

CASE 3666: Application of KENNEDY  
OIL CO. & NEWMONT for an excep-  
tion to Order No. R-3221,

CASE No.  
3666

Application,  
TRANSCRIPTS,  
SMALL Exhibits  
ETC.

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
GUYTON B. HAYS  
MEMBER

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

P. O. BOX 2088  
SANTA FE

November 16, 1967

Mr. A. J. Losee  
Attorney at Law  
Carper Building  
P. O. Drawer 239  
Artesia, New Mexico 88210

Re: Case No. 3666  
Order No. R-3347  
Applicant:  
Kennedy Oil Company

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

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC       

Other \_\_\_\_\_

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. 3666  
Order No. R-3347

APPLICATION OF KENNEDY OIL COMPANY  
AND NEWMONT OIL COMPANY FOR AN EXCEP-  
TION TO ORDER NO. R-3221, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of November, 1967, the Commission, a quorum being present, having considered the record, and being fully advised in the premises,

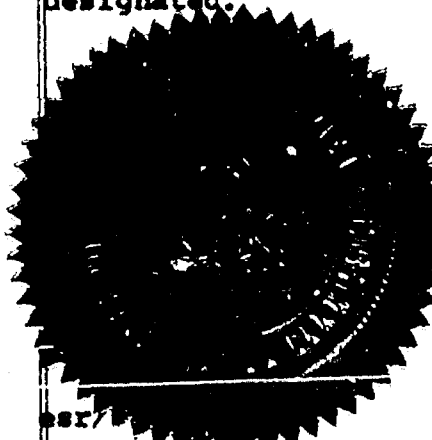
FINDS:

That the applicants' request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3666 is hereby dismissed.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*David F. Cargo*  
DAVID F. CARGO, Chairman

*Gustave B. Hays*  
GUSTAVE B. HAYS, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

JOEL M. CARSON

LAW OFFICES  
A. J. LOSEE  
CARPER BUILDING - P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88210

AREA CODE 505  
746-3508

8 November 1967

*Handwritten:*  
HMS  
can file

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Re: Case No. 3666  
Application of Kennedy Oil Company and  
Newmont Oil Company for an exception to  
Order No. R-3221, Eddy County, New Mexico

67 Nov 9 AM 10 34

Dear Mr. Porter:

You will please consider this letter as our motion, on behalf of the above named applicants, to dismiss the above case, which has been continued until the regular hearing on November 15, 1967.

If there is anything further that we should do in this matter, please let me know.

Very truly yours,

  
A. J. Losee

AJL:rh

cc: Mr. John F. Russell  
Attorney at Law  
P. O. Box 640  
Roswell, New Mexico

Mr. Robert B. Kennedy  
Kennedy Oil Company

Mr. Herman Ledbetter  
Newmont Oil Company

DOCKET: REGULAR HEARING - WEDNESDAY - NOVEMBER 15, 1967

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO

- ALLOWABLE:
- (1) Consideration of the oil allowable for December, 1967
  - (2) Consideration of the allowable production of gas for December, 1967, from thirteen prorated pools in Lea, Eddy and Roosevelt Counties, New Mexico, and also presentation of purchaser's nominations for said pools for the six-month period beginning January 1, 1968; Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for December, 1967.

CASE 3666:

(Continued from the October 18th Regular Hearing)  
Application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to the provisions of Order No. (2) of the Commission Order No. R-3221 which, effective January 1, 1968, prohibits the surface disposal of water produced in conjunction with the production of oil from any waterflood or pressure maintenance project. The exception sought would be for applicants' lands which are or which will be covered by waterflood operations in the Square Lake Pool, Eddy County, New Mexico, said lands being included in the following described area:

Sections 32 through 36, Township 16 South, Range 30 East; Sections 19 through 22 and 27 through 34, Township 16 South, Range 31 East and Sections 2 and 4, Township 17 South, Range 30 East.

CASE 3687:

In the matter of the hearing called by the Oil Conservation Commission upon its motion to change the date of the December, 1967, regular hearing from December 13 to 9 a.m. December 15, 1967, Morgan Hall, State Land Office Building, Santa Fe, New Mexico.

CASE 3688:

Southeastern New Mexico nomenclature case calling for an order for the creation, abolishment, redefinition, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable to one well in Lea County, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Atoka-Morrow Gas Pool. The discovery well is Sinclair Oil & Gas Company, Trigg Federal No. 1, located in Unit E of Section 27, Township 18 South, Range 27 East, NMPM. Said pool described as:

(Case 3688 continued)

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
SECTION 27: N/2

(b) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Cabin Lake-Strawn Pool. The discovery well is Phillips Petroleum Company, James A No. 1, located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. Said pool described as:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
SECTION 2: SW/4 SE/4

(c) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South Corbin-Wolfcamp Pool. The discovery well is Aztec Oil & Gas Company, Federal MA No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM. Said pool described as:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
SECTION 21: SE/4

(d) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the South Osudo-Morrow Gas Pool. The discovery well is Amerada Petroleum Corporation, State WE "K" No. 1, located in Unit F of Section 15, Township 21 South, Range 35 East, NMPM. Said pool described as:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM  
SECTION 15: N/2

(e) Abolish the East Mason-Delaware Pool in Lea County, New Mexico, described as:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM  
SECTION 16: SW/4  
SECTION 17: S/2  
SECTION 20: N/2  
SECTION 21: NW/4

(f) Extend the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM  
SECTION 16: SW/4  
SECTION 17: S/2  
SECTION 19: NE/4  
SECTION 20: N/2  
SECTION 21: NW/4

(g) Redefine the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, as being from the shale break at 8258 feet to the top of Mississippian at 9974 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM, and redesignate said pool as Moore-Permo Pennsylvanian Pool.

(h) Redefine the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, as being from the top of the Wolfcamp at 8042 feet to the shale break at 8258 feet as in Amerada Petroleum Corporation, State "MA" No. 1, located in Unit M of Section 24, Township 11 South, Range 32 East, NMPM.

(i) Extend the Atoka-Pennsylvanian Gas Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
SECTION 20: N/2

(j) Extend the North Bagley-Lower Pennsylvanian Pool to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
SECTION 17: NE/4

(k) Extend the North Bagley-Upper Pennsylvanian Pool to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
SECTION 4: SE/4

(l) Extend the Ear U-Pennsylvanian Pool to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM  
SECTION 1: NW/4

(m) Extend the South Corbin-Morrow Gas Pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
SECTION 21: E/2

(n) Extend the West Henshaw-Grayburg Pool to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM  
SECTION 7: S/2 N/2

(o) Extend the Indian Basin-Upper Pennsylvanian Gas Pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM  
SECTION 4: All



- (p) Extend the North Osudo-Morrow Gas Pool to include therein:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM  
SECTION 6: All  
SECTION 7: All  
SECTION 18: N/2

- (q) Extend the Paddock Pool to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM  
SECTION 19: W/2

- (r) Extend the Penasco Draw San Andres-Yeso Pool to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
SECTION 2: W/2 NW/4

- (s) Extend the Tom-tom San Andres Pool to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM  
SECTION 34: NE/4

- (t) Extend the Twin Lakes-San Andres Pool to include therein:

TOWNSHIP 3 SOUTH, RANGE 28 EAST, NMPM  
SECTION 36: N/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM  
SECTION 1: N/2 NE/4 and NE/4 NW/4  
SECTION 2: N/2 NE/4

- (u) Extend the Northwest Vacuum-Abo Pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 2: SW/4

- (v) Extend the Vada-Pennsylvanian Pool to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM  
SECTION 16: NW/4

- (w) Consideration of the assignment of a bonus discovery allowable to Mobil Oil Corporation's Bridges State Well No. 121, located in Unit L of Section 13, Township 17 South, Range 34 East, Lea County, New Mexico, said well being the discovery well for the previously designated Vacuum-Middle Pennsylvanian Pool. The bonus allowable would be some amount up to 52,180 barrels.

JOEL M. CARSON

LAW OFFICES  
A. J. LOSEE  
CARPER BUILDING - P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88210

AREA CODE 505  
746-3508

19 October 1967

*[Handwritten initials]*

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Re: Case No. 3666, Application of Kennedy  
Oil Company and Newmont Oil Company for  
an exception to Order No. R-3221

Dear Mr. Porter:

This will confirm our telephone conversation of last  
Tuesday in which I requested, on behalf of the applicants,  
a continuation of the above case from October 18, 1967, to  
the November 15, 1967, hearing.

Very truly yours,

*[Handwritten signature: A. J. Losee]*  
A. J. Losee

AJL:rh

cc: Mr. Robert B. Kennedy  
Kennedy Oil Company  
Box 151  
Artesia, New Mexico

Mr. Herman Ledbetter  
Newmont Oil Company  
First National Bank Building  
Artesia, New Mexico

Mr. John F. Russell  
P. O. Box 640  
Roswell, New Mexico

DUCKET MAILED

Date 11-3-67

MAILED *[Handwritten mark]*

OCT 20 AM 10 42



*[Handwritten signature]*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
P. O. Drawer 5  
Artesia, New Mexico 88210

IN REPLY REFER TO:

October 13, 1967

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

Newmont Oil Company  
Post Office Box 1305  
Artesia, New Mexico 88210

Kennedy Oil Company, Inc.  
Post Office Box 151  
Artesia, New Mexico 88210

Gentlemen:

This office has received a copy of New Mexico Oil Conservation Commission Docket No. 32-67 listing cases to be heard before the Commission on October 18, 1967. Reference is made to your application to continue using surface pits to dispose of waste waters produced in conjunction with the production of oil from the waterflood projects indefinitely in the following described area:

T. 16 S., R. 30 E.  
Secs. 32 through 36

T. 16 S., R. 31 E.  
Secs. 19 through 22  
Secs. 27 through 34

T. 17 S., R. 30 E.  
Secs. 2 and 4

Our records show that of the 12,160 acres described above, 9,600 acres are Federal land and 2,560 acres are State land.

Federal Oil and Gas Operating Regulations require the disposal of waste water in such a manner that will prevent damage to the surface or pollution of streams or underground water of the leased or other lands (see 30 CFR 221.32).

Our investigation shows that over 1,500 barrels of oil field brine are being disposed daily into surface pits on Federal lands in the above described area. As the waterflood projects progress, the volume of produced water will increase greatly.

We feel that the eight-month deadline prohibiting surface disposal pits in waterflood operations as provided by New Mexico Oil Conservation Commission Order No. R-3221 dated May 1, 1967, is reasonable and should be upheld.

Therefore, you are requested to properly dispose of the produced water on the Federal lands in the above described area, and cease using all surface pits after January 1, 1968.

Sincerely yours,

(001) SCD JAMES A. KNAUF

James A. Knauf  
District Engineer

Copy to: H. J. Ledbetter (delivered by hand)  
R. B. Kennedy (delivered by hand)  
N.M.O.C.C., Santa Fe  
U.S.G.S., Corwell

13MM  
OCT 14 1967  
October 13, 1967

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Dear Sir:

We are familiar with the application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221 of the Oil Conservation Commission ("Commission") to permit, after January 1, 1968, the disposal in pits of water produced from waterflood projects in the Square Lake Pool, Eddy County, New Mexico, which has been docketed as Case No. 3666 before the Commission and set for hearing on October 18, 1967, in Santa Fe, New Mexico.

We are the owners and operators of certain ranch lands, including the fee simple title to the surface, Taylor grazing permits and State of New Mexico grazing leases, included within the boundaries of the Square Lake Pool, Eddy County, New Mexico, and the lands encompassed by the aforesaid application of Kennedy Oil Company and Newmont Oil Company.

We have had an opportunity over the past several years to witness the waterflood operations of Kennedy Oil Company and Newmont Oil Company in the Square Lake Pool and their practices in disposing in pits of water produced with oil from their projects. You are advised that we offer no objection to the continuation of this practice by these companies and we hereby consent to the entry of an order which will permit Kennedy Oil Company and Newmont Oil Company, after January 1, 1968, to dispose of water produced from their waterflood projects and from their leases offsetting waterflood projects in the Square Lake Pool, Eddy County, New Mexico, in the existing and proposed pits.

Respectfully submitted,

*C. E. Coleman*

DMX

OCT 14 1967

October 13, 1967

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Dear Sir:

We are familiar with the application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221 of the Oil Conservation Commission ("Commission") to permit, after January 1, 1968, the disposal in pits of water produced from waterflood projects in the Square Lake Pool, Eddy County, New Mexico, which has been docketed as Case No. 3666 before the Commission and set for hearing on October 18, 1967, in Santa Fe, New Mexico.

We are the owners and operators of certain ranch lands, including the fee simple title to the surface, Taylor grazing permits and State of New Mexico grazing leases, included within the boundaries of the Square Lake Pool, Eddy County, New Mexico, and the lands encompassed by the aforesaid application of Kennedy Oil Company and Newmont Oil Company.

We have had an opportunity over the past several years to witness the waterflood operations of Kennedy Oil Company and Newmont Oil Company in the Square Lake Pool and their practices in disposing in pits of water produced with oil from their projects. You are advised that we offer no objection to the continuation of this practice by these companies and we hereby consent to the entry of an order which will permit Kennedy Oil Company and Newmont Oil Company, after January 1, 1968, to dispose of water produced from their waterflood projects and from their leases offsetting waterflood projects in the Square Lake Pool, Eddy County, New Mexico, in the existing and proposed pits.

Respectfully submitted,

*Charles A. Martin*

October 13, 1967

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Dear Sir:

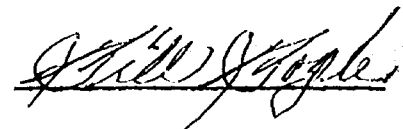
We are familiar with the application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221 of the Oil Conservation Commission ("Commission") to permit, after January 1, 1968, the disposal in pits of water produced from waterflood projects in the Square Lake Pool, Eddy County, New Mexico, which has been docketed as Case No. 3666 before the Commission and set for hearing on October 18, 1967, in Santa Fe, New Mexico.

We are the owners and operators of certain ranch lands, including the fee simple title to the surface, Taylor grazing permits and State of New Mexico grazing leases, included within the boundaries of the Square Lake Pool, Eddy County, New Mexico, and the lands encompassed by the aforesaid application of Kennedy Oil Company and Newmont Oil Company.

We have had an opportunity over the past several years to witness the waterflood operations of Kennedy Oil Company and Newmont Oil Company in the Square Lake Pool and their practices in disposing in pits of water produced with oil from their projects. You are advised that we offer no objection to the continuation of this practice by these companies and we hereby consent to the entry of an order which will permit Kennedy Oil Company and Newmont Oil Company, after January 1, 1968, to dispose of water produced from their waterflood projects and from their leases offsetting waterflood projects in the Square Lake Pool, Eddy County, New Mexico, in the existing and proposed pits.

Respectfully submitted,

BOGLE FARMS INC.



P.S. The above statement applies only in those areas where there is no sweet water in the underground formations.



JOEL M. CARSON

LAW OFFICES  
A. J. LOSEE  
CARPER BUILDING - P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88210

AREA CODE 505  
746-3508

27 September 1967

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

*Call  
3666*

Dear Mr. Porter:

Enclosed, in triplicate, please find Application of Kennedy Oil Company and Newmont Oil Company for an exception to Oil Conservation Commission Order No. R-3221, to permit the disposal in pits of water produced from Applicants' waterflood projects in the Square Lake Pool, Eddy County, New Mexico.

The Applicants request that this case be set for hearing before the Commission at its October 18, 1967, hearing.

Very truly yours,

  
A. J. Losee

Enclosures  
AJL:rh

cc: Mr. Robert B. Kennedy  
Kennedy Oil Company  
Box 151  
Artesia, New Mexico

Mr. Herman Ledbetter  
Newmont Oil Company  
First National Bank Building  
Artesia, New Mexico

Mr. John F. Russell  
Attorney at Law  
P. O. Box 640  
Roswell, New Mexico 88201

MAIL OFFICE

'67 OCT 5 AM 11 19

*Noted  
mailed  
10-5-67  
JR*



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
KENNEDY OIL COMPANY AND NEWMONT OIL  
COMPANY FOR AN EXCEPTION TO ORDER NO.  
R-3221 OF THE OIL CONSERVATION COMMISSION,  
TO PERMIT, AFTER JANUARY 1, 1968, THE  
DISPOSAL IN PITS OF WATER PRODUCED FROM  
WATERFLOOD PROJECTS IN THE SQUARE LAKE  
POOL, EDDY COUNTY, NEW MEXICO

*Chel 3666*

67 OCT 5 AM 11

APPLICATION

COME KENNEDY OIL COMPANY and NEWMONT OIL COMPANY, by  
their attorneys, John F. Russell and A. J. Losee, and state:

1. Applicants, in severalty, are the operators of  
certain waterflood projects and leases offsetting waterflood  
projects in Townships 16 and 17 South, Ranges 30 and 31 East,  
N.M.P.M., Square Lake Pool, Eddy County, New Mexico. The  
acreage operated by Kennedy Oil Company is described as fol-  
lows:

Township 16 South, Range 31 East, N.M.P.M.,

- Section 19: N/2 SW/4
- Section 20: S/2 NW/4, N/2 SW/4
- Section 21: SW/4 SW/4
- Section 22: SW/4 SW/4
- Section 27: W/2 NW/4, SE/4 NW/4, SW/4 NE/4
- Section 28: NE/4, N/2 NW/4, SE/4 NW/4,  
E/2 SW/4, E/2 SE/4

Township 17 South, Range 30 East, N.M.P.M.,

- Section 2: S/2 NE/4, SE/4 NW/4

The acreage operated by Newmont Oil Company is described as  
follows:

Township 16 South, Range 31 East, N.M.P.M.,

- Section 19: S/2 SE/4
- Section 20: S/2 SW/4
- Section 28: SW/4 NW/4, W/2 SW/4, W/2 SE/4
- Section 29: All

Section 30: NE/4, E/2 SE/4  
Section 31: NW/4 SW/4  
Section 32: N/2  
Section 33: All  
Section 34: S/2 NE/4, W/2 NW/4, SE/4 NW/4,  
S/2

Township 16 South, Range 30 East, N.M.P.M.,

Section 32: S/2 NE/4, SE/4  
Section 33: E/2 NE/4, S/2  
Section 34: All  
Section 35: NW/4, N/2 SW/4  
Section 36: SW/4 NE/4, NW/4, SW/4 SW/4,  
NE/4 SW/4, NE/4 SE/4

Township 17 South, Range 30 East, N.M.P.M.,

Section 4: NE/4, E/2 NW/4, NE/4 SW/4,  
N/2 SE/4

2. A map showing the acreage operated by Newmont Oil Company, colored in yellow, and the acreage operated by Kennedy Oil Company, colored in blue, together with the location of all existing and proposed disposal pits, is hereto attached and by reference made a part hereof.

3. There is no substantial supply of fresh water in the vicinity of Applicants' acreage in the Square Lake Pool, Eddy County, New Mexico.

4. The disposal of water produced in conjunction with the production of oil from the waterflood projects and from the leases offsetting the waterflood projects in the Square Lake Pool in the existing and proposed pits after January 1, 1968, as an exception to Order No. R-3221 of the Oil Conservation Commission ("Commission"), will not constitute a hazard to any fresh water supplies in the area, will be in the interest of conservation and will prevent waste.


WHEREFORE, Applicants pray the order of the Commission as follows:

1. That this matter be set for hearing before the Commission and that due notice thereof be given as required by law.

2. That after such hearing an order be entered granting an exception to Commission Order No. R-3221 to permit the Applicants, after January 1, 1968, to dispose of water produced from their waterflood projects and from their leases offsetting waterflood projects in the Square Lake Pool, Eddy County, New Mexico, in the existing and proposed pits.

3. And for such other relief as may be just in the premises.

JOHN F. RUSSELL  
P. O. Box 640  
Roswell, New Mexico

  
A. J. LOSEE  
P. O. Drawer 239  
Artesia, New Mexico

Attorneys for Applicants

Application of Leasing Bill Co. Mineral  
Oil Co. to be 322.1  
of OCC to permit after 1-1-68  
to permit disposal in Square  
Lake Port Eddy Co

www  
www

Tap 16 S R31E -

19 20 21 22 | 27 28 29 30  
31 32 33 34

Wain

T 16 S R 30 E

32 33 34 35 36

17 30 E  
2 & 4

2

Sections 19 through 22 and 27 through 34

T 16 S R 31 E

3

Sections 2 & 4, T 17 S R 30 E

1

Sections 32 through 36 T 16 S R 30 E

~~to be 322.1~~

dearnley-meier reporting service, inc.

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

11720 SUMMIT BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 15, 1967

REGULAR HEARING

-----  
IN THE MATTER OF: )  
)  
)  
)

Continued from the October 18th )  
Regular Hearing. Application of Kennedy )  
Oil Company and Newmont Oil Company for )  
an exception to Order No. R-3221, Eddy )  
County, New Mexico. )  
)  
-----

CASE 3666  
Dismissed

BEFORE: David F. Cargo, Governor  
A. L. "Pete" Porter, Secretary-Director  
Guyton B. Hays, Land Commissioner  
George M. Hatch, General Counsel

TRANSCRIPT OF HEARING

MR. PORTER: Case 3666.

MR. HATCH: Case 3666, continued from the October 18th Regular Hearing. Application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico. If the Commission please, I have a letter here from A. J. Losee, dated November 8, 1967 as representative of the applicants in this case, requesting that Case 3666 be dismissed.

MR. PORTER: If there are no objections, Case 3666 will be dismissed.

I, KAY EMBREE, Notary Public 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.

Witness my Hand and Seal this 4th day of

December, 1967.

Kay Embree  
Notary Public

My Commission Expires:

11-13-71

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
October 18, 1967

REGULAR HEARING

IN THE MATTER OF:

Application of Kennedy Oil  
Company and Newmont Oil Company  
for an exception to Order  
No. R-3221, Eddy County, New  
Mexico.

Case No. 3666

BEFORE:

A. L. (Pete) Porter - Secretary Director  
David F. Cargo - Governor  
Guyton Hays - Commissioner  
George Hatch - General Counsel

TRANSCRIPT OF PROCEEDINGS



MR. PORTER: We will take up next Case 3666.

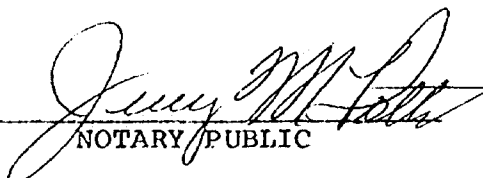
MR. HATCH: Case 3666, application of Kennedy Oil Company and Newmont Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico.

MR. PORTER: In connection with that case, the Commission was contacted by telephone yesterday by Mr. Losee, the attorney for the applicant who at that time requested that the case be continued to the regular November hearing. If there are no objections to the counsel's motion for continuance this case will be continued to the November 15th hearing date.

STATE OF NEW MEXICO )  
 )  
COUNTY OF BERNALILLO )

I, JERRY M. POTTS, Notary Public 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.

Witness my Hand and Seal this 15th day of November, 1967.

  
NOTARY PUBLIC

My Commission Expires:

July 10, 1970