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January 10, 2007

VIA FACSIMILE FILING 505-476-3462

Florene Davidson, Hearing Clerk
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

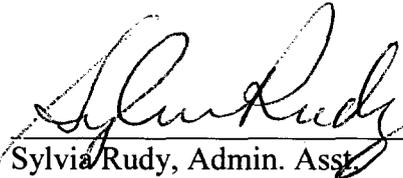
RE: Matter of the Application of DKD, LLC for an Order Directing Gandy Corporation to Show Case, Lea County, New Mexico; Case No. 13686

Dear Ms. Davidson:

Please find attached Gandy-Marley's *Notice Provisionally Reinstating Motion to Dismiss* for filing in the above captioned case. The originals are being sent via U.S. Mail.

Thank you for your courtesies.

Sincerely,
DOMENICI LAW FIRM, P.C.


Sylvia Rudy, Admin. Asst.

cc: 1679
J. Scott Hall, Attorney for DKD
Cheryl Bada, Attorney for OCD
Mark Fesmire

2007 JAN 12 PM 12:40

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

**IN THE MATTER OF THE APPLICATION OF
DKD, LLC FOR AN ORDER DIRECTING
GANDY CORPORATION TO SHOW CAUSE,
LEA COUNTY, NEW MEXICO**

**CASE NO. 13686
Order NO. R-12649
DE NOVO**

2007 JUN 12 12 40

**GANDY CORPORATION'S NOTICE PROVISIONALLY
REINSTATING MOTION TO DISMISS**

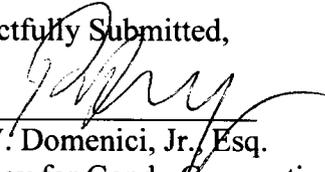
COMES NOW Gandy Corporation (Gandy), by and through undersigned counsel of record, and provides notice that in the event the Commission takes such action on the various pending notices and motions regarding this matter, that if any of the matter moves forward on the merits, Gandy Corporation provides notice that they are provisionally reinstating their Motion to Dismiss Amended Application of DKD for Lack of Jurisdiction. As grounds for this, they state:

1. The Motion to Dismiss was filed on December 12, 2006.
2. A Response was filed by DKD on January 4, 2007.
3. The motion is ready to be decided.
4. Gandy filed a Notice of Withdrawal of the De Novo Appeal and a Notice to Withdraw the Motion to Dismiss on January 5, 2007.
5. DKD objected to the Notice of Withdrawal of the De Novo Appeal but not the Motion to Dismiss and filed a Motion to Strike the Notice and other pleadings. DKD's conduct and actions in attempting to have the Commission take action on this matter, despite the Appellants' withdraw of the appeal, is further support for the Motion to Dismiss. As argued in the Motion to Dismiss, it is demonstrated by DKD's conduct that DKD is asserting a private remedy through the Commission hearing process, which is directly contrary to the statutory

authorities cited in the Motion to Dismiss. DKD's actions in attempting to use the administrative process to further its own interest are further grounds that the Motion to Dismiss should be granted.

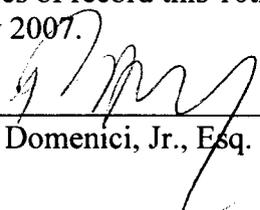
WHEREFORE, in the event the Notice of Withdrawal is not affected, Gandy hereby provides notice that it reinstates its Motion to Dismiss and requests a ruling on it prior to any evidentiary hearing on the issues in this matter.

Respectfully Submitted,



Pete V. Domenici, Jr., Esq.
Attorney for Gandy Corporation
320 Gold Avenue SW, Suite 1000
Albuquerque, NM 87102
(505) 883-6250

I hereby certify that a true and correct copy of the foregoing was sent via facsimile and U.S. mail to all parties of record this 10th day of January 2007.



Pete V. Domenici, Jr., Esq.