

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



RECEIVED
NOV 15 1968
U.S. AM 8
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

Case 4047

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

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., R. 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

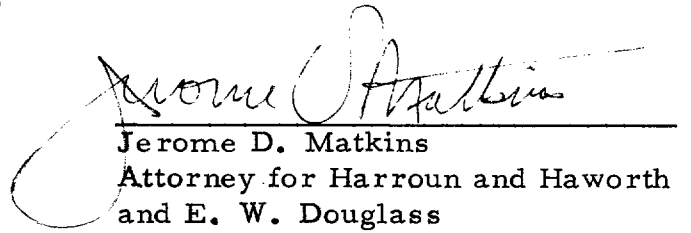
STATE OF NEW MEXICO

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 partner-
ship 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 ROOM

'69 FEB 17 AM 8 32

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

February 20, 1969

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

DOCKET NUMBER

Date 3/7/69

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

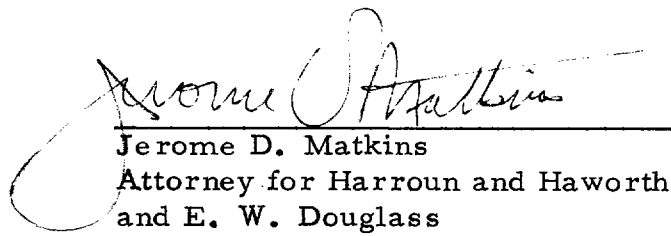
STATE OF NEW MEXICO

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

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

MAIL ROOM

'69 FEB 17 AM 8 32

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 20, 1969

C
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Y

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

DOCKET MAILED

Date 3/17/69

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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ir

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

[Handwritten signature]



1969 FEB 18

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
also for review
reference*

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 (Na_2SO_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,

[Handwritten signature of Earl H. Miller]
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

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

Attention: Mr. A. L. Porter

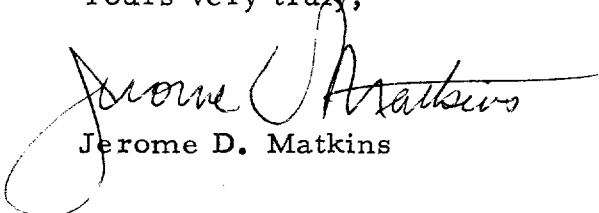
Re: Case No. 4047

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

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 $\frac{1}{4}$, SE $\frac{1}{4}$
Sec. 25 - Lots 1,2,3,4, SE $\frac{1}{4}$
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 $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 29 - S $\frac{1}{2}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$
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 $\frac{1}{4}$
Sec. 10 - S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 15 - E $\frac{1}{2}$ NE $\frac{1}{4}$
Sec. 17 - SW $\frac{1}{4}$ SE $\frac{1}{4}$
Sec. 28 - SW $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 29 - NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 33 - NW $\frac{1}{4}$ SE $\frac{1}{4}$
Sec. 34 - NW $\frac{1}{4}$ NE $\frac{1}{4}$
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 $\frac{1}{4}$ NE $\frac{1}{4}$ 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

SOUTHWESTERN LABORATORIES

Lab. No. C-5121

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.

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

Jack H. Barton

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.

Mg/L

Chloride ----- 8864

Sulfate -----11930

Conductivity ----- 10,000 μ Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

SOUTHWESTERN LABORATORIES

Lab. No. C-5122

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.

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 μ Micromhos/cm @ 25° C.

Copies: 3cc Mr. Ed L. Reed

Lab. No. C-5123

SOUTHWESTERN LABORATORIES

Jack H. Barten

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 μ Micromhos/cm @ 25° C.

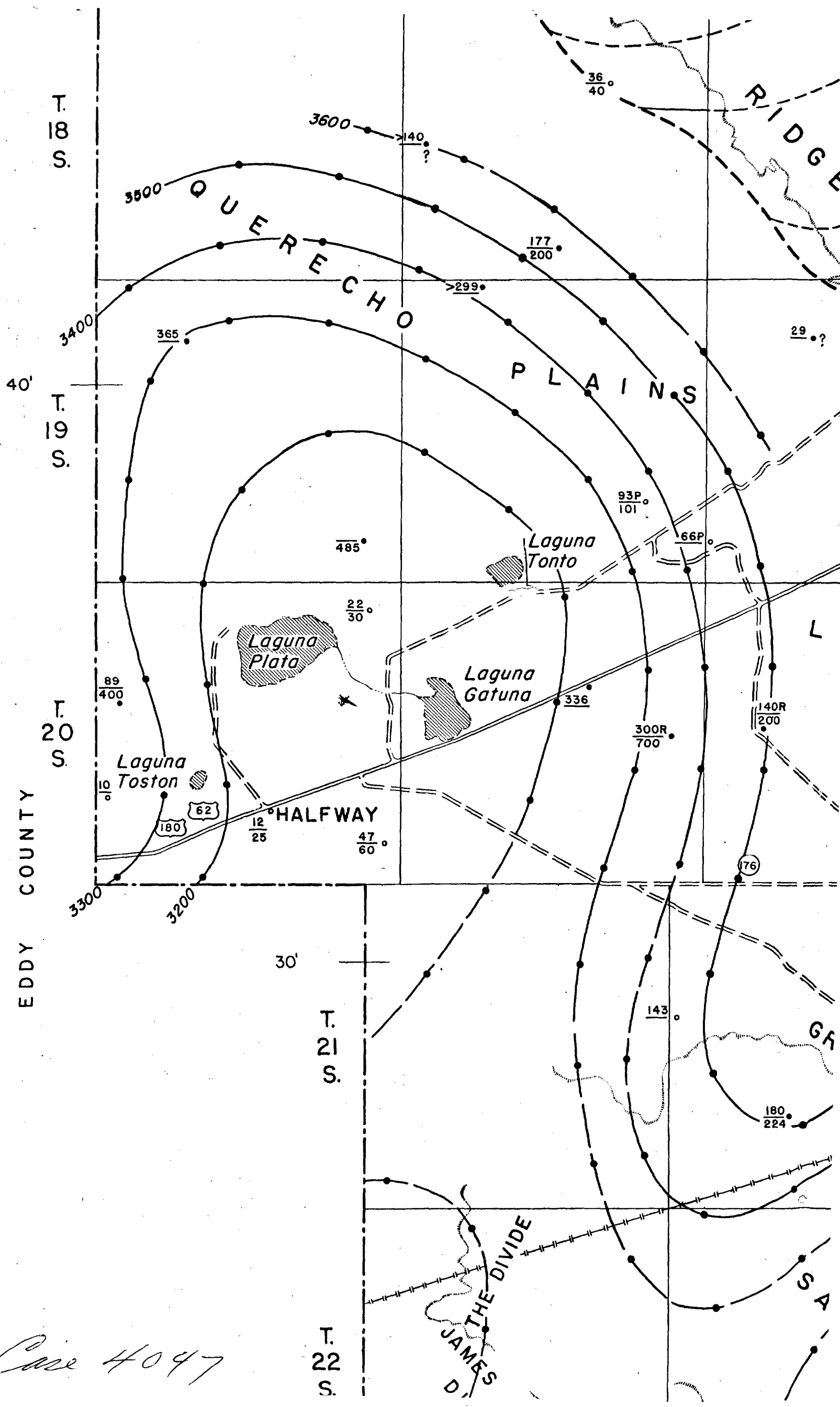
Copies: 3cc Mr. Ed L. Reed

SOUTHWESTERN LABORATORIES

Jack H. Barton

Lab. No. C-5124

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 4047

OF NEW MEXICO

P. O. BOX 1499

HOBBS, NEW MEXICO 88240

Company See 12

Field_____

Lease _____ Sampling Date _____

Type of Sample _____

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

MOORE BUSINESS FORMS INC. LA

* 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, in 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

This is a fast message unless its deferred character is indicated by the proper symbol.

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 SSNZZZ

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

CARE A L PORTER, JR, SECRETARY-DIRECTOR

CAPITOL BLDG SANTA FE NMEX

1969 MAR 18 PM 3 38
[Signature]

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

This is a fast message unless its deferred character is indicated by the proper symbol.

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 PM 4 02

4047 R-3221=

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL
CHAIRMAN OF THE BOARD

R. W.
PR

(337)

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.

LA229 S8N247

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=

MAIN OFFICE OF U.S.

'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