

CASE 4327: Appli. of FRANKLIN,
ASTON & FAIR FOR AN EXCEPTION TO
R-3221, AS AMENDED, EDDY COUNTY.

Case Number

4328

Application
Transcripts.

Small Exhibits

ETC.

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 25, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of Franklin, Aston &
Fair for an exception to Order No.
R-3221, as amended, Eddy County, New
Mexico.

Case No. 4327

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Case 4327.

MR. HATCH: Case 4327. Application of Franklin, Astor and Fair for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, Santa Fe, appearing for the Applicant. We have one witness I would like to have sworn.

(Witness sworn).

(Whereupon, Applicant's Exhibits 1 through 6 were marked for identification).

MR. UTZ: Are there other appearances? You may proceed.

MR. KELLAHIN: If the Examiner please, the application that is present before the Commission in Case 4327 involves a well which is a direct offset to the Applicant's State "A" One Well for which an exception due to the provisions of R-3221 was granted in Case 4182, Order No. R-3820.

Since substantially the same testimony and exhibits will be applicable to this case, we ask that the Commission take notice of the file in Case 4182 to which we will make reference both as to the testimony and as to the exhibits which were offered in that case.

MR. UTZ: You mentioned two orders here, 3820 and 21?

MR. KELLAHIN: No. We were granted an exception to Order P-3221 by the provisions of Order P-3220.

MR. UTZ: All right.

MR. KELLAHIN: We ask you to take notice of the record in the previous case, Number 4181.

MR. UTZ: We will take notice of that record, Mr. Kellahin.

GRANT SMITH

the Witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A I am Grant Smith.

Q By whom are you employed and in what position, Mr. Smith?

A I am employed as a petroleum geologist for Franklin, Aston and Fair, Roswell, New Mexico.

Q Have you testified before the Oil Conservation Commission and made your qualifications as a geologist a matter of record?

A Yes, sir.

Q Did you testify in Case 4182 for which an exception

was granted to your State A One Well?

A Yes, sir.

Q Now, referring to what has been marked as Applicant's Exhibit Number One, would you identify that exhibit, please?

A This is an exhibit of the producing wells in the area of our Ballard Federal "NH" Number One in the northwest quarter of the northeast quarter of Section 1, 18, 29 for which we are asking for salt water disposal.

Q You are asking for continued surface disposal of salt water; is that correct?

A Yes, sir.

Q You are not confining your application solely to that one well are you, Mr. Smith?

A No, sir. This well is a new producer in the area and we have -- are asking that the lease on which it is located which we call our Ballard Lease, which is the northeast quarter of Section 1 of 18, 29 and the north half of the southeast quarter. It's colored in yellow on the Exhibit Number One.

We are also anticipating additional drilling in the area and we are asking also that our Yates Lease be included and it involves all the acreage in Section 6, 18, 30 except the south half of the northwest quarter and the north half of the southwest quarter of Section 6.

Q You are seeking exception for the entire area then that is colored in yellow on Exhibit Number One, except that in Section 36 North?

A That is right.

Q And an exception has already been granted for that?

A Yes, sir.

Q At the time you testified in the previous case, Case Number 4182, did you make an investigation for the presence of surface or ground water that could be contaminated by disposal?

A Yes, sir.

Q Have you made any further check on this particular area?

A Yes, sir. I would like to refer again to the windmill and the tank as shown in Section 24 of 18, 29. I made an effort to go back in and find this well and tank. I got as far as the southeast quarter of Section 13 of 18, 29, and ran out of road.

I have found since then that to get into this area you have to come in from the south on the road that is diagonal from Section 26 and 36. However, whether this windmill is producing or not, I think is questionable.

I contacted a pumper when I was in the area trying to find out how to get into this well and he said that Newmont

was supplying water through a plastic line to a water tank down in this area and this water was being supplied for their water plant for the Newmont Loco Hills waterflood.

Q That was being supplied to the rancher?

A Yes, for his cattle.

Q Do you know of any other water sources that might possibly be affected by surface disposal from on your Ballard Lease --

A No, sir.

Q -- or your Yates Lease?

A There is an abandoned homesteader ranch in the southwest quarter of the southeast quarter of 14. I went in there. No one is living there. There is casing and an old cable tool rig in there. No one living in the area.

Q Did you find any sign of any well or --

A I could find no well. I could find some old water tanks in there, but I couldn't find a well.

Q Was there water in the tanks?

A No, sir.

Q Did they appear to have been used recently?

A No, sir.

MR. UTZ: That was Section 24 of which township?

THE WITNESS: 18, 29.

MR. UTZ: And that location was the southwest of the southeast?

THE WITNESS: Farmstead or this abandonment?

MR. UTZ: Yes.

THE WITNESS: It's in the southwest of the southeast of Section 1.

MR. UTZ: Section 1?

THE WITNESS: Yes, sir.

MR. UTZ: All right.

Q (By Mr. Kellahin) Would you identify Exhibits Two, Three, Four and Five that has been offered here in that order?

A These were exhibits that were prepared in the original hearing showing drainage patterns and the general water conditions in the area.

Q Those are the same exhibits that were offered in the previous case? For convenience, we reproduced them for this hearing.

Was Exhibit Number One prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time, I would like to offer in evidence Exhibit Number One and Exhibits Two, Three, Four

and Five, which are copies of plats from the ground water report Number Three.

MR. UTZ: Without objection, Exhibits Number One through Five will be entered into the record of this case.

O (By Mr. Kellahin) Did you make any test on your Ballard "NH" Number One Well for water production?

A Yes, sir. When we made our application, the well was making thirty barrels of water per day. We metered it again last week and the water production has declined to thirteen barrels of water per day.

The oil is holding steady between forty-five and fifty barrels per day.

O What is your water production on your State A Number One Well?

A At the present time, I believe it's about twelve barrels per day.

O It was about twenty at the time of your application, was it not?

A Yes, sir.

O In your opinion, is the water declining in this area --

A Yes, sir.

O -- water production? In your opinion, Mr. Smith,

would the continued use of surface tanks for the disposal of produced water cause any contamination to any fresh water supplies anywhere?

A No, sir.

MR. KELLAHIN: That completes our presentation, Mr. Utz.

MR. UTZ: Are there questions of the witness?

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Smith, at this time you just have the two wells on the lease that you are requesting this exception for, is that correct?

A Well, actually, the first well is on a separate lease. The well that we are asking for now is on the Ballard Lease and it is the only producing well on the Ballard Lease. It's producing from a new horizon.

Q Is there any ranching in that area at all?

A There are cattle in this area. It is not very heavily grazed, mostly because there is not the feed there to graze the land very heavily and where all the water tanks are, we have made a diligent effort to find these and as I mentioned previously, this one tank in Section 24 -- I was told they are supplying fresh water to that through a plastic line.

Q Is that the tank that's shown in the little orange triangle?

A No, sir. I couldn't get into it. I talked to a pumper that I found in the field. He was telling me about it. He told me I couldn't get back in there with my car. I found out since then you have got to come in from the south.

Q What is that little orange triangle?

A It is supposed to be a windmill. This was taken from the Bureau of Land Management Map in Roswell.

Q Do you know whether that windmill is producing water or not?

A No, sir, I don't. The only conclusion I can draw is, it must not be or they wouldn't be pumping water into the area.

Q Did your record in Case 4182 give the subsurface contours of this area here and which way the drainage was?

A Yes, sir.

Q We have all of that data?

A Yes, sir.

Q Is it your opinion that you will develop this entire area?

A We hope we can. It is a new pay zone from in the San Andres. We are perforated from 3269 to 3313. The oil

is holding steady at forty-five to fifty barrels a day and the water has declined, I believe I mentioned, from thirty barrels of water per day when we made our application to thirteen barrels the last time we measured it and we are hopeful of additional development in this area.

I'm not sure whether to call this zone Grayburg-Jackson or Slaughter. There is not enough wells that have penetrated this zone in this area as far as I am concerned to come up with a definite correlation on it. But, it is San Andres production.

Q You don't have too good of control in there?

A No, sir.

Q It is your definite opinion that there is no fresh water in this area?

A That is correct.

MR. UTZ: Other questions of the witness? He may be excused.

(Witness excused).

MR. UTZ: Statements in this case? The case will be taken under advisement.

I N D E X

<u>WITNESS</u>	<u>PAGE</u>
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E X H I B I T S

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STATE OF NEW MEXICO)
)
 COUNTY OF BERNALILLO)

I, BRENDA BURKS, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Brenda Burks
 Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Bernalillo hearing of Case No. 4392 heard by me on Mar 25, 1979

James S. Williams
 New Mexico Oil Conservation Commission



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 3, 1970

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

Re: Case No. 4327
Order No. R-3944
Applicant:
Franklin, Aston & Fair

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 State Engineer Office

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4327
Order No. R-3944

APPLICATION OF FRANKLIN, ASTON & FAIR
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 25, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of April, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Franklin, Aston & Fair, is the owner
and operator of certain leases in the Loco Hills Field comprising
the NE/4 and N/2 SE/4 of Section 1, Township 18 South, Range 29
East, and the E/2, N/2 NW/4, and S/2 SW/4 of Section 6, Township
18 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) That Order (3) of Commission 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 watercourse, or in any other place or in any manner which

CASE No. 4327
Order No. R-3944

would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(4) That 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.

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's wells located or to be located on said Loco Hills Field leases in unlined surface pits on said leases.

(7) That the applicant has recently completed the Ballard NH Federal Well No. 1, located 330 feet from the North line and 1750 feet from the East line of said Section 1 as a producing well in the Loco Hills Grayburg-San Andres Pool; that said well produces approximately 30 barrels of water per day in conjunction with its oil production.

(8) That there is a reasonable probability that the applicant will complete additional wells in the NE/4 of said Section 1.

(9) That there appears to be no water in the vicinity of the NE/4 of said Section 1 for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located on said quarter section.

(10) That the applicant should be permitted to utilize unlined surface pits for the disposal of salt water produced by wells located or to be located in the NE/4 of Section 1, Township 18 South, Range 29 East, NMPM, Loco Hills Field, Eddy County, New Mexico.

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CASE No. 4327
Order No. R-3944

IT IS THEREFORE ORDERED:

(1) That the applicant, Franklin, Aston & Fair, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its wells located or to be located on its lease or leases comprising the NE/4 of Section 1, Township 18 South, Range 29 East, NMPM, Loco Hills Field, Eddy County, New Mexico, in unlined surface pits located on said lease or leases.

(2) That the Secretary-Director of the Commission may by administrative order rescind such authority whenever it reasonably appears to the Secretary-Director that such rescission would serve to protect fresh water supplies from contamination.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

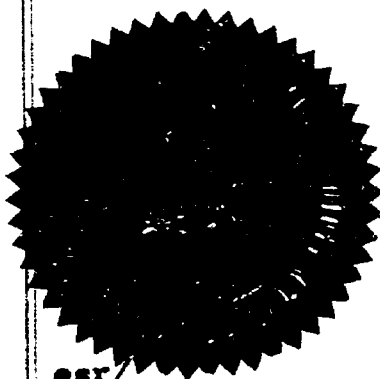
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr. Member & Secretary



esr/

Case 4327

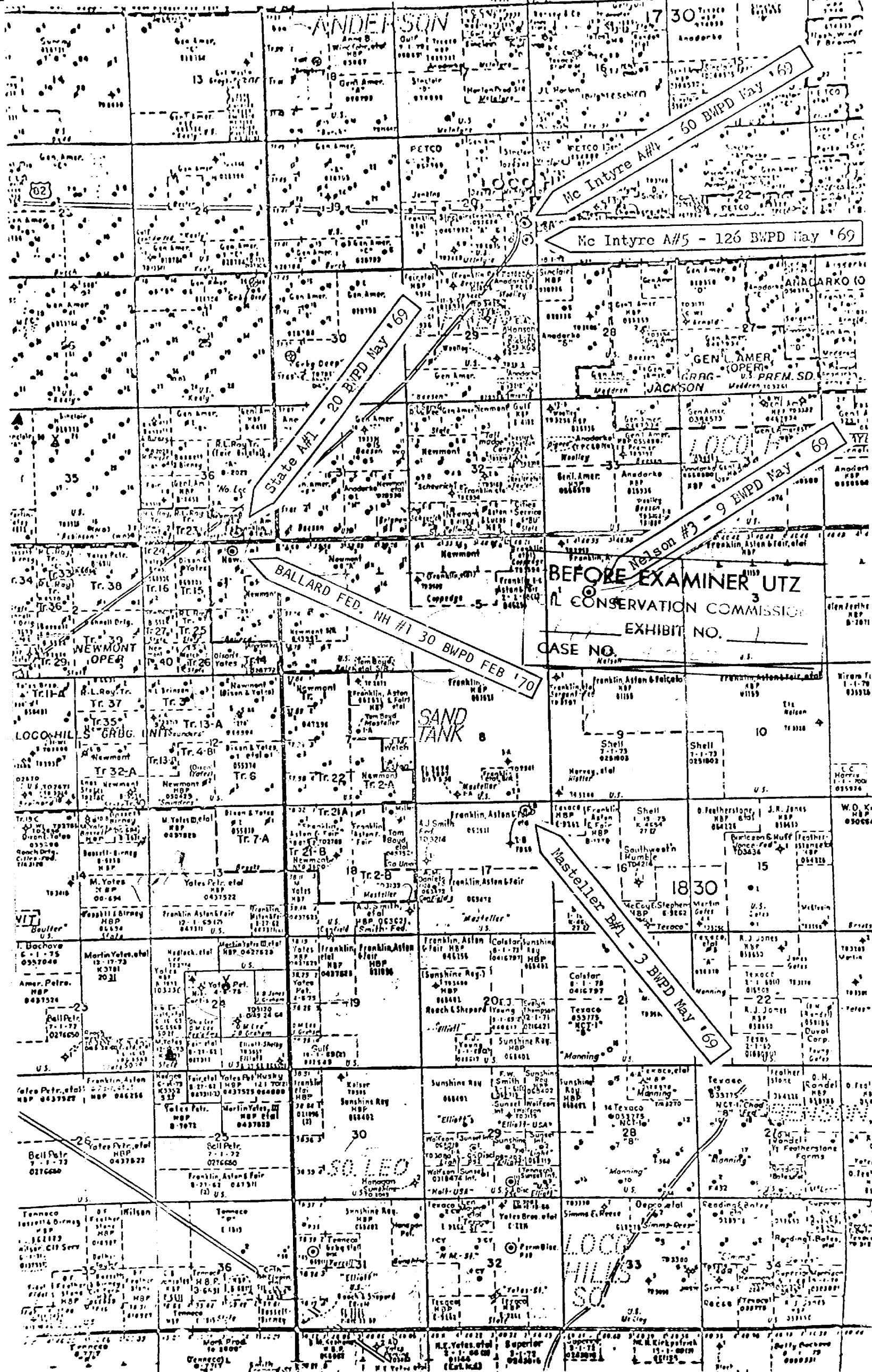
Heard 3-25-70

Rec. 3-31-70

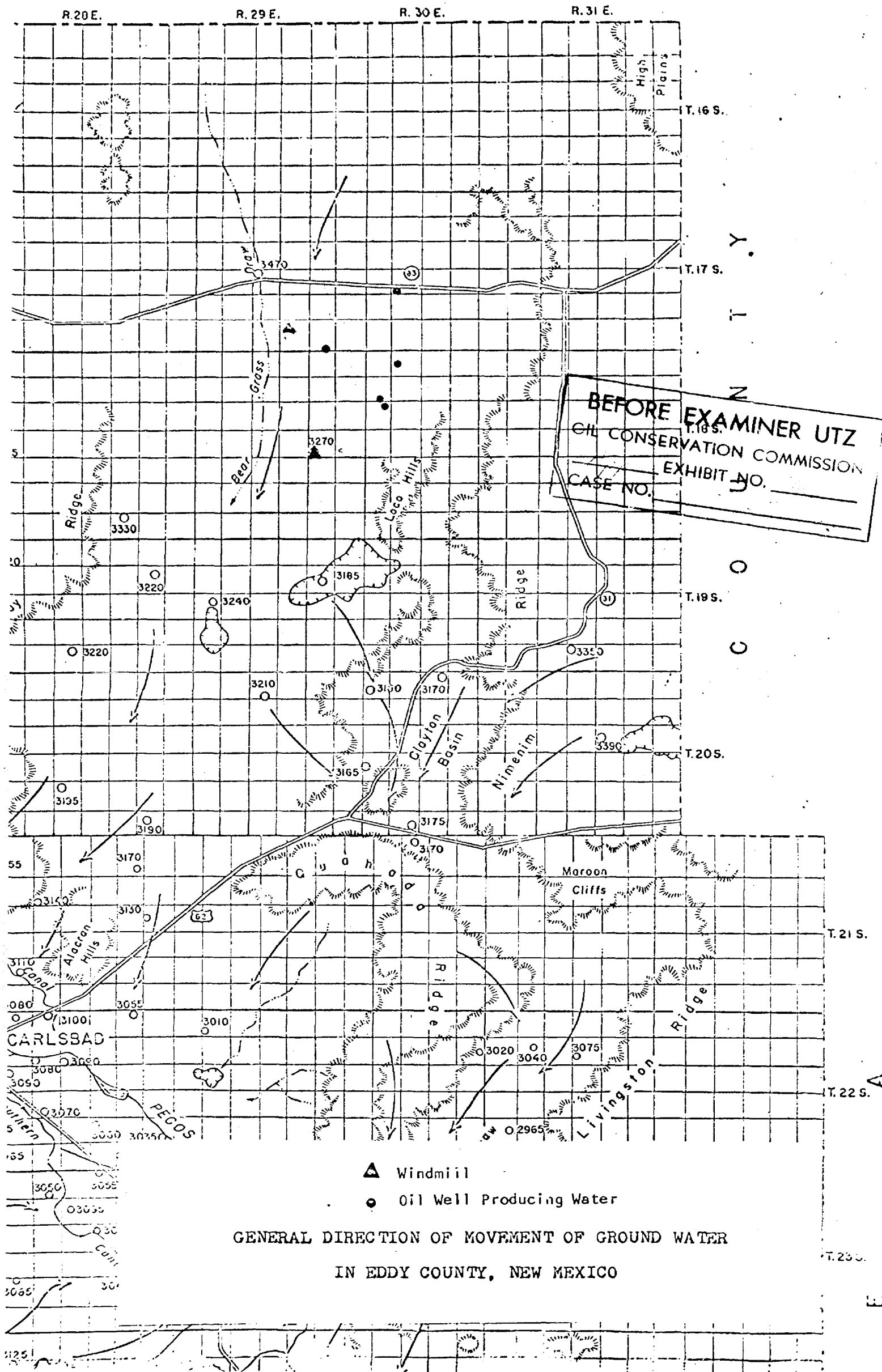
Grant Franklin, Action + Fair
permission to dispose of S.W.
1/4 open pit from there
Ballard Fed. NH #1, B 1-185-
29 E and other wells drilled
in the NE/4 sec. 1.

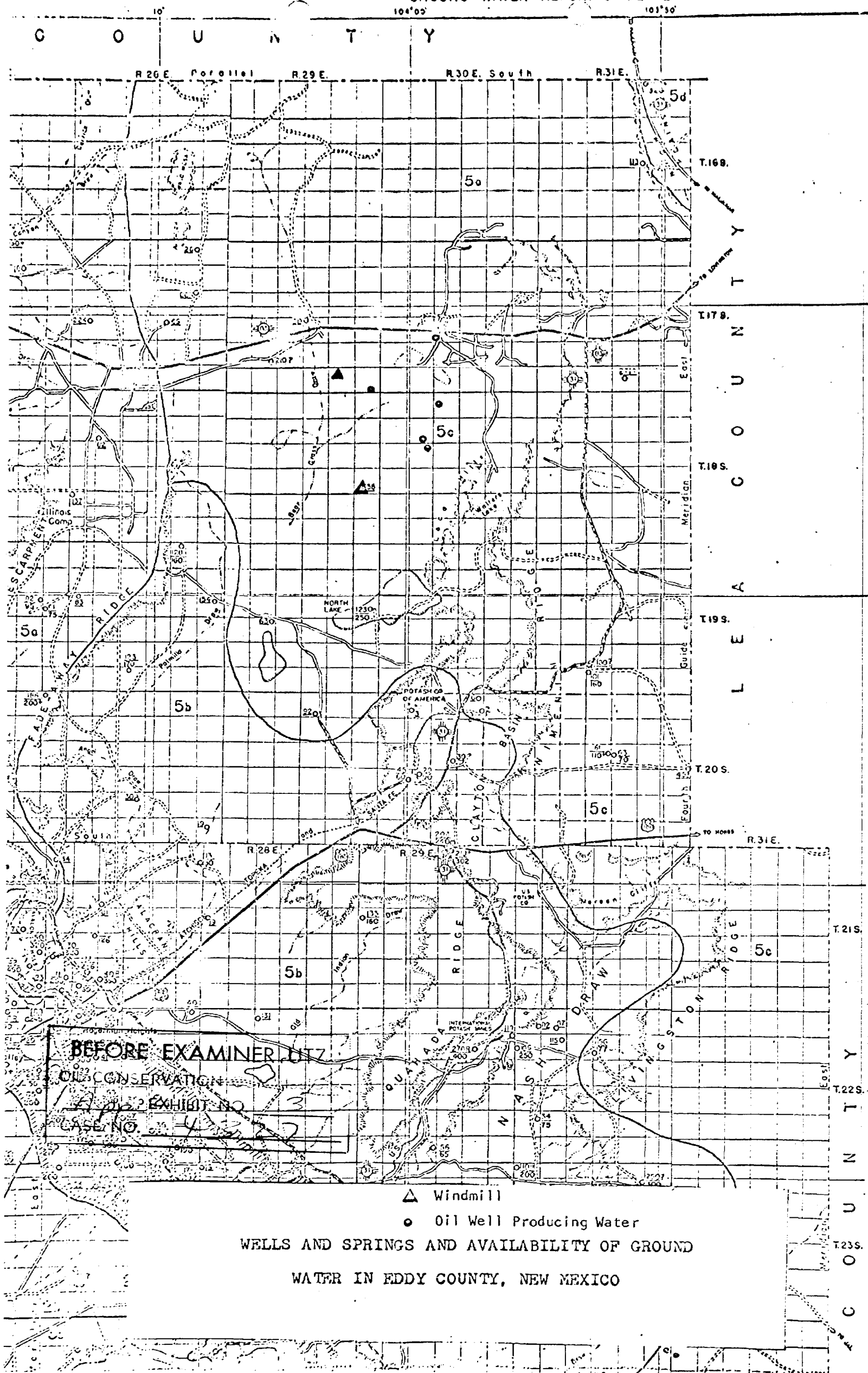
The rest of the acreage in
sec. 1 and 6 of 185-30 E should
be denied because is
some evidence of fresh
water within 3 to 5 mi.
of the area and because
we have no idea as to
the amount of water which
might be produced on the
560 additional acreage.

Thurston

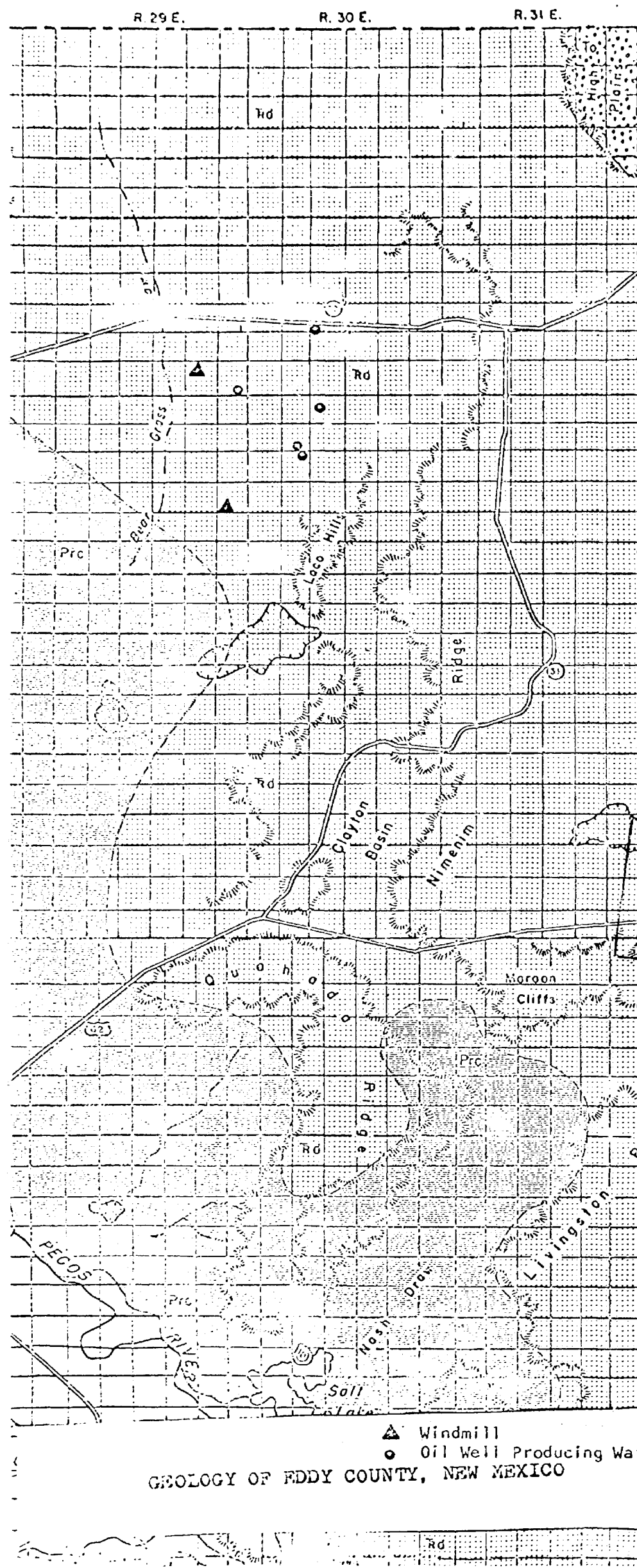


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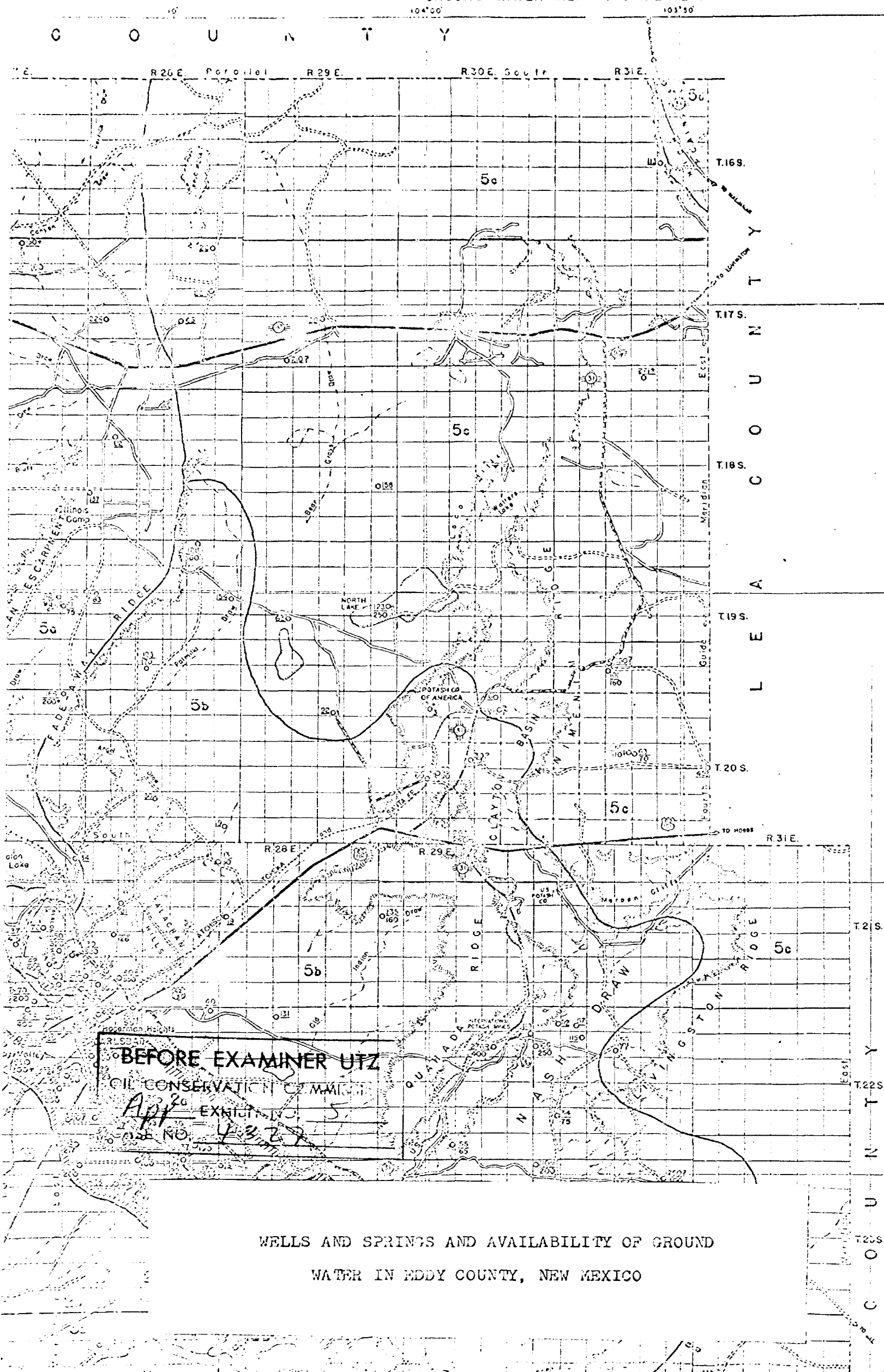
EXPLANATION

- Qol Alluvium
 - To Ogallala formation
 - Td Dockum group
 - Prc Rustler formation east of the Pecos River. Castle and Rustler formations west of the Pecos River.
 - Pcl Carlsbad limestone (Capitan limestone and Bell Canyon formation along reef escarpment. Goat Seep limestone along west escarpment of Guadalupe Mountains.)
 - Pcd Chalk Bluff formation (including upper part of Goat Seep formation in southwest part)
 - Pss San Andres formation
- Ochoa series*
Guadalupe series
Leonard series

QUAT.
TERTIARY
TRIASSIC
PERMIAN

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 4
CASE NO. 7-227

GEOLOGY OF EDDY COUNTY, NEW MEXICO



WELLS AND SPRINGS AND AVAILABILITY OF GROUND
WATER IN EDDY COUNTY, NEW MEXICO

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

February 24, 1970

TELEPHONE 982-4315
AREA CODE 505

'70 FEB 26 AM 8 12

The Oil Conservation Commission
of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Handwritten signature
Case 4327

Re: Application - Franklin, Aston & Fair, Inc. for an
exception to Order No. R-3221, as amended, Eddy
County, New Mexico

Gentlemen:

Enclosed please find the original and two copies of
a revised application re the above Order, which hearing
is set for March 25.

Yours very truly,

Handwritten signature: Jason W. Kellahin
Jason W. Kellahin

jwk;jh

cc: Tom P. Stephens w/enc.

DOCKET FILED

Date 3-12-70

70 FEB 26 AM 8 12

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

APPLICATION OF FRANKLIN, ASTON &
FAIR, INC., FOR AN EXCEPTION TO
THE PROVISIONS OF ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW
MEXICO.

Case 4337

A P P L I C A T I O N

Comes now Franklin, Aston & Fair, Inc., and applies to the Oil Conservation Commission of New Mexico for an order granting an exception to the provisions of Commission Order No. R-3221, as amended, to permit the use of unlined surface pits for the disposal of produced water in the Loco Hills-Grayburg-San Andres Pool, Eddy County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the operator of the Ballard NH Federal No. 1 Well, located 1750 feet from the East Line, and 330 feet from the North line of Section 1, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

2. Said well is producing approximately 30 barrels of water per day with production from the Jackson zone of the San Andres formation.

3. The subject well is a direct offset to applicant's State A-1 Well, located in Unit O, Section 36, Township 17 South, Range 29 East, N.M.P.M., for which well and exception from the provisions of Order No. R-3221, as amended, was granted by this Commission on August 27, 1969, by its Order No. R-3820 on the basis of a finding that there appears to be no shallow fresh water in the vicinity of said well for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from surface pits.

4. Applicant reasonably believes that further wells will be drilled in the vicinity of the Ballard NM Federal No. 1 Well, and the State A Well No. 1, and that an exception to the provisions of Order No. R-3221, as amended, should be granted for the following described lands: NE/4, N/2 SE/4, Section 1, Township 18 South, Range 29 East, and E/2, N/2NW/4, S/2 SW/4 Section 6, Township 18 South, Range 30 East, N.M.P.M.

5. That there is no fresh water supply in the vicinity of the subject well and the above-described lands, and the water disposal pits to be used in conjunction therewith that would or could be contaminated or be subject to contamination by use of surface disposal pits.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order:

1. Granting an exception from the provisions of Order No. R-3221, as amended, to permit the use of a surface disposal pit at or near the site of the Ballard Federal No. 1 Well, and for an exception from the provisions of said order covering the following described lands:

Township 18 South, Range 29 East, N.M.P.M.

Section 1 - NE/4, N/2 SE/4

Township 18 South, Range 30 East, N.M.P.M.

Section 6 - E/2, N/2 NW/4, S/2 SW/4

Loco Hills Field, Eddy County, New Mexico, and for such other and further orders as to the Commission appear just.

Respectfully submitted,

FRANKLIN, ASTON & FAIR, Inc.

BY Jason W. Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4327

Order No. R-3944

APPLICATION OF FRANKLIN, ASTON & FAIR
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 25, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this _____ day of _____, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Franklin, Aston & Fair, is the owner
and operator of certain leases in the Loco Hills Field comprising
the NE/4 and N/2 SE/4 of Section 1, Township 18 South, Range 29
East, and the E/2, N/2 NW/4, and S/2 SW/4 of Section 6, Township
18 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) That Order (3) of Commission 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 watercourse, 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.

(4) That 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.

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicant seeks an exception to the provisions, of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's wells located or to be located on said Loco Hills Field leases in unlined surface pits on said leases.

(7) That the applicant has recently completed the Ballard NH Federal Well No. 1, located 1750 feet from the East line and 330 feet from the North line of said Section 1 as a production well in the Loco Hills Grayburg - Bear Butte Pool; that said well produces approximately 30 barrels of water per day in conjunction with its oil production.

(8) That there is a reasonable probability that the applicant will complete additional wells in the NE/4 of said Section 1.

(9) That there appears to be no water in the vicinity of the NE/4 of said Section 1 for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located on said quarter section.

(10) That the applicant should be permitted to dispose of salt water produced by the above wells located on the NE/4 of Section 1, Township 18 South, Range 29 East, Loco Hills Field, Eddy County, New Mexico.

IT IS THEREFORE ORDERED:

(1) That the applicant, Franklin, Aston & Fair, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its wells located or to be located on its leases ^{or leases} comprising the NE/4 and ~~N/2 SE/4~~ of Section 1, Township 18 South, Range 29 East, ~~and the E/2, N/2 NW/4, and S/2 SW/4 of Section 6, Township 18 South, Range 30 East, NMPM,~~ Loco Hills Field, Eddy County, New Mexico, in unlined surface pits located on said leases ^{or leases}.

(2) That the Secretary-Director of the Commission may by administrative order rescind such authority whenever it reasonably appears to the Secretary-Director that such rescission would serve to protect fresh water supplies from contamination.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

CASE 4328: Application of PUBCO
PETROLEUM CORP. FOR COMPULSORY
POOLING, SAN JUAN COUNTY, N.M.