AP-056

General Correspondence

YEAR(S): 2009 - 2012

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2008 SER PATRICK H. LYONS COMMISSIONER

8 PM 2 04 State of New Mexico Commissioner of Public Lands

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COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

September 4, 2008

Mr. Glenn von Gonten Senior Hydrologist Environmental Bureau Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

RE: New Mexico Salt Water Disposal Company Station #11

Dear Mr. von Gonten:

Commissioner Lyons has received an inquiry on the Phase I Site assessment for the above-captioned disposal well. The Land Office's oil and gas lease position in the Permian Basin is significant and disposal facilities are critical to oil and gas operations.

It is my understanding that there have been delays in the permitting process due to staffing shortages but that the Oil Conservation Division has recently hired a hydrologist who can focus on applications such as this one. We all understand the staffing issue in state government and are encouraged that the OCD has made this recent hire so that the backlog can be considered. The applicant cannot move forward until its permit is granted so the ongoing review is critical. Any expedited consideration that can be given to the back-log will go a long way toward resolving the matter.

If you have any questions about this letter please contact me at 827-4489.

Very truly yours,

John H. Bemis

Assistant Commissioner for Oil, Gas and Minerals

cc: Mr. Charles B. Read