediments between points and places in Lincoln, Guadalupe and DeBaca Counties, New Mexico.

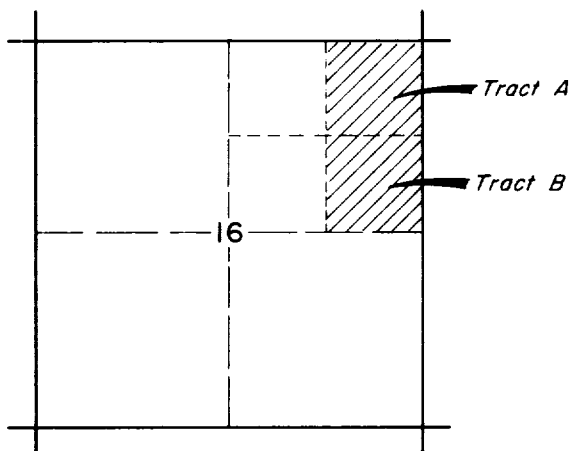
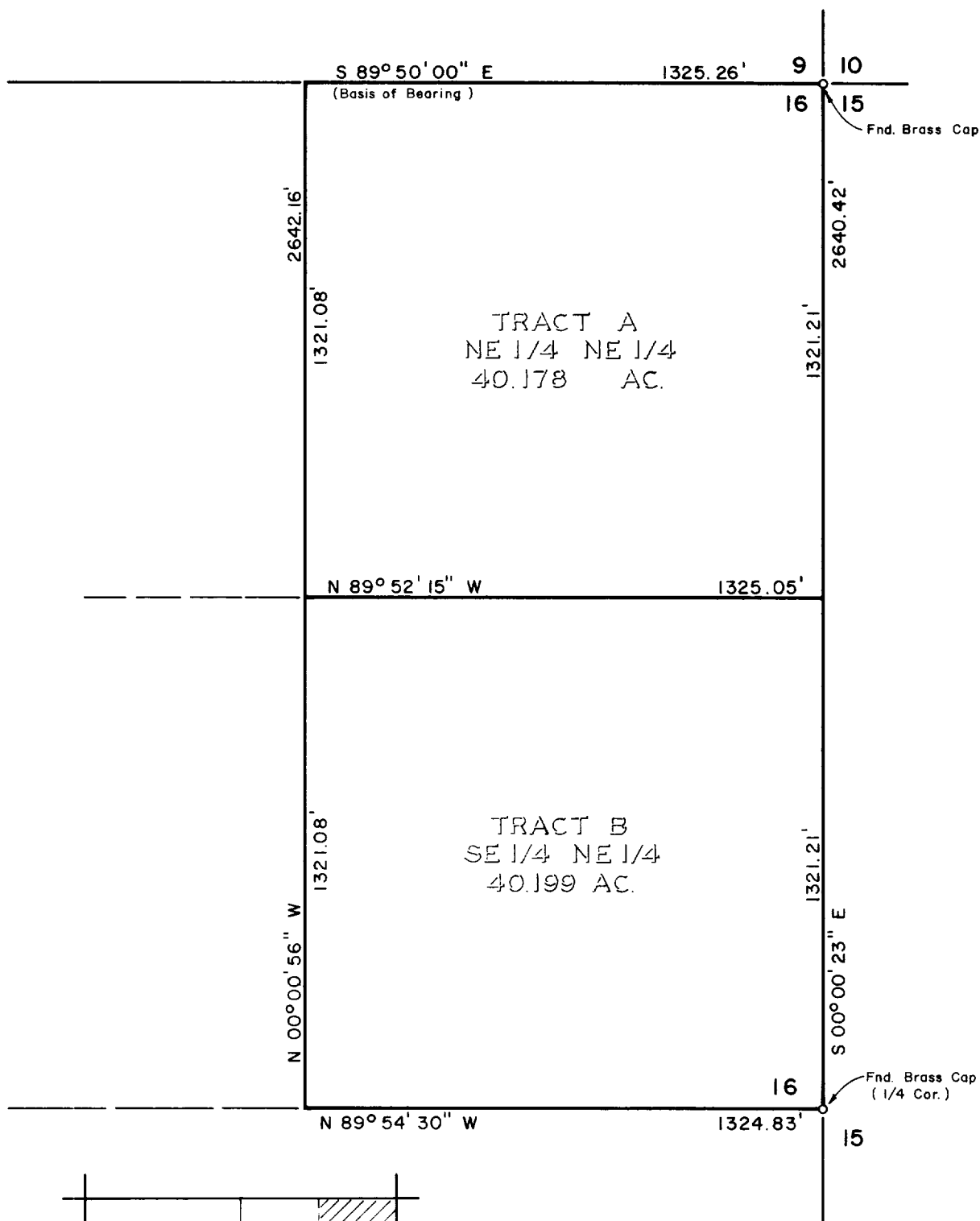
Effective this 10th day of February, 1982.

NEW MEXICO  
STATE CORPORATION COMMISSION

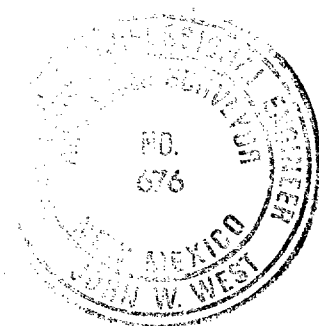
ATTEST:

  
Eric P. Serna, Chairman





VICINITY MAP  
2" = 1 mile



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

JOHN W. WEST, N.M. P.E. & L.S. No. 676  
 TEXAS R.P.S. No. 1138  
 RONALD J. EIDSON, N.M. L.S. No. 3239  
 TEXAS R.P.S. No. 1883

AGUA, INC.

Two tracts of land being the NE 1/4 NE 1/4 and the SE 1/4 NE 1/4 of Section 16, T 20 S, R 32 E, N.M.P.M., Lea County, New Mexico.

JOHN W. WEST ENGINEERING COMPANY  
 CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale: 1" = 400'

Drawn By: M. Mitchell

Date: 10/28/85

Ck.

Sheet 1 of 3

Sheets

LEGAL DESCRIPTION  
Tract A

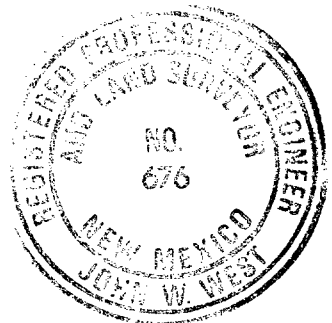
A tract of land being the Northeast Quarter of the Northeast Quarter of Section 16, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico and being more particularly described by metes and bounds as follows:

Beginning at the northeast corner of the herein described tract of land, which point being the northeast corner of said Section 16;  
Thence S 00°00'23" E, 1321.21 feet along the east line of said Section 16;  
Thence N 89°52'15" W, 1325.05 feet;  
Thence N 00°00'56" W, 1321.08 feet to a point on the north line of said Section 16;  
Thence S 89°50'00" E, along the north line of said Section 16, 1325.26 feet to the point of beginning and containing 40.178 acres, more or less.

LEGAL DESCRIPTION  
Tract B

A tract of land being the Southeast Quarter of the Northeast Quarter of Section 16, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico and being more particularly described by metes and bounds as follows:

Beginning at the southeast corner of the herein described tract of land, which point being the east quarter corner of said Section 16;  
Thence N 89°54'30" W, 1324.83 feet;  
Thence N 00°00'56" W, 1321.08 feet;  
Thence S 89°52'15" E, 1325.05 feet to a point on the east line of said Section 16;  
Thence S 00°00'23" E, along the east line of said Section 16, 1321.21 feet to the point of beginning and containing 40.199 acres, more or less.



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

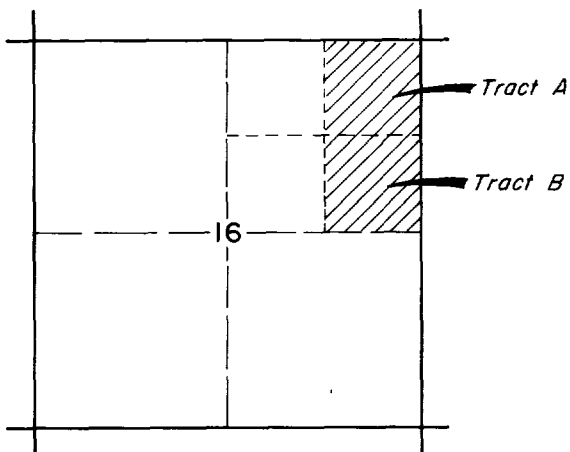
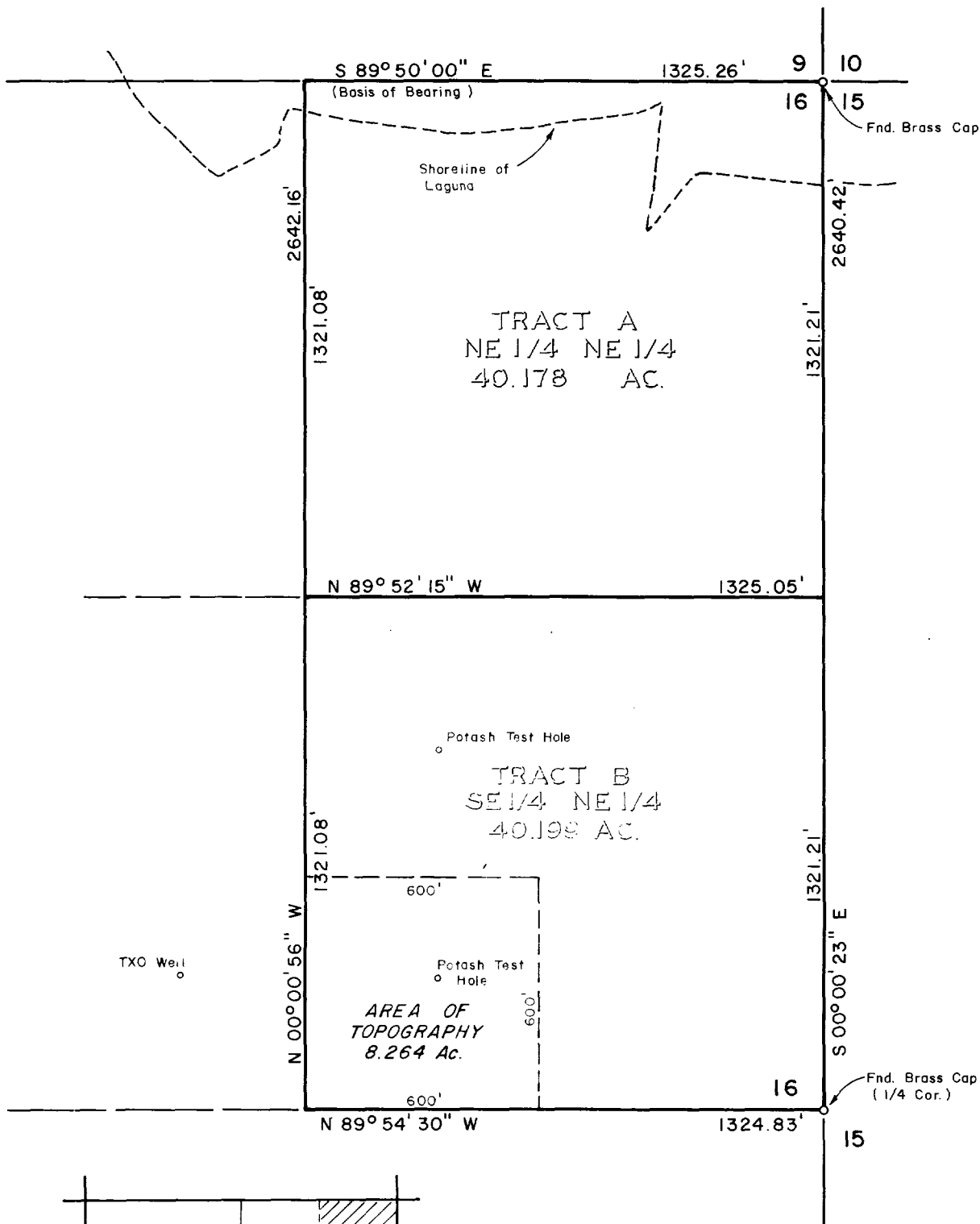
JOHN W. WEST, N.M. P.E. & L.S. No. 676  
TEXAS R.P.S. No. 1138  
RONALD J. EIDSON, N.M. L.S. No. 3239  
TEXAS R.P.S. No. 1883

AGUA, INC.

Two tracts of land being the NE $\frac{1}{4}$  NE $\frac{1}{4}$  and the SE $\frac{1}{4}$  NE $\frac{1}{4}$  of Section 16, T 20 S, R 32 E, N.M.P.M., Lea County, New Mexico.

JOHN W. WEST ENGINEERING COMPANY		HOBBS, NEW MEXICO	
CONSULTING ENGINEERS			
Scale: -----		Drawn By: M. Mitchell	
Date: 10/28/85	Ck.	Sheet 2 of 3	Sheets





VICINITY MAP  
2" = 1 mile



I HEREBY CERTIFY THAT THIS PLAT  
WAS MADE FROM NOTES TAKEN IN THE FIELD  
IN A BONA FIDE SURVEY MADE UNDER MY  
SUPERVISION, AND THAT THE SAME IS TRUE  
AND CORRECT TO THE BEST OF MY KNOWL-  
EDGE AND BELIEF.

JOHN W. WEST, N.M. P.E. & L.S. No. 676  
TEXAS R.P.S. No. 1138  
RONALD J. EIDSON, N.M. L.S. No. 3239  
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AGUA, INC.

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the SE 1/4 NE 1/4 of Section 16, T 20 S, R 32 E,  
N.M.P.M., Lea County, New Mexico.

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale: 1" = 400'

Drawn By: M. Mitchell

Date: 10/28/85

Ck. *GJ*

Sheet 3 of 3 Sheets