

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
WILSON OIL COMPANY FOR AN EXCEPTION
TO ORDER NO. R-3221, AS AMENDED,
LEA COUNTY, NEW MEXICO

CASE No. 3859

APPLICATION FOR REHEARING

COMES WILSON OIL COMPANY, a New Mexico corporation, by its attorney, A. J. Losee, and requests a rehearing with respect to Order No. R-3517, issued on October 4, 1968, by the Oil Conservation Commission (the "Commission"), and as grounds therefor, states:

1. Finding No. 5 is vague and indefinite, but if it was intended to find as a fact that the disposal of water produced in conjunction with the production of oil in the unlined pits described in the Application constitutes a hazard to fresh water supplies in the vicinity of such pits, then such finding is not supported by substantial evidence in the record of either Case No. 3551, out of which Commission Order No. 3221 was issued, or in Case No. 3859, out of which Commission Order No. R-3517 was issued.

2. Findings Nos. 7, 10, 11, 12 and 13 are not supported by substantial evidence in the record.

3. Conclusion No. 1 or Order No. 1, denying the application, is not supported by substantial evidence in the record.

4. Commission Order No. R-3517 is arbitrary, capricious or an abuse of discretion or contrary to law in that the Commission has already granted similar relief by its Order

Nos. R-3221-B and R-3424 to operators in areas where the fresh water supplies are limited to erratic reservoirs of meager supply similar to those supplies existing in the vicinity of the Wilson pool.

5. The issuance of Commission Order No. R-3517 was arbitrary, capricious or an abuse of discretion and contrary to law in that, upon information and belief, Applicant alleges that the Commission considered the evidence in Case No. 3551 (Commission Order No. R-3221) without each Commission member having reviewed the transcript in said Case No. 3551 and without there being any substantial evidence in the record of Case No. 3551 to support Commission Order No. R-3517.

6. That Commission Orders R-3517 and R-3221, upon which it is based, are not within the scope of the authority of the Commission in that (a) the regulation of the subject matter of these Orders is vested by law in the State Engineer or, (b) the regulation of the subject matter of these Orders is vested by law in the Water Quality Control Commission or, (c) the subject matters have no relation to the prevention of waste and the protection of correlative rights.

7. The denial of the application is contrary to the guaranties of liberty secured by Section 18 of Article 2 of the Constitution of New Mexico and the guaranties of liberty secured by the 14th Amendment to the United States Constitution.

8. The issuance of Commission Order R-3517 was arbitrary, capricious or an abuse of discretion, or contrary to law.

WHEREFORE, Applicant prays:

A) That the Commission grant a rehearing in respect of the above matters, and

B) That an exception to Order No. R-3221 be granted to Applicant to permit the continuation after January 1, 1969, of the disposal of water produced in conjunction with the production of oil from Applicant's 35 wells on the surface in Applicant's 7 unlined pits, or on such other pits located upon the lands covered by the application which are deemed necessary by Applicant, or

C) In the alternative, that Applicant be granted an extension of time, for such reasonable period as the Commission may deem desirable, within which to comply with the provisions of Order No. R-3221 of the Commission, and

D) For such other relief as may be just in the premises.

WILSON OIL COMPANY

By



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Its Attorney