

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

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

CASE NO. 13962 (De Novo)
Order No. R-12811-A

APPLICATION OF GANDY CORPORATION
FOR AUTHORIZATION TO INJECT INTO
THE JULIA CULP WELL NO. 2, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 13, 2008, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 13th day of March, 2008, the Commission, a quorum being present, having considered the record and being fully advised in the premises,

FINDS THAT:

(1) On June 13, 2007, Gandy Corporation filed an application seeking authority to re-enter the plugged and abandoned Julia Culp Well No. 2 (API No. 30-025-30879) located 2310 feet from the North line and 660 feet from the East line (Unit H) of Section 34, Township 15 South, Range 35 East, NMPM, Lea County, New Mexico, and to utilize this well for commercial disposal of oilfield waste waters into the Devonian formation at perforated and open-hole depths of 13,865 feet to 14,500 feet.

(2) The case was heard by an examiner on July 26, 2007, and Order No. R-12811 was issued by the Oil Conservation Division on September 24, 2007, authorizing the above-described injection for disposal purposes.

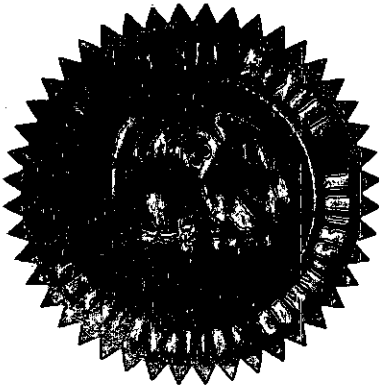
(3) Jerry Carlisle of J & J Service, Inc. appeared at the hearing in opposition to the proposed injection well.

(4) Rule 19.15.14.1221 NMAC provides that a party has the right to have a matter heard de novo before the Oil Conservation Commission if the party files a written application for de novo hearing within 30 days from the date the Oil Conservation Division issued its order. J & J Service, Inc. filed a timely application for de novo hearing on October 24, 2007, and the de novo application was set for hearing on December 6, 2007. The applicant requested several extensions of the hearing of this case and has now requested that the de novo case be dismissed.

IT IS THEREFORE ORDERED THAT:

(1) Case 13962 De Novo is hereby dismissed, and Division Order No. R-12811 is hereby continued in full force and effect until further notice.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in cursive script, appearing to read "Jami Bailey".

JAMI BAILEY, CPG, Member

A handwritten signature in cursive script, appearing to read "William Olson".

WILLIAM OLSON, Member

A handwritten signature in cursive script, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E., Chair