LAW OFFICES

A, J. LOSEE JOEL M. CARSON LOSEE & CARSON, P.A. 300 AMERICAN HOME BUILDING P. O. DRAWER 239 ARTESIA, NEW MEXICO 88210

AREA CODE 505 746-3508

7 March 1974

Pac 5208

Mr. A. L. Porter, Jr., Secretary-Director Oil Conservation Commission of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Porter:

Enclosed herewith, you will please find three copies of Application of S. P. Yates for an exception to Order No. R-3221, as amended.

We should appreciate your setting this matter for hearing before an examiner at the earliest possible date.

Very truly yours,

LOSEE & CARSON, P.A.

J. Losee

AJL:jw Enclosure

cc w/enclosure: Mr. Peyton Yates

DOCKET MAILED

- Jack 14 Date.

DOCKET MAILED

Date 3-29-74

DOCKET MAILED

Date 4-11-74

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

)

IN THE MATTER OF THE APPLICATION) OF S. P. YATES FOR AN EXCEPTION) TO ORDER NO. R-3221, AS AMENDED,) EDDY COUNTY, NEW MEXICO.)

Case No. 27208

APPLICATION

COMES S. P. YATES, by his attorneys, and in support hereof, respectfully states:

1. That applicant is the owner and operator of Federal Lease LC 065598, comprising SW/4 SW/4 Section 4, and NE/4 Section 5, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

2. That applicant seeks an exception to the provisions of Oil Conservation Commission Order No. R-3221, as amended, to permit the disposal of salt water produced by applicant's Evans No. 3 Well located in the NW/4 NE/4 of said Section 5, and its temporarily abandoned Evans No. 1 Well located in the NE/4 NE/4 of said Section 5, in unlined surface pits on said leases.

3. The Evans No. 3 Well presently produces approximately six barrels of oil per day and 108 barrels of water per day, and it is estimated that the temporarily abandoned Evans No. 1 Well will produce three barrels of oil per day and approximately 200 barrels of water per day.

4. That there is no shallow fresh water in the vicinity of the above described wells for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located in the vicinity

of said wells. That the approval of this application will prevent waste.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant an exception to Oil Conservation Commission Order No. R-3221, as amended, to permit utilization of unlined surface pits for the disposal of salt water produced by the above described two wells.

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

S. P. YATES

By :

LOSEE & CARSON, P.A. P. O. Drawer 239 Artesia, New Mexico 88210

Attorneys for Applicant