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

APPLICATION OF FASKEN OIL & RANCH LTD. FOR AN ORDER AUTHORIZING AN ADDITIONAL WELL IN THE "POTASH AREA" AT AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

De Novo CASE NO. 14116 Order No. R-12955-M

ORDER DENYING INTREPID'S MOTION FOR CONTINUANCE

The Oil Conservation Commission (Commission) Chair, having reviewed Intrepid Potash – New Mexico, LLC's (Intrepid) Motion for Continuance orders as follows:

1. Fasken filed its application to drill a second deep gas well on state trust lands in Section 16, Township 20 South, Range 23 East in May 2007.

2. Intrepid opposed Fasken's application.

3. Following a two-day hearing, the Oil Conservation Division (Division) entered Order No. R-12955-B allowing Fasken to drill a second deep gas well in Section 16, Township 20 South, Range 23 East.

4. Intrepid appealed Order No. R-12955-B in April 2009 and the matter was set to be heard by the Commission in June 2009.

5. Intrepid filed a motion for continuance, which was granted by Commission Order No. R-12955-E.

6. The Commission scheduled the de novo hearing for October 21, 2009, but because of Intrepid's failure to comply with discovery requests and outstanding issues concerning discovery the Commission only addressed discovery issues at that hearing.

7. At the October 21, 2009 hearing, the Commission stated that the de novo hearing would be scheduled for late February or March 2010.

8. Given that Fasken filed its application in May 2007 and the previous delays in holding the de novo hearing, the Commission denies Intrepid's request for a continuance of the de novo hearing scheduled for February 24 through 26, 2010.

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DONE at Santa Fe, New Mexico on the 26th day of January, 2010.



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MARK E. FESMIRE, P.E., Chair