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

IN THE MATTER OF:

CASE NO. 13480 ORDER NO. R-12306-F

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

ORDER OF THE DIVISION

BY THE DIVISION:

This matter came on for consideration before the Division Director on January 12, 2006, and the Director, being fully advised;

FINDS THAT:

1. By Order No. R-12306-B, issued in this case on August 5, 2005, the Director ordered, *inter alia*, that, "Following filing by GMI [Gandy Marley, Inc.] of a revised application in conformity with Rule 711, and after proper notice thereof is provided, the Director hereby refers this matter directly to the Commission for further proceedings thereon." Ordering paragraph 5 of Order No. R-12306-B.

2. Subsequent to the issuance of Order No. R-12306-B, Gandy Marley, Inc. filed a new application and gave the required notices.

3. By letter dated December 23, 2005, Controlled Recovery, Inc., which had protested Gandy Marley Inc.'s original application, stated that it would not object to the new application.

4. No other party or person has protested Gandy Marley's application in its present form or requested a hearing thereon, and the Division staff recommends approval of the application.

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5. Pursuant to OCD Rule 711 [19.15.9.711 NMAC], in the absence of a protest, an application of this nature may be granted administratively in the absence of protest.

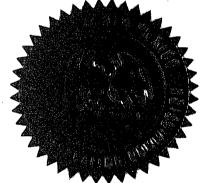
IT IS THEREFORE ORDERED THAT:

1. Ordering paragraph 5 of Order No. R-12306-B is hereby rescinded.

2. Unless the Division receives a protest or request for hearing prior to final action, the Division may proceed with consideration of Gandy Marley's new permit application pursuant to the administrative approval provisions of Rule 711.

3. 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