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## BEFORE THE OIL CONSERVATION COMMISSION

## STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
HARVEY E. YATES COMPANY, GENE SNOW, :
MARBOB OIL COMPANY, SIMMS & REESE, :
AND LARUE & MUNCY, FOR AN EXCEPTION :
TO ORDER NO. R-3221 AS AMENDED, EDDY :
COUNTY, NEW MEXICO. :

CASE NO.

## APPLICATION

COME NOW HARVEY E. YATES COMPANY, GENE SNOW, MARBOB OIL COMPANY, SIMMS & REESE, and LARUE & MUNCY, by and through their attorneys, and in support hereof respectfully state:

- 1. That applicants are the owners and operators of the following leases located in Eddy County, New Mexico:
  - A. Harvey E. Yates Company -

Yates State Nos. 1, 2, 3, 4, and 6, located in the NE/4, N/2 SE/4, Section 32, Township 18 South, Range 30 East, N.M.P.M.

B. Gene Snow -

Elk No. 1, located in the NW/4 SW/4, Section 32, Township 18 South, Range 30 East, N.M.P.M.

C. Marbob Oil Company -

Elliott Nos. 1, 2, and 3, located in the SW/4 NW/4, Section 28, Township 18 South, Range 30 East, N.M.P.M., and the S/2 NE/4, Section 29, Township 18 South, Range 30 East, N.M.P.M.

D. Simms & Reese -

McClay No. 7, located in the NE/4 NW/4, Section 33, Township 18 South, Range 30 East. N.M.P.M.

## E. LaRue & Muncy -

McClay No. 9, located in the SW/4 NE/4, Section 33, Township 18 South, Range 30 East, N.M.P.M., and

McClay No. 10, located in the SE/4 NW/4, Section 33, Township 18 South, Range 30 East, N.M.P.M.

- 2. Applicants seek an exception to the provisions of Oil Conservation Commission Order No. R-3221 as amended to permit the disposal of saltwater produced by the above mentioned wells in unlined surface pits of said lessees.
- 3. 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.
- 4. That the approval of this Application will prevent waste.

WHEREFORE, applicants pray:

- 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 applicants an exception to Oil Conservation Commission Order No. R-3221 as amended to permit utilization of unlined surface pits for the disposal of saltwater produced by the above described wells; and

C. For such other and further relief as may be just in the premises.

> HARVEY E. YATES COMPANY, GENE SNOW, MARBOB OIL COMPANY, SIMMS & REESE, LARUE & MUNCY

LOSEE & CARSON, P.A. Artesia, New Mexico 88210

Attorneys for Applicants