STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF:

CASE NO. 13480

APPLICATION OF GANDY MARLEY, INC. TO MODIFY THEIR EXISTING NMOCD RULE 711 PERMIT NO. NM-01-019 SO THEY MAY ACCEPT SALT-CONTAMINATED WASTES, CHAVES COUNTY, NEW MEXICO

ORDER NO. R-12306-C

ORDER OF THE DIVISION

BY THE DIVISION:

THIS MATTER came before the Director of the Oil Conservation Division (the Division) for consideration on August 29, 2005 at Santa Fe, New Mexico on the application of Gandy Marley, Inc. for a stay of Division Order No. R-12306-B, and the Director, having reviewed the matter and carefully considered the same, now, on this 31st day of August, 2005,

FINDS THAT:

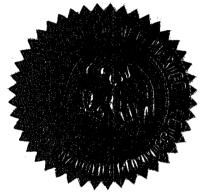
- (1) On August 5, 2005, the Division issued Order No. R-12306-B in this case, revoking Order No. R-12306-A (Emergency Order Extension) and directing Gandy Marley Inc. to immediately comply with the Division's letter directive of March 4, 2005 to cease accepting salt-contaminated wastes at its disposal facility.
- (2) Gandy Marley, Inc. thereupon filed an application for *de novo* review of said order by the Oil Conservation Commission (the Commission), and simultaneously filed an Application for Stay of Order No. R-12306-B pending such review.
- (3) The Director of the Division has jurisdiction, pursuant to Rule 1220.B of the Rules of the Oil Conservation Division, to grant or deny stays of orders of the Division pending review by the Commission

(4) The Director of the Division is of the opinion that the Application for Stay in this case is not well taken, and should be denied.

IT IS THEREFORE ORDERED THAT:

- (1) The Application for Stay of Order No. R-12306-B is hereby denied.
- (2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.

Director