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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10490 Order No. R-9990-A

APPLICATION OF NORANDA MINERALS, INC. REQUESTING THE DIVISION TO RESCIND OR DENY AN APPLICATION TO DRILL A CERTAIN WELL IN THE OIL-POTASH AREA, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION STAYING ORDER NO. R-9990

BY THE DIVISION:

This matter having come before the Division upon the request of Noranda Minerals, Inc. for a Stay of Division Order No. R-9990 and the Division Director having considered the request and being fully advised in the premises,

NOW, on this 3rd day of December, 1993, the Division Director:

FINDS THAT:

- (1) Division Order No. R-9990 was entered on October 18, 1993, upon the application of Noranda Minerals, Inc. requesting the Division to rescind or deny an application to drill a certain well in the Oil/Potash Area, Lea County, New Mexico.
- (2) On November 10, 1993, Noranda Minerals, Inc. filed with the Division a request for a De Novo hearing in this case which is now set for hearing by the Commission on January 13, 1993.
- (3) Noranda is the current lessee of a valid potash lease in the area which they allege will be harmed by the proposed well.
- (4) Division Order No. R-9990 should be stayed in order to give Noranda the opportunity to present evidence to the Commission that potash will be wasted if the proposed well is drilled.
- (5) Noranda has complied with the provision of Division Memorandum 3-85 and has filed its request for a stay on November 10, 1993.

IT IS THEREFORE ORDERED THAT:

- (1) Division Order No. R-9990 is hereby stayed in its entirety pending entry of an order resulting from the Commission hearing on January 13, 1994.
- (2) Jurisdiction of this cause 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.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY Director

SEAL