

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :  
OF MARBOB ENERGY CORPORATION :  
FOR AN EXCEPTION TO ORDER NO. R-3221, : CASE NO. 5723  
AS AMENDED, EDDY COUNTY, NEW MEXICO. :  
\_\_\_\_\_ :

APPLICATION FOR REHEARING

Applicant, by its attorneys, and in support hereof respectfully states:

1. That on August 24, 1976, the Oil Conservation Commission of New Mexico ("Commission") entered its Order No. R-5249, to which reference is here made, denying the application for an exception to Order (3) of Commission Order No. R-3221, as amended.

2. That Order No. R-5249 is erroneous, as follows:

(a) Contrary to Finding (8), there is no fresh water in the vicinity of the unlined pit for which a present or reasonably foreseeable beneficial use is or will be made.

(b) Contrary to Finding (10), there was evidence that subsurface drainage or percolation of water from the proposed unlined pit would not be toward nor affect fresh water, if any is present in the vicinity of the unlined pit.

(c) Contrary to Finding (11) and Order (1), applicant should have been permitted to dispose of salt water produced from its wells in an unlined surface pit located in the vicinity of said wells.

WHEREFORE, applicant prays:

A. That the Commission grant a rehearing and that notice of said rehearing be given as required by law;

B. That upon rehearing the Commission enter an order granting applicant an exception to Commission Order No. R-3221, as amended, to permit applicant to dispose of water produced from its wells in an unlined surface pit located in the vicinity of said wells; and

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

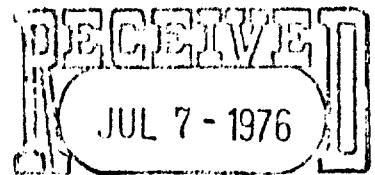
MARBOB ENERGY CORPORATION

By: 

A. J. Losee, for

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

Attorneys for Applicant



OIL CONSERVATION COMM.  
Santa Fe

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

By: 

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

Attorneys for Applicants