Michael H. Feldewert Recognized Specialist in the Area of Natural Resources - oil and gas law -New Mexico Board of Legal Specialization

mfeldewert@hollandhart.com

December 23, 2005

Mark E. Fesmire, Director Oil Conservation Division New Mexico Energy, Minerals & Natural Resources Department 1220 South St. Francis Drive Santa Fe, NM 87504 (5050 476-3462 facsimile

Re: CASE NO. 13480 De Novo

Application of Gandy Marley, Inc. to modify their existing NMOCD Rule 711 Permit No. NM-01-019 so that they may accept salt contaminated oilfield wastes.

Dear Mr. Fesmire:

Pursuant to Division Order R-12306-B, Gandy Marley Inc. (GMI) filed a revised application for permit modification that is scheduled for hearing before the Commission on January 12th. By letter dated December 1, 2005, the Division's Environmental Bureau determined that GMI's revised application is administratively complete.

Controlled Recovery Inc. wishes to thank the Division and the Commission for its steadfast attention to this matter, and to express its support for the restrictions and modifications contained in GMI's revised application, as well as Commission Order R-12306-E. Accordingly, Controlled Recovery Inc. does not intend to present witnesses at any hearing in this matter or offer any comments in opposition to GMI's revised application.

Sincerely,

Michael H. Feldewert

cc: David Brooks, attorney for the Commission

Pete V. Domenici, attorney for GMI Ken Marsh, Controlled Recovery Inc.