BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF WILLIAM A. AND EDWARD R. HUDSON FOR AN EXCEPTION TO THE PROVISIONS OF ORDER NO. R-3221 FOR A TEMPORARY PERIOD OF ONE YEAR

APPLICATION

the Oil Conservation Commission of New Mexico for an exception for a temporary period of one year to the provisions of Order No. 2 of Commission Order No. R-3221, which, effective January 1, 1968, prohibits the disposal of water produced in conjunction with the production of oil from any waterflood project or water pressure maintenance project 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 will constitute a hazard to any fresh water supplies, and in support thereof would show the Commission:

- 1. Applicant is the operator of a waterflood project on the Puckett "A" and Puckett "B" leases, Eddy County, New Mexico, from which small volumes of water are presently being produced.
- 2. In connection with the operation of said waterflood project applicant has constructed, maintained and utilized unlined surface pits located on the Puckett "A" lease in Unit B of Section 24, Township 17 South, Range 31 East, and on the Puckett "B" lease in Unit F of Section 25, Township 17 South, Range 31 East, all in Eddy County, New Mexico.

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- 3. Applicant seeks approval for the continued utilization of the above-described unlined surface pits until January 1, 1969.
- 4. The Ogallala fresh water-bearing formation is not present in the area under consideration and no fresh water is present under the Hudson Puckett "A" or "B" leases.
- 5. The continuation of present disposal methods for an additional year can cause no contamination of a fresh water reservoir.
- 6. Granting of an additional year will allow the applicant time to gather additional information which will be beneficial in finally adopting a disposal method that will most likely permit a better flood efficiency which will amount to a conservation of crude oil reserves, and the production of oil which would not otherwise be recovered.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or its duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the continued use of surface disposal pits for an additional period of one year, as requested.

Respectfully aubmitted,

WILLIAM A.and EDWARD R. HUDSON

BY: Ass W. Kellahi Kellahin & Fox

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ATTORNEYS FOR APPLICANT