

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:
GMS
case 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

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

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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

OCT 20 1967



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

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,

(01c 808) 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.G., Santa Fe
U.S.G.S., Roswell

ILLEGIBLE

YMM
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. Solomon

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:

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Respectfully submitted,

Chas. R. Martin

Handwritten signature: *Handwritten signature*

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JOEL M. CARSON

LAW OFFICES
A. J. LOSEE
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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

*Placed
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

1967 OCT 5 AM 11:4

*Received
10-5-67
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